Merger Strategy, Cross-Cultural Involvement, and Polyphony
Svane, Marita Susanna; Boje, David

Published in:
IACCM Conference 2014: "Between Cultures and Paradigms" University of Warwick, England, 26-28 June

Publication date:
2014

Document Version
Early version, also known as pre-print

Link to publication from Aalborg University

Citation for published version (APA):

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13th IACCM Annual Conference

BETWEEN CULTURES AND PARADIGMS

Intercultural Competence & Managerial Intelligence

and

6th CEMS/IACCM
Doctoral Workshop
26-28 June 2014

CONFEREECE PROCEEDINGS

Local organisers:
Dr. Daniel Dauber  
Farhana Abdul Fatah  
d.dauber@warwick.ac.uk  
F.Abdul-Fatah@warwick.ac.uk

More Information
warwick.ac.uk/iaccm2014

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Merger strategy and cross-cultural involvement and polyphony
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ABOUT THE
INTERNATIONAL ASSOCIATION OF CROSS-CULTURAL
COMPETENCE & MANAGEMENT (IACCM)

by
Marie-Thérèse Claes (president) &
Gerhard Fink (vice-president)
Mission and Vision of IACCM

The International Association of Cross Cultural Competence and Management is an academic forum of experts in all fields of research who take an interest in and are concerned with cross-cultural topics. The IACCM network is designed to offer its participants the opportunity to provide and collect information, to exchange views, and to facilitate and intensify international co-operation. Regularly organized conferences and the publication of a refereed journal (EJCCM) managed by an international editorial board shall guarantee information exchange and knowledge migration at a high academic level, facilitate the creation of research networks and application of cross-cultural knowledge in research practice and cross cultural training.

The objective of the International Association of Cross Cultural Competence and Management is to develop well-founded explanations for the cross-cultural factors that gain growing importance in an increasingly internationalized world, what hopefully will help to establish cross-cultural competence and management as a widely recognized field of research.

Until today IACCM is solely driven by the enthusiasm of its leading members who devote themselves to the mission of promoting young scholars. In 1994, with help of a grant of the Austrian Ministry of Science and Education, Gerhard Fink began to devote himself to professional development of young scholars in Austria and other European countries. He tried to get hold of anybody in Austria and Central Europe who worked or intended to work in the field of CC Studies and Training. During 1994-1996, together with young scholars from the WU Study Abroad Centre, Gerhard Fink had organized 12 workshops. During 1997-98 another four conferences/workshops were organized with help of an EU grant. When the grants had expired, many of the participants found that they would like to continue to meet each other. Therefore, IACCM was founded in 1997. For many years, IACCM did not charge any membership fee. It is based on the

Marie-Therese Claes Ph.D. is professor of Cross-Cultural Management at Louvain School of Management in Belgium and guest professor at several universities. She was Dean of the Business Faculty of Asian University in Thailand, and is Adjunct Professor at the Asian Institute of Technology. She is head of the CEMS Interfaculty Group Global leadership and Cross-Cultural Management, and president of the International Association for Cross-Cultural Competence and Management. She is past president of SIETAR Europa (Society for Intercultural Education, Training en Research) and of EWMD (European Women Management Development, EFMD). Marie-Therese is Fellow of the Royal Society of Arts, and a Fulbright and Japan Foundation alumna.

www.uclouvainb.be/lsm.html

‘DEVELOP WELL-FOUNDED EXPLANATIONS FOR THE CROSS-CULTURAL FACTORS THAT GAIN GROWING IMPORTANCE IN AN INCREASINGLY INTERNATIONALIZED WORLD’
enthusiasm and the efforts of engaged members who provide their work, knowledge and services free of charge. Since then several of the IACCM applications for EU grants were successful. When IACCM had no EU funding, several leading members of IACCM organized IACCM conferences at various places in Europe, mostly without any financial support from IACCM itself, which was designed to have very little funds, anyway.

The papers of the 1994-96 workshops and conferences we published in a working paper series, which was established within the framework of a small non-profit association devoted to promote cooperation between East and West Europe (GESOK). During 1997-98, the more experienced scholars found that it would be good to have a better outlet for papers in German and English that had reached a minimum quality and deserved publication. Therefore, the Journal of Cross Cultural Competence and Management (JCCM) was established. JCCM offered first publication opportunities for young scholars, in English and in German. Nevertheless, experienced scholars did not hesitate to contribute to the journal to make it more attractive to readers. JCCM was published with a German publisher. Over the years, the number of German articles decreased, since the young scholars from more than 25 countries, who were promoted by IACCM improved their English.

In 2008 the European Journal of Cross-Cultural Competence and Management (EJCCM) was founded in cooperation with Inderscience Publishers (http://www.inderscience.com/ejccm; ISSN (Online): 1758-1516 - ISSN (Print): 1758-1508).

EJCCM now is the official scholarly publication of the International Association of Cross-Cultural Management and Competence (IACCM) (http://wu.ac.at/iaccm). The journal aims to widen and deepen the discussion about issues regarding the influence of cultural differences and diversity on the management of organisations of all kinds. Of particular relevance is the question of how culture affects both managers and decision-makers in situations involving the cross-cultural transfer of knowledge, values and experience.

Gerhard Fink is a retired Jean Monnet Professor. During 2002–2009, he was the Director of the doctoral programs at WU (Vienna University of Economics and Business), Austria. He was the Director of the Research Institute for European Affairs during 1997–2003. His current research interests are in cybernetic agency theory, normative personality, organizational culture and cultural change in Europe. He has about 230 publications to his credit in learned journals and has authored or (co-)edited about 15 books. Among others, he is Associate Editor of the European Journal of International Management and Co-Editor of the EJCCM. He was guest editor of several journals, among others in 2005 of the Academy of Management Executive, and in 2011 of Cross Cultural Management: an International Journal. He is also founding member of the Organisational Coherence and Trajectory Project (www.octresearch.net).
Objectives of the European Journal of Cross-Cultural Competence and Management

EJCCM covers the broad field of cross-cultural research with special reference to management in practice. One of its main objectives is the establishment of a platform for the discussion of cultural issues in modern business across disciplines and cultures. In the spirit of its founding organisation, EJCCM encourages contributions from different fields of science dealing with the interrelations and links between culture, personality and patterns of behaviour; with the effects of culture and cultural differences on intercultural interactions and of interactions on cultural difference, with learning from successful and not so successful intercultural action, with strategies of cultural adjustment, hybridisation, and with cultural distinction and separation. The journal explicitly encourages papers about the dynamics of cross-cultural interactions during the transition in East, Central and South East Europe, the former Soviet Union, and Newly Independent States.

Readership

EJCCM offers insights into the effects of culture on business in a globalised world, which are relevant for academics in business studies, social science and other fields of science dealing with culture, intercultural trainers and educators as well as business people working internationally. While the title of the journal puts a clear emphasis on studies from a European perspective, distinct non-European perspectives are highly welcome, too.

Contents

EJCCM publishes original papers, case studies, book reviews, management and conference reports. In a Practitioner’s Corner, applied and practical contributions are included which are of particular relevance for educators, trainers and business people working in an international and multicultural context. Special issues devoted to new developments in the field and other important topics in cultural research are encouraged.

The first issue of EJCCM appeared in 2009, with contributions among others by Rosalie Tung, Gert Jan Hofstede, Brendan McSweeney, Slawomir Magala, Marie-Thérèse Claes, Gerhard Fink, Wolfgang Mayrhofer and others. The papers of 2009-1 are freely available at http://www.inderscience.com/info/inarticletoc.php?jcode=ejccm&year=2009&vol=1&issue=1

Since IACCM has been established in 1997 around 230 international researchers and practitioners have joined IACCM and contributed substantially to the establishment of the network as it exists today. We would like to thank all members in the association for their continuous promotion to this day! For a long time, membership to IACCM has been free of charge. In Vienna and at the various conference places a relatively large number of volunteers contributed time and efforts without any pay, and members of the board were busy to find sponsors for specific events. We are most grateful for the valuable support and want to thank all those who contributed with their efforts to the existence of IACCM!
Beginning with 2009, together with Jacob Eisenberg, Dublin, Ireland, then chairman of the CEMS Faculty Group on Cross-Cultural Management, IACCM could annually organize a joint CEMS/IACCM doctoral workshop, and reinforce its original mission of supporting young scholars by providing early career opportunities to participate in an international conference with posters of their dissertation research projects and to get advice by an experienced scholar how to improve the methodological design of their research projects.

Our particular thanks are due to the local conference organizers during the last 20 years: Adriana Calvelli, Francesco Calza, Chiara Cannavale, twice at Naples, Italy; Slawomir Magala, twice at Rotterdam, The Netherlands; Peter Ondrakiewicz, at Poznan, Poland; Juliana Popova, at Ruse, Bulgaria; Nigel Holden, first at Copenhagen, Denmark, and later again at Preston, England; Shapour Zafarpour, Frank Brück, Wolfgang Mayrhofer and Gerhard Fink, four times at WU-Vienna, Austria.

With great pleasure we are looking forward the forthcoming IACCM 2014 conference at Warwick, England, with Daniel Dauber, as the local organizer and to the 6th CEMS/IACCM doctoral workshop 2014.

Best wishes for the IACCM 2014 conference,

Marie Thérèse Claes and Gerhard Fink
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| 09:30 | Beyond the third culture. The emergence of inclusive culture in multicultural workplaces and the link with the development of intercultural competences.  
*Fabrizio Maimone*  
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| 10:00 | Building the Babylon tower: Knowledge hiding, cultural intelligence and creativity.  
*Sabina Bogilovic*  
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Abstract

Purpose

The purpose of this paper is to investigate the state of the teaching profession in cross-cultural management and situate this in the changing global environment in which we and our students operate. Groups such as the faculty group in CEMS organization of business schools and others have developed forums in which teachers can discuss and align their school’s programmes. This study serves as a review of their opinions and that of others working in the field over the last period of up to 20 years and aims to shed light on teacher, student and practitioner assessments of the relevance and value added by our teaching activities.

Design

The study will analyze the responses to an open-ended questionnaire of 8 items aimed at eliciting respondents assessment of how the environment has changed in recent years, how the expectations and attitudes of our students have changed in line with these developments and how the profession has responded in methodology, content and conceptual approach. The second part of the questionnaire assesses the issue of Western centredness in an increasingly global world in which traditional Western attitudes, models and assumptions are likely to lose relative weight.

Findings

The results are not conclusive yet since the responses have not all been analyzed, however, it looks likely that there is some sense that the profession could pitch teaching in a more integrated way to relate cultural variables with other major influences on business world-wide and secondly how the approach is still bedevilled by simplistic national dimension models and consultants’ tools and lacks focus on dynamic aspects of interactions and analysis of how outcomes are negotiated in a huge diversity of encounters.

Research limitations/implications

While the study can offer insights into teachers’ and others’ perceptions of how the profession is meeting current challenges the qualitative analysis does not rest on a solid theoretical underpinning but is more an agenda setting research for further deepening and formalization.

Practical implications

This study will help in the creation of on-going strategies for maintaining the appropriacy and effectiveness of the methods, concepts, models and terminology we use and how they are communicated to our students.

What is original/ what is the value of the paper?
It is a piece of primary research in the sense that it invites opinion from professionals at a certain point in time. Its value is to enable us to gain perspective on our teaching activities at a time when there are increasing doubts as to how useful we are in the business syllabus of our students and their technologically enabled vision of a global world that seems to eliminate cultural differences. In reality these differences are still of key importance in understanding encounters and in assessing the impact of social developments, often ignored by the business community.

**Keywords**
cross-cultural management, teaching, change, cultural and power

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**Extended Abstract**

I am retiring after more than 20 years teaching and working with students in cross-cultural management and feel it would be useful to present an overview of how our world has been changing and how our profession has responded.

Some things have not changed much. Hofstede was cited 104,000 times between 1989 and January 2014 according to Google Scholar (which is a significant methodological development in itself), 48,500 of these since 2009. My students’ work still routinely refers to the 5 dimensions as a proxy for national cultures. Other value models (such as Schwartz, GLOBE, WVS), are still used infrequently; the multiple etic/emic/critical approaches and recognition of internal diversity in nation states that we have favoured in the profession often seem to be losing the battle against simplification and reification of culture. Consultants are more and more successful with easy to access national profiles based on a small number of quasi dimensions as the corporate culture business has flourished witness Trompenaars Hampden Turner.

Students appear increasingly dismissive of cultural issues; they live in a multi-cultural world thanks to huge changes in communication technology with immediate access seemingly eliminating cultural differences. This much vaunted global world is flat, seamless and well-meaning - as explained in numerous company web pages.

The world in the 1990’s was smaller in the sense that it was less global; it was also bigger in the sense that there were more areas that were still
distant and inaccessible; it was less mobile, less multi-cultural and less connected than ours today. The Web had only just become commonly accessible and virtual teamwork was in its infancy, still a challenging activity to help train our students for their future professional life.

We all live in a world which has changed dramatically since that time. All sorts of statistical series reveal changes in connectedness (flying hours, expatriate population, migration flows and stocks among others) and, crucially, in digital connectivity (global internet users, broadband subscriptions, internet hosts, mobile phones in use, etc.). There are as many mobile phones in use as people in the world (though with a low of 10% or less in Cuba and North Korea, presumably in the hands of the élite).

At the same time many social data have changed radically including education, literacy, longevity but what is still a glaring anomaly is the huge disparity between rich and poor countries, some like Thomas Piketty arguing (controversially) that this follows an increasing trend. 5 African countries have “healthy life expectancy” below 35 years in 2013 whilst the top 5 developed countries are at 73 or above; life expectancy at age 60 is 25 years or more in the top 5 countries and 14 or less in the bottom 5; there are more people over 60 than children under 5 and the percentage over 65 has increased by a third while birth rates and infant mortality has declined almost universally. The social variables used by Michael Minkov to construct his dimension of hypometria/prudence (adolescent fertility, HIV rates, murder index, road death statistics among others) demonstrate that such social variables can be used to establish new etic dimensions, but Minkov’s prime objective was not to show diachronic evolution.

Meanwhile reputable attitude polls (Pew, Gallup and others) show that relations between many long established national populations and immigrant communities and their descendants continue to be of mutual suspicion as is confirmed by daily experience. International business and the international management text books we use barely touch this marginal world let alone bringing more inter-cultural understanding. The results of the recent European elections (May 25th) only makes this picture more gloomy showing the rise of essentially xenophobic and intolerant national parties which seem to deny the spirit in which the European Union was built over the decades.

This world has also seen major changes in moving from what was then post-Communism following the fall of the Wall to much more complex patterns, socially and economically and the failure to realize the finer dreams of that period. Meanwhile the rise of China with all the changes that that has entailed has led to a proliferation of cases dealing with Western-Chinese business successes and failures. This applies to some extent to other Asian countries: for many teachers this has been a two decade love affair with Asia with less emphasis on other continents and very little attention at all to Africa.

One of the implications of the focus on the Western manager dealing with Asian counterparts has been that we tend to focus on decision making problems facing the international manager in his/her daily work. One area where this is especially clear is cross-cultural ethics but also a wider range of issues at
the interface between different sets of values, different histories, different perceptions of power, the “West v the Rest” in Samuel Huntington’s phrase, and involving us in delicate issues of identity and colonial heritage.

As a profession we face increasing skepticism as to our effectiveness in dealing with important issues of social inclusion, business ethics and corporate diversity, and often seem to be suffering a crisis of confidence in which we feel we are not offering anything important or effective to our students or the organizations in which they will soon be working.

There is a need to integrate culture teaching with other variables and influences; power relations continue to be largely ignored in our teaching, and international management textbooks do not show much sign of changing this. Books about culture in practice such as Primecz et al (2012) or intercultural communication e.g. Spencer-Oatey and Franklin (2009) continue to be a minority interest and not likely to be prescribed on a large scale for students.

I analyze the findings from a limited number of survey returns by CCM teachers (n = 10). The majority feeling is that in our CCM teaching we have not recognized the increasing connectedness of our students, have not modified our teaching approach in ways which take account of the more globalized world and have not sufficiently considered the role of power in inter-cultural relations. The shift in demographics which has marked the last twenty years is also not felt to have been taken into account and the response of CCM teaching to issues that exist at broader social level but have an impact on all aspects of life including business has been inadequate: we live apparently in a seamless world but international management books and much of the teaching community deal only with the globalized business community; the rest, lying below the digital divide and to a large extent outside the reach of globalization, appear marginally or not at all.

A recurrent theme is that whilst we should take account of power in business we should not relegate our profession to the study of cross-cultural communication, non-verbals and local protocols à la HSBC “global local bank”. On the contrary we know attributional cultural knowledge is central to successful cross-cultural encounters and our mission is still to demonstrate this to our students.

I conclude that in many respects we are going haltingly in the right direction but not advancing fast enough. I present some themes that I think we should reflect on and emphasize in our teaching as follows; none of these are revolutionary, I might say:

1. Cross-cultural ethics and how managers can deal with the dilemmas faced; integrated social contract theory as a helpful way forward.

2. Discourse and face systems to underline the relationship between underlying forces – cultural, historical, relational, power – and the communication mechanisms at our disposal to deal with these.

3. Wider range of models going beyond the etic dimensions comparison approach to a more ethnographic, emic oriented appreciation of the cultural dimension of encounters.
4. The key importance of negotiated meanings and strategic elements in the dynamics of encounters; overcoming facile prediction based on a failure to appreciate the complexity of cultural patterns or to take into account the situational moderators on cultural values that influence behavioural outcomes in on-going inter-cultural business encounters.

5. The need to perceive and, depending on the degree of our chosen involvement, active proselytization and statement of positions on the rights and wrongs of business practices and social norms. We should continue to and increase our discourse on such issues as sustainability, safety, human rights, legal protection for workers, intellectual property rights (which involves considerable conceptual difficulties in cultural terms...). Cultural contrasts may not be purely relativistic.

6. This may – should? - extend to social class considerations and involve the communication styles in the tradition of Basil Bernstein and Mary Douglas and their implications in terms of life possibilities for (especially) young people.

7. See cross-cultural management as a part of an ensemble of variables all simultaneously present in business. The special place of culture is related to socialization, beliefs and values but these are embedded in history, geography, demography and place.

As to the issue of methodology, this is a field that is being opened by younger generations of teachers. Use of social media as a natural means of communication between students is the norm: e-mails are no longer answered hence teachers too feel obliged to adopt this means of communication; an emphasis on individual feedback is expected rather than the massive anonymous responses to large groups. Students are invited to share in creating material for example by making their own audio and video recordings with varying degrees of guidance on content from faculty and then feeding back and analyzing the material produced: what does having Muslim workers imply? What are the difficulties of dual careers? How can management find out about the reality of the daily life of workers and (hence?) maintain motivation: these are only a few of the experiments that students have researched themselves outside our classrooms.

Hands-on experience, visiting speakers with “walk the talk” experience, initiatives involving going into organizations and communities outside the teaching institution all offer relevance and vitality to the learning experience; virtual projects and outputs, solutions not bound by the old models, multi-media and computer facilitated learning using webinars and interactive on-line research are some of the ways forward so that students can bring their own experience into the learning area. It should be noted that there is considerable variance in the use and acceptance of these methodologies, among other things related to the age group of faculty. Many of these ideas are not new but the technological potential is much greater than in the past.

What is effectively cultural change also drives them. There is greater individualism and egalitarianism in our classrooms than ever before and the expectations of students have accordingly changed. The relationship between students and institutional authority, expert knowledge from the teacher, and methods of
grading are also changing with almost all courses now containing a mix of grading components with significant weight placed on participation, that is, rewarding and penalizing not only output but also input. These are issues in which different cultural backgrounds may influence student expectations; increasing mixes of students in our schools has, however, had a convergent effect, which on the face of it suggests a Westernization of attitudes on the part of the students.

This is a controversial area and overlooks the fact that the non-Western student is still a minority in most European schools; it also overlooks the fact that the vast majority of young learners are not in the West at all. The future is likely to mean a change of balance in the world with 80% of young learners rapidly becoming enfranchised in cultures which are not Western. We cannot expect that the process of Westernization is going on for ever or that it is a worldwide phenomenon.

Needless to say in times of economic crisis experimentation or innovation is not easy and very often is impossible. Nonetheless the potential is there if we can find the means to push it forward and stimulate further interest. This is part of the challenge we face in the cross-cultural management teaching profession with greater and greater urgency if we are to maintain and improve our contribution to the world we now live in.
Abstract

Purpose
The purpose of this paper is to investigate foreign and home students' perception of having integrated into the campus of a British University. Students' degree of feeling part of University life and their general well-being has a significant impact on their academic success and can severely affect their overall experiences and satisfaction with studying at a higher education institution. Developing an understanding of these factors and processes is vital for higher education institutions wishing to internationalise. Despite the large amount of studies looking at 'integration' of foreign students on campus, less is known about two other important aspects: (1) What are the integration experiences of home students studying on an internationalised and multicultural campus, and (2) to what extent do home students differ from international students with respect to their perceived levels of intercultural learning? This study will shed light on these essential questions and provide recommendations for honing and developing universities' internationalisation strategies.

Design
The study draws on data provided by i-Graduate, collected as part of the bi-annual International Student Barometer (international students) and Student Barometer (home students) survey. Data were obtained from 4 cohorts of a single higher education institution covering summer 2012, autumn 2012, summer 2013 and autumn 2013. The entire sample consists of 11,434 students, of whom 46.7% were male and 53.1% were female. For the purpose of this study, British students' experiences (n=6,379) were compared with international students' experiences (n=5,055). The named researchers had no influence over the data collection procedure, since data was directly received from i-Graduate. However, some questions suggested by the researchers were added for some cohorts to provide additional insights into students' intercultural experiences. Interval-scaled data was centered to account for cultural differences in use of Likert-scales.

Findings
Careful analysis reveals that home students tend to struggle more than international students with their intercultural experiences. In addition, international students appear to learn more from the intercultural activities and tend to mingle more with other international students compared to home students. Possible explanations include: (1) Home students' perception of being at home and not on an international university campus could yield wrong expectations, because the campus culture (organisational culture) might
differ in several respects from national culture or known social values and conventions. (2) The degree to which cultural differences are and can be expected might be underestimated, considering that home students might assume that they are studying at home. The latter point appears to be a false assumption considering the internationalisation efforts of universities, who wish to become an 'international', thus 'multicultural' place for students from all around the world. Thus, home students appear to be almost equally exposed to cultural differences as international students in this very specific context.

**Research limitations/implications**

While the study can offer valuable insights into students' perception of cultural integration and intercultural experiences, the sample is limited to one higher education institution only, thus practical implications provided in the paper might only be applicable to the researched university. Extending the study to other higher education institutions in the UK and other countries might reveal whether those findings are only applicable to the researched university. In addition, given the quantitative nature of the collected data, only limited insights are possible with respect to the motives and reasons for why home and international students differ in their patterns of behavior, as well as in their attitudes towards cultural integration.

Nevertheless, this study illustrates the need to consider home students as well as international students to gain a more complete picture about cultural dynamics on campus and to enhance the experiences of both international and home students.

**Practical implications**

The findings suggest that in planning and arranging integration activities, universities need to pay as much, if not more, attention to home students as to international students. While international students undoubtedly have some specific needs that warrant special arrangements (e.g. opening a UK bank account), treating them too separately (e.g. orientation week for international students) may have adverse consequences for campus integration.

**What is original/ what is the value of the paper?**

The paper provides insights into international and home students' intercultural attitudes. The fact that home students might suffer from culture shock like international students has been given less attention in the past. The findings from this study indicate that it is essential to consider both parties when planning the 'integration' of students into an international university campus. All students' will be affected by their new cultural surroundings, and all will need to adapt, not only to national cultural differences but also to organisational culture differences. So when referring to 'integration', it is important to think less of 'assimilation' of international students and more of the development of a 'third campus culture'. Such an approach has been given less attention in prior research in this field and this study offers a first step in moving towards that goal.

**Keywords**

Integration, higher education, international students, cultural differences
Abstract

Purpose
While taking international education has become increasingly popular in the global age, cultural adaptation in a foreign institution with different cultural values and social norms, particularly with a language barrier to override, is pivotal in that it determines students’ academic success and personal capital formation. This paper will therefore focus on exploring the experience of Chinese students undertaking UK higher education.

Design
Through investigating their learning journey in UK higher education, this paper will examine how Chinese students go through the process of acculturation, override the English language barrier and finally complete their education and form cultural capital in the UK. This study will primarily draw on qualitative data from in-depth interviews and focus group studies but combine the quantitative data from ‘closed-questions’ and English test scores and such like to improve the reliability, validity and generalisability of the research.

Findings
The Chinese students, though challenged from the perspectives of academic study and social lives, achieve academic success and form personal cultural capital while receiving UK higher education, which contributes significantly to their future career development.

Research limitations/implications
One limitation is the author’s personal experiences in Chinese and UK higher education. While such personal experiences, familiarities and knowledge in both educational systems can facilitate and deepen the understanding of student experience and provide a more profound insight into the issue, they, if applied improperly, may cause difficulties in objectifying the researcher, or freeing herself from preconceived notions and values taken from her own ‘habitus’. Familiarities might therefore generate bias in selection, inhibit interviews or data analysis and interpretations, and lessen sensitivities.

Practical implications
This research provides implications for international education practitioners in both UK and Chinese higher education in terms of how to manage, teach and supervise Chinese students undertaking international education in the global age.

What is original/ what is the value of the paper?
While a vast majority of past research focused on current students, leaving the gap in research on
international students’ professional development after their overseas study, this study also draws on the data from in-depth interviews and quantitative data from past students and it reveals how the education Chinese students received in the UK underpins their career development. The methodology is principally qualitative, applying interviews and focus groups, but this study also elicits supplementary quantitative data from ‘closed questions’. The combination of qualitative and quantitative data improves the reliability and validity of the research through triangulation.

**Keywords**
International education, cultural adaptation, academic success, personal capital formation, Chinese students’ experience.

**Introduction**
Against the background of globalisation and internationalisation of higher education (HE), there is an impressive and thought-provoking landscape of international student mobility, with Chinese students almost predominantly taking the biggest share of their international education markets in English-speaking countries like USA, Australia, Canada and the UK. Despite this optimistic phenomenon in the seemingly omnipresent economic crisis, cultural adaptation for international / Chinese students in a foreign institution with different cultural values and social norms, particularly with a language barrier to override, is pivotal in that acculturation determines students’ academic success and personal capital formation. This paper will therefore focus on exploring the experience of Chinese students in UK HE.

**Educational Culture and Cultural Adaptation – Literature Review**
Culture, by definition, refers to ‘the norms, values, standards by which people act, and it includes the ways distinctive in each society of ordering the world and rendering it intelligible’ (Murphy, 1986: 14). Coming from different cultural backgrounds, characterised by ‘collectivism’ or ‘individualism’ (Hofstede, 1980; 2001), one may encounter dissimilar experiences in a foreign country. Interpreted using Bourdieu’s theory, if the individual ‘habitus’ is compatible with the institutional ‘habitus’, one has ‘a feel for the game’ (Bourdieu, 1990), and vice versa. When moving between cultures, people may in all probability encounter culture shock. To understand Chinese students’ experience in UK HE, this part will review the
differences in Chinese and UK educational cultures.

Past research has revealed diversities and differences between Chinese and UK educational systems (Xue, 2004), which lead to differing or even conflicting expectations from UK teachers and Chinese students. Confronted with UK teachers’ different expectations in a differing educational culture, Chinese students will most probably face challenges in studies. To complete their UK HE successfully, students will normally go through the process of cultural adaptation. In this light, acculturation is of paramount significance to students’ academic success and personal capital formation, whatever length their adaptation period may be.

Subjects and Research Methods
This research investigates the learning journey of Chinese students who received HE in the UK. The subjects comprise: a) 23 students on the joint postgraduate taught programme after completing 1-year pre-Master’s in China (for their educational backgrounds and IELTS results, see Tables 1 & 2); b) 12 past students who were working at interviews after completing their doctoral research, with accumulated cultural capital (Bourdieu, 1997; Xue, 2011) before undertaking UK HE on scholarships (See Table 3).

This research employs qualitative methods of focus group study with the first cohort and individual interviews with the second. The longitudinal quantitative data including exam

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**Table 1 Educational Backgrounds for the First Cohort**

<table>
<thead>
<tr>
<th>With First Degree Obtained in China</th>
<th>Change Subjects in UK HE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>9</td>
</tr>
<tr>
<td>No</td>
<td>14</td>
</tr>
</tbody>
</table>

**Table 2 IELTS Results for the First Cohort**

<table>
<thead>
<tr>
<th>IELTS Scores</th>
<th>Student Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.5</td>
<td>1</td>
</tr>
<tr>
<td>6.0</td>
<td>10</td>
</tr>
<tr>
<td>6.5</td>
<td>9</td>
</tr>
<tr>
<td>7.0</td>
<td>3</td>
</tr>
</tbody>
</table>

**Table 3 Educational Level for the Second Cohort**

<table>
<thead>
<tr>
<th>The Highest Level of Education in China</th>
<th>Student Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undergraduate / bachelor</td>
<td>3</td>
</tr>
<tr>
<td>Postgraduate / Master</td>
<td>7</td>
</tr>
<tr>
<td>Doctoral programme / PhD</td>
<td>2</td>
</tr>
</tbody>
</table>
results and learning outcomes during their MA study (containing resits) for the former and quantitative data from ‘closed-questions’ for the latter were elicited to improve the reliability, validity and generalisability of the research, thus revealing the benefits of mixed methods (Brannen, 1992; Thomas, 2003).

Chinese Students’ Experience in UK Higher Education – The Educational Dimension

Past research has shown that international students encounter great language barrier overseas (Arthur, 2004). Likewise, this study reveals the deficiency of English language as most challenging for Chinese students to complete their UK HE, with different accents complicated the situation. Peng, a former student, was promoted to professorship in his 20s before coming to England as a Chinese-government sponsored academic visitor, followed by his doctoral research on UK university sponsorship. His comments at interview highlighted the importance of language proficiency:

“For me even today I think I am at a disadvantageous situation because of the language deficiency. Whether having a conversation or communicating with others, I always feel that I cannot express what I want to say freely.”

This study reveals students were disheartened at failing to apply their successful learning strategies acquired in China. For those who switched subjects, professional knowledge constituted another big challenge. One student in the focus group expressed her expectations for more supervision and was echoed by the group:

“I think if tutors can have interaction with us and if they can share their knowledge with us, they can improve us a lot and upgrade the level greatly. I feel what tutors say should be something quintessential and give us a feeling of being elevated and sublimated.”

‘Plagiarism’ is a big issue in international education, resulting from different educational cultures. In this study, Chinese students’ concerns and worries were aggravated and intensified through the whole process as the group interview was near the examination time. Qiu’s comments were typical:

“In China, exams are formulaic and students only need to memorise them. In this case, we can be quite confident and know what to prepare... now it’s time to prepare for exams, but I don’t know how to... How can I prepare for the exams? Should I memorise the concepts or...?”

To embark on research and to write up theses or papers in English for publications proved to be high-demanding for the second cohort. For instance, Chun was a professor at interview, and his academic achievements were deemed outstanding because of his English publications in international journals. However, it turned out exceedingly onerous for him to start the project upon first arrival in England. It was after a period of adaptation that Chun began to do things
independently, finally made a breakthrough and successfully completed his PhD.

**Chinese Students’ Experience in UK Higher Education – The Social Dimension**

This part will explore Chinese students’ social experience while completing UK HE. Upon their first arrival, students had to sort out such things as registration and paying fees for their education, opening bank accounts and getting to know the new system. Induction was supposed to help, but sometimes it failed to achieve desired results due to the fact that many staff was not around at that time.

Past research has demonstrated that social support and networks play a critical role in international students’ adaptation to a new culture. In a similar vein, students in this study found it difficult to communicate with local people, integrate into host culture and make friends with home students and local people due to different cultural values, social norms and the language barrier. When institutions occasionally organised social events for international students to integrate, Chinese students could not afford the time to participate resulting from the stressful study and research. Not required to attend lectures but focusing on their own research without much engagement, the second cohort felt loneliness most keenly. Take Leng as an example: he was the only Chinese in the faculty when conducting his doctoral research in the 1990s. No family visits in three and a half years intensified his lonely and isolated feelings. In fact, he returned home immediately after his research because of his strong dislike of Britain caused by his solitude.

The first reason [I left] was that I didn’t like Britain. I disliked it very much. I feel English people are comparatively conservative… In addition, there were not many Chinese then … I felt rather lonely and depressed. I dislike England very much.

**International Education, Capital Formation and Career Development**

This part will examine how the 2 cohorts form personal capital epitomised in completing UK HE and being awarded a UK degree, which enhances their subsequent career development. The longitudinal data for 23 postgraduate students demonstrates that the learning outcomes were not satisfactory at the beginning. However, after a period of adaptation, their academic performance improved, as shown in the drop of number in fails. In the end, all students but one was awarded UK academic credentials after they completed MA course and dissertation.

As shown in this study, UK education underpinned the career development of past students fundamentally, who were reaping the benefits at interview. They trusted in UK education quality, believing UK HE enriched their knowledge and experience, broadened their vision and contributed significantly to their professional development, as illustrated in their ratings to the ‘closed questions’. Likewise, the quick promotions for those who chose to return to work in China demonstrate the benign changes in their careers after their UK HE.

**Findings and Discussions**
This study shows Chinese students, though encountered difficulties and faced challenges in study, research and social lives, achieved academic success and formed personal cultural capital while receiving UK HE, which underpins their subsequent career development. Four points emerge and deserve discussions.

1) Cultural adaption is crucial to completing international education and forming personal capital.

2) English language proficiency is the transmitting point and it is a determining factor in the completion of international education.

3) It is suggested that teaching in China should integrate familiarising students with UK educational culture to run joint programmes successfully and to prepare students adequately for their international education.

4) Social experience cannot be isolated from students’ educational experience. In this light, to organise more social events to integrate international students is a best option.

To summarise, a vast majority of past research focused on current students, leaving a gap in research on international students’ professional development after their overseas study. By drawing on the in-depth interview data and quantitative data of ‘closed-question’ from past students, this study shows how UK HE Chinese students received enhances their career development. The combination of qualitative and quantitative data improves the reliability and validity of the research through triangulation. This study provides implications for international education practitioners in both UK and Chinese HE in terms of how to manage, teach and supervise Chinese students undertaking international education in today’s globalising world.

References


Thomas, R. M. (2003) Blending Qualitative and Quantitative Research Methods in Theses and


Abstract

Purpose
Tertiary level educators are aware of the implications of cultural diversity in the university learning environment. This study aims at exploring the perceptions of and attitudes of eight MA ELT students from culturally diverse context toward the learning and assessment approaches practiced in three UK leading universities. It also discusses the challenges they have faced and the achievements they have gained.

Design
This paper presents the results of an interview with eight MA ELT students which the researcher has conducted to explore their views and perceptions of the learning and assessment practices in three UK universities. The findings will be discussed based on Biggs’ (1979) three learning approaches, constructivist perspective and some of the cultural characteristics in Hofstede’s view (1986) such as power distance and collectivism/individualism.

Findings
The findings indicate that the students come from different educational contexts with different experiences and expectations. The paper addresses their achievements and learning as well as the challenges they have face in their studies so far.

Research limitations/implications
Although diversity seems to be important, there are other factors which may contribute to the drivers of different learning, teaching and assessment perceptions and views (Ringer et al, 2010). Individual differences, for example, can be an important factor to consider. There is also a very small number of participants in his paper which covers a small number of countries and cultures. However, the interviewees’ views might be regarded as a sample representing some groups of students from the same educational context and culture.

Practical implications
As it is important to bear in mind the power and significance of assessment and teaching approaches in helping students learn and build their skill and knowledge base, this paper attempts to highlight how educators can enhance learners’ learning and motivation through being aware of the diversity of the educational and cultural expectations and backgrounds the learners bring into their UK university context and how to help them develop their cultural awareness and learning skills through being aware of different learning and assessment approaches.

What is original/what is the value of the paper?
All the interviewees in this paper are experienced teachers and teacher trainers who are familiar with learning, teaching and assessment concepts. They come from different developing countries with diverse backgrounds and resources. As it is important to consider the implications of the diversity of students’ cultural backgrounds on the perception and implementation of teaching/assessment practices (Yamazaki, 2005), this paper might help the educators to view the scenery of teaching, learning and assessment of these three educational environments from these students’ perspectives.

**Keywords**
Cultural diversity, learning approaches, assessment approaches

**Introduction**

International students bring a rich diversity of personal, professional and educational experiences into learning at their host universities (Hughes, 2013). The increase in the number of the overseas students draws the attention of the educators to the consideration of cultural diversity in learning approaches and assessment practices to ensure the necessary learning outcomes and a smooth transition from tertiary studies to the next phase of their lifecycle (Ringer, et al., 2010).

Tertiary institutions are expected to provide learners with a skill base allowing them to learn effectively. The focus on thinking skills - such as critical thinking, problem solving, analysis, synthesis, drawing of inferences and conclusions - is expected to result in more efficient and effective learning (Segers, et al, 2003; Tynjälä, 1999). Therefore, a main concern of the tertiary education sector dealing with international students is to develop and implement assessment and learning practices that help the learners develop necessary competencies (Ringer, et al, 2010).

This study aiming at exploring international students’ views and perceptions of learning and assessment is presented into in seven sections. After introduction, the next sections briefly review the literature on learning approaches, assessment and cultural diversity. The third part is an overview of the methodology of the study. The fourth presents the qualitative findings. The next section discusses the findings and the last two sections are the conclusion and limitations of the study.
Literature Review

The research indicates that individuals are different in their conceptions of learning, knowledge and assessment (Entwistle and Entwistle, 1992; Vermunt and Riswijk, 1988) and that these conceptions influence their approach toward learning (Eklund-Myrskog, 1998). Therefore, this part briefly deals with three major interrelated topics of learning, assessment and cultural diversity.

Learning

Biggs (1994) has used the two terms of ‘quantitative’ and ‘qualitative’ to describe learning perspectives. In the quantitative view, learning is associated with acquisition and accumulation of content, whereas the qualitative view suggests that learning is associated with meaning-making and understanding through connecting new material with prior knowledge. Taking learning strategies and motives into account, Biggs (1987) also suggested three approaches to learning, i.e., deep, surface and achieving.

The deep approach to learning is characterized by an attempt to seek meaning from the presented material by relating to it in a way that elaborate and transform the material. It means that the focus of learning is on conceptual and theoretical meaning and understanding of the learning material and assessment task (Biggs, 1979). The result of this understanding is high quality learning outcomes (Entwistle and Ramsden, 1983) which are relevant to students’ learning experiences. Students involved in deep learning try to connect new concepts and principles with previous knowledge. They also tend to analyse the logic of different conclusions and arguments (Richardson, 1994).

In the surface approach to learning, the intention is to reproduce the presented or studied materials by using routinized procedures. Surface learning commonly involves low cognitive processes such as recall, reproduction and memorisation (Biggs, 1979). In the surface approach to learning, learners have limited personal engagement with the content. They are involved in a rather passive way using minimal cognitive efforts and low cognitive strategies. The result will be their inability to integrate new content and principles into purposeful meaning the results of which will be fragmented outcomes (Biggs, 1999).

In the achieving or strategic approach, learners’ intention for learning is to excel; therefore, they focus on excellence as the motivation to achieve the highest possible outcomes (Biggs, 1979) through structured activities such as the effective use of study skills and cue-seeking (Burnett, et al, 2003). They organize their time more effectively and maximize the expected outcomes through viewing of past examination papers and assignments. They are also cue conscious in terms of making use of cues to decide what is expected from them or what topics are the lecturers’ favourite ones (Gibbs, 1999). It must be added that students might integrate the achieving approach with the deep approach in order to connect the new and old concepts and excel in the exams or with the surface learning to reproduce the expected materials (Ringer, et.al, 2010).
A significant variable in determining learners’ approaches to learning is their conception of learning (Dart et al. 2000). There is evidence of a relationship between students’ conceptions of learning and their learning outcomes (Martin and Ramsden, 1987) in a way that a broader conception of learning leads to a wider range of learning strategies. (Purdie et al., 1996)

Marton et al. (1993) developed a framework for learning conceptions. They identified six groups of learners’ conceptions and arranged them hierarchically into six levels of (1) increasing one’s knowledge; (2) memorizing and reproducing; (3) applying; (4) understanding; (5) seeing something in a different way and (6) changing as a person. Comparing the conceptions framework with Biggs’ (1987) learning categories, we notice that the first three conceptions correspond with surface learning or quantitative view and the last four with deep learning approach or qualitative perspective towards learning. Parallel to the learners’ conception about learning is their beliefs about knowledge. Students have demonstrated absolutist views of knowledge, where knowledge is right or wrong or, relativist views considering knowledge to be flexible and mediated through reason (Schommer, 1990, 1993).

Related to the learning approach and conception of knowledge is the model of teaching practiced in the educational settings. Dart et al. (2000) suggest that deep learning approach to learning is related to the constructivist perspective in teaching which encourages learners’ active knowledge construction. It also leads to high quality outcomes like knowledge development structured around a unifying theme. On the other hand, surface learning is related to the transmission of knowledge model of teaching in which information is supposed to be transferred from teachers to learners which assumes passive roles for learners and results in low quality outcomes like fragmented learning (Biggs, 1999).

Assessment

Assessment in higher education serves different purposes (Carless et al. 2007) one of which is illustrating student progression and learning (Brown et al. 1997). It is meant to measure learning outcomes (Boud, 2000), show the students how well they are doing and how to improve their learning (Carless et al. 2007; Gibbs 2006). Assessment also provides information for faculty about teaching effectiveness (Biggs 2003).

The relationship between assessment, teaching and learning is multi-folded. On the one hand, university faculty’s attitudes towards assessment and their expertise influence the type of assessment they use, the way it is integrated into the teaching and learning process, and whether it provides students with the opportunity to improve their performance (Tang and Chow 2007). Faculty’s views and theories of teaching and learning have an impact on their conceptions of assessment and the method of assessing the learning outcomes (Watkins et al. 2005). Assessment tasks are designed based on the faculty’s belief systems about learning and what is considered as important in education. Expectations modelled through assessment tasks shape students’ learning (Biggs 2003; Gibbs and Simpson 2004; Ramsden, 1997).
Hence, based on their attitudes about teaching and learning, the faculty have mixed opinions on the purposes of assessment (McLellan, 2004). There are a group of them who view teaching and learning as the transmission of knowledge and assessment as a method to test students’ ability to reproduce information. In contrast, there is a group who see teaching and learning as a means of facilitating critical thinking. They view assessment as a component of learning process to equip learners with problem analysis and application skills (Samuelowicz and Bain 2002). There have been principles and guidelines for higher education assessment used by this group to make sure that students master critical academic and professional outcomes (Hounsell et al., 1996 cited in Fletcher et al, 2012). There are also broader views toward assessment. Boud (2000) proposed the notion of ‘sustainable assessment’ highlighting the importance of equipping students as lifelong learners rather than passive recipients of assessment.

On the other hand, Learners’ conception of assessment has an impact on their educational experience and learning. It has been argued that students interpret the demands of assessment tasks in a conscious or subconscious way which depends on their learning approaches (Nijhuis, et al, 2005). In other words, learners’ attitudes toward assessment and their experiences have an impact on their learning approach, whether they use feedback in future, and the extent to which they develop the skills and understandings of becoming self-assessing lifelong learners (Carless et al. 2006). Students with achieving or strategic learning, however, use a mixed approach dealing with assessment tasks which Kember (1996) refers to it as the ‘intermediate position’. This intermediate approach may highlight the necessity for students to use deep, surface and strategic approaches when completing assessment tasks.

Scouller (1996) argues that the assessment method strongly influences the learning approach taken by students. Students are more likely to use surface strategies when preparing for the short answer-style examinations and deep learning approaches when writing essay-style assessment. These findings can be attributed to the level of cognitive activity and intellectual ability which is higher in the essay task compared to the short answer assessment.

Taking the relationship between students’ and university’s conceptions of assessment into account, Carless (2006) proposes the importance of engaging learners in the dialogue about assessment processes in order to create a shared understanding about valued learning outcomes and establish mutual trust during the educational process to promote the quality of the student learning experience. If student understandings of learning and student performance on assessments are influenced by faculty assessment practices, this could have a significant impact on whether or not intended educational outcomes are achieved (Fletcher et.al, 2011).

In sum, it is evident that there is a relationship between assessment and learning and that universities and students approach learning and assessment in different ways. Thus, different learning and assessment approaches do not exist in isolation and the cultural diversity needs to be taken into account.
Cultural Diversity

International students constitute a significant proportion of university populations around the world and contribute to diversity of cultures in the educational setting (Hughes, 2013). However, they experience various challenges in their transition to study at their host university, where they may encounter various cultural or educational challenges (Ryan 2005) two of which, as it was discussed, are related to the domains of learning and assessment. Cultural traits of the countries students come from are believed to shape and influence students’ learning approaches (Yamazaki, 2005). Schools are powerful socialization agents transmitting cultural values which form the approaches students take in their learning process (Hofstede, 1986).

The learning approaches students adopt leads to their different perceptions of assessment. This fact involves implications for assessment which needs to be taken into account particularly dealing with students with heterogeneous cultural backgrounds. Drawing upon Hall’s (1976) cultural typology of high and low context cultures, Morse (2003) argues that students from high context cultures, for example eastern cultures, where a structure of social hierarchy exists, tend to take a surface learning approach. They tend to rely heavily on teachers as the source and the transmitter of knowledge. Besides, the assessment tasks designed in their context usually focus on recall rather than understanding and on the outcome of the assessment rather than the active learning. However, these generalised views of the students’ characterisations from high context cultures and the use of surface learning practices have been challenged (Biggs, 2003).

It has been argued that Asian students completing assessment tasks use a systematic, step-by-step approach to their learning which consists of surface and deep learning approach. While students from low context cultures, for example western cultures, where people are individualised and prefer direct and unambiguous communication (Gudykunst and Matsumoto, 1996) adopt deep learning approaches by placing emphasis on continual lifelong learning. This deep and long life learning is achieved through interactions and discussions where teachers play the role of a facilitator in the learning process rather than the holder of knowledge (Morse, 2003). Therefore, cultural differences seem to have an impact on the learning and assessment orientations and preferences which need to be considered in educational contexts dealing with international and multicultural students to facilitate learning process.

The study

This study investigates eight Master’s level ELT students’ perceptions and views of teaching, learning and assessment in the UK universities. They are three female and five male students studying in three UK universities, of Warwick, Leeds and Lancaster during the current academic year, 2013-2014. They come from eight different Asian and African countries with diverse cultural and educational backgrounds and resources. The participants are all experienced teachers and teacher trainers familiar with learning, teaching and assessment concepts with a minimum experience of five years. The study aims to gain an understanding of their learning experiences and perceptions as
a student in a formal tertiary educational setting. Data were collected through semi structured interviews carried out by the author at the end of the second term. The interviews were guided by asking the participants about what they found different in their current universities from their home countries in terms of teaching, learning and assessment; what they liked; what they found challenging and what they would prefer being different. The data were analysed through an inductive analysis process and were sorted out into 16 themes, which fitted under four major categories of the resources, faculty, course and assessment.

**Findings**

This section provides a brief overview of the main findings of the study. The findings are presented in four categories of resources, faculty, course, and assignments with the corresponding subthemes. It needs to be mentioned that all of students were satisfied with their overall experience of learning in the UK, though there were a few cases they preferred other alternatives. The faculty and the resources were two first topics they referred to and were all satisfied with. The course in terms of content and delivery was the topic with different viewpoints and impressions. Assignments was the area that all of the students found challenging.

**Resources**

The majority of participants were impressed by the ease of access and range of the available resources which they found very different from their home countries. The range of both online and offline resources, their availability and the support the universities give to the students had impressed the participants. One of the participants mentioned that, ‘In our universities, we do not have access to journals and new articles. The books we have are not new and updated. It is not easy to do a research in my country but here it is different’.

**Faculty**

All of the participants had a very positive view about the faculty members of all three universities. In their interviews, four major characteristics of the faculty were recognized. They stated that the faculty were knowledgeable, with a deep insight and mastery of the subject knowledge. They were flexible and open to different perspectives encouraging the students to share their views. They were available to talk to and to provide help and support. They were friendly making the students feel a shorter social distance with them.

Availability and friendliness were two factors that almost all of the participants referred to and found different from the faculty in their home countries. They mentioned that the hierarchical social distance between the lecturers and students in their home countries are greater. The shorter social distance was characterized through the way they commonly address the lectures, using their first name, and the language and diction the lecturers use talking to the individual students or the whole class, which was less formal and friendlier. Regarding the opportunity to interact and talk to the faculty and their availability in their home country, the participants pointed to either the large number of the students in their context or the tight schedule of the faculty which makes it difficult for the student to talk in person with the lectures. The
Participants mentioned that the tutorial sessions in the UK universities provide a good opportunity for them to talk to their tutors in person and receive specific support and help.

**Course**

The participants’ views about the course were categorized into the two areas of content and delivery. In terms of the content, they stated that the course covered a large number of topics, gave a wide perspective to the students and helped them to ‘think out of the box’. It also tapped the-state-of-art topics and helped the learners feel connected to the community of ELT professionals. However, they believed it was very short in length and very intensive and compact in content which made learning them challenging for the students. One of the participants expressed, ‘Believe me it is tough. It is really tough. You can’t catch up with the modules. So many things to read. They just come and scratch the surface and when you go home? There, loads and loads of reading. It is tough’. However, another participant mentioned, ‘you can’t learn everything here. You just get to know the topics and when you go back home and have time you can feel more relaxed and go through your notes and articles. They just teach you to think out of the box here’.

Regarding the delivery of the course, they pointed to different forms of delivery, i.e., lectures, seminars, workshops, and tutorials, which they thought they were effective. Concerning lectures, the prevailing attitude was that the lectures did not sufficiently cover the content, which seems closely related to their conception of teaching and knowledge. What they all found different from their home countries was the fact that the lectures were not just a forum of transmission of knowledge. In other words, the lecturers, generally speaking, did not present materials in detail but they presented an introduction or overview of the topic ‘scratching the surface’ and either asked for the students’ contributions or covered some practical aspects of the topic. Four of the participants believed that they needed more input from the lecturers and they would prefer receiving more elaboration. One of them stated that, ‘I think the lecture times are not enough. For a module we usually get one long lecture which is two and half hours long … The lectures are really great and stimulating but they are not enough’. Nevertheless, there was another student who stated, ‘I don’t think we need to learn everything. We are not supposed to learn everything. I guess we have to read those parts which we are interested to use in our assignments’.

Regarding the workload three of the students mentioned that the course is so intensive that they cannot use the covered materials properly but rather they have time ‘to do the reading, do the assignment and go to next step’. One of them felt she ‘can’t create something; the time limit is too short and it is hard and challenging’.

Another major difference between their contexts and the UK universities they identified were the seminars. Except one of the participants who stated due to the small number of the students in her context, which leaves the lecturers with more time for interaction, the rest of the students found seminars a new and beneficial experience helping them deepen their learning, gain new perspectives and develop their thinking skills. One of the participants mentioned, ‘There, we don’t have seminars. No chance to talk and
discuss the lesson with others … I think it is good. It helps me talk about the lesson and understand it better’. Another student added that ‘What I noticed different from my country is that they are open to change. They change the course and the way they teach. In my country they do the same old things. But here, they implement new ideas for example the seminars let us construct our knowledge’. In terms of thinking skill, another participant added that, ‘I like the fact that the entire study is all about making students think. This is probably the best thing about learning in the UK’.

Assignments

The data suggested that all of the participants perceived assignments as the most challenging part of their experience. Their previous assessment experience and expectations were different from the current assessment practice in terms of the form, content, administration, marking and giving feedback. The most controversial aspect of assignments was the form of them which was an essay type assignment. All of the participants found written assignments -as the main form of assessment at university- a daunting experience. They found them challenging in terms of the expected thinking and writing skills. The required format of the assignment put a great pressure on the students who were not used to write essays or were not familiar with the academic writing style practiced in the UK. The required format and structure of the assignments for the students coming from a test- oriented educational system seemed stressful. The students expressed the fact that they can demonstrate their learning and understanding through discussions and presentations and this ability to express ideas and understanding necessarily cannot be illustrated through written assignments. One of the participant mentioned, ‘There seems to be a wrong assumption that everybody knows how to put his/her ideas on paper. I believe they should assess students using presentations, group work and project work’. Two of the students mentioned that the written assignments were used as the assessment tool in their home countries; however, they were ‘not very demanding’.

Writing conventions and the prevailing genre were also another factor which made essay type assignments a demanding task. There was a view expressed by one of the participants who said, ‘I want to have my own writing but I can’t. I’m told to show what I learned in their way. I would like to show it in my own way. Furthermore, some students considered that linguistic or cultural variations set them at a disadvantage, compared with domestic students. Two of the participants felt that the university expected them to be as good as native speakers. They felt they were expected to have ‘good English’ because they could speak English well or had got the required IELTS score. They stated that IELTS did not show their language proficiency nor could they have all the skills at the same level. They mentioned that IELTS scores showed that ‘they would be able to cope, not to meet the university standards and get good marks or distinction’. One specific aspect that almost all of the participants found difficult to adopt and use was getting focused on the point and narrowing it down.

In terms of the content of the assignment there were different views. Some participants liked the freedom to choose their topic or assignment
questions while another group did not think it was an accurate way to evaluate students’ knowledge, which apparently reflected heir conception of knowledge and assessment. Two of the students, found it hard to select a topic because the module content offered them a wide range of options.

Concerning marking the assignments, five of the participants mentioned that the marking system was very strict and getting good marks was not easy in spite of all the attempts and time they spend on assignments. They described marking system as ‘too focused’, ‘narrow’ and ‘strict’.

Almost all of the participants pointed to receiving feedback as a positive learning experience helping them to understand the marking criterion better, to find their problems and to try to avoid them in their future writings. They felt the feedback helped them improve their writing and meet the writing standards.

Regarding assessment and assignments, the students suggested ongoing assessment and multiple assignments, more varied assessment forms, having exams and assignments together, having opportunities to show their learning and understanding in different ways, such as presentations, projects, etc. They felt they cannot show their learning and knowledge in one essay. One of the students said,’ I’m not complaining. I think you possibly would have more than one chance because your score depends only on one essay. It is not. I guess it is the way they do it. It is a part of the culture they have’.

**Discussion**

This study set out to explore MA ELT international students' views and perceptions of learning experience in the UK universities. Reflecting backwards, the international students generally considered their overall experience to be positive. All of the participants in this study perceived their study as both informative and transformative. The findings of this study is in line with other findings which indicate high levels of students' satisfaction from studying abroad (Campbell and Li 2008; Montgomery and McDowell 2009; Wu and Hammond, 2011). The participants offered a variety of reasons for describing their experience as positive. They all pointed to the availability of resources, expertise of the faculty, and their humanistic and open-minded approach in teaching as major positive aspects of learning in the UK universities.

They also mentioned a few challenges they experienced in their studies. The challenges they faced were related to the course and assessment system. Regarding the course content they believed while it covered up-to-date views and materials, it was highly intensive. Concerning the delivery of the content in spite of being satisfied with the variety of delivering system, i.e., lectures, seminars, and workshops, they preferred to receive more elaboration and explanation on the topics by the tutors. The participants considered the assessment system or the assignments as the greatest challenge they faced in their studies.

The teaching tradition in the UK universities implies that deep, qualitative learning is the ultimate goal. This aim seems to be realized by helping learners to understand, make meaning, analyse, elaborate and transform learning.
materials during the seminars and discussions. Furthermore, administrators’ and faculty’s views and theories of teaching and learning have an impact on their conceptions and the practice method of assessment (Watkins et al., 2005) which strongly influence students’ learning approach (Scouller, 1996). In the UK universities, assessment seems to be regarded as a component of learning process equipping learners with problem analysis and application skills (Samuelowicz and Bain, 2002), which is realized in the assignment questions requiring the students to take a critical stand and relate the topic to their context. On the other hand, the form of the assessment contributes to the students’ learning approach and the level of cognitive activity and intellectual ability they use, which in this case, the essay task, is higher compared to the short answer assessment (Scouller, 1996).

The findings of the study indicated that the participants generally showed an awareness and tendency toward a deep learning approach which was reflected in their remarks. They expressed points which fell under the high level categories of Marton’s et al. model of learning conceptions, i.e., understanding, seeing something in a different way and changing as a person, which is also compatible to Bigg’s (1999) qualitative learning category. The support of this argument is the examples of their remarks such as ‘The main difference between doing an MA here (and in my country) is the fact that in the UK the whole point is to make people think and see things from different perspectives’ or ‘Here, you learn you can create something’.

However, in terms of course delivery they preferred more lectures and elaboration on the presented materials by the lecturers which might be traced back into the transmission model of teaching perception and their concern to attain greater amount of knowledge or the cognitive load of the learning materials and their need to receive more clarification, elaboration and support to go through the meaning making process of deep learning which can be facilitated in a dialogical interaction between the students and the tutors.

Considering common interaction patterns, Anderson and Garrison (1998) describe three main possibilities of teacher-student, student-student and student-content. Anderson (2003: 1) states that:

Deep and meaningful formal learning is supported as long as one of the three forms of interaction (student–teacher; student–student; student–content) is at a high level. The other two may be offered at minimal levels, or even eliminated, without degrading the educational experience.

Hence, it can be argued that the universities’ educational policy and setting seem to invest more on the student-content and student-student interactions rather than the interaction between the student and the teacher. This is also reflected in the current developmental teaching perspective which focuses on cultivating different ways of thinking (Pratt and Associates, 1998). Leach et.al. (2014) also suggests that the transmission perspective is more teacher and content focused while the developmental perspective is more learner and content focused. This might explain the reason for the students’ challenge and tendency toward receiving more input from the lecturers and
having more teacher-student interaction since the students mainly came from primarily teacher-cantered contexts with a knowledge transmission view. However, there are other views such as Bamford’s (2008) arguing that the problem may be one attributed to teaching strategy rather than learning strategy and that the tutors may fail to provide contexts familiar to international students when explaining concepts and ideas.

Although majority of the students preferred greater amount of input and elaboration of the content, the greatest challenge the participants in this study faced was the assessment system or, in other words, the assignments. They all found a single formative assessment in the form of an essay type assignment very challenging in terms of the conventions and required writing format. This is a common phenomenon in the tertiary education that many students enter the universities not familiar with the norms and conventions of their disciplines; while, they need to conform to these norms and conventions to succeed in their studies. As certain discourses become embedded within particular contexts, they become conventionalized and become recognized, by those familiar with them, as genres serving particular functional purposes. Hence, newcomer students need to learn to use the appropriate language to convey content through the genres of their discipline (Bharuthram and McKenna, 2012).

The participants viewed assignment writing a daunting experience. They did not feel confident with the required genre of the assignments because they had not experienced it. Consequently, they preferred their own way of analysis and self-expression to use the genre and perspective with which they were familiar and comfortable. They also preferred to have other modes rather than just the written form.

Two of the participants viewed assignments illustrating a process rather than a product. Their opinions correspond to the perspective that views writing as a set of social practices taking place within specific contexts rather than as a production of an autonomous text (Bharuthramand McKenna, 2012). However, one of them remarked that written assignments cannot necessarily show the process she has gone through because she had to observe writing standards which did not allow her to express her ideas in the way she could. The other participant mentioned that he preferred to have other options in demonstrating his learning and not to be confined to one format as learning is a process which could be illustrated an observed in different forms and is not restricted to expressing ideas using writing skills.

Reflecting forwards, almost all of the international students indicated that they would prefer to have continual and varied forms of assessment so that their learning and performance would not be evaluated based on one written summative task.

Conclusion

International students come with diverse views and perceptions of learning and assessment to their host universities which leads to experiencing various challenges in their study. The purpose of this study is in line with Bruce's (2008: 62) view that: ‘In order to best help students learn, it is also helpful to have an understanding of their experience’. Therefore, this study aimed to promote greater understanding among university educators.
about how international students view their experience of learning in UK universities.

While the students faced certain challenges they also had tried hard to adjust themselves and expressed their general satisfaction with their studies in the UK universities which could be an indication that they were proactive in meeting challenges (Wu and Hammond, 2011). However, several suggestions might be put forward to assist international students in their studies. First, they need to have realistic expectations of the situation and the standards. They also need to be willing and open to develop new skills and perspectives. On the other hand, the university can provide more on-arrival and pre-sessional academic writing tutorials and workshops adjusted to the specific conventions and genres of the course. These courses need to be different from the generic courses which have already been offered. In addition, a greater understanding of students' orientations to study and of their home context (Bamford 2008) can also facilitate their learning and transition process of developing new academic skills and expertise. Finally, in terms of assessment, Carless's (2006) suggestion is worth considering which emphasises the importance of a dialogue with students about assessment processes to share the valued learning outcomes and build mutual trust throughout the educational process. He believes without these shared understandings, assessment integrity and the quality of the student learning experience might be negatively affected.

**Contribution and limitations**

As with any qualitative research, this study has several limitations. Since this study focuses on the data obtained from 8 students from 8 countries, the findings are not representative of all the international students in the UK. They were all experienced teachers which does not allow to generalize their views to younger and less experienced students. This study also does not allow a comparison between the experience of international and domestic students. Thus, the findings tend to be more descriptive and indicative. The findings can draw educators’ attention to international students’ varied strengths, challenges and educational needs in a culturally diverse context.

**References**


THE IMPACT OF CULTURE ON THE INNOVATIVE STRENGTH OF NATIONS

PIET MOONEN

Discussant: Gerhard Fink

Abstract

Purpose

To address the importance of cultural values for innovation, the governance of innovation in relation to national culture and the key management characteristics in relation with the initiation and implementation of innovation.

I intend to research the influences of culture on the innovative strength of nations. This includes the initiation, management and implementation of innovation projects in Western, Northern and Southern Europe. What are the strengths and what are barriers in the national culture on the innovation process, what is the influence of leadership characteristics in different nations on innovative strength, how is the governance of innovation organized and what interventions on organizational, group and individual level are important during the innovation process from the perspective of a pattern of national cultural influences?

Design/Theory

The meaning of the six Hofstede dimensions, the nine Jagdeep S. Chhokar dimensions (The Globe) and of the Schwartz values for innovative strength is discussed and a common denominator worked out. The impact of the cultural values on leadership of innovation is then examined with the grid of the abovementioned conceptual dimensions and values in mind. Culture as a knowledge asset, the positioning of a learning organization in information space and the influence of this culturally determined positioning on innovation had been developed while following the theories of Boisot and the typology of different organizational cultural types as defined by Cameron and Quinn. The governance of innovation from a European and a national perspective is discussed with Whitley and a framework of comparative studies - the Public Science System in different countries has been analysed while following the theories of Whitley. The impact of culture on cooperation and networking in the process of innovation is thus accounted for.

Quantitative web survey

The main objective of this research is to get insights into the importance of key cultural characteristics and values in the different countries, the importance of leadership style characteristics and their contribution to the comparative innovative strength and the perceived relevancy of issues that affect innovation policy governance.

Findings

Based on my literature study, and on my personal history I may conclude that national cultural values do affect the behavior of
managers and leaders from the point of view of their comparative innovativeness. National culture can have a predictable influence on how managers and leaders organize, plan and manage the initiation and implementation of innovation.

**Research limitations/implications:**
The level of investigation is being limited to 10 Western, Northern and Southern European countries.

**Practical implications:**
Achieving a high response rate to the web survey.

**What is original/ what is the value of the paper?**
Culture has long been considered essential and one assumed that it was having a large impact on innovative strength. Managers and leaders, as well as people they work with are, after all, part of national societies, cultural communities within them and so on. The national cultural values may affect the behavior of managers and leaders; the question is to know how they do so. Can national culture exert predictable influence on how managers and leaders organize, plan and manage the initiation and implementation of innovation? Can we disentangle the influence of power exerted through the organizations and the interference of situational factors, which may be independent of the cultural patterns and preferences? The latter also could have impact on the governance of innovation and therefore we should also account for the importance of different innovation policy issues. National culture may also influence the extent of cooperation between and within research companies, research institutes at universities and enterprises.

I would like to describe and analyze self-reflection of business managers and academic researchers in business disciplines as they become aware of cultural factors influencing their innovative implementation of projects, influencing the tempo of the build-up of innovative strength or leadership characteristics which are important for a competitive advantage in innovative projects.

**Keywords**
Culture, Innovation, Leadership, Culture as a knowledge asset, Governance of innovation, Cooperation and networking
Cultural values and its relation to innovative strength

Cultural values of Hofstede

Power distance (PDI)

The degree to which the less powerful members of a society expect and accept that power is distributed unequally (1). The fundamental issue here is how a society handles inequalities among people. People in societies exhibiting a large degree of power distance accept a hierarchical order in which everybody has a place without further justification. In contrast, in societies with low power distance, people strive to equalize the distribution of power and demand justification for inequalities of power.

Power distance reveals to what extent power and hierarchical relations are considered essential in the given culture. It discloses the scope to which it is accepted that power in organizations and institutions is unequally allocated, or to what degree hierarchy engenders psychological detachment. A large power distance can be characterized by centralized decision structures and extensive use of formal rules. In the case of small power distance the chain of commands is not always followed.

It has been argued that bureaucracy reduces creative activity (2). In cultures that exhibit less power distance, communication across functional or hierarchical boundaries is more common (3,4), this enables to connect different creative ideas and thoughts, which can then lead to unusual combinations and even radical breakthroughs.

In case of large power distance, sharing of information can be constrained by the hierarchy (5), however innovation significantly depends on the spread of information.

Tight control and detailed instructions make employees passive and restrict creative thinking (6). In small power distance is associated with more trust between different hierarchical levels. When employees believe that it is appropriate to challenge the status quo, creativity is higher. Societies with larger power distance tend to be more fatalistic and hence, have less incentive to innovate (2). These arguments are supported by several previous studies about the relationship between innovation initiation and power distance. Shane’s analysis (6) showed a negative correlation between the inventions patented and power distance. Later, Shane (4) provided empirical evidence that power distance has a negative effect on the number of trademarks per capita. Williams and McQuire (3) found that power distance had a negative effect on economic creativity in a country.

Individuals with higher internalized power distance values accept differences in status, authority and prestige more readily. In this vein, Trompenaars et al (7) found that power distance has an inverse relationship to entrepreneurial activity. Similarly, Baum et al (8) states that
individuals with higher power distance acceptance find it more difficult to start their own business. McGrath et al (9) found that entrepreneurs tend to have higher power distance values than career professionals because entrepreneurship is a vehicle to achieve higher status thus high power distant individuals attribute new venture generation as a means to improve their social status and achieve personal success. Higher power distance can motivate individuals to advance their own power.

A high score on this dimension reflects that hierarchical distance is accepted and those holding the most powerful positions are accepted to have privileges for their position. The management has full control, i.e. the boss is informed by his subordinates and makes the decisions accordingly... A lack of interest towards a subordinate would mean this one is not relevant in the Organization. At the same time, this would make the employee feel unmotivated. Since negative feedback is distressing, employees are discouraged to provide their boss with negative information.

Power is centralized and managers do not count on the experience of their team members. Hence, employees are generally not consulted. The ideas of the management are being executed without any criticism from the employees. Employees expect to be told what to do. One could argue that if the management is visionary and professional, this speeds up the innovation, as no time is lost with consulting employees who are less visionary. However, the reverse could also be the case, as participation of professional employees in the innovation process can lead to more and better ideas and strengthen innovation.

For example, Portugal’s score on power distance (63) reflects that hierarchical distance is strongly accepted.

The management has a large influence on the initiation of innovation as it is not expected (nor wanted) that the ordinary employees put forward their ideas on new products or services. The power holders simply decide which ideas are of interest, they initiate the innovation projects and have a big foothold in the subsequent innovation process. The ideas of the management are not criticized as the head of the product development department simply ignores signals from his employees. His personal ideas about product innovation are very important. In the (exceptional) case that an employee is consulted for their personal ideas, they look at their boss and expect him to respond to the questions raised. Informal meetings, i.e. without the presence of the management, are required for employees to share their personal ideas on innovation, face meetings with the employees are very interesting in that sense. Usually employees bring up their ideas without any reluctance during these meetings. The boss needs to be aware of this difficulty and search for small signals in order to unravel the real problems.

Power distance should be reduced if possible e.g. meetings without the presence of the boss could lead to an increase of creativity and initiatives.

**Hypothesis 1:** There is a strong negative relationship between power distance and innovation initiation. Hence, reducing the power distance increases innovation.
For people with entrepreneurial inspirations high power distance in society could be an incentive to start new venture.

**Individualism versus collectivism (IDV)**

This dimension, termed Individualism, can be defined as a preference for a loosely-knit social framework in which individuals are expected to take care of themselves and their immediate families only (1). In contrast, Collectivism, represents a preference for a tightly-knit framework in society in which individuals (reciprocally) expect their relatives or members of a particular in-group to look after them in exchange for unconditional loyalty. A society's position on this dimension is reflected in whether people's self-image is defined in terms of “I” or “we.”

Innovation initiation, as opposed to the innovation implementation, is often seen as the act of an individual (3): initial ideas emerge in the head of an individual and the group can either be supportive or not. Individualistic cultures value freedom more than collectivistic cultures (2,4). Hence, in individualistic societies, employees have more opportunities to try something new. Another important aspect is that in collectivistic societies, the contribution of an individual rather belongs to the organization. Williams and McQuire (3) use the term ‘economic creativity’ for the first phase of innovation, while the second phase is termed ‘innovation implementation’.

In individualistic societies, individuals have more reasons than in collectivistic societies to expect compensation and recognition for inventive and useful ideas (2,10). Also, there is less emphasis on loyalty to the organization in individualistic societies (2), which promotes the information exchange necessary for innovation. Looking at previous results, Shane (6) found a positive correlation between the inventions patented and individualism. In addition, Shane (4) showed that individualism has a significant positive effect on the number of trademarks per capita. In the analysis by Williams and McQuire (3) there appeared to be a positive effect of individualism on the economic creativity in a country.

The more individualistic a country, the stronger its citizens’ preference for freedom over equality. Freedom is an individualist ideal, equality a collectivist ideal. Private opinions are important in an individualistic society. One could suggest that the IND scores relate to the national wealth but also to the economic growth of nations. However research findings show the reverse. The reverse causality, national wealth and growth causing individualism is more plausible. Countries which have achieved fast economic development have experienced a shift towards individualism. (1)

**Hypothesis 2: There is a positive relationship between individualism and innovation initiation.**

**Masculinity versus femininity (MAS)**

The masculinity side of this dimension represents a preference in society for achievement, heroism, assertiveness and material reward for success. (1). Society at large is more competitive. Its opposite, femininity, stands for a preference for cooperation, modesty, discretion, tolerance, solidarity, caring for the weak and quality of life. Society at large is more consensus-oriented. Masculine societies are...
dominated by men and the “masculine” values – independence and career.

It has been proposed that masculinity has no effect on economic creativity (3). This proposition is also confirmed by empirical evidence. Shane (4) demonstrated that masculinity has no effect on the number of trademarks per capita. Williams and McQuire (3) found no significant effect of masculinity on the economic creativity of a country. Nevertheless, there are some possible influences that have to be taken into account. In feminine societies the focus is on people and a more supportive climate can be found. A warm climate, low conflict, trust and socio-emotional support help employees to cope with the uncertainty related to new ideas (11).

One could argue that competition amongst employees leads to better performance. Standing out is a very important drive to excel. However, striving for consensus, humanization of work by contact and cooperation, and the important role of intuition in the innovation process might be equally important (ref Nakata and Sivakumar)

**Hypothesis 3:** There is a negative relationship between masculinity and innovation.

**Uncertainty avoidance**

The uncertainty avoidance dimension expresses the degree to which the members of a society feel uncomfortable with uncertainty and ambiguity (1) The fundamental issue here is how a society deals with the fact that the future can never be known: should we try to control the future or just let it happen? Countries exhibiting strong uncertainty avoidance maintain rigid codes of belief and behavior and are intolerant of unorthodox behavior and ideas. Weak uncertainty-avoidance societies maintain a more relaxed attitude in which practice counts more than principles.

Uncertainty avoidance deals with a society’s tolerance for uncertainty and ambiguity; it ultimately refers to man’s search for Truth. It indicates to what extent a culture programs its members to feel either uncomfortable or comfortable in unstructured situations. Unstructured situations are novel, unknown, surprising, and different from usual. Uncertainty avoiding cultures try to minimize the possibility of such situations by strict laws and rules, safety and security measures, and on the philosophical and religious level by a belief in absolute Truth; ‘there can only be one Truth and we have it’.

A strong uncertainty-avoidance sentiment can be summarized by the credo of xenophobia: ‘What is different is dangerous’. In contrast, the credo of weak uncertainty avoidance is ‘What is different is curious’.

For example, in Germany there is a reasonable high uncertainty avoidance (65) compared to countries as Singapore (8) and neighboring country Denmark (23). Germans are not keen on uncertainty, which is illustrated by extensive planning to control or avoid uncertainty. The German society strongly relies on rules, laws and regulations. Germany wants to reduce its risks to the minimum and handle changes step by step.

In the research of Hofstede it appeared that there is a difference in higher avoidance societies compared to low uncertainty avoidance societies in relation to the consumption of food and beverages. Uncertainty avoiding cultures used mineral water rather than tap water, even
when the water was of good quality. They ate more fresh fruits and used more pure sugar. Uncertainty accepting cultures valued the convenience over purity, thus consumed more ready-made products, such as ice cream, frozen foods, confectionary and savory snacks. Customers in higher uncertainty avoidance cultures tended to be hesitant towards new products and information.

US researcher Scott Shane found that across thirty-three countries the number of new trademarks granted to nationals was negatively related with uncertainty-avoidance (6). He concluded that uncertainty-avoiding cultures were slower in innovating. Shane and colleagues also surveyed employees of four multinational companies in thirty countries about their role in innovation processes. In stronger uncertainty-avoidance countries, employees more often felt constrained by existing rules and regulations (12). The IBM surveys of Hofstede had found that a preference for larger over smaller companies to work for was positively correlated with masculinity and uncertainty-avoidance (13). In organizational literature large companies are often supposed to be less innovative than small ones, unless they reward entrepreneurs who dare to break rules. This term is a pun on the word entrepreneur, the independent self-starters who, according to the Austrian-American economist Joseph Schumpeter (1883-1950), are the main source of innovation in a society. His ideas played a role in a research project in which Hofstede and Dutch colleagues (14) studied the economic and cultural factors affecting levels of self-employment in twenty-one industrialized countries. Comparing self-employment levels with the countries uncertainty-avoidance scores produced a surprise. While one would expect that in strong uncertainty cultures fewer people would risk self-employment, the opposite turned out to be the case: self-employment rates were consistently positively correlated with high uncertainty-avoidance. Further research revealed that, in particular, one aspect associated with strong uncertainty-avoidance accounted for the correlation: low subjective well-being in society. Self-employment was therefore more often chosen by countries in which people were dissatisfied with their lives, versus countries with a higher tolerance for the unknown. (15)

If Schumpeter was correct in stating that entrepreneurs innovate more than non-entrepreneurs, one could expect more, not less, innovation in high uncertainty-avoidance countries. Innovation however has more than one face. It may be true that weak uncertainty-avoidance cultures are better at basic innovations, but they seem to be at a disadvantage in developing these innovations in new products and services. Implementation of new processes demands a considerable science of detail and punctuality. The latter are more likely to be found in strong uncertainty-avoidance countries. Great Britain has produced more Nobel Prize winners than Japan, but Japan has put more new products on the world market, the same counts for Germany. Based on this we may conclude that a low uncertainty-avoidance leads to more basic scientific innovations, but that isn’t a guarantee for implementing these innovations successfully in the market. High uncertainty-avoidance societies are less innovative but better in implementing new discoveries / new ideas and innovative findings successfully because they tend to be more precise and punctual thus avoiding uncertainty.
There is a strong case here for synergy between innovating cultures and implementing cultures/the first supplying ideas, the second for developing them.

Uncertainty avoidance explains whether tense and vague situations are tolerated or avoided and to what extent. This dimension is related to the acceptance of strenuous and uncomfortable situations and regarded by Hofstede as “what is different, is dangerous”. In societies with low uncertainty avoidance, organizational rules can be violated for pragmatic reasons, conflicts are considered as a natural part of life, and ambiguous situations are regarded as natural and interesting. In the case of strong uncertainty avoidance, the opposite tends to prevail. In working relations rules play an important role and are carefully followed. On the one hand, as innovations are associated with some kind of change and uncertainty, cultures with strong uncertainty avoidance are more resistant to innovations (4,10), and thus, less motivated to think creatively. To avoid uncertainty, these cultures adopt rules to minimize ambiguity. Rules and reliance on them, in turn, constrain the opportunities to develop new solutions. Uncertainty-averse attitudes also mean that there is less incentive to come out with a novel idea, which will be possibly rejected. On the other hand, it can also be supposed that in cultures with stronger uncertainty avoidance, there is a stronger tendency to protect intellectual property with patenting. However, creating and patenting innovations are sequential phenomena: if there are no innovations there is nothing to patent as well. Regarding the previous empirical evidence, Shane demonstrated that uncertainty avoidance has a negative effect on the number of trademarks per capita (4). Williams and McQuire showed that uncertainty avoidance has a negative effect on the economic creativity of a country (3).

Simon et al (16) also found that individuals who perceive lower levels of risks are more likely to engage in venture creation.

Openness to change demands a low uncertainty avoidance, high level of creativity and a strong need for innovation. What is different is attractive!

**Hypothesis 4:** There is a negative relationship between uncertainty avoidance and innovation initiation, however the reverse is true for the implementation of new discoveries/new ideas and innovative findings.

**Long-term versus short-term orientation (LTO)**

The long-term orientation dimension can be interpreted as dealing with society’s search for virtue (1). Societies with a short-term orientation generally have a strong concern with establishing the absolute Truth. They are normative in their thinking. They exhibit great respect for traditions, a relatively small propensity to save for the future, and a focus on achieving quick results. In societies with a long-term orientation, people believe that truth depends very much on situation, context and time. They show an ability to adapt traditions to changed conditions, a strong propensity to save and invest, thriftiness, and perseverance in achieving results.

**Hypothesis 5:** There is a positive relationship between long-term orientation and innovation strength.

**Indulgence versus Restraint (IVR)**
Indulgence stands for a society that allows relatively free gratification of basic and natural human drives related to enjoying life and having fun. Restraint stands for a society that suppresses gratification of needs and regulates it by means of strict social norms (1).

Statistically there is a significant, yet weak positive relationship between indulgence and national wealth. (1')

_Hypothesis 6: There is a (small) positive relationship between indulgence and innovation strength._

**Cultural values of The Globe**

Globe expanded the six Hofstede dimensions to nine (17). It maintained the values power distance and uncertainty avoidance. It split collectivism into institutional collectivism and in-group collectivism and masculinity-femininity into assertiveness and gender egalitarianism. Long term orientation was replaced by future orientations. The Globe added two more dimensions, also inspired by the Hofstede masculinity-femininity distinction: human orientation and performance orientation. (1)

_Uncertainty avoidance_

The extent to which a collective relies on social norms, rules and procedures to alleviate unpredictability of future events.

Globe's uncertainty avoidance is no alternative for Hofstede's Uncertainty Avoidance (UAI). It is primarily correlated with Hofstede's Power Distance (PDI). To the opinion of Hofstede Globe's use of the terms power distance and uncertainty avoidance confuses the Hofstede concepts. (1)

**Power distance**

The degree to which members of a collective expect power to be distributed equally.

In the Globe study the questions to the respondents were formulated very differently from Hofstede’s questions. The Globe’s power distance correlated more strongly with Hofstede’s uncertainty index. Globe’s power distance presents no alternative for Hofstede’s power distance. (1)

_Institutional Collectivism_

The degree to which institutional practices encourage and reward collective distribution of resources and collective actions.

Globe’s Institutional collectivism is exclusively related with Hofstede’s Uncertainty avoidance index (UAI) (1)

_In-Group Collectivism_

The degree to which individuals express pride, loyalty and cohesiveness in their organizations and families.

In-Group Collectivism “as is” is very much related with Hofstede’s Individualism versus collectivism (IDV); it is also the strongest correlated Globe’s dimension for Hofstede’s PDI (1)

**Future orientation**

The extent to which individuals engage in future oriented behaviors such as delaying gratification, planning and investing in future.

Globe’s future orientation ‘as is’ meant to express long-term orientation, doesn’t correlate with either Hofstede’s measures of LTO but did
with a combination of low Uncertainty avoidance and low Power distance. There is a negative relation between Globe’s future orientation and Hofstede’s long-term orientation. (1)

**Human orientation**
The degree to which a collective encourages and rewards individuals for being fair, altruistic, generous, caring and kind to others.

Strange enough Globe’s dimension human orientation produces no significant correlation nor positive and negative with Hofstede’s dimension Masculinity versus femininity. Hofstede doubts whether this Globe dimension makes any sense at all. (1)

**Assertiveness**
The degree to which individuals are assertive, confrontational and aggressive in their relationships with others.

There is a significant correlation between this Globe dimension and Hofstede’s dimension Masculinity versus femininity (MAS). (1)

**Performance orientation**
The degree to which a collective encourages and rewards group members for performance improvement and excellence.

Performance orientation “as is” correlates negatively with Hofstede’s dimension Uncertainty Avoidance. Performance orientation “should be” correlates negative with Hofstede’s dimension Long –term orientation. (1)

**Gender Egalitarianism**
The degree to which a collective minimizes gender inequality.

Gender equality has a lot to do with women’s educational level, which strongly relates to national wealth and therefore indirectly to individualism. This Globe’s dimension is not correlating with Hofstede’s dimension Masculinity versus femininity (1)

**Cultural values of Schwartz (18,19)**

**Power**
This takes value from social status and prestige. The ability to control others is important and power will be actively sought through dominance of others and control over resources.

This value is closely related with Hofstede’s dimension Power distance. We already concluded that there is a strong negative relationship between power distance and innovation initiation.

**Achievement**
Value here comes from setting goals and then achieving them. The more challenge, the greater the sense of achievement. When others have achieved the same thing, status is reduced and greater goals are sought. Key words are capable, ambitious, successful, intelligent and self respect.

The urge and ambition to achieve and to be successful, as well as setting goals positively correlates positively with innovative strength.

**Hedonism**
### Table 2: GLOBE

<table>
<thead>
<tr>
<th>Cultural value</th>
<th>Impact on Innovative strength</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Uncertainty avoidance</td>
<td>--</td>
<td>Very negative. The Globe’s power distance correlated more strongly with Hofstede’s uncertainty index.</td>
</tr>
<tr>
<td>Power Distance</td>
<td>-</td>
<td>Negative. The Globe’s power distance correlated more strongly with Hofstede’s uncertainty index.</td>
</tr>
<tr>
<td>Institutional Collectivism</td>
<td>-</td>
<td>Negative. Globe’s Institutional collectivism is exclusively related with Hofstede’s Uncertainty avoidance index.</td>
</tr>
<tr>
<td>In-Group Collectivism</td>
<td>+/-</td>
<td>Positive but if extreme negative In-Group Collectivism “as is” is very much related with Hofstede’s Individualism versus collectivism (IDV) it is also the strongest correlated Globe’s dimension for Hofstede’s PDI</td>
</tr>
<tr>
<td>Future Orientation</td>
<td>+</td>
<td>Positive. It doesn’t correlate with either Hofstede’s measures of LTO but did with a combination of low Uncertainty avoidance and low Power distance.</td>
</tr>
<tr>
<td>Human Orientation</td>
<td>+</td>
<td>Positive (motivation)</td>
</tr>
<tr>
<td>Assertiveness</td>
<td>+/-</td>
<td>Positive (assertive), Negative (aggressive) There is a significant correlation between this Globe dimension and Hofstede’s dimension Masculinity versus femininity (MAS).</td>
</tr>
<tr>
<td>Performance orientation</td>
<td>++</td>
<td>Very positive Performance orientation “as is” correlates negatively with Hofstede’s dimension Uncertainty Avoidance</td>
</tr>
<tr>
<td>Gender egalitarianism</td>
<td>+</td>
<td>Positive Gender equality has a lot to do with women’s educational level, which strongly relates to national wealth and therefore indirectly to individualism. This Globe’s dimension is not correlating with Hofstede’s dimension Masculinity versus femininity</td>
</tr>
</tbody>
</table>

### Table 3: Schwartz

<table>
<thead>
<tr>
<th>Cultural value</th>
<th>Impact on Innovative strength</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Openness to change</td>
<td>++</td>
<td>Very positive</td>
</tr>
<tr>
<td>Self-enhancement</td>
<td>+/-</td>
<td>Positive (achievements), Negative (power)</td>
</tr>
<tr>
<td>Self-transcendence</td>
<td>+</td>
<td>Positive</td>
</tr>
<tr>
<td>Conservation</td>
<td>--</td>
<td>Very negative</td>
</tr>
</tbody>
</table>
Hedonists simply enjoy themselves. They seek pleasure above all things and may, according to the view of others, sink into debauchery. The fact that people feel free could positively influence innovation, however as such there is no guarantee that hedonism leads to more innovation.

**Stimulation**

The need for stimulation is close to hedonism, though the goal is slightly different. Pleasure here comes more specifically from excitement and thrills and a person with this driver is more likely to be found doing extreme sports than propping up a bar.

Key drivers for this dimension are Excitement, novelty and life challenges. Daring, varied life and excited life are the key words.

One may conclude that a high score on stimulation has a positive relation with the innovative strength

**Self-direction**

Those who seek self-direction enjoy being independent and outside the control of others. They prefer freedom and may have a particular creative or artistic bent, which they seek to indulge whenever possible.

Feeling independence of thought and decision, exploration of creativity, being curious, choosing own goals and outside control of others will have a positive relation with innovative strength

**Universalism**

The universalist seeks social justice and tolerance for all. Caring about welfare of all people and nature is are important values. They promote peace and equality and find war anathema except perhaps in pursuit of lasting peace.

Key words are open mind, broad-minded, social justice, equality, world peace, unity with nature, inner harmony sand protect environment.

Universalism might have a positive effect on innovative strength particularly in finding sustainable solutions in areas of food production and processing, energy supply, sustainable use and re-use of raw materials, fair-trade etc.

**Benevolence**

Those who tend towards benevolence are very giving, seeking to help others and provide general welfare. They are the 'earth mothers' who nurture all.

Key words are helpful, honest, forgiving, loyal, responsible, true friendship, mature love.

Of course these values could facilitate process of innovation but are not the key drivers for it.

**Tradition**

The traditionalist respects that which has gone before, doing things simply because they are customary. They are conservatives in the original sense, seeking to preserve the world order as is. Any change makes them uncomfortable.

This Schwartz value is related with Hofstede's value uncertainty avoidance of which we already concluded that there is a strong negative relationship with innovation initiation.

**Conformity**
The person who values conformity seeks obedience to clear rules and structures. They gain a sense of control through doing what they are told and conforming to agreed laws and statutes.

This Schwartz value is related with Hofstede's value uncertainty avoidance and to some degree with power distance which both have a strong negative relationship with innovation initiation.

**Security**

Those who seek security seek health and safety to a greater degree than other people (perhaps because of childhood woes). Though they may worry about the potential of military force, they welcome the comfort that their existence brings.

Also this value is related with Hofstede's uncertainty avoidance.

**Super-grouping**

Note how these values form something of a spectrum, with successive values often having a close relationship. This is perhaps unsurprising as they are groupings of a larger number of values. They can also be collated into larger super-groups:

- Openness to change: Stimulation, self-direction and some hedonism. Very positive correlation with innovative strength
- Self-enhancement: Achievement, power and some hedonism. both positive correlation (achievement) and negative correlation (power)
- Conservation: Security, tradition and conformity. Very negative correlation with innovative strength
- Self-transcendence: Universalism and benevolence. Positive correlation with innovative strength especially in relation with sustainability

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**Table 1: Hofstede**

<table>
<thead>
<tr>
<th>Cultural value</th>
<th>Impact on innovative strength</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Power distance (PDI)</td>
<td>--</td>
<td>Very negative&lt;br&gt;Power distance had a negative effect on economic creativity in a country.</td>
</tr>
<tr>
<td>Individualism versus collectivism (IDV)</td>
<td>+</td>
<td>Positive but if extreme negative due to a lack of cooperation</td>
</tr>
<tr>
<td>Masculinity - Femininity (MAS)</td>
<td>-/+</td>
<td>Standing out is an important drive to excel. However is striving for consensus, humanization of work by contact and cooperation, and the role of intuition not equally important?</td>
</tr>
<tr>
<td>Uncertainty avoidance (UAI)</td>
<td>-/+</td>
<td>Negative for initiating innovation, positive for implementing innovation</td>
</tr>
<tr>
<td>Long-term versus short-term orientation (LTO)</td>
<td>+</td>
<td>Positive due to an ability to adapt traditions to changed conditions, a strong propensity to save and invest, thriftiness, and perseverance in achieving results.</td>
</tr>
<tr>
<td>Indulgence versus Restraint (IVR)</td>
<td>+</td>
<td>Positive (freedom to express)&lt;br&gt;There is a positive relationship between indulgence and national wealth.</td>
</tr>
</tbody>
</table>
2. Cultural values and its impact innovative strength, a tentative assignment

Culture as a knowledge Asset

Introduction
Technology has been treated by many anthropologists as an extension of culture. Much of what we call technology is knowledge physically embodied in objects that you can touch or physically manipulate. When we deal with culture it is more problematic. Only a small part of what we call cultural knowledge becomes embedded in technologies and artifacts. A large part is embodied in social processes, institutional practices and traditions, many of which are carried around people's heads.

In recent years our appreciation of culture as a knowledge asset has undergone a transformation. The rise of Japan as a world class competitor over the last three decades has brought home Western managers that much of the managerial and technological knowledge that they have taken as universal in its implication is often in fact specific to a culture and draws on deeply rooted and value-laden assumptions of how organizations and institutions function. It can be adopted and sometimes improved upon but only with considerable prior investment in cross-cultural understanding and adaption.

Cultural evolution is deeply affected by the technical means available for the social articulation and transmission of knowledge. These technical means may lead to more complex and stratified structures which have an influence on the sharing of information and knowledge.

The Information-Space
In many definitions of culture the structuring and sharing of information within a population distributed across space and time is a central ingredient. (20) For this reason the Information Space as defined by Boisot in his book Knowledge Assets (21) lends itself as a study of
cultural transmission. Here, the structuring of information is captured by codification and abstraction dimensions of the Information – Space and the sharing of information is captured by the diffusion dimension. Central to the idea of using the Information-Space in their way is the observation that cultures vary in their ability of propensity to structure knowledge and hence in their spatio-temporal reach. The way that knowledge assets distribute themselves in the Information-Space and the trajectories of the Social Live Cycles that bring them into being are both profoundly affected by cultural considerations and how these are expressed in stable institutional structures. Boisot describes four different types of transactions in the Information-Space: Bureaucracies, Markets, Fiefs and Clans.

**Bureaucracies**

Bureaucracies operate on a “need-to-know” basis, that is, on the controlled diffusion of well codified narrative and abstract-symbolic information to selected players within a given population. In bureaucracies the information is well codified and abstract, but its diffusion is strictly regulated by the operation of hierarchy. The pyramidal structure of an organizational hierarchy offers superiors a strategic information advantage which can be converted into power over subordinates. In this type of transactions relationships are impersonal and hierarchical, there is a hierarchical coordination and no necessity to share values and believes. High Power distance and high uncertainty avoidance are important cultural dimensions in bureaucracies. France, Spain, Italy and Portugal score high on these dimensions. As we noted earlier these cultural dimensions negatively influence their innovative strength.

**Markets**

Also in Markets the information is codified and abstract, however the information is widely diffused and for anybody available, there is no control. This makes the system largely self-regulating; the relationships are impersonal and competitive. There is horizontal coordination through self-regulation and there is no necessity to share values and believes. The information environment of a pure market transaction requires codification, abstraction and diffusion of all relevant data. Organizations and employees are free to pursue individual objectives. Low Power distance, low uncertainty avoidance, high individuality and high masculinity are important dimensions in Markets. As such the UK could be placed in the market region of the I space. These cultural dimensions, except for the high score on masculinity favor innovative strength.

**Fiefs**

Fiefs reflect the charismatic power granted to one or two individuals on the basis of unique situated, that is concrete and uncodified knowledge that they are deemed to possess but is hard to articulate and share. In Fiefs the information is uncodified and concrete. The information diffusion is limited by lack of codification and abstraction tot face-to-face leadership. Relations are (very) personal and hierarchical / charismatic. There is a submission to superordinate goals and hierarchical coordination. There is a high necessity to share values and believes. The personalized relationship between team members is essential to the building up of a sense of shared values
and trust between them and essential to the very personal authority of the team leader. The power she wields over her team is of a very intangible kind based on professional ability and personal qualities. This is charismatic authority. It creates disciples rather than subordinates and its power to command obedience depends on the existence of personal loyalty based on trust and shared values rather than, as with bureaucratic authority, on the ability to coerce. The team and the leader may share the same scientific objectives, but these may well be personal to the leader herself and express her own long-term professional aspirations. Collectivism (joined values and mutual trust, strong interpersonal relations) are important cultural values within the team or organization. Portugal possesses cultural values to be positioned in the fiefs region of the I-Space.

**Clans**

Clans develop on the basis of concrete experiences and tacitly held values that arise within small groups in a given population. In Clans, the information is uncodified and concrete; it is diffused but still limited by lack of codification and abstraction to face-to-face relationships. The relationships are personal but not hierarchical. Goals are shared through process of negotiations between pairs. Horizontal coordination through negotiations in which politics and personal power may sometimes weigh more than rational deliberation. There is a necessity to share value and beliefs. The need for common values and the uncodified nature of the information shared by the participants tend to limit the number of players to what can be handled in face-to-face relationships, oligopoly rather than pure competition. Entry is restricted and individual players are expected to observe the “club-roles”

When entry is not restricted and the number of players increases clans tend to break down. The uncodified norms and values that act as a social cement lose their power to bind. Also, clans can be considered as strong collectives. The Netherlands, being a network economy could be found in the clan region of the I-Space. The same accounts for Denmark.

**Positioning in the Information-Space**

Typically cultures, corporate, industrial, and national, mix these different transactional forms so that the resultant institutional order must be described as a configuration that blends together markets, bureaucracies, clans and fiefs. What makes a culture distinctive is how it distributes transactions in the Information-Space.

There is strong evidence that national culture and institutions play a part in predisposing firms to transact from a given region in the Information-Space. National values and beliefs influence socialization practices, legal frameworks and economic behaviour patterns in ways that strongly skew the distribution of transactions in the Information-Space. US culture, for example, with its strong preference for competitively determined contractual relations is a plausible candidate for assignment to the market region of the space. French culture on the other hand although equally committed to the role of law accords a greater rule to the state in contractual relations and tends to put the country in bureaucratic rather than in the market region. In the UK citizens prefer contractual relations with each other without interventions of the state.
Both China and Japan, by contrast, exhibit a strong cultural preference for more informal, personal and tacit forms of exchange, China being more centralized than Japan. China tends to apply for the fiefs region of the Information-Space whereas Japan could be positioned in the Clan region. A tentative assignment of European countries would put Germany somewhere in between the market and the bureaucratic region, Italy in the clan region, Spain in between the bureaucratic, market and the clan region, Portugal in between the fiefs and bureaucratic region, The UK in the market region, the Netherlands in between the market and the clan region, Denmark in the clan and market region, Sweden and Finland in between the market and the bureaucratic region. As mentioned before every nation and corporation mix different transaction forms, however culturally countries and corporations tend to prefer certain regions in the Information-Space. This preferred positioning is related to cultural dimensions of countries and corporations.

The impact of governance changes on academic research

Over the past decades the formal system for producing, evaluating and coordinating published scientific knowledge has undergone major changes in most industrialized societies. In particular the state and other collective actors have become more proactive in seeking steer to direction of academic research through the implementation of formal science policies and the incorporation of public policy goals into funding agencies’ evaluation criteria. Towards the end of the twentieth century, such steering became more focused on the economic payoffs from public investment in academic research, especially its impact on the development of technological innovations and their associated industries and led to public research institutions such as universities being encouraged to be more entrepreneurial and strategic in their behavior. The changing role of the state in organizing the public sciences and the context in which research is carried out has been especially marked with regard to the organization of support for academic research and the governance of universities. The funding of such research is undergoing a transformation from being allocated on a predominantly recurrent, block grant, basis for universities and institutes to being dependent on success in competitive bidding for project grants. In addition, as mentioned before, universities as organizations have been encouraged to become more significant strategic actors, with increased control over “their” resources, and more accountable to the state for their performance.

The combination of declining public financial support for academic research in real terms in many countries and the widespread belief that academic knowledge should be a significant resource for competiveness has also intensified pressures for public research organizations to seek revenues from the commercialization of research results and to collaborate with private companies. (22)

We can summarize these general changes in the governance of public sciences as six important developments in the organization and control of scientific research. First, there has been a rapid expansion of the number of qualified scientists and resources for research followed by a period of much more limited growth in the public funding of scientific research. This reduction in the rate of growth of state funding has been...
accompanied by, second, a shift away from relatively stable recurrent support for research institutes and universities towards a more competitive project-based funding. Third the states have developed a series of relatively proactive policies for steering the direction of research as part of a more general recasting of science-society relations. Additionally, many states have substantially restructured the higher education systems following the rapid expansion of students and staff. This involved, fourth, the formal delegation of some administrative and financial authority to the managers of universities and other public research organizations, as well as, fifth, the institutionalization of various procedures for assessing performance public research organizations and auditing their outputs. Finally, sixth, there has been a reorganization of relationships between public sciences and private business, which has led many public research organizations to become more actively concerned with the management of research commercialization and the encouragement of academic entrepreneurship. These developments have changed authority relationships governing the selection of scientific goals and projects and the evaluation of the results in many countries. (22)

The central difference between the public science system (PSS) in different countries concerns the relative authority over research goals, projects and standards of three sets of authoritative agents: the state, scientific elites, and the research organizations where scientific work is conducted. We can distinguish the following three pairs of public science systems: state-dominated, state-delegated and employer-dominated PSS.(12) The first pair consists of PSS where the state retains considerable levels of control over employment and resource allocation, but differ in the degree to which states share authority with intellectual elites. In state-centred PSS the state not only employs researchers, allocates resources, and determines reward policies, but also incorporates scientific elites into political patronage networks that limit their autonomy and discretion. In state-shared PSS in contrast, scientific elites are more independent and able to determine their own research priorities and standards. In the state-delegated pair of PSS, scientists are employees of universities and other PRO’s, but these organizations remain largely funded and chartered by the state. We can distinguish the state-delegated competitive PSS and the state-delegated discretionary PSS. In the former the researchers have to compete intensively to gain resources from a small number of research foundations, and are highly dependent on the decisions of few peer review panels and foundation priorities. In the state-delegated discretionary PSS the researchers have a more independent discretion over research goals, funding agencies, scientific elites and PRO managers. The last pair, the employer-dominated PSS, consists of situations where employers are much more able to determine employment conditions, resource allocation, and organizational structures independently of the state, but have to obtain most of their resources competitively from diverse forces. Within this pair we can distinguish the employer-competitive PSS and the employer-centred PSS. Universities and other employers in the employer-competitive PSS are much more concerned to become scientifically prestigious by making major contributions to intellectual goals than are PRO’s in employer-centred ones,
and so share considerably authority with scientific elites in making many decisions.

**Governance of innovation at a national level**

*The Netherlands*

In the Netherlands, we could speak of a state-delegated competitive public science system. Scientists are employees of universities which are intensively competing to gain the resources for their researches from a relatively small number of foundations. Scientists are highly dependent on decisions of peer review panels and foundation priorities. The NWO (the Netherlands Organization for Scientific Research) approves research proposals based on scientific criteria and assigns resources to the various plans in collaboration with the top teams for each top sector.

The administrative structure for regional innovation systems is divided into three levels: the national level, the provincial (regional) level and the municipal (local) level. In order to better address the challenges of the Dutch innovation system, the Ministry of Economic Affairs has renewed and restructured its instruments and their implementation. The aim of the proposed reform of the policy mix is to achieve greater flexibility and tailor made solutions to meet the needs of commercial organizations. The accessibility of the instruments is improved by reducing the number of access points and by means of a substantial reduction in the preparation costs and administrative burden. Financial and non-financial measures should motivate entrepreneurs to deliver ‘top performances.’

*Sweden*

In Sweden, there is a more state-delegated discretionary than a state-delegated competitive PSS. The researchers have a more independent discretion over research goals, funding agencies, scientific elites and PRO managers. The research community itself has a key responsibility in controlling research funds.

‘Sweden has a model of innovation governance based on a thin ministerial layer in charge of drawing up policies. Powers of implementation are transferred to a complex array of agencies, which are also responsible for the design of policy instruments. In recent years, there has been a growing policy debate about the status of the innovation system, which has stimulated a change in the policy mix in favor of innovation. Key measures can be divided into research-oriented instruments on the one hand, and market-oriented instruments on the other. The former include measures to create international competitive research environments, more funding for strategic research (life sciences, engineering and sustainable development) as well as improving graduate schools. Market-
orientated measures include improved transfer of technology and structures for the commercialization of research, as well as an improved supply of seed financing through the Innovation Bridge.' (24)

Following Boisot (21) we could put Sweden in between the bureaucratic and the market region of the Information-Space.

The bureaucratic region is the state delegated and funded side of strategic research and development, the scientist are employees of universities and public research organizations, but these organizations remain largely funded by the state. The market region deals with the implementation and commercialization of research which is dominantly funded by the private sector.

*Denmark*

Also Denmark applies a more state-delegated discretionary than a state-delegated competitive PSS (12) The researchers have a more independent discretion over research goals, funding agencies, scientific elites and PRO managers.

‘Denmark does not have a specific innovation policy. Innovation is rather seen as a cross disciplinary theme influencing a number of policy areas. Danish innovation policy is characterized by strong stakeholder involvement in policy formulation and a strong tradition of consensus. There is interaction with all key stakeholders and consultation and partnerships increasingly feature on the agenda. Coordination among the different organizations involved in policymaking related to innovation plays an important role.

Inter-ministerial committees were recently established to further improve this coordination. The Globalization Strategy was presented in March 2006, aiming to ensure that ‘Denmark is to be among the countries where it is best to live and work – also in ten to twenty years’.” (25)

The research and development policy of Denmark is strongly positioned in the clan region of the Information-Space. Different organizations strongly interact in policymaking. Negotiation and striving for consensus in between different stakeholders is very common establishing innovation policies. (21)

*Finland*

The state retains considerable levels of control over employment of scientists and resource allocation. It shares authority with the intellectual elites. We could call this a state-centered public science system(12)

The Government Resolution on the development of the public research structure (7 April 2005) defines the framework for the renewal of its innovation system. According to the Resolution, the public research system will be mainly developed on the existing basis. It also includes a clear action plan for strengthening decision making and guidance in science, technology and innovation policy.

The Science and Technology Policy Council will be developed as the principal expert body in all major questions of science, technology and innovation policy.’(26)

For the part of the R&D funded by the state Finland tends to apply for the bureaucratic region rather than the market region of the
Information-Space as there is a greater rule to the state in contractual relations.(21)

UK

The UK has experienced all six of the major changes to the organization and direction of the public science systems as described by Whitley (12). In some respects, these changes have been more prominent and influential than elsewhere, especially with regard to establishing a mechanism for regular, systematic, nationwide assessment of university research. The UK Research Assessment Exercise (RAE) has become very central and influential. The UK was one of the first countries both to institutionalize university research over twenty years ago and to link it to financial allocations. Consequently, the effects on authority relations there are likely to be more profound than in many other states. The RAE has reinforced the shift from collegial governance with a large influence research elites, towards “managerialism” in most universities, with more centralized control and monitoring, greater use of targets and rewards, more bureaucratic procedures, and a more hierarchical structure. In short it has strengthened the authority of institutions and its control over academic labour. The government has decide that the peer-review-based RAE is to be replaced by the metrics-based Research Excellence Framework (REF). The switch to the metrics-based REF may well reinforce pressures not to stray far from mainstream disciplinary research. It could be said that the REF assessment system more reliant on metrics and less on informed peer review is damaging in its long-term effects on university research. It is counterproductive in terms of generating wide variety of intellectual innovations in the longer term. The effective governance of universities may actually require less external control, not more.

The UK has an essentially discipline-based assessment system for a world in which government policies are trying to encourage more user-focused and often interdisciplinary research. In fact it applies a state-centred PSS where the state employs researchers, or gives directions if and what researchers can be appointed, allocates resources, and determines reward policies.

One major challenge in the governance system is that business university engagement remains inconsistent across industries and regions. The government, together with the Higher Education Funding Council for England (HEFCE), is taking steps to promote best practice in business-university interaction. Another two challenges highlighted in this report are that the UK has not always been effective in translating the products of excellent research into economic gain; and public and private investment in R&D remains lower than that of many leading competitors. In order to help effectively translate excellent research into economic gain, there appear to be a number of opportunities to create a more favorable environment for science and innovation, ensuring that the UK maintains its position among the innovation leaders.(27)

The UK can be found in the market region of the Information-Space however the steps of the government to more guidance the research and innovation by establishing a more favorable environment would add some characteristics of a bureaucratic position in the Information-Space.
As a whole the UK remains strongly positioned in the market region of the I-Space. (21)

**Germany**

Research is more employer dominated than state delegated as research is being much more facilitated than delegated by the state (12).

Deliberate and successful attempts to build distinctive collective research strategies, or profiles, that involve reallocating resources to particular areas constitute a new phenomenon in the German university system. Rectors and presidents have come to consider such profile-building as an important task, which their increased authority makes it possible for them to push forward. A key part of New Public Management (NPM) governance reforms in Germany was strengthening of university leadership. The formal responsibilities of deans and presidents were extended, and they gained formal powers in decision-making that were relocated both from the state and from the bodies of academic self-regulation. Also in line with the NPM blueprint, state authorities have partly retreated from regulation and favored more global forms of steering at distance. Under the heading of university “autonomy” the specification of financing procedures and teaching programmed was reduced, and university boards, mission contracts between ministries and universities, a performance-based allocation of basic funds, and the accreditation of study programmed by special agencies, were introduced as substitutes (28).

The changing authority relations in the German university system do not only reflect new distribution of power but also a new institutional model of the university as an organization.

Universities are now perceived as organizational actors in the sense of coherent and compact entities that are in control of, and and accountable for, their own actions. (29, 30, 31)

‘Innovation governance in Germany is characterized by a federal system involving stakeholders at federal government level and at the level of the federal states (Länder).

The combination of the state effort to improve framework conditions and the education and science system from one side and promoting the innovation activities in firms from the other side, would put Germany somewhere in between the market and the bureaucratic region. (21).

**France**

Originally being a state-coordinated public science system now France provides a good example of a stratified state-shared public science system (12) in which the central state and to some extent scientific elites constituting academic oligarchies traditionally had the most influence on research strategies and performance standards, but where the authority of employment organizations and funding agencies has increased during the last decades: it tends to move to a limited form of a state-delegated science system.

In the course of the past years, the French innovation and research institutional framework has changed radically. In order to distinguish policy orientation strategies as regard research and innovation from the implementation and effective support, two major new agencies were added to the French national research and innovation system: the National Agency for Research and the Agency for Industrial
Innovation. These two bodies are responsible for financing innovation and research.

The recent developments in the French research and innovation system have been carried out to address crucial challenges identified at national level. Strong emphasis is placed on reinforcing public and private linkages and the relationships between producers and users of knowledge.’(32)

French culture accords a greater rule to the state in contractual relations and tends to put the country in bureaucratic rather than in the market region of the I-space (3) The research is still very state dominated and directed. Although the different French regions have developed their respective research and development policies its share in total research and innovation budget is rather small compared to the national budget.

**Italy**

In Italy there is a state-delegated public research system (12).

The public support system for R&D and innovation is based on a funding scheme of direct aid to enterprises. The system is articulated around a large number of measures adopted at national and regional level. In recent years the role of regional policies has increased, especially in less favoured areas, mainly as support to innovation and technology transfer initiatives. The government’s policy regarding innovation and R&D has focused on three main lines of action: the concentration of (scarce) resources on specific technology areas; the creation of clusters (favouring the aggregation of SMEs to overcome disadvantages linked to their size but also fostering public private cooperation); and the promotion of technology transfer.

Both in terms of policy makers and public-private innovation intermediaries, the Italian national innovation system (NIS), is characterized by a large number of entities and a high level of fragmentation. Low levels of coordination and cultural barriers to public-private cooperation have characterized the whole innovation system in the past, mainly affected by the lack of links and interaction between the main NIS players.’(33)

Italy is positioned between the fief and clan region of the Information-Space. (21) Cooperation between firms and organizations is strongly based on personal contacts among the power holders. Generally cooperation between firms, research institutes and universities has been frustrated by bureaucratic rules. The governance of research at a country level by the government and governmental institutions is weak and not very transparent, Most of the research is being initiated and organized by the private sector.

**Spain**

In Spain the research at universities and other public research agencies, the CSIC being the largest public research organization in Spain is basically state-delegated competitive but also depending on the policies of regional governments state dominated (12)

In the absence of significant block grant funding for research researchers need to obtain funds through competition from funding institutions (national and regional) or trough contracts with companies.
The Spanish innovation policy-making and delivery structures cannot be understood without considering the regional governments of Spain's Autonomous Communities and Cities. Today, university funding has been decentralized to the regional authorities. The decision of when and how to launch R&D and innovation policies lies entirely with the regional governments themselves, who are free to design their strategies in line with their preferences and available financial resources. The Spanish regulatory framework for R&D and innovation is undergoing important changes which also affect governance models for universities and public research centers. At least six new laws (or revisions of existing laws) affecting the Spanish national innovation system (NIS) have been tabled since 2004 and are either already being debated or soon to be put before Parliament. They include the forthcoming reform of the Organic Law on Universities, the proposed Biomedical Research Law and Public Contracts Law, as well as the recently approved Public Agencies Law, Venture Capital Law and the tax reform.(34)

Overall Science Technology and Innovation strategy: The State Innovation Strategy (E2i) for 2010-15 aims to change Spain’s production model by promoting and creating structures to improve the use of scientific knowledge and technological development. The Act on Science, Technology and Innovation (STI Act), which entered into force in December 2011, replaces a 1986 science law and explicitly aims to integrate technology and innovation activities with scientific research. The new governance framework defined by the STI Act will be supported by the Spanish Strategy for Science and Technology 2013-20, which is being developed, and the recently drafted State Plan for Scientific and Technological Research. STI policy governance: The STI Act creates a new research funding and governance structure for the Spanish STI system with the creation of the State Research Agency (a funding body) and comprehensive reform of PRIs. The Act defines new governance mechanisms to ensure coordination of central and regional governments (e.g. a STI information system to share information among central and regional administrations). The Centre for Development of Industrial Technology (CDTI) remains responsible for funding industrial and innovative activities nearer to the market. In addition, the new government, formed in December 2011, created a new Ministry for Economy and Competitiveness which took over the competences of the Ministry of Science and Innovation. Science base: The most challenging tasks for Spain are to increase the quality of its scientific publications and to enhance the contribution of public research to the economy and society. The University 2015 Strategy aims to increase universities’ contribution to social and economic needs and to improve their competitiveness. It includes an evaluation system, with international assessment, to monitor and measure universities’ progress. Business R&D and innovation: The government continues to improve the environment for business R&D and innovation and has seen significant increases in the number of innovative and R&D performing firms even if current performance is weak.

Spain is positioned in between the bureaucratic, the market and the clan region of the Information-Space. (21) Regional governments have great influence in research and
development, private companies openly compete in research and development trying to gain high market shares in innovative products, cooperatives of producers play an important role in the economy of Spain, partnerships and coordination among different stakeholders are evident.

**Portugal**

In Portugal research is basically state-dominated. (12), however the authority of employment organizations and funding agencies has increased during: it tends to move to a limited form of a state-delegated science system.

The main development in innovation policy in the period under review was the launch of the Technological Plan. This was designed as a flagship program to promote competitiveness and innovation by providing a new orientation for science and innovation policy. Guidelines for future innovation policies are provided in the Technological Plan. Some of them will materialize in the 2007–2013 Operational Program on competitiveness factors. Others, however, have already been implemented following the alignment of PRIME (SME support initiative) with the Technological Plan. One of the features of this alignment was the decision to encourage innovation through grants, instead of reimbursable loans, as it has been the case since 2002. Another was the launch of specific application calls with a limited term and focusing on issues considered as particularly relevant, such as the modernization of traditional industries (associated to the DINAMO program, which targets traditional industries) and the development of innovation clusters on wind energy.’(35)

Portugal can be found in between the fiefs and bureaucratic region of the information-Space. Codification and diffusion of information is low and coordination is based on loyalty and personal contacts between power holders in society. (21) Individual firms seldom join forces in research and development unless there are collective ties between the power holders. This makes them less competitive and less able to invest in major research and innovation projects. The national government has put a lot of effort in trying to develop a governance for innovation. It aims to design and initiate a national strategy for research and development.

**Quantitative web survey**

**Research objectives**

The main objective of this research is to get insights into the importance of key cultural characteristics and values in the different countries, the importance of leadership style characteristics and their contribution to innovative strength and the perceived relevancy of issues that affect innovation policy governance.

The outcomes of the research will provide us with an answer whether cultural values are related to the valued leadership style characteristics in the different countries. It will also address the importance of leadership style characteristics for innovative strength. It will give us an insight into possible relations between national cultural values and the perceived importance of innovation policy issues for innovation governance in the different countries.
**Research target group**

The survey is targeted at persons who represent a key role at the National or Regional government, at the private sector enterprise and at Universities and higher education institutes who are knowledgeable about Science, Technology and Innovation (STI) policies and policy making.

**Sets of questions**

The survey has been structured around three sets of questions.

First, a fixed list of cultural characteristics and cultural values is given. This list corresponds with the cultural values of Hofstede and Schwartz. The respondents will be asked to address their opinion on the present (as is) cultural characteristics and cultural values and how they would like these to be (should be).

Second, several leadership characteristics have been listed. The respondents will be asked to give their opinion how these characteristics are presently valued (as is) their country and how these to their opinion should be valued (should be). Next they will address the contribution of the same leadership characteristics for the innovative strength of organizations.

Third, several innovation issues have been listed, the respondents will be asked to give their opinion about its contribution to the innovative strength. The same list is used to ask to what extent the innovation policy issues will affect the governance of innovation in their country.

**Qualitative research**

Based on the results and conclusions of the quantitative research possible relations between cultural values, leadership style characteristics and the governance of research and innovation will be further explored by executing personal interviews with professionals in innovation policies and policy making. Aim is setting up a structured model addressing the relationship between culture, management characteristics and governance and management of research and innovation.

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Abstract

Purpose

In the recent years several studies have demonstrated that economics and finance as a form of knowledge on markets, the economy, and firms works as a kind of ideological blindness that is leading the people to a ‘false consciousness’ or a particular dominant interpretation of the economic world through exclusion; other analyses have argued that economic experts and expertise function as discursive authorities that are legitimating decisions and particular interpretations of the world. While both perspectives do not contradict each other, it is still open to debate in current research on the power of economic ideas how authority and legitimation in economic expert discourses works. My presentation follows the second strand of research.

Design

With Bourdieu’s and Foucault’s theories of symbolic and discursive power I want to ask how actors become visible as experts in the debate on economic policy advice in the financial crisis.

Findings

Following the Durkheimian school of which Bourdieu and Foucault are important representatives I want to show how “chains of authorisation” between institutions, discourses and actors operate. Thus, the ideological power of particular economic ideas is the result of an authorisation process between actors and institutions: an authority (e.g. an economic expert) is authorized by another authority (e.g. the University) which in turn is based on a wider network of different authorized institutions and actors (e.g. elite networks in parties, governance institutions, organisations).

Research limitations/implications

In the global capitalist economy power operates through multiple social forms. Whereas traditional Marxists focus on the economic and ideological dimension of power and theories of political sovereignty insist in the military strength of the state and the influence of strong social groups cultural and discourse theories are taking into account the hidden mechanisms working behind the backs of the agents. Particularly in the struggle for ideas, ideologies and legitimacy in economic policy, economics and finance the hidden and soft forms of power are at work.

Practical implications

The results will contribute to a sociological inspired reflection on the social conditions of the exchange of ideas between the academic and the political world in economic expert discourses.
What is original/ what is the value of the paper?

I will show that a symbolic economy exists between several institutions and actors from the academic, the political and the public world that is backed up by the global university system which functions as a fiduciary of power in the capitalist world system. Following this idea, I will discuss in my presentation the inner logic of this symbolic economy. By recourse to Marcel Mauss's theory of the “gift” I want to delineate the processes and dynamics on which discursive and symbolic power is based in ideological struggle in economics and economic policy on the financial crisis. With a combination of discursive (Foucault), symbolic (Bourdieu) and historical-institutional (Mauss) approaches I want to contribute to an on-going debate on financialization and economic experts in economic sociology and global political economy.

Keywords

Economics, discourse, power, elite, finance

Introduction

The influence of economic experts in and on society has been extended during the last decades. While in the 18th and 19th centuries the humanities and social sciences had a huge impact on the formation of the nation state, the 20th century is more and more dominated by economics. In the phase after World War II economic policy research and advice became professionalized and institutionalized (Hall 1989, Pechman 1989). In the years after the oil shock in the 1970s a second phase started where financial experts grew in number and relevance in the course of the expanding financial markets (MacKenzie 2006). In both cases economists were split between the academic world of pure scientific investigation and the world of practical intervention into the economy through policy advice. While practitioners accuse theorists of being “too theoretical”, dwelling and thinking in abstract models, academics, in turn, are sceptical about policy makers due to the loss of scientific sophistication. Nevertheless, academics and practitioners are related to each other. How is this relationship structured today?

In recent years critical studies have demonstrated that economics and finance as a form of knowledge on markets, the economy and firms works as an ideological device that is leading the people to a ‘false consciousness’ or to a particular dominant interpretation of the economic world. Other analyses have argued that economic experts and expertise function as discursive authorities who have a legitimating influence on decisions and particular
interpretations of the world. While both perspectives do not necessarily contradict each other, it is still open to debate in current research on the power of economic ideas how authority and legitimation in economic expert discourses works.

This paper follows the second strand of research. With Bourdieu’s (1989) and Foucault’s (1990) theories of symbolic and discursive power, I want to ask how actors become visible as experts in the debate on economic policy advice. From this viewpoint, economic expert discourses take place in particular social contexts. Thus, when experts take a position in the economic policy debate, then they enter into a social world which is structured in a particular way. This article will outline the social fabric of these discursive contexts.

Following the Durkheimian school, of which Bourdieu and Foucault are important representatives, I want to show how “chains of authorisation” operate between the academic world and the world of policy advice through institutions, discourses and actors. When “chains of authorisation” become operative between the two worlds, the twin process of “academization” and “elitization” must have taken place in the respective worlds (Maesse 2014a, b). Thus, in the world of policy advice and political debate academic reputation has been established through academization in order to become a powerful device in economic expert policy discourse as “symbolic capital”; on the other hand, elitization in the academic world makes the construction of this symbolic capital possible. Research rankings mainly manufacture an academic “elite myth” which is the source of symbolic capital that economic experts use in their discourses. Equipped with this form of power from the academic world, discursive actors as “economic experts” are able to conduct powerful definitions of the social and economic reality within the world of policy advice, the economy and firms. Thus, with the term “elite economist” we can grasp the dialectics between “academization” of the society and “elitization” of academia (Maesse 2014a, b).

Thus, if a symbolic economy exists between several institutions and actors from the academic and the political discourse that is backed up by the global university system, which functions as a fiduciary of power in the capitalist symbolic economy, then, this transversal symbolic economy is structured in a particular way. This article aims to provide an account of the transformations, social conditions and operative logics which make the construction of powerful actors in economic expert discourses possible. The first part gives a brief insight about the theoretical approach. The second and the third parts account for the elitization and academization processes in the split world of economic(s) knowledge production. The fourth and fifth part is taking into account the relationship between academization and elitization. By recourse to Marcel Mauss’s theory of “the gift” (2001) I want to delineate the processes and dynamics on which discursive and symbolic power is based on ideological struggle in economics and economic policy as it is being performed during the recent financial and economic crisis.

Academics and practitioners in distinctive social worlds
The relationship between academics and practitioners is typically characterized as an exchange process in which both inform and learn from each other. An improved exchange between economists from academic and applied contexts has been put forward by governmental institutions and the public debate alike within the last few decades. Therefore, it became a matter of debate for academic and non-academic professionals as well. In this debate people believe in learning as a process of deliberating ideas to the point where the “best ideas” on “common economic problems” should be developed by a community of communication between different experts. The representatives of this approach typically believe in the power of ideas to find the “best solution” for the entire community. “Learning” refers to a socially structured process of developing a common good. I call this a functionalist-idealistic approach because the focus is directed on the content of ideas which have a functional relationship to the problem on which they are applied. This very technical idea is an important part of the ideology of finance and economic policy advice itself, and therefore a part of the object under consideration. The actors involved in the game between academic models and policy advice construct a “learning myth” that bridges on an idealistic and functional level, two separated social spaces which are, in fact, based on distinctive rules.

In contrast to functionalist-idealist theories, sociological approaches on learning would start from the materiality of social and discursive relations. In comparison to idealistic approaches, sociological theories are sceptical with respect to the content of ideas. Ideas “contain” no meaning; the particular content of an idea is rather the result of interpretation and social attribution in different contexts (Angermuller 2013). To understand the circulation of ideas between the academic and the political world we have to take into account the discursive processes of interpretation in two different social fields. These processes of interpretation are structured by social relations, rules, norms and knowledges. Whereas functionalists look at the obvious relationship between the idea’s content and functionality, discursive-sociological approaches take into account the hidden character of their social embeddedness and discursive structuring.

In this contribution I follow a discourse and field theoretical approach to take into account the relationship of economic experts from the academic and the applied world (see Lebaron 2006, 2008). When economists in contexts of policy advice take a position with a “proper economic idea” in the discourse s/he enters a structured terrain where the social visibility of the expert status is constructed through his/her relationship to academic elitism. As Lebaron has shown (2006) with tools from Bourdieu’s field theory, symbolic capital from academic consecrations works as a legitimizing force in public debate. Taking the example from Nobel Prize Awards, Lebaron argues that economic excellence is a social construal. Thus, when the central bank of Sweden awards the Nobel Prize in economics to particular economists, the awarded economists can use this reputation as symbolic capital in order to exercise power in the public. A prize awarded in the academic world yields to power in the political world of economic expertise. Therefore, academic capital has been translated into political power.
According to Bourdieu (1999) the transmission of reputation from one field (the academic world) to another (the political world) is, strictly speaking, not possible; it can maintain its social value only in the field in which this value has been attributed to it. Thus, whereas Bourdieu's field theory makes the power of social capital visible it cannot grasp the circulation and transformation of the status and the content of ideas between different worlds (Angermuller 2012). Economic expert knowledge takes different forms in different contexts (Maesse 2013). With Foucault's theory of discourse and power (1972, 1990) we can fill this theoretical gap in order to understand how discursive power operates between different social fields. Whilst ideas cannot simply circulate discursive forms such as texts; phrases, signs and icons are able to leave the context of production in order to enter new contexts where they will contribute to make up new contents. By extending the field theory with a discourse theory, status and reputation as a form of symbolic capital can be conceived as the product and starting point of discursive attributions. These attributions are taking place in and through usually blurred, hidden and sedimented, only sometimes obvious and visible chains of authorization, between the academic and the political world. In the last chapter I want to explain these chains with Mauss's theory of “the gift”. But chains of authorization are only operative in a social environment that is structured in a particular way. With the terms “elitization” and “academization” I want to give a brief insight into this social structure that makes a particular kind of economic expert discourse possible.

“Elitization” between global trends and the local responses

Social inequality, stratification and class formation is not only a matter of social relations within the wider society where academics usually hold high positions and non-academics are placed on the lower levels of the social hierarchy. The social world of academics is also internally split between high and low positions. In contrast to other academic disciplines, economics is characterized by a particular high degree of internal stratification and hierarchization. Following Han's (2003) comparative analysis of social mobility within academic disciplines, economics is not only characterized by a high degree of reputational difference (“transitivity”). It is rather obvious that PhD-students from “high level” departments tend to move to “high level” departments whereas students from “low level” departments remain in “low level” departments (“cyclicity”). Thus, elite institutions recruit elite researchers and build a social space of its own, separated from the rest of the remaining academic field.

The elite orientation was established in the 1960s (Coates 1993: 407), starting in the economics departments of the US and then spreading throughout the rest of the (western and later eastern) world (Fourcade 2006). Particular academic practices have been developed within elite institutions which protect the exclusiveness of this social world. Graduate schools with a strong technical-mathematical orientation offer Master and PhD students a special training in methods, paradigm canon and paper writing skills. Furthermore, through a membership in graduate schools, young scholars have immediate excess to high ranked journals in order to successfully publish in A-journals.
Illustration in Han (2003: 271)

Illustration in Fourcade (2006: 175)

Fig. 3.—National, regional, and international associations of economists (cumulative foundings). Source: Same as fig. 1.
because their supervisors and other established professors in the social environment of graduate schools in elite departments have high positions in academic institutions, i.e. in editorial boards, scientific organizations and so forth. Elite institutions form an academic network that includes its own members and excludes others by structural means. The "Matthew-effect" (Merton 1968), "for to everyone who has will be given more" is operating here.

The process of elitization was accompanied by a process of differentiation and numerocratization. As the illustration shows in the 1960s/70s a process of internal differentiation of academic sub-disciplines arose; this is also reflected in the structure of journals. Parallel to the differentiation of specialized associations the number of journals became multiplied by five between 1959 and 1993 (Fourcade 2006: 162, footnote 12).

The process of differentiation was accompanied by a process of hierarchization. With a strong and nowadays exclusive orientation on articles in "high ranked" journals, global scientific standards were established. Monographs and volumes, which usually enable the academic communication within thousands of small academic groups, take a backseat and articles in high ranked journals become the only valuable academic currency. Qualitative differences of academic knowledges are being incorporated into a quantitative hierarchy. This switching over from quality to quantity is a form of "numerocracy" (Angermuller 2010) as a "governance with numbers" of academic life (Desrosières 1998).

In the vein of this global development towards elitism, the different national academic fields need to respond to this external pressure (Meyer/Rowan 1977). They developed different adoption strategies in order to adjust their particular academic worlds, traditions, habits and interests to the globalization pressure. In the remaining part of this chapter we will have a brief
look at the German case and will gradually compare it with the adaption strategies of the British case.

The German academic system, respectively the German speaking academic world of economics (including the Austrian and the Swiss economics institutes), initiated in the 1990s a transformation process towards a hierarchical, international and elite oriented structure (Maesse 2014a). In order to adapt to global elitization processes the economics institutes have developed four distinct strategies.

The first and most important strategy can be called magnification. Through magnification a couple of four to six large economics institutes out of around eighty German speaking economics institutes have started to bundle resources within their institutes such as research grants, positions, professorships and so on, in order to develop an internationalization strategy. Through a horizontal constitution of a social entity the ground is made up for the globalization process. Especially Munich, Frankfurt, Mannheim and Bonn in Germany, Zurich in Switzerland and Vienna in Austria have directed their publication strategy, researcher recruitment and PhD scholarship according to the standards of the new journal based, English speaking system of mathematized economic modelling. This appears to be a magnification process because only institutes with more than 15 to 20 professors are obviously able to follow the internationalization strategy. Thus, the foundation of graduate schools that adopt the American elite style schools was only possible in the large institutes. Small institutes are obviously decoupled from this development. A brief look (Maesse 2014a) at the publication behaviour shows that in general all economists – both from the small and from the large institutes – are publishing a similar amount of papers, books and contributions. But economists in large institutes have much higher journal based productivity. Thus, economists from “elite”

Illustration from Handelsblatt ranking 2011

Top-100 Aktuelle Forschungsleistung (seit 2007)
institutions are publishing only for high ranked journals which include the application of a particular model based kind of economic thinking (Morgan 2012) in order to be successful; whereas economists from smaller institutes tend to publish also in other publication formats beyond the journal system.

This magnification process was supported by two further strategies. The application of an evaluation strategy and a departmentalization strategy. After the year 2000 different rankings of publication output have been developed. Today the Handelsblatt ranking is probably the most important ranking in the German speaking world of economics. The Handelsblatt, an economic daily newspaper comparable to the Financial Times, publishes a ranking of the “most successful” German speaking researchers and the “most successful” institutes every two years. Grounded in an impact analysis of all economic journals every publication of the last five years receives a score of between 0.6 and 0.05 points. According to this calculation the “best” 100 to 125 researchers are being ranked.

With rankings, research output is classified in “valuable” and “non-valuable” publications according to globalization standards. It now becomes possible for researchers, the states and the universities to measure “quality” and compete with each other in a decomposed post-national academic field which follows an elitization strategy. Professors and young researchers with a high account in the Handelsblatt ranking get a job in the huge institutions; professors and young researchers with lower account are qualified for a job at the periphery of globalized academic field. A “two-world” field of economics has been emerged, a space of social inequality.

The successful application of the magnification and the evaluation strategy is possible because the field, and especially the huge institutes, follow a third strategy that can be called departmentalization. Departmentalization refers to an adoption of the standards of the US academic system, i.e. through the foundation of graduate schools, the development of a collective research strategy instead of the typical German professor centred individualistic science policy and so forth. Thus, through departmentalization, elite networks develop between the members of the large institutes of Munich, Frankfurt, Mannheim and Bonn. A brief look into the scientific biographies of the members of these institutes reveals that almost every professor of each of these institutes has had a position within this network before (or in the Anglo Saxon world). The professor as an individualistic academic entrepreneur is no longer important but the membership at a particular institute and it’s network to gain access to elite circles, including powerful positions, valuable publications, potent staff, contacts to politics and banks and some extra money. Thus, the belonging social group in a stratified hierarchy becomes the primary point of reference for the academic life. Young researchers are “born” into a high ranked “family” in order to become an “elite researcher”. Not merit but structural power is the principal logic.

The fourth strategy that is applied in order to reorganize a national field according to a global elitization process is the concentration of all kinds of academic capital on a few areas. This
includes money, professorships, graduate schools, time for research and PhD scholarship, positions, publication skills, public and political attention, access to state and economic elites and so forth. Thus, each of the four German magnificated institutes are in direct proximity to policy related economic research: the IFO-institute in Munich with Hans Werner Sinn, the ZEW in Mannheim with Clemens Fuest, the banks and central bank(s) in Frankfurt, and the Max Planck Centre in Bonn. Only the DIW in Berlin is missing a link to elite institutions as well as the University of Cologne because it was not yet possible to bundle the resources in two more or less poor counties (the eastern part of Germany in Berlin and the old industrial Rhur area in the Nord-Rhein Westfalen district). Therefore, a general social displacement seems to be reflected in this development from the nation state oriented industrial planning with quasi Keynesian tools to a neoliberal, microeconomic elite located at segregated places and “global cities” (Sassen 1991).
The German speaking world of economics responded by a coordinated application of concentration, magnification, evaluation and departmentalization strategies to globalization trends and constructed a field structure which seems to be typical for globalized disciplines. Hence, the national academic field is split into a regionalized part which is decoupled from the highest academic consecrations and a small group of internationalized institutes which are attached to an emerging global field. From the global perspectives, this field looks like a landscape consisting of a large US mainland surrounded by several global islands from all over the world, as the following ranking illustrates.

The transformation towards elitism follows different pathways in each country (Fourcade 2009). In Britain, for example, emerged a similar structure with the “global islands” somewhere between Oxford, London School of Economics, University College London and Warwick. But every island is surrounded by other islands, such as Kiel, Göttingen, Berlin or Cologne in Germany and maybe Cambridge and some other departments in UK. The divisions between the elite islands and the regionalized, marginalized periphery are fluid.

Compared to the German case, the British elitization strategies started from a tradition within the old elite universities in Oxford/Cambridge and the London colleges with a well-established, international economics orientation. Interesting is the Cambridge and the Warwick case. As economists told me in interviews that early in the 1970s Warwick adopted an

Illustration from Tilburg University Ranking, source: [https://econtop.uvt.nl/rankinglist.php](https://econtop.uvt.nl/rankinglist.php) (24.01.2014)
academic research orientation that was directed to the positivistic and model based style of economic thinking of the “formalist revolution” (Blaug 2003), using econometric methods and mathematized models to formalize economic causalities. Through academic training in methods and model building, Warwick grew up and became attractive to those researchers who would later hold important positions, receive top publications and enter into valuable contacts to banks and the government. In contrast to Warwick, Cambridge went the other way around. “They were taken over by the radicals”, as one interviewer summed up. Whilst Warwick economics took over neoclassical models, Cambridge became a stronghold of left wing Keynesianism led by figures such as Joan Robinson who pleaded for a more social and cultural science style of economics. But this style was no longer recognized as “scientific” by the emerging neoclassical hegemony in the field (Breslau 2003) and thus not qualified to receive the consecrations by US style rankings. “This model of ‘public-minded elitism’ was especially well developed during the interwar and early post-war periods. (The figures of Beveridge, Keynes, Meade, or Kaldor perhaps exemplify it best). It partly lost its preeminence as a result of several trends. First, the shift to a system of mass higher education has weakened the traditional supremacy of Oxbridge, which best embodied this model. Second, disciplinary growth in economics has been associated with an expansion of scientific academism, which has prevented some of its practitioners from engaging in advocacy. Finally, during the Thatcher years, academics found themselves much more isolated than they had ever been, though the pattern was reversed again under the Blair government” (Fourcade 2009: 184).

Apart from this shift in the centres from a traditional British gentlemen or “public-minded elitism” culture to global academic elitism through the application of a neoclassical and formalist, US informed scientific philosophy the British system seemed to be globally more open than the German academic world. This has facilitated the adjustment to American academic standards. One reason is, of course, the missing language barrier; another reason might the global orientation of the British culture due to the imperialist history; a third reason can be found in the already established proximity to the USA. Whether we can identify more and significant strategies of adaption to the global elitism system might be left to further research. For the time being it can be summarised that global elitism is replacing national field structures and scientific cultures, be it the “idealistic professor” in Germany or the “cultivated academic gentleman” that used to be so typical for the British university system.

Nevertheless, this is not just an insulated development related to a purely academic space. It is rather related to some other, overall developments and transformations, which take place elsewhere in society. In order to understand the transformation through and towards elitization, we have to take a brief look into world of applied economics – the other side of the coin of economics as a modern profession – where a trend from “scientification” to “academization” took place in the last decades.

From “scientification” to “academization”
The institutionalisation of economics as a profession started in first half of the 20th century. It is not only restricted to the academic world but had rather a strong impact on the governance of society and the economy. In a first phase Keynesian economics was combined with the new econometric methods in order to quantify and calculate the world (Desrosières 1998). With statistics, GDP, growth forecasting and other forms of economic calculation “the economy” as an object of governmental intervention was constructed (Breslau 2003, Hall 1989). After the combination of econometrics and statistics the modern nations state as a quantifying and calculating device was fully established. Economic experts received important positions in the government in all countries by the foundation of expert councils, advisory boards and applied research institutes (Pechman 1989). This development started in the USA with the foundation of the National Bureau of Economic Research (NBER) in 1920 and culminated in the New Deal strategy in the 1930s. In Russia became the Gosplan (1920) the main institution of economics-led planning and management. Even if the European countries such as France, the UK and Germany developed similar institutions in the 1920s and 1930s, the breakthrough of professional statistical and economic governance took place in the years after 1950 (James 1989, Cairncross 1989, Albert 1989).

The first phase of the economization of the state apparatuses basically aimed at a recruitment of scientific expertise from economics and statistics. Thus, equipped with economic expert knowledge, governments held out the hope that growth and wealth was a matter of economic planning and management. What the state recruited from the academic world was scientific capital, namely knowledge, skills and expertise from economics for the resolution of social problems. In order to improve and sophisticate these skills all governments have founded economic research institutes and statistic bureaus which have developed a huge corpus of knowledge, techniques of calculation and methods of economic measurement (Morgan 1990). Thus, this process of growing influence of scientific advisers can be termed scientification of policy advice (Jasanoff 1990).

When this utopia became problematic in the 1970s and the neoliberal roll back was initiated, the growth of the economic expert apparatus proceeded nevertheless (Speich Cassé 2005). What has been changed was not the role of economics profession as a means of governmentality; it was rather the particular role of economics within society. After the 1970s and 1980s which were characterized by neoliberal reforms in the UK through Thatcher and the first attempts in Germany by Kohl (and later Schröder) in the 1990s, a new trend was increasingly emerging that can be termed academization. In contrast to scientification which aims at the recruitment of scientific expertise (scientific capital), academization deals with the status and reputation of experts, not (so much) with the content and usability of knowledge. It consumes academic capital in the form of academically certified consecrations. “Titles” replace “ideas”. This trend towards titles instead of technical knowledge is first reflected by the expansions, democratizations and massifications in the higher education system starting in the 1960s. Since then the academic title became more and more important in the
struggle for professional and social positions (Bourdieu 1989).

After the end of the Keynesian period of economic planning as well as industrial and infrastructural expansion the economic expert apparatus which has been erected during the phase of scientification came into a crisis of legitimation. Economic management was accused of “no longer working”; econometric models “failed” in forecasting the economy; traditional (Keynesian) rules regarding the relationship between demand, supply and interest rates fall into distress. This cut became symbolized through the reversal of the “Phillips-curve” by Friedman and Schwarz. From that moment, the economic policy advice apparatus was searching for a new role in society because the economic taxonomies of macroeconomics were established, institutions such as the research institutes and advisory boards were fixed and practical knowledge was developed. Whilst these scientific capitals were recruited by the modern state of the 19th and 20th century, in the same moment the state lost capacity of legitimation.

Thus, in Germany, for example, the economic research institutes entered into the process of internal transformation in the 1990s (Wagner 2011, Maesse 2014b). The traditional purpose of the German economic research institutes used to be to provide the state and especially the Treasury and Ministry of Economic Affairs with expertise on multiple governance related economic issues. The most prominent type of expertise is the “joint economic forecast” of the leading research institutes. The research institutes have developed and cultivated a type of economic expert knowledge that was unknown in academic departments. Therefore, a parallel world of economics developed with the academic institutions on the one side and the advisory institutions on the other (Maesse 2013).

In the 1990s the face of applied economics changed. Through an evaluation of the “scientific quality” of the German scientific institutions, initiated by the German Research Council (Wissenschaftsrat), the economic research institutes were accused of “suffering scientific quality”. While the first report of the German Research Council from 1983 emphasised the particular role of these institutions in contrast to the academic research at the Universities; the 1998 report complained the non-academic character of applied research.

As a consequence, the Hamburg institute has been closed and the other institutes were regarded to change their academic profile by increasing their number of publications in academic journals. Thus, the academic world became a point of reference for the applied research institutes to perform “scientific quality” and “organizational efficiency”. Whereas the old scientific capital as “practical knowledge” and “useful concepts” was related to the state and economic management devices as legitimating authorities, the new academic capital, which the economic experts from the research institutes use to perform excellence face-to-face with the economic policy advice discourse, has the point of reference in standards raised in the academic world. The idea of “social welfare and development” that was the ideological background for the recruitment of scientific capital was replaced by “academic excellence”. Academia replaced the state as a legitimizing authority.
This development is also reflected by the new role of central banks. The German Bundesbank founded a research centre in 2000, thereby recruiting academic trained staff. Whereas the daily operations within the bank are still being accomplished by thousands of applied economic professionals, nowadays they receive symbolic and technical support by trained academics. The tendency towards academic capital is generally being documented by the increasing number of staff with high (PhD) and higher (Prof) titles in economic expert institutions. The economic policy advice in the UK has undergone a similar change towards academization. Since the 1970s and 1980s the Bank of England and the government used to employ more and more academic experts (Fourcade 2009: 170); with the foundation, the largest economic research institutes in 1969 (Institute of Fiscal Studies, IFS) and 1983 (Centre for Economic Policy Research, CEPR) a process towards (a more neoliberal) academization was pushed forward in order to replace and substitute the scientification with economists that was initiated in the 1960s by the Labour movement (Cairncross 1989). Today, economic policy advice is closely connected to the academic system. For example, the CEPR is employing only a few economists (20 in 1998), whereas the remaining staff of up to 300 (in 1998, today more than 800) persons is only temporarily recruited for projects from the university world (Wissenschafstrat 1998: 16).

The shift from scientific capital to academic capital eventually reflects a change in the way how legitimacy is constructed in the political world. Whereas in the 1950s the systematic recruitment of economic expertise was justified by state intervention, economic planning and growth management in order to increase economic wealth and social welfare; today, academic capital is mobilized in order to justify political decisions, especially in times of crisis. Thus, economic experts take positions in economic policy advice discourses through implicit reference to his/her academic standing. Mediated by chains of authorization, economic experts in the political world are connected to the world of academic consecrations. The proof of effectiveness by practical solutions is substituted through the amount of academic capital. To take a position in economic expert discourse implies a discursive inscription into the academized and elitized reference systems. Thus, the social contexts in which discourses take place have an impact on the way how actors take a position in economic policy debate. If this is true, how is the social relationship between the world of academia and the world policy advice constructed in which academic capital as a result of a converting process emerges?

**The power and the logic of “the gift”**

Chains of authorization run through networks of organizations and persons between the media, politics and the academia. These networks are typically elite networks which are constructed around parties, councils, ministries, central banks, research institutes, academic departments and journalists. The UK has developed a system that is built around a “public-minded elitism” (Fourcade 2009: 181), located in Oxbridge-London. An analysis of the careers and academic-institutional biographies of the members and actors of the leading organizations of the academic-political system will quickly reveal the networks. In Germany, the
academic system is less hierarchical than the British elite enclaves. Nevertheless, the networks in which the chains of authorization run through are constructed in a similar way. Side by side with the political parties, which tend to absorb economic experts, a landscape of six middle large and large economic research institutes has been established. Despite their independence, all of them are more or less oriented towards the ideological camps which are represented by the public debate and the party’s structure. In addition to this, political expert discourse made up by autonomous public financed organizations, a system of councils and boards developed that is often recruiting academics mainly from the large elite oriented institutions.

Within these networks several discourses take place which give economic experts the opportunity to take a position in the political and economic debate with his/her economic ideas and expertise. These discourses are characterized by a high degree of scientific, academic and political impacts. When discursive actors, as economic experts, exercise power through their positioning practices, then several social aspects have an influence on the communicative success. The discursive performance in the struggle over economic ideas in policy debate and advice is based on multiple things; the content of ideas or the balance of power in the debate plays next to the attributed status of the speaker a significant role for the discursive construction of power and authority. At this moment the university as a fiduciary power enters the game. Now, a heterogeneous social field, structured around two worlds, is becoming relevant for the constitution of actors and authority. The twin logics of academization and elitization start to interact to each other; or to put it in another way, because they belong to two distinctive worlds, each is following separate social and discursive rules.

In order to understand how elitization and academization interact with each other I will use Marcel Mauss’s theory of the “gift” (Mauss 2001). The very simple logic of the gift is a reciprocal process: when ego (i.e. an “economic expert”) makes a present (i.e. an “economic report”), then the person who received the gift, alter (i.e. “the public”), is obliged to respond to the gift by making another gift in return (i.e. “gratitude”). According to Mauss, the gift refers to an institutional rule to which the involved actors have to follow. But why should alter respond to the gift? A deeper look at the very logic of the gift reveals that alter is neither responding to the use value of the gift (and indeed, the tribes in
Mauss's anthropological studies used to give oodles of things in the so called “potshlatsh”, too much to consume for an individual) nor to the exchange value of it. The gift is rather “inspired” by something different, an element that is concerning the image of the person who is giving the present. Thus, the structure of the gift is not twofold (ego vs. alter) but it is rather threefold (mana vs. ego vs. alter).

Mauss called this third element mana. According to the spiritual world of the tribes which Mauss has studied, mana arises from something that makes a person significant: a land, a forest, a
particular achievement, success in hunting and so on. Mana attributes a particular status to the person and converts everything that the person possesses and gives away into a magical relict. Thus, “dry birds” are no longer “just food”, it is rather a gift because it comes from person “A” who is known as a “medicine man”. Therefore, the “dry birds” are inspired by the “medicine man” status of person “A”; alter is now obliged to respond to the “medicine man” status which is materialized in the “dry birds”. Through this magical character of the things, a person who gives a present is exercising power to the person to which he gives the present. This is the source for the social “constraint” of the gift and the reason why alter must respond to ego’s gift.

5. How “experts” are constructed

In a different context Bourdieu (1998) speaks about the fiduciary character of institutions which give a guarantee for each other. Thus, we trust a diagnosis by a doctor because s/he is certified by the university which in turn is certified by the state. The state, the university and the medical institutions are constituted by chains which connects them to each other. This chain of certification is nothing more than a chain of authorization based on the logic of the gift because one authority guarantees the status of the other by the very existence of a third authority. A discourse of positioning is based on a discourse of certification and authorization. Thus, the gift as a social logic of power and status gives us the opportunity to make the logic of authorization as a hidden process visible. If we transfer the abstract logic of the gift now to our question, how the world of the elite university which is structured through elitization and the academized world of policy advice relate to each other, we can see how the spiritual logic is working in recent contexts.

The university is an ideological “back up” institution for the world of economic experts acting through discourses. The elite cult in the academic world, which is untypical for any other discipline, is accepted in economics, as it has been developed within the last decades. It operates as a myth in order to maintain the discursive status of economic experts in relation to competitors from other branches, in order to keep a hegemonic position for the legitimate definition of the social world as “the economy”. Only when the social reality in its multi-facetted appearance is discursively reduced to economic categories, economists will be the only branch in town which is legitimated to define things as “problems” (for example “inflation”), particular statistical numbers as a “crisis” (for example “sovereign debt crisis”) and particular measures as “solutions” (for example “austerity”). All of this has less to do with the ruling concepts and paradigms in academia. With the predominant microeconomics and the new ‘whatever’ Keynesian ideas and models, every kind of economic policy is possible. Thus, independent of the theories and paradigms of the academic world, academia is exercising an influence on politics through the elite myth, not through theoretical or model content. It is the hidden structure that operates beyond the rhetorical surface of policy debate and academic ideas, as the following illustration shows.

Whereas the upper line shows us what we see when we look at academic and economic expert discourse on the pure “rhetorical” or lexicological level, the line below exposes a second, the discursive structure, which holds the social
threads behind the ideological surface together. This second line connects the lexicological line to the hidden social power structures operating in economic expert discourse. The arrows indicate how the rhetorical surface and the social power of the discourse are connected to each other through the unconscious interpretations. Thus, to understand the relationship between academia and politics, elitization and academic excellence, economic experts and academic elites, one has to expose the hidden structure of economic expert discourse. With a discourse analysis of economic expert discourses we analyse the way how pure lexicological signs are connected to social rules and power structures. Discursively constructed actors (“experts”) as “positioning beings” would be the result of this process.

Literature


THE RELATIONSHIP OF HASSLE FACTOR TO LEVEL OF EXPATRIATE DEVELOPMENT AND SUBSIDIARY PERFORMANCE

CHRISTIAN PERRY

Discussant: Roger Bell

Abstract

Purpose
This study examines the relationship among the hassle factor (Schotter & Beamish, 2013), subsidiary performance, and level of expatriate deployment. The purpose is to determine whether the hassle factor has value in predicting performance and levels of expatriation.

Design
Four hypotheses were tested with regression models in SPSS using the Toyo Keizai Overseas Japanese companies database. Data included hassle factor scores as well as subsidiary performance and expatriate deployment levels for Japanese firms in over 100 countries. The results were further analyzed by industry. Control variables included age of subsidiary, percentage of ownership, number of owners, size of parent company, size of subsidiary, and country income level.

Findings
The results revealed significant negative relationships between hassle factor and expatriate ratio. There was no significant relationship between expatriate ratio and subsidiary performance during the same year, but a decrease in expatriate ratio occurred one year after a subsidiary showed good performance.

Research limitations/implications
One clear limitation is that the study did not take into account factors such as cultural distance. The results imply that hassle factor might be of importance comparable to that of cultural distance in matters of international assignment. The hassle factor merits inclusion in cross-cultural and expatriate studies since it could account for variance in culture-related phenomena in international settings such as work attitudes and performance.

Practical implications
Multinational enterprises might shun valuable opportunities in foreign direct investment because of the hassle that expatriate managers must endure. The more rational approach would be for firms to take into account the hassle factor, and to compensate expatriates appropriately for these challenges.

What is original/what is the value of the paper?
The paper expands the understanding of the hassle factor by linking the construct to level of expatriate deployment.

Keywords
hassle factor, expatriate deployment, subsidiary performance
**Introduction**

Expatriation is instrumental to global business. Most mid-sized and large enterprises around the world dispatch employees on expatriate assignment (Black & Gregersen, 1999). Two-thirds of companies in the Global Relocation Trends Survey (2008) indicated a rise in the number of international assignees and an expectation that the number would rise. This growth reflects the broad utility of expatriation. For instance, expatriates can promote strategic goals by controlling and monitoring subsidiaries (Edström & Galbraith, 1994). International assignment is an important experience in the development of employees at multinational enterprises (Takeuchi, Tesluk, Yun, & Lepak 2005; Bonache, 2005).

Expatriation is not an inexpensive affair. Dispatching an expatriate costs more than 2.5 times the money to hire a local employee (McGoldrick, 1997). It has been estimated that a three-year assignment costs about $1 million (Allerton, 1997). However, the financial outlay is no guarantee of success: many expatriates (20-50%) terminate their assignment prematurely because of difficulties in adjusting to the foreign setting (Naumann, 1993; Black & Stephens, 1989). This attrition means that maintaining deployment levels can be costly challenging for multinational enterprises.

For the sake of practice and theory, it is important to understand the factors determining expatriation success. Research on expatriation has typically focused on factors such as personality (e.g., Caligiuri, 2000), culture (e.g., Gertsen & Søderberg, 2010), and work attitudes (e.g., Peltokorpi & Froese, 2014). The present study adopts a different perspective. It examines whether the hassle factor, an environmental-level measure, can help explain levels of expatriate staffing as well as subsidiary performance.

This paper contributes to the expatriation literature in the following ways. First, it expands the ambit of the hassle factor, a relatively new metric, by examining its relevance to two firm-level variables (i.e., subsidiary performance and expatriate staffing levels). Second, it tests the hassle factor against subsidiary data from non-Western multinational enterprises. Research on foreign direct investment often focuses on US and European firms.

**Background and hypotheses**

Expatriation serves many strategic purposes. Parent companies aim to ensure that subsidiary behavior is aligned with parent strategy, and expatriates offer a means to exert control over foreign operations (Belderbos & Heijltjes, 2005). Since MNEs are effectively information networks, they dispatch employees abroad to promote information exchange (Gupta & Govindarajan, 2000; Aharoni, 2010). The transfer comprises two flows: “a flow of organization-specific knowledge from the parent to the affiliate ... [and] ... a flow of market- or country-specific knowledge from the affiliate back to the parent” (Belderbos & Heijltjes, 2005, p. 345).

Expatriate managers act as a knowledge source and can improve subsidiary performance according to the size of their presence (Karreman, 2009). International assignment is not reserved for managers only (Tahvanainen, 2000). Non-managerial expatriates may also serve a key role in carrying out strategic goals at the subsidiary level (Riaz, Rowe, & Beamish, 2014).
Accomplishing strategic objectives on international assignment is not straightforward, as subsidiaries do not operate under the same conditions as those of the home office. Expatriates must contend daily with factors that impinge on subsidiary operations and on their quality of life. Barriers to transnational business and foreign direct investment include differences in laws and regulation, inconvenient living situation, and level of economic development (Castellani, Jimenez, & Zanfei, 2013). The effect is reflected in investment patterns: an increase in distance, whether cultural, institutional, or geographic, results in less FDI (Beugelsdijk & Frijns, 2010).

A relatively new construct for capturing the hurdles faced by expatriate managers is the hassle factor. Conceived by Schotter and Beamish (2013), it encapsulates the nuisances and difficulties related to international travel and daily life in a foreign country. The hassle factor comprises 11 items: local transportation standards, health risks and medical standards, business facilitation, food and water hygiene, climate, risks for female executives, telecommunication/internet access and standards, business hotel standards and availability, visa and entry permits, personal safety risk, and language (p. 533). The higher the hassle factor is, the greater the difficulty associated with traveling to and living in the locale becomes. On the basis of data from sources such as the CIA, the WHO, the UN, and the OECD, Schotter and Beamish calculated hassle factor scores for 131 countries, with values ranging from 0.805 (Denmark) to 4.795 (Sudan). The researchers found that the hassle factor moderated the relationship between potential and performance of foreign direct investment (FDI) for a country. The hassle factor explained patterns of MNE investment: MNEs tended to locate subsidiaries in countries that presented fewer hassles, even when it meant fewer profit opportunities. Survey results corroborated this result: respondents indicated that managers took into account hassle factor items when choosing where to establish a subsidiary (Schotter & Beamish, 2013).

Researchers have found that features such as institutional environment (Gaur, Delios, & Singh, 2007) and culture (Colakoglu & Caliguiri, 2008) have an impact on the performance of subsidiaries. The hassle factor may help explain how country-level conditions affect subsidiary performance. Because it reflects hurdles to conducting business, the hassle factor should have a negative impact on the subsidiary.

Hypothesis 1: The hassle factor is negatively related to subsidiary performance.

The hassle factor might also explain levels of expatriate staffing on a country basis. There is an incentive to keep expatriates on site even when the hassle factor and concomitant expenses are high. Advantages accrue to MNEs that maintain a presence in difficult locations when other firms leave (Dai, Eden, & Beamish, 2013). For example, market share can be captured and retained, even when competitors return. Given that a higher hassle factor reflects the presence of more hurdles to conducting business, less desirable locations might require more expatriates to compensate for the subsidiary’s circumstances. Gong (2003) found that
likelihood of expatriates at a subsidiary increased with cultural distance, an environmental factor that imposes challenges on employees. In the same way, an MNE might then dispatch more personnel to surmount hassle-factor obstacles if the local workforce is not equipped for the task.

On the other hand, it could be inferred that for medical reasons and the like, fewer employees are suitable for locales that impose hardships reflected in the hassle factor. Such problems cannot be addressed the way cultural distance has been (e.g., cultural and language training). Qualified non-managerial personnel might try to avoid assignment to locations with a high hassle factor, or if they are dispatched, might attempt to shorten their assignment. From this reasoning comes the second hypothesis:

**Hypothesis 2:** The hassle factor is negatively related to expatriate ratio.

The parent corporation dispatches employees to subsidiaries for many reasons, one of which is to assist the locals with operations. It has been argued that expatriates can further MNE strategic objectives by increasing compliance with directives from headquarters (Welch, Fenwich, & De Cieri, 1994). Hence, when expatriates comprise a greater proportion of the employees at a subsidiary, it is reasonable to expect better performance because of higher skill level and greater knowledge transfer. In contrast, a higher proportion of expatriates may signal a subsidiary beset with problems. Colakoglu and Caliguiri (2008) found that a greater ratio of expatriates from the parent country was associated with lower subsidiary performance. The third hypothesis follows the latter interpretation:

**Hypothesis 3:** Expatriate ratio is negatively related to subsidiary performance.

Colakoglu and Caligiuri (2008) found that the association between expatriate staffing and subsidiary performance was moderated by cultural distance. Cultural distance can impose communication barriers and increase the likelihood of conflict. Time dedicated to tasks falls, and performance diminishes. Like cultural distance, hassle factor is a broad environmental factor that affects commerce. Hassle factor could analogously act as a moderator between expatriate ratio and subsidiary performance.

**Hypothesis 4:** Expatriate ratio and the hassle factor are negatively related to subsidiary performance.

**Data**

The Toyo Keizai Overseas Japanese Companies database has data on the operations of Japanese subsidiaries for over 100 countries. The so-called “TK dataset” is considered an accurate reporting of FDI data for Japanese subsidiaries (Sachwald, 1995). The main variables for the present study are hassle factor, expatriate ratio, and performance.
The variable expatriate ratio indicates the relative size of the expatriate workforce, thus allowing for comparison of subsidiaries of different sizes. The variable is calculated by dividing the number of non-executive expatriates by the number of host-country employees at the subsidiary for the year.

Control variables included age of subsidiary, percentage of ownership, number of owners, size of parent company, size of subsidiary, and country income level. Age of subsidiary could affect number of expatriates: As subsidiaries gain better understanding of the operation, they optimize the number of expatriates. Percentage of ownership could be associated with number of expatriates because the greater the stake in the venture, the greater the incentive to dispatch employees to monitor the investment. That is, the more eggs a firm has in the basket, the greater the need to watch the basket. Size of parent as measured by number of employees is a control for whether larger firms commit more human resources to the subsidiary because there are more employees available to dispatch. Size of subsidiary as measured by number of employees could influence the number of expatriates needed to ensure the subsidiary follows parent strategy. To minimize confounds resulting from agencies and trading offices, subsidiaries with fewer than 20 employees were excluded from the analysis (Beamish & Inkpen, 1998). All tests were conducted with SPSS, version 21. A summary of descriptive statistics can be found in Table 1.

Hassle factor scores and TK data do not perfectly align either temporally or geographically. Not all of the 131 countries with hassle factor scores exist in the TK data set, nor are there hassle factor scores for all countries in the TK dataset. Countries without hassle factor scores were excluded for lack of reasonable approach for imputing scores, such as averaging those of nearby countries. The TK data covers 1987-2006, but hassle factor scores do not correspond to all years. Hypotheses were tested against 2006 data, the closest to the time that hassle factor data was gathered.

Performance is a categorical variable that indicates a subsidiary’s reported profitability. It comprises three values (gaining, losing, breaking even), which indicate whether the

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Note. Values are for the year 2006. Expatriate ratio is the ratio of expatriates to subsidiary employees.
subsidiary operated at a profit or a loss for the year. The present study uses this variable because Japanese MNEs do not report precise performance figures for the TK database. Table 2 contains a breakdown of the values for the subsidiaries in this study.

For binary logistic regression, performance was recoded as 1=breakeven or gaining, and 0=losing. Since the data is self-reported, performance may skew toward favorable results if MNEs seek to present a positive image. After the first set of tests, I recoded performance to more conservative values (1=gaining, 0=breakeven or losing) to take into account this possibility, and ran the tests for hypotheses 1, 3 and 4 a second time. (Note that hypothesis 2 does not address performance.)

To control for variables related to national economy, government and culture, Schotter and Beamish (2013) used UNCTAD FDI Potential Index, Transparency International's Corruption Perception Index, and cultural distance as measured by Kogut and Singh (1988). For the purposes of the present paper, it is assumed that hassle factor scores already take into account these factors.

### Results

Initially, I tested the four hypotheses against all industries in the 2006 data. The table below summarizes the results:

For hypothesis 1, the hassle factor is negatively related to performance, only two variables were significant: subsidiary age and number of subsidiary employees. Hassle factor was not

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<th>Regression Test</th>
<th>Result</th>
<th>Notes</th>
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Note. For these calculations, the dummy variable Performance was coded 1=breakeven or gaining, and 0=losing.
significant, so hypothesis 1 was not supported. The more conservative coding of performance (1=gaining, 0=break even or losing) yielded similar results: the regression model was significant, but hassle factor was not.

The linear regression test for hypothesis 2, the hassle factor is negatively related to the ratio of expatriates to local employees, revealed that hassle factor is a predictor of expatriate ratio. The variables were entered piecemeal to test their effect on the relationship. The variable service industry is a dummy to check whether the impact of hassle factor on expatriate ratio is different for service and non-service industries. Table 4 below indicates the coefficients for the five models.

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<th>Subsidiary Employees (natural log)</th>
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<th>Number of Owners</th>
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Table 4. Coefficients from Regression Models of Hassle Factor and Expatriate Ratio

Note: * $p \leq .05$; ** $p \leq .01$; *** $p \leq .001$ (two-tailed tests)

The test of hypothesis 3, expatriate ratio is negatively related to performance, had results similar to those for hypothesis 1. The regression equation was significant, but only two of the six variables (subsidiary age and percentage of ownership) were significant. Expatriate ratio was not significant, so hypothesis 3 was not supported. The more conservative coding of performance (1=gaining, 0=break even or losing) yielded similar results: the regression model was significant, but expatriate ratio was not.

Though the regression test of hypothesis 4 yielded significant results, only three of the seven variables (subsidiary age, number of subsidiary employees, percentage of ownership) were significant. Neither hassle factor nor expatriate ratio had a significant association with subsidiary performance. This result occurred for both codings of the dummy variable performance.

**Hassle factor by industry**

The promising avenue for exploration was the relationship between hassle factor and expatriate ratio. The next step was to investigate how the association between hassle factor and expatriate ratio varied by industry. The four service industries were 1) department stores, 2) supermarkets, 3) banking, and 4) insurance. The
four non-service industries were 1) chemicals, 2) petroleum/coal, 3) rubber/plastics, and 4) stone/clay/glass/concrete. These industries were chosen because of their large number of cases in the data set. Table 5 below indicates whether hassle factor was a significant variable in the regression. Hassle factor emerged as an important factor for all of the non-service industries, which includes manufacturing and extractive industries. Hassle factor was not significant for service industries, with the single exception of department stores. The regression coefficient for hassle factor was always negative, regardless of industry. It may be that job conditions amplify the hassle factor, particularly those in non-service industries.

It is possible that when a subsidiary is losing or breaking even, the parent firm dispatches more employees to offer guidance and improve performance. In this case, a lag would occur between poor performance and change in expatriate level. In a check for causality, I used lead variables to detect changes in expat ratio for two sets of years: 2004 and 2006, and 2005 and 2006. No control variables were included. My first tests included all industries, and used as the independent variable the dummy performance in its original coding (1=breakeven or better, 0=loss). First, I calculated the difference between the expat ratios for 2006 and 2004, and regressed the result against performance for 2004. Two-year time lag produced no evidence for causality. In contrast, one-year time lead of expat ratios generated significant results for regression of 2005 performance (p=.036). There is evidence of performance causing a change in expatriate ratio. However, the r-square was only .002, so little of the variance is explained. For completeness, I repeated the tests with the recoded performance dummy (1=gaining, 0=breakeven or losing), but found with no significant results for either lag.

### Discussion

I found no support for a relationship between hassle factor and performance for the particular year under study. However, the performance
data are quite coarse. Over 73% of observations in the sample indicated profitable performance, but it is not possible to make comparisons within this group. With finer-grained data, it might be possible to measure whether the hassle factor has an effect on profitability. That is, the hassle factor may not prevent a subsidiary from operating in the black, but it might depress the level of performance. Unfortunately, precise data on profit levels are not available in the TK dataset, so a different dataset would be necessary.

The tests were run with 2006 subsidiary data because the hassle factor data has been generated for only one year. However, only 1,549 performance observations were available for this year. Selection bias may play a role here. It may be the case that 2006 is an unusual year for exogenous reasons, or that the subsidiaries that report performance were not representative of the population as a whole. Having hassle factor scores for more years would allow for fuller testing, and could reveal that there is an association with performance.

I found no relationship between expatriate ratio and performance. In light of theory on expatriation, I would have expected that a greater number of expatriates in the workforce at a subsidiary would improve profitability, since one justification for their presence is to generate better performance. However, small sample size and limited temporal scope may have affected the results of this study. The relationship between expatriate population and performance may require finer-grained data on profitability. Likewise, the impact of expatriates may become evident years after their arrival. For instance, expatriate ratio may rise in the wake of poor or mediocre performance, and fall when the subsidiary is profitable and excess expatriates are repatriated by the home unit. Thus, a longitudinal study may be necessary to reveal the association between expatriate ratio and performance.

I found support for only hypothesis 2, the hassle factor is negatively related to the ratio of expatriates to local employees. As the hassle factor increases, the relative number of expatriates at a subsidiary declines. One explanation for this association is that employees resist being transferred to places with a high hassle factor. Another is that the marginal expense of stationing an expatriate at a locale with a high hassle factor becomes prohibitively high. That is, the productivity gain resulting from an additional expatriate cannot offset the costs of housing, insurance, health care and so on that would provide an expatriate with comforts commensurate to those at home.

Limitations and future investigation
While the hassle factor is a robust construct, it is not native to the TK dataset. As a metric, it is coarse compared to the data in the TK, which are updated on an annual basis. Moreover, the hassle factor is not attuned to subsidiary- or industry-level conditions but rather country-level ones. The values do not reflect the specific conditions of the firms for which data was collected. For instance, two subsidiaries in the industry in the same country may operate in different major metropolitan areas that have significantly different hassle factors. The analysis would not take this difference into account.

Another shortcoming of the hassle factor is that it is treated as constant across years. The hassle
factor probably varies over time: countries change visa policy, infrastructure improves or worsens, natural disasters strike, and civil disturbance erupts. Updated values of the hassle factor would improve the accuracy of the model.

Firms may ascend a learning curve that ameliorates the hassle factor. This improvement may be reflected in better performance with lower levels of expatriate staffing. It is possible that the effect of the hassle factor on expatriate ratio varies over a time horizon longer than the one examined in the present study. Other studies employing longitudinal analyses have found a relationship between expatriate-deployment levels and performance levels (e.g., Riaz, Rowe, & Beamish, 2014). Incorporating the hassle factor into a similar analysis would open a further avenue of investigation.

The number of control variables is limited. Data on the multinational enterprise such as capitalization, sales, and marketing budgets would take into account effects at the level above the subsidiary. Country-level factors such as an improved version of Kogut and Singh’s (1988) metric for cultural distance could play a significant role in the model and thus alter the effect size of the hassle factor, particularly with regard to expatriate ratio.

Survival analysis might reveal whether the hassle factor affects the likelihood of subsidiary survival. With the coarse data on subsidiary performance, it is difficult to ascertain how the hassle factor influences strategic decisions. However, subsidiary closure is a clear indicator that the circumstances are adverse to profitability. The drawback to survival analysis with the current data is that hassle factor scores are available for a single year. An analysis based on imputed scores for other years would overlook the importance of within- and between-country variation over time.

There is a question of external validity, since the TK dataset contains information collected from Japanese MNEs. In this regard, the data reflects the strategy and performance of firms from one nation. Though Japanese business practices are not universal, the vastness of the data in the TK captures a wide variety of industries and national settings. On the strength of the breadth and variety of the data, it can be argued that the findings in this study speak to the situation that MNEs in other nations encounter. Of course, the best verification is replication of this study with non-Japanese data.

**Conclusion**

This paper has examined the relationship among three variables: hassle factor, expatriate deployment level, and subsidiary performance. Hassle factor does not seem to have a relationship to subsidiary performance for data in the same year, as I found no support for hypotheses 1, 3 or 4. I found support for hypothesis 2, hassle factor is negatively related to the expat ratio, but mainly for non-service industries. The results have limited interpretability because the analysis was conducted for a single year, 2006. Future research should involve more years of data, as well as longitudinal effects of the variables of interest.

**References**


GMAC Global Relocation Services. The 2008 Global Relocation Trends Survey Report, GMAC Global Relocation Services LLC.


Gupta, A. K., & Govindarajan, V. (2000). Knowledge flows within multinational


### Appendix 1 – Hassle Factor Scores

<table>
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<th>Rank</th>
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<th>Country</th>
<th>Hassle factor</th>
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Abstract

Purpose
The purpose of my thesis is to examine the impact of the level of immersion of study abroad programs on the development of expatriate acculturation and adjustment skills including self-efficacy, cultural intelligence, and willingness to communicate. The thesis utilizes Social Learning Theory (SLT) and tests a model of analysis based on a framework of skills for expatriate acculturation and adjustment.

Design
A systematic review of the literature led to the development of a theoretical framework and model of analysis to determine the effect of international experience, measured by level of immersion of the study abroad program, on expatriate acculturation and adjustment skills. I rely on SLT and use a combination of the dimensions of expatriate acculturation and the individual factors of adjustment as the framework for the model of analysis. In addition, the moderating impact of cultural distance on the relationships between the independent variable and the others-oriented dimension of skills was investigated. A cross-sectional survey of 230 business school students who studied abroad in Fall 2013 was undertaken.

Findings
The initial results indicate that the relationship between the level of immersion of the study abroad program and skill development is more complicated than originally assumed. Although, international experience has a positive and significant influence on some skills, it does not on others. For example, cross-cultural skills and willingness to communicate were both predicted by the model, however self-efficacy, cultural knowledge, and cultural metacognition were not. In addition, the impact of cultural distance was not found to significantly influence the relationships, or lack thereof, of specific skills.

Research limitations/implications
The research relies on a level-based classification system to operationalize the level of immersion of the study abroad program, and although the level was used as a single independent variable, more research on the individual program aspects is necessary. In addition, further research drawing samples from other contexts is needed.

Practical implications
Using the depth of the international experience and a new measure of cultural intelligence provides implication for business school educators when selecting study abroad
programs that will be beneficial to international business students. In addition, the research provides recommendations to international human resource managers to include immersion activities for their first-time expatriates in order to assist them in building acculturation and adjustment skills.

What is original/what is the value of the paper?
This research is the first to rely on SLT to build a theoretical framework on the link between international experience and expatriate acculturation and adjustment skills. In addition, the level of immersion of the international experience was tested, as has been suggested by scholars but rarely undertaken. The results of the research highlight the complicated relationship between the variables, frequently assumed to be intuitively easy to explain, and provides implications for future studies, to education providers and international human resource managers.

Keywords
International Experience, Expatriate Acculturation and Adjustment, Social Learning Theory, Cultural Intelligence

Introduction
The current business environment continues to keep the topic of expatriation and international assignments at the forefront of International Business (IB), both academically and in practice. The future of Multinational Corporations (MNCs), in part, relies on the selection of global managers to cross the world’s geographical borders and “unify the world around global corporate interests” as expatriates (Urry, 2000: 172). Experience working and living in foreign cultures is believed to assist expatriates in the development of a unique skill set to make cultural interactions more successful (Thomas et al., 2008). As the numbers of international assignments continue to increase (Brookfield, 2012; Ernst & Young, 2013), determining whether and how these skills are developed is necessary to identify future successful expatriates.

My thesis focuses on the development of expatriate acculturation and adjustment skills by considering the impact of study abroad on these skills, measured by the level of immersion of the program aspects. I apply Social Learning Theory (SLT) (Bandura, 1977) to understand how individuals who participate in study abroad may gain the skills necessary for expatriate success. A common reason for expatriate failure is an inability to adapt and adjust to the new cultural environment (Takeuchi, Yun, & Tesluk, 2002); therefore, I use a combination of the dimensions
of expatriate acculturation developed by Mendenhall and Oddou (1985) and the 
individual factors of adjustment (Black, Mendenhall, & Oddou, 1991) as the framework for 
the model of analysis. In addition, I use a 
newly introduced theory-based measure of 
Cultural Intelligence (CQ) developed by Thomas and colleagues (2008). The results will provide 
insights into what aspects (content and design) 
of study abroad programs impact the 
development of expatriate acculturation and 
adjustment skills.

The research proposal begins by presenting the 
research questions and model of analysis. Next, 
the theoretical background is discussed, 
comprising of the theoretical framework. This is 
followed by a focus on the research design, 
which includes an explanation of the hypotheses 
and a summary of the current state of the 
research, beginning with a report of the sample, 
procedures used, and measures. Then the initial 
analyses consisting of the results of the 
Confirmatory Factor Analysis, tables of 
descriptive statistics and correlations, and the 
results of the hierarchical regression are 
presented. The analyses section is followed by a 
discussion of the preliminary results. Finally, the 
research proposal discusses the contributions 
and implications of the research.

Research Questions and Model of Analysis

The purpose of my thesis is to investigate the 
influence of study abroad on the development of 
individual level expatriate acculturation and 
adjustment skills. I examine the impact of the 
level of study abroad on these skills, which are 
made up of the self-oriented, others-oriented and 
perception-oriented dimensions (Mendenhall &

Oddou, 1985; Black et al., 1991). In addition, the 
moderating impact of the cultural-toughness 
dimension is also examined.

The main research questions are:

• How does study abroad impact the 
development of expatriate acculturation and 
adjustment skills?

• How does cultural distance moderate the 
relationship between study abroad and the 
development of the others-oriented dimension?

• The following sub-question is also empirically 
answered:

• How does the level of immersion of the study 
abroad impact self-efficacy, cultural 
knowledge, cross-cultural skills, willingness to 
communicate, and cultural metacognition?

My thesis combines the IB and IB Education 
fields in two ways:

First, by applying SLT to understand how 
students who participate in study abroad may 
gain the skills that predicate expatriate success.

Second, by empirically testing the learning 
outcomes of study abroad participation in 
relation to the individual factors of acculturation 
and adjustment to determine if students gain 
these important skill by participating in study 
abroad.

My research tests the relationship between the 
independent variable, level of immersion of the 
study abroad and the dependent variables self-
efficacy, cultural knowledge, cross-cultural skills, 
willingsness to communicate and cultural 
metacognition. In addition, it tests the influence 
of cultural distance on the relationship between
the level of immersion of the study abroad and cultural knowledge, cross-cultural skills and willingness to communicate. The hypotheses provide answers to the main research questions regarding the impact of study abroad on the individual expatriate acculturation and adjustment skills, and the moderating role of cultural distance.

The model of analysis, showing the variables and the directional hypotheses is presented in Figure 1.

### Theoretical background

The purpose of theory is to provide explanations and predictions that are testable (Gregor, 2006). It also informs models that graphically represent the anticipated relationships. The goal of theory is to “answer questions of how, when, and why” (Bacharach, 1989: 498). In my thesis, the application of SLT allows me to use this lens to make predictions for why study abroad and expatriate acculturation and adjustment skills are related. SLT also explains how individuals learn. According to SLT, one-way in which individuals learn the behaviors, customs and cultural norms important for living and working in a different country, is by observing the behaviors of natives in the foreign country (Bandura, 1977). Another way to learn such essential information is by direct experience in the learning environment where an individual can reproduce behaviors.

Being a part of the learning environment, paying attention to the behavior of natives, seeing the consequences, committing them to memory, having the opportunity to reproduce the
behaviors, and experiencing the consequences personally leads to the development of new behaviors and models for behavior, according to SLT (Bandura, 1977). As a result, study abroad participants are able to develop skills through the construction of appropriate cognitive maps for future use. The cognitive maps that are created and stored for future use by the individual provide the schemas that are necessary for acculturation and adjustment skills. Participants of study abroad are able to observe the behaviors of natives in their natural environment and learn by experience in that environment. Once an individual experiences and observes a behavior he or she will use cognitive processes to store that information for future use. Given the extensive nature of study abroad programs that require a participant to move to a foreign country and be an active member within its culture, it is likely that they will develop comprehensive cognitive maps, which provide sets of cognition about social behavior (Takeuchi, Tesluk, Yun, & Lepak, 2005). Finally, SLT explains that in order for an individual to learn, he or she must be able to observe, practice and make adjustments to their behavior. Therefore it is only when they are in an interactive environment (study abroad) that learning will take place.

Learning is governed by four central elements in SLT: attention, retention, reproduction and motivation and incentive (consequences) processes (Bandura, 1977; Black & Mendenhall, 1990).

Attention Processes
The attentional processes are used to determine what is observed and what is extracted from exposure (Bandura, 1977). In order for an individual to give attention to behaviors being portrayed around them, they must first notice the behavior. People pay attention because of associational patterns (people that they are exposed to most frequently), functional value, interpersonal attraction, and behaviors that are intrinsically rewarding. In addition, individuals look for models who are similar or enact behaviors that are important to them (Black & Mendenhall, 1990). Similarity of characteristics and other social factors affect the association preferences and determine the models who will be observed and the behaviors that will be learned (Black & Mendenhall, 1990). For example, students on a study abroad will learn from other students at the university where they are studying. Individuals must pay attention to their new environment in order to learn essential tasks such as getting bread from a bakery and more optional tasks such as learning a proper greeting for the culture they are now a part of.

Retention Processes
Through the retention processes the modeled behavior is coded into memory as easily remembered schemas in symbolic form for later use through response retrieval and reproduction, which involves imaginal and verbal systems (Bandura, 1969). The coding device as images, are obtained and used when the individual is exposed to members of the culture portraying appropriate and culturally accepted behaviors. Observed models’ physical behaviors are associated with corresponding sensory conditioning and are stored as retrievable images of sequences of behavior and can be evoked even when the individual is no longer in the presence of the modeled behavior (Black &
Behavior is mostly regulated by verbal cognitive processes; an individual will code modeled sequences into readily utilizable verbal symbols and control future behavior with verbal self-direction. The retention is secured through symbolic coding operations and individuals use rehearsal of the behavior both through mental rehearsal and repeated modeling to retain the information. The level of learning is enhanced through practice or rehearsal of modeled response sequences (Bandura, 1969).

Reproduction Processes
Reproduction processes involve the utilization of symbolic representations and converting the schema into appropriate action through both cognitive level formation (mental rehearsing) and self-corrective adjustment of the behavior (Black & Mendenhall, 1990). Referring to the schemas, provides a basis for self-instruction where new patterns of behavior are developed through the combination and sequencing of the schemas as representational guides. Even in the absence of stimuli such as direction or enactment of behavior, the individual is able to portray reproduced behaviors (Bandura, 1969). As individuals attempt to reproduce the behavior they refer to their memory and take corrective actions as necessary. However, the accurate retention of the modeled behaviors, the quality of observations, and physical limitations can inhibit the reproduction of behaviors. Therefore, participative reproduction, which allows the individual to practice the behavior in the appropriate setting and experience the consequences of the reproduced behavior, is most effective for learning (Bandura, 1977).

Incentives and Motivational Processes
The incentives (consequences) an individual experiences and their motivation shape what they learn and their future behaviors in similar situations (Black & Mendenhall, 1990). The perception of positive incentives will transform learned behaviors into actions. Bandura (1977) emphasized the importance of both observed and experienced consequences in influencing what behavior is repeated as opposed to what is learned. Consequences are experienced externally (from the environment), vicariously (through observation of others), or self-generated (though self-reward or punishment). The cognitive maps that result from the consequences of the learned behavior are then used when replicating the behavior and determine the actions of the individual. Therefore, an individual may learn multiple behaviors, but only those that are reinforced with positive reinforcement will be reproduced (Bandura, 1977). Considering that expatriate acculturation and adjustment skills require individuals to develop schemas of appropriate behavior in order to display their learned behavior, incentives play an important role in the development of these skills. Incentives are influential at all stages of the learning process and I view attention, retention, and reproduction as a circular process that is constantly ongoing and influenced by incentives/consequences, as shown in Figure 2. Thus incentives/consequences influence the extent to which individuals attend to observed behaviors, the extent to which observed behaviors are rehearsed determining what behaviors are retained, and what behaviors are actually executed (Black & Mendenhall, 1990).
Finally, Bandura (1977) highlighted the importance of the motivational processes because, even if an individual pays attention, retains the information, and can reproduce it, he or she will not do so if they are not motivated. Two types of expectancies, efficacy expectations and outcome expectations, were distinguished by Bandura (1977) as related to motivational processes. Self-efficacy is a person's belief in their ability to execute a specific behavior (Black & Mendenhall, 1990). Individuals with higher levels of self-efficacy are more willing to imitate behaviors and persist at perfecting their imitation of behaviors. Self-efficacy is increased through past experience, vicarious experience and verbal persuasion (Black & Mendenhall, 1990). Outcome expectations are similar to self-efficacy, however, they refer to an individual's belief that certain behaviors will lead to the desired outcomes. According to Bandura (1977) incentives, efficacy expectations, and outcome expectations together determine what learned behaviors are enacted by the individual.

Figure 2 provides a model of the learning process and how it could result in skill development, followed by an explanation of how SLT leads to the development of the expatriate acculturation and adjustment skills.

**The Self-Oriented Dimension**

International experience increases an individuals' belief in their ability to interact effectively in cross-cultural situations. According to SLT, as individuals observe models’ appropriate or inappropriate behaviors, through
associations between these behaviors and the consequences of them, the individuals cognitively and behaviorally rehearse these behaviors. This results in the development of cognitive maps and these maps increase individuals’ self-efficacy because they have learned appropriate behaviors and associated them with expected consequences (Black & Mendenhall, 1990). Higher self-efficacy will result from experiences that have a higher level of immersion because the individual has more opportunities to observe and develop appropriate cognitive maps, which is reflected in the self-oriented dimension.

**The Others-Oriented Dimension**

Similar to the self-oriented dimension, international experience provides cognitive maps of individuals from other cultures engaging in appropriate and inappropriate behaviors when interacting with others. Individuals form expectations by observing the behaviors in the culture, and they can anticipate the consequences of certain behaviors. When actually in situations where they need these skills to interact with others, they recall the models and can imitate the behaviors. This generates external and internal feedback for the individual, so they can make adjustments to their behavior on a continuous basis. The more immersion experienced by the individual, the more appropriate their developed cognitive maps will be because of the intense interactions they have had with the learning environment and models, impact the others-oriented dimension skills.

**The Perception-Orientation Dimension**

The perception-oriented dimension includes the processes that individuals use to observe behavior and refine, retain and use the cognitive maps that have been developed. According to SLT, participative reproduction (Bandura, 1977) is essential to skill development. Individuals need to be in the environment in order to reproduce behaviors and experience the consequences personally. When individuals participate in programs that offer more immersion, they encounter better and more appropriate opportunities to portray learned behaviors, experience the consequences and develop accurate cognitive maps, which impacts the perception-oriented dimension.

**Research design and current state of the thesis**

My research uses quantitative methods to analyze survey data. The survey uses established measures and assessments previously adapted for use in cross-cultural research. The survey measures individuals’ cross-cultural self-efficacy, CQ and willingness to communicate in a foreign country, and asks several questions about the aspects of participants study abroad program. The level immersion of the study abroad is based on a classification system developed by Engle and Engle (2003), where the amount of immersion of the program is related to the level in that, the higher the level the more immersion experienced by the program. Immersion is measured through the duration, language of instruction, housing type, opportunities for cultural interaction and opportunities for cultural reflection. In addition, personality and demographic information is gathered for control purposes.
This research design is appropriate for post-positivist knowledge claims where the aim is to test hypotheses and collect data that will either support or refute these hypotheses (Creswell, 2009). Quantitative research will allow me to use statistical models to answer my research questions, because I want to determine if expatriate acculturation and adjustment skills are a result of participation in study abroad and how the level of study abroad impacts the development of these skills.

**Thesis Hypotheses**

I predict that the level of immersion of the study abroad program that a student participates in will promote the development of the three dimensions of expatriate acculturation and adjustment, where the skills are viewed as learning outcomes. This expectation is consistent with conceptualizations of the measured outcome variables self-efficacy, CQ and willingness to communicate; a set of malleable capabilities susceptible to improvement via experiences in foreign cultures (Ang & Van Dyne, 2008; Black & Mendenhall, 1990). Relying on Bandura's propositions, I expect that multicultural encounters, in the form of study abroad, will prompt the cognitions that lead to greater belief in one’s abilities (self-efficacy); increased awareness of cultural differences (cultural metacognition), absorption of novel cultural information (cultural knowledge) and enhanced understanding of appropriate behavior in novel cultural environments (cross-cultural skills); and motivation to interact with others (willingness to communicate).

Previous research has already reported the positive effect of general international exposure (measured through length and number of international experiences) on the outcome variables (Crowne, 2013; Kim & Van Dyne, 2013; Li, Mobley, & Kelly, 2013). However, research that specifically considers the level of immersion of the experiences is still needed. To isolate the effect of the level of immersion of the study abroad program, I control for individual differences that might influence the development of the skill sets. These differences include age, gender, student rank (undergraduate or graduate) and the number of additional languages an individual speaks. The Big Five Personality Characteristics (Extraversion, Agreeableness, Conscientiousness, Neuroticism and Openness) have also been found to have a relationship with many of the skills measured in this research (Ang, Van Dyne, & Koh, 2006; Engle & Nehrt, 2012; Harrison, 2011) and therefore, were an additional control. The number of times an individual had previously studied abroad was also controlled, as some research has shown that multiple exposures to foreign environments can influence skill development (Eisenberg et al., 2013; Harrison, 2011; Shannon & Begley, 2008).

Finally, cultural distance between the home country of a participant and the location of their study abroad is considered as a moderator of the impact of the level of immersion of the study abroad program on the development of the others-oriented dimension skills. Cultural distance is a construct that captures the similarities between the home and host culture in core values and artifacts (Shenkar, 2001). Large cultural distances imply a clear perceptible gap, creating conditions where individuals become highly aware of cultural differences and may be more apprehensive in the foreign environment.
regardless of the level of immersion of the study abroad program. Large cultural distances can significantly challenge an individual’s development of the others-oriented dimension skill set (cultural knowledge, cross-cultural skills and willingness to communicate) due to a perceived inability to communicate ideas and confusion about appropriate behaviors. These challenges may foster increased frustration and cause the individual to withdraw from participating in the learning environment, which would consequently decrease the development of this skill set.

Data collection and initial analyses have been completed for the research proposal and some of the preliminary results are presented here.

**Sample**

A total of 1,075 undergraduate and graduate business students who were studying abroad were contacted in the last weeks of the Fall 2013 semester and invited to complete a questionnaire. Of the contacted students, 230 completed and submitted the survey, a response rate of 21%. The average age was 23.5 years; 52.6% were female; and 58.7% were undergraduate students. The majority of participants were Danish (72.6%) and lived in Denmark permanently when not studying abroad. Danish was the native language of the majority of participants (70.9%), however, all participants spoke at least one additional language and the majority (64.3%) spoke (to some degree) at least three additional languages. In addition, most students were participating in their first study abroad (62.2%). Of those who had previously studied abroad, 14.3% had completed one previous study abroad, 12.2% had completed two previous studies abroad, and 11.3% had completed three or more studies abroad. Finally, the locations of
the participants’ study abroad programs were diverse and included 33 countries throughout the world (see Chart 1).

Procedures

Students were invited to participate in the research via email. The invitation made clear that participation was voluntary, data would be kept confidential and results of the study would be used in published academic work. The questionnaire that students were asked to complete consisted of 88 questions and statements, which assessed demographic information, self-efficacy, CQ, willingness to communicate, personality traits and the level of immersion of their study abroad program.

Measures

Level of Immersion of the Study Abroad Program

Level of immersion of the study abroad program was determined from a classification system developed to include more depth when researching study abroad programs (Engle & Engle, 2003). As a result of the undeniable conclusion that there are fundamental differences in the academic and cultural experiences offered among study abroad programs today than in the past, the level-based classification system was also developed to address the lack of insightful research on study abroad programs. The system distinguishes categories of program design based on comparable objective criteria. These criteria include duration of the program, required linguistic competence for admission, the language of instruction used in courses, type of student housing and opportunities provided for both cultural interaction and cultural reflection. Participants were asked to select the response that best describes their study abroad program with respect to each of the criteria used for the classification system. A sample item for type of housing asked “Please select the answer that best describes your housing situation while you study/studied abroad” with possible answers “Collective with other study abroad students (i.e. dorm rooms)” for the lowest level of immersion and “Individual home stay with a local family” for the highest level of immersion.

Self-Efficacy

An established scale consisting of 23 items using a 5-point Likert scale ranging from “strongly disagree” to “strongly agree” determined self-efficacy. The scale had been adapted in past research to the challenges of new cultural situations (Osman-Gani & Rockstuhl, 2009). This assessment of self-efficacy asked participants to rate their competency on two facets: general and social self-efficacy; expectations were measured based on past experiences and the tendency to attribute success to skill as opposed to chance. The first facet consisted of 17 items. Sample items included “When I make plans in a new culture, I am certain I can make them work” and “I feel insecure about my ability to do things in a new culture (reverse scaled)”. The second facets included six items. Sample items included “When I’m trying to become friends with someone in a new culture who seems uninterested at first, I don’t give up easily” and “I
do not handle myself well in social gatherings in a new culture (reverse scaled). The reliability alpha for this study was acceptable ($\alpha = .84$).

**Cultural Intelligence**

CQ was determined by an established scale consisting of 10 items with a 5-point Likert scale ranging from “not at all” to “extremely”. Items of the scale asked participants to rate the extent to which each item describes them on each of the three dimensions. Cultural knowledge consisted of two items, cross-cultural skills consisted of five items, and cultural metacognition consisted of three items. Sample items for each dimension included: “I know ways in which cultures around the world are different” (cultural knowledge); “I can change my behavior to suit different cultural situations and people” (cross-cultural skills); and “I think a lot about the influences that culture has on my behavior and that of others who are culturally different” (cultural metacognition). The reliability alphas for this study were acceptable for cultural knowledge ($\alpha = .60$), cross-cultural skills ($\alpha = .63$) and cultural metacognition ($\alpha = .68$). The total scale alpha was .78.

**Willingness to Communicate**

Willingness to communicate was determined by an established scale consisting of 20 items with a 5-point Likert scale ranging from “0% (I would never communicate)” to “100% (I would always communicate)”. This scales asked participants to select what percent of the time they would choose to communicate in multiple situations. I adapted the original measure to reflect willingness to communicate when in a foreign country. Sample items include “Talk with an acquaintance while standing in line in a foreign country”; “Present a talk to a group of friends in a foreign country”; and “Talk in a large meeting of acquaintances in a foreign country”. The reliability alpha for this study was acceptable ($\alpha = .88$).

**Cultural Distance**

In order to measure cultural distance, I used the recommendations of Kogut and Singh (1988) to compute an index that represents the cultural gap between the country where the participant normally lives when not studying abroad and the country where they studied abroad. Kogut and Singh used Hofstede’s (http://geert-hofstede.com/the-hofstede-centre.html) indices for each of the cultural dimensions (power distance, uncertainty avoidance, masculinity/femininity and individualism/collectivism) to measure the deviation between two countries. I used the current indices provided by Hofstede, which include 78 countries and calculated the variances as 451.59240 for power distance, 574.634199 for uncertainty avoidance, 373.551282 for masculinity/femininity and 528.674659 for individualism/collectivism. The equation used for calculating cultural distance was:

$$CD_j = \sum_{i=1}^{4} \frac{(I_{ij} - I_{iu})^2}{V_i}/4$$

In the equation, CDj refers to the cultural distance between the jth country from the country of interest; Iij stands for the index for the ith cultural dimension and jth country; and Vi is the variance of the index of the ith dimension and u indicates the country where the participant normally lives when not studying abroad. It is important to note that the use of this scale is to determine the cultural distance between the country where the participant normally lives and
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<td>.16*</td>
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<td>.38**</td>
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<td>16</td>
<td>Willingness to Communicate</td>
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<td>.57</td>
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<td>.19**</td>
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<td>.25**</td>
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<td>.06</td>
<td>.02</td>
<td>.29**</td>
<td>.42**</td>
<td>.53**</td>
<td>.31*</td>
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</tbody>
</table>

* p < .05, ** p < .01

Note: Cronbach’s alpha in parentheses
the country of their study abroad, thus it is used to measure the environment not the individuals’ relation to each dimension. The calculated cultural distances ranged from 0 (students who returned to their home country for the study abroad) to 7.48673501 (the calculated cultural distance between Denmark and Japan). Two participants were not included in the analyses with cultural distance because they were originally from or studied abroad in countries that did not have indices available.

**Correlations**

Table 1 displays the descriptive statistics and correlations between the study variables when level of immersion of the study abroad program was included as one construct. As shown through Table 1, there is a significant and positive relationship between the level of immersion of the study abroad program and self-efficacy (r = .11, p < .05), cross-cultural skills (r = .12, p < .05) and willingness to communicate (r = .21, p < .01).

**Hierarchical Regressions**

Table 2 presents the results of the hierarchical regressions analyses for the self-oriented, others-oriented and perception-oriented dimensions’ skills to test the hypotheses. Self-efficacy was utilized to operationalize the self-oriented dimension; cultural knowledge, cross-cultural skills and willingness to communicate were utilized to operationalize the others-oriented dimension; and cultural metacognition was utilized to operationalize the perception-oriented dimension. In response to my review of the literature and previous research, I entered the 10 control variables (gender, age, class rank, extraversion personality, agreeableness personality, conscientiousness personality, neuroticism personality, openness personality, number of additional languages and number of previous studies abroad) at step 1. Of note in the control variables is the nearly complete lack of association between gender, age and level classification with any of the outcome variables. In addition, the association between the personality traits and various outcome variables is noted, in particular, the significant impact of each personality type on self-efficacy. At step 2, the independent variable (level of immersion of the study abroad) was entered as well as cultural distance. For cultural distance, I followed Kogut and Singh’s (1988) recommendations to compute an index that represents cultural gaps between countries. Using their formula, the cultural distance between the country where the participant normally lives and the country of their study abroad was calculated for each participant. In step 3, I tested the hypothesized interactions between level of immersion of the study abroad and cultural distance. To avoid multicollinearity, scores from level of immersion of the study abroad and cultural distance were centered.

In testing the hypotheses, I looked at the results for the influence of level of immersion of the study abroad program and each of the independent variables. The predictor was insignificant in relating to self-efficacy, cultural knowledge and cultural metacognition. Hypothesis 1 predicated that the level of immersion of the study abroad program would be positively related to self-efficacy. The results do not support hypothesis 1. Hypothesis 2 predicted that level of immersion of the study abroad program would positively affect (a) cultural knowledge, (b) cross-cultural skills and
Table 2: Hierarchical Regression Analyses (n = 230)

<table>
<thead>
<tr>
<th>Variables</th>
<th>Self-Efficacy</th>
<th>CQ Cultural Knowledge</th>
<th>CQ Cross-cultural Skills</th>
<th>Willingness to Communicate</th>
<th>CQ Cultural Metacognition</th>
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<tr>
<td></td>
<td>Step 1</td>
<td>Step 2</td>
<td>Step 3</td>
<td>Step 1</td>
<td>Step 2</td>
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<td>Gender (0=Female, 1=Male)</td>
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<td>.08</td>
<td>.09</td>
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<td>Age (in years)</td>
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<td>-0.03</td>
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<td>Extraversion</td>
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<td>.10**</td>
<td>.11**</td>
<td>.05</td>
<td>.05</td>
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<tr>
<td>Agreeableness</td>
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<td>.08*</td>
<td>.08*</td>
<td>-1.12*</td>
<td>-1.11*</td>
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<td>.15**</td>
<td>.15**</td>
<td>.06</td>
<td>.06</td>
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<td>-1.10**</td>
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<td>-10*</td>
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<td>.11**</td>
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<tr>
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<td>.09</td>
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<tr>
<td>Adjusted R²</td>
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<td>.36</td>
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</table>

*p < .10, *p < .05, **p < .001

Note: Unstandardized β coefficients
(c) willingness to communicate. Results support hypothesis 2b: level of immersion of the study abroad program positively related to cross-cultural skills ($\beta = .03, p < .05$). In addition, results support hypothesis 2c: level of immersion of the study abroad program positively related to willingness to communicate ($\beta = .37, p < .05$). However, hypothesis 2a was not supported. Hypothesis 3 predicted that level of immersion of the study abroad program would be positively related to cultural metacognition. The results do not support hypothesis 3. Finally, hypothesis 4 predicted that the effect of the level of immersion of the study abroad program on (a) cultural knowledge, (b) cross-cultural skills and (c) willingness to communicate would be moderated by cultural distance. The results do not support hypotheses 4a, 4b, or 4c; and instead the role of cultural distance was found not to have an impact on any of the outcome variables.

Discussion

Consistent with previous studies, the initial results of the thesis lend more support to the idea that study abroad is instrumental in advancing and developing expatriate acculturation and adjustment skills. However, my project goes further by investigating the effect of the level of immersion of the study abroad program by considering several program aspects and provides evidence that skill development varies across these aspects. In addition, this is the first research, to my knowledge, to use a newly validated tool for measuring CQ. Initial analysis of the findings allow me to discuss a few points that are relevant.

Controlling for demographic characteristics and personality, and considering level of immersion of the study abroad program as one construct predicted the self-reported cross-cultural skills and willingness to communicate. Both of these skills are part of the others-oriented dimension of the acculturation and adjustment skills, thus lending some support to the importance of study abroad in developing skills that allow for effective interaction with members of other cultures. Therefore, it is important and beneficial for individuals to study abroad, but they should also be encouraged to enroll in programs that offer a deeper level of immersion with regard to the length of the programs, the level of host country language abilities needed before arriving in the country of the study abroad, the language of instruction used in the courses, the type of housing they choose or offered by the program, and the opportunities for cultural interaction and reflection for skill development to occur.

It is important to note that the initial findings show that self-efficacy, cultural knowledge, and cultural metacognition, and level of immersion of the study abroad were not significant. This outcome was unexpected. Self-efficacy had a significant positive correlation with level of immersion of the study abroad program; since SLT views self-efficacy as part of the learning process it is possible that self-efficacy helps in the development of other skills (as a mediator or moderator), but is not a measurable outcome of study abroad participation. One explanation for cultural knowledge not being significantly influenced could be a lack of variation in participants’ responses to the scale questions,
where the majority (87.2%) scored very high on cultural knowledge. Furthermore, given that the sample of students in this research project were business students who study at an international business school, their cultural knowledge is already high regardless of the level of immersion of their study abroad. Cultural metacognition is one of the most difficult skills to develop (Thomas et al., 2008) and therefore it is possible that the length of the study abroad does not allow enough time for individuals to develop these skills. It is also possible that individuals were not given enough opportunities to reflect on their experience while studying abroad. When I assessed the individual aspects that make up the level of immersion of the study abroad program, I found that opportunities for cultural reflection did have a positive and significant influence on cultural metacognition, therefore individuals that had these opportunities developed cultural metacognition, but very few reported that these opportunities were provided by their program. Further analyses is necessary in order to better understand the initial results regarding these three variables.

**Contributions and implications**

The value of my thesis results from empirically testing the relationship between study abroad participation, considered as a type of non-work international experience, and the development of expatriate acculturation and adjustment skills. My thesis contributes to the expatriate selection literature and the research on expatriate acculturation and adjustment skills, most notably CQ, by specifically considering the impact of the level of immersion of study abroad on their development. My theoretical contribution results from my development of a theoretical framework that relies on SLT to guide research on the development of CQ and other acculturation and adjustment skills. Furthermore, my use of level of immersion and measurement of specific aspects of international experience provide a significant contribution to future research on the link between international experience and skill development. As previous research that has investigated the link between international experience and CQ has provided inconsistent results (Crowne, 2013; Eisenberg et al., 2013; Kim & Van Dyne, 2013; Li, Mobley, & Kelly, 2013), my thesis provides important implications with regard to how we measure international experience by including the immersion of these experiences rather than just length or duration, which has been criticized (Eisenberg et al., 2013).

There are also notable practical contributions as a result of my thesis. First, to the IB field, by knowing the impact of study abroad on expatriate acculturation and adjustment skills, I will be able to determine if it should be recommended when making expatriate selection decisions in order to provide international human resource managers with an easy expatriate selection criterion. This information will add value to what we already know about how expatriates should be selected and allow for the addition of study abroad into a MNC’s expatriate selection process. This would also open the door for future research to focus on other easy to identify learning activities that result in competencies beneficial to expatriates. Second, to the IB education field, finding that expatriate acculturation and adjustment skills are an outcome of study abroad participation, provides
evidence for university business schools to increase their efforts to get business students to study abroad. It also provides guidelines for the types of study abroad programs that are most beneficial to participants’ skill development. This is essential information for program administrators to promote their programs to students and their stakeholders.

References


Abstract

Purpose
The overall aim of the research is to assess the suitability of Postcolonial Theory (PCT) in understanding the representation of Polish subordinates by their UK expatriate managers. It provides insight into the neo-colonial, neo-imperial rhetoric which views Poland, as with other post-communist Central/Eastern European countries, as an opportunity for economic and cultural expansion.

Design
A brief literature review critically evaluates the predominant cross-cultural management (CCM) approach in order to illustrate the benefit of a new framework before positioning this study within contemporary, relevant postcolonial literature.

A Foucauldian approach to discourse analysis is adopted which applies textual analysis to a variety of sources including, but not limited to, CCM academic texts, guides for international/expatriate managers and semi-structured interviews with British expatriate managers in Poland spanning a ten-year period.

Findings
This paper argues that PCT provides an appropriate framework for studying the spread of Western managerial discourse to Poland and, more specifically, the associated representation of Poles by Western expatriate managers living and working in the country.

Analysis of data collected via interviews with Western managers working in Poland highlights two factors not able to be captured by the prominent positivistic approach:

- the perception on the part of Western managers of a West to East transfer of managerial knowledge and competencies
- the representation of Poles on the part of Western expatriate managers as professionally, managerially, and culturally inferior to themselves and their Western colleagues.

These two factors help to establish the relevance of a postcolonial approach to the study of Western management in Poland.

Research limitations/implications
The methodology adopted by this study does not lend itself to the comparative approach common in most CCM studies. The implications of this may limit the value of the project outside of its immediate geographical context. The value of philosophical and methodological approaches are not geographically bounded however. They have been adapted from a Orientalist, poststructuralist, postcolonial tradition which, as this paper argues, continue to have relevance in a contemporary CCM context.
Practical implications

The findings of this paper have potential implications for multinational organisations and their representatives working in Central/Eastern Europe.

What is original/what is the value of the paper?

Predominantly utilised as a tool to interpret aspects of Western representation and power towards former colonies, postcolonial theory has only recently been utilised by CCM researchers. Whilst such research has tended to focus on historical colonial structures, recent studies point to a growing perception that Central and Eastern European countries can be viewed as postcolonial in their interactions with the West. By focusing on the power dynamic inherent in Western capitalist expansion into developing markets rather than traditional colonial ties, this study adopts a postcolonial approach to the context of CCM in Poland. The originality of this approach is accentuated by a research methodology which focusses on superordinates rather than subordinates as in most highbrid PCT-CCM research.

Keywords

Postcolonial theory, cross-cultural management, Poland, expatriotism

Introduction

In reviewing the postcolonial literature, Jack and Westwood (2009) identify "three key trajectories of work: history and knowledge; knowledge, discourse and representation; and materialist and transnational analyses" (p. 15). This paper focuses on the second of these trajectories: knowledge, discourse and representation. Just as Said illustrated how Orientalism is based on "the discursive construction of the East", cross cultural management (CCM) studies is based on numerous discourses, each producing an ethnocentric construction of the culture under study. These discourses have their basis in Western management studies which "exhibit historical as well as contemporary resonances with what we might call ‘the colonial project’" (Jack and Westwood, 2009, p. 3). The connection between Orientalism and CCM studies lies in the process of Othering which both employ. Said (1978) regarded this Western led, ethnocentric division between ‘us’ and ‘them’ as the main intellectual issue raised by Orientalism and, later, postcolonial theory (PCT).

PCT has only very recently been utilised by international management and cross cultural management researchers. "Management and organization studies in general and international management and business studies in particular, have virtually ignored PCT and its areas of engagement. With a few very notable exceptions, this state of affairs also holds for critical management studies, a domain where one might have expected a better intellectual reception of studies of post-
colonialism” (Westwood, 2007, p.247). Recent PCT research (Śliwa, 2008; Thompson, 1999; Račevskis, 2006; Chapman, et. al., 2008) points to a growing perception that Poland, together with other Central and Eastern European countries, can be viewed as postcolonial in their interactions with the West. By focusing on the “continuation of direct Western colonialism without the traditional mechanism of expanding frontiers and territorial control, but with elements of political, economic and cultural control” (Banarjee and Prasad, 2008, p. 91), PCT has become a tool with utility beyond the traditional, historical definition of colonialism. This paper evaluates the suitability of PCT in a CCM study of Poland. Rather than a traditional CCM approach involving the cataloguing of perceived differences however, the focus will be on discourse and representation. Specifically, the aim is to explore the representation of Poles by Western expatriate managers. For PCT to be a suitable approach, the expatriate manager discourse must involve elements of othering and an implication of superiority.

A brief literature review critically evaluates the predominant CCM approach in order to illustrate the benefit of a new framework before positioning this study within contemporary, relevant postcolonial literature. The discourse of UK expatriate managers in Poland is then analysed through a sample of data gathered in a previous series of semi-structured interviews in order to assess the suitability of a PCT framework for continuing research.

A Critique of the Cross Cultural Management Literature

It would be difficult to embark on a study of the interaction between individuals of two nationalities in a management context without making reference to the body of literature that makes up cross cultural management (CCM) studies. Research on the interaction between managers of different national or cultural backgrounds has primarily fallen under the vast and expanding umbrella of CCM studies. An initial search through the CCM literature spanning the past three decades might result in the conclusion that the positivistic Hofstede paradigm had moved from the realm of management theory to scientific law. Through its outset as a discipline however, CCM research has been carried out from a range of disciplinary and interdisciplinary approaches. Interpretive, qualitative CCM models have been somewhat of a rarity in CCM the literature however where "studies are usually nomothetic and qualitative, with researchers posing themselves as discoverers of universal regularities and systematic causal relationships" (Ailon, 2002, p. 885).

This section will provide an overview and critical analysis of the prominent approach found in the CCM literature. It will illustrate the weaknesses of the empirical, positivistic, Hofstede led methodology thus laying the groundwork for an interpretivist, postcolonial approach.

Culture’s Continuing Consequences

Few fields in academia are as closely linked to one individual as CCM is to Geert Hofstede. The publication of Culture’s Consequences: International Differences in Work–Related Values (referred to from this point forward as Culture’s Consequences) in 1980, essentially marks the
beginning of CCM as a discipline. It could be argued that CCM began with what Hofstede describes as his creation of "a new paradigm for the study of cultural differences" (Minkov and Hofstede, 2011, p.10). Numerous leading CCM academics have quoted Hofstede with "unabashed confidence, many including his findings as absolute assumptions" (Jones, 2007, p.2). It is perhaps this paradigm shift itself which appeals to scholars and not only within the field of CCM. Baskerville (2003) measured the frequency of citations in academic journals of Hofstede’s Culture’s Consequences (various editions) in the period 1981 to 1998. She found that citations of the book had "not decreased in any discipline since it was first published" (Baskerville, 2003, p. 3). The study also showed that in the fields of CCM and Business Management, the number of citations had grown significantly during the period under study totalling 165 in CCM and 712 for other business related disciplines.

Through statistical analysis of the data, Hofstede originally produced four cultural ‘dimensions’; power distance, individualism versus collectivism, masculinity versus femininity and uncertainty avoidance. A fifth dimension, Confucian Work dynamism (later relabeled short-term versus long-term orientation), was subsequently added through an independent, Hofstede endorsed piece of research (Hofstede and Bond, 1988). This fifth dimension was added to explain differences in data from Far Eastern and Western countries. Dimension six, indulgence versus restraint, was added in 2010 as a result of Minkov’s analysis of the World Values Survey data through a Hofstedian

<table>
<thead>
<tr>
<th>Cultural Dimension</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Power Distance</td>
<td>&quot;Perception of inequality and authoritarian behaviour, and a lack of subordinate interest and participation&quot; (Franke, Hofstede and Bond, 2002)</td>
</tr>
<tr>
<td>Uncertainty Avoidance</td>
<td>&quot;Anxiety at work, concern over instability, and rule – oriented inflexibility when faced with new or ambiguous circumstances&quot; (Franke, Hofstede and Bond, 2002)</td>
</tr>
<tr>
<td>Individualism vs. Collectivism</td>
<td>&quot;A focus on self rather than group&quot; (Franke, Hofstede and Bond, 2002)</td>
</tr>
<tr>
<td>Masculinity vs. Femininity</td>
<td>&quot;An assertive or competitive orientation and gender – role sensitivity&quot; (Franke, Hofstede and Bond, 2002)</td>
</tr>
<tr>
<td>Confucian Work Dynamism (short-term</td>
<td>&quot;A subset of Confucian values that encourages the persistent and thirsty long term orientation of personal responsibility and self respect that is hierarchically dynamic, and transcends family and social conservatism, as opposed to other equally Confucian values that are oriented towards the past and present&quot; (Bond, 1997, p. 150)</td>
</tr>
<tr>
<td>Indulgence Versus Restraint</td>
<td>&quot;Happiness and its closest correlates: a perception of life control and importance of leisure&quot; (Minkov, Hofstede, 2011)</td>
</tr>
</tbody>
</table>
framework (Minkov, Hofstede, 2011). Definitions of the six dimensions are displayed in table 1.

In its evaluation of a positivist, quantitative approach to cross cultural management research, this paper focuses on the Hofstede model. This model however encompasses far more than the research of Hofstede himself. Since its inception in 1980, the Hofstede model has been adopted by a plethora of researchers attempting to measure different aspects of national culture and their effects on cross cultural interaction in a management or workplace context. Despite this general acceptance within the fields of international and cross cultural management, critiques of the methodology are increasingly common in the relevant literature.

Basic assumptions of the Hofstede model

As with all models, Hofstede’s provides us with a simplification of reality based on a number of assumptions. As part of this process of simplification, certain assumptions must be made regarding the environment within which the model is to be applied. In the case of Hofstede’s model of cultural difference, it adopts realist and deterministic assumptions working within the functionalist paradigm (Williamson, 2002, p.1375). It follows therefore that any erroneous assumptions undermine the strength of the model upon which they are built. A number of the assumptions upon which Hofstede’s model of CCM is built have been challenged by others in the field. The following section will focus on three of these: epistemological and ontological assumptions, the assumption of culture as a stable, non-dynamic variable and the assumption that nations are suitable units for measuring cultural difference.

Ontological and Epistemological Assumptions

Hofstede’s approach, as with any positivist approach, relies heavily on a number of epistemological assumptions. Lowe and Au-Yeung argue that the lens through which phenomena are observed in such an approach “privileges epistemology (knowing) over ontology (being), certainty and determinism over uncertainty and relativism, and objectivism over subjectivism” (2004, p.2). One of the assumptions of the Hofstedian model is that such a thing as ‘culture’ exists and can be measured. This in turn leads to the difficulty associated with providing a working definition. What is culture? The entire paradigm hinges on culture being, above all else, existent and definable yet “Hofstede himself provides equivocal definitions” (Jones, 2007, p.2):

- “a collective programming of the mind which distinguishes one group from another” (Hofstede 1980, p.25),
- “mental programming, patterns of thinking and feeling and potential acting” (Hofstede 1991, p.4).

Vas Taras and Steel (2009) question several postulates derived from Hofstede’s work including the concept that national cultures are built upon the values of that culture as represented in the commonly reproduced onion diagram (Hofstede, 1980), shown here in figure 1. As well as questioning Hofstede’s assumption that culture is based on values, Van Taras and Steel echo Jones’ earlier criticism of Hofstede’s equivocal definitions. They argue that, despite Hofstede’s own representation of culture being based on values, rituals, heroes and symbols, "the sole focus of his four – factor (later five –
factor) model and instrument for quantifying culture, the Value Survey Model, is values" [parentheses in the original] (Vas Taras and Steel, 2009, p. 42).

Hofstede stresses his interpretation of culture as a social construct which seems to be at odds with the Cartesian fashion in which he attempts to build objective fact upon objective fact. McSweeney (2002) argues that Hofstede's definition of culture fails to build on the foundations required by such a positivistic approach and asks of Hofstede, “Other than a priori belief, what is the basis of claims that influential national cultures exist? What is the quality of the evidence appealed to?” (p.89).

The assumptions made in the Hofstedian model are not only of an ontological nature but epistemological as well. These assume, for example, that the researcher does not bring his/her own bias, ethnocentric or other, to the interpretation and analysis of the data. Westwood (2006), in arguing for a new approach to international business and management research, notes how Western research inevitably and invariably ‘translates’ the action of the Other using "his/her ontological, epistemological, theoretical and ideological resources" (p. 99).

In her critical analysis of the dominant, Hofstede led approach to CCM research, Nakata (2009) outlines and challenges four ontological traits inherent in such research:

1. Culture is cognitive

This is an inherent, logical deduction from Hofstede's own definition of culture as "collective programming of the mind" (Hofstede, 1980). It is,
in other words, "what people think" (Nakata, 2009, p. 248).

2. Culture is bounded

“The leading culture theories assume culture is geographically bounded and most often by national borders” (ibid, p.249).

3. Culture is immutable

Hofstede (1980) argues that shared values, institutions and environmental factors "combine to create a homeostatic system that maintains cultural patterns across generations" (Nakata, 2009, p.251).

4. Culture is coherent and unified

Models based on the Hofstede framework allow the dimensionalisation of cultures in their entirety. A given culture can be, for example, masculine or have high power distance. “These attributes are pronounced in Hofstede’s framework, wherein a set of values represents the totality of culture” (ibid, p.252).

Whilst Nakata does not dismiss the positivist approach completely, she argues for the evolution of cultural theories through hybrid forms which "mix ontological and epistemological properties" to help meet "the field’s long-standing need for stronger theoretical underpinnings"(ibid,p. 262).

**The assumption of culture as a stable, non-dynamic variable**

Reliability of the Hofstede model depends on, among other things, a definition of culture as a near chronological constant. Based on Hofstede’s own positivistic, Cartesian approach, this implies that Hofstede’s six dimensions of culture are, by definition, equally stable over time as well. The assumption is one which Hofstede readily accepts, claiming that “the dimensions found are assumed to have centuries-old roots” (Hofstede, 2002, p. 90). Nakata’s identification of the immutability of culture as one of four traits inherent in leading CCM theories (2009) challenges the validity of this assumption. She highlights the shortcomings of Hofstede’s homeostatic quasi-equilibrium of culture (figure 2) which "describes how shared values are reinforced by institutions and environmental factors. All three elements combine to create a homeostatic system that maintains cultural patterns across generations" (Nakata, 2009, p. 251).

Hofstede offers further evidence of culture as a chronological constant through his onion diagram (figure 1) by proposing that changes in politics, technology and practices "mostly involve the relatively superficial spheres of symbols and heroes, of fashion and consumption", while "culture change is slow for the onion’s core, labelled values" (Hofstede, 2010, p. 19). While he doesn’t assume cultural continuity from the origins of Homo erectus, Hofstede’s time machine analogy places modern cultures under the heading “Seven Thousand Five Hundred Years Ago until Now: Large-Scale Civilizations” (ibid, p.447).

In disregarding the potential for cultural change, Hofstede eschews recent “considerable support for modernisation and convergence”, theories which "indicate that societies will converge around some set of values as they modernise, usually those associated with Western, free – market economies" (Vas Taras and Steel, 2009, p. 44). Furthermore, contemporary research...
based on World Values Survey data (Ingelhart and Baker, 2000, Inglehart and Welzel, 2005) and following a positivistic methodology not dissimilar to that of Hofstede, found evidence that "cultural values are changing in a predictable direction as socio-economic development takes place" (Inglehart and Welzel, 2005, p. 1). Remembering that Hofstede’s own definition of culture holds cultural values as its core (figure 1), this finding would seem to undermine the assumption of culture as a chronological constant through the use of a similar methodology.

Nakata summarises her evaluation of Hofstede’s assumption of the immutability of culture with the following:

"These theoretical and empirical conclusions clearly show that either what Hofstede labelled cultures is not culture, assuming culture is extremely stable, or that culture can change much faster than postulated by Hofstede. If the former is true, we need to re-evaluate if Hofstede’s approach to operationalizing culture is valid. Otherwise, we have to reconsider our assumptions about the extreme stability of culture at both the national and individual levels' (Nakata, 2009, p. 45).

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The assumption of nations as suitable units of measurement

A further assumption of the Hofstede paradigm is that this quantifiable notion of culture is
distinguishable on a country by country basis resulting in distinct national cultures. Hofstede defines national cultures as the "collective programming of the mind that distinguishes the members of one group or category of people from another" (Hofstede, 2001, p. 9). Despite Hofstede noting that "in research on cultural differences, nationality – the passport one holds – should be used with care" (Hofstede, 2010, p. 16), the groups or categories chosen by Hofstede for his analysis are nations. This approach is justified by its expediency and the claim that "it is immensely easier to obtain data for nations than for organic homogeneous societies" (ibid, p. 21).

According to Hofstede (2010), there are, apparently, three sources of difference between countries (fig. 3): identity, values and institutions all of which are claimed to be rooted in history.

Hofstede relates the three differences from table 1 to the importance of national culture in understanding CCM issues.

McSweeney (2002) identifies Hofstede’s assumptions of the territorial uniqueness and heterogeneity of national culture as one of the model’s key faults. He argues that in the Hofstedian framework, "national culture is not theorized as the only culture, or the totality of cultures, within a nation, but by definition it culturally distinguishes the members of one nation from another" (p. 4). In discussing Hofstede’s decision to collect data from only one organisation worldwide and the implications of this decision on the national culture framework, McSweeney notes that “the generalisations about national level culture from an analysis of sub-national populations necessarily relies on the unproven, and improvable, supposition that within each nation there is a uniform national culture” (p.22).

This line of argument has also recently been picked up on by Nakata in her analysis of contemporary, cross cultural studies. She observes that increasingly within the discipline, “inferences are made about the impact of culture based on observed differences in value

Figure 3: Sources of Differences between Countries (Hofstede, 2010)
orientations, sociocultural norms, cognitive processes, or other phenomena between two or more countries,” leading to the “mistaken tendency to equate ‘culture’ with nation or ‘ethnic group’ and to use the concept of the nationstate in both defining samples and interpreting results” (Nakata, 2009, p.125). Nakata here makes reference to Georgas and Berry’s notion of the onomastic fallacy (1995), “in which the name of a country is used to identify the culture and serves as a surrogate for a range of variables that may account for observed similarities and differences between cultures.” (Nakata, 2009, p.125)

Hofstede’s research findings are based on these key assumptions despite the fact that there appears to be little or no epistemological legitimacy in doing so. Although it has been a slow process, the literature is increasingly challenging these previously accepted notions, primarily of cultural bias or ethnocentrism in research design and analysis. The Hofstede paradigm has come under increasing scrutiny from academics seeking a more dynamic model (Fang, 2003; Holden, 2002; McSweeney, 2002, Nakata, 2009; Westwood, 2006).

The Call for a Postcolonial Approach
The CCM literature is becoming increasingly critical of the predominant, positivistic approach discussed in the previous section. Jack and Westwood (2009) argue that “academic management disciplines are Western and Eurocentric discourses (knowledge systems and associated institutional practices) that exhibit historical as well as contemporary resonances with what we call ’the colonial project’” (p. 3). A recent development in the field of international business and management studies has been the application of postcolonial theory which, through its “profound effect on academic work across a number of disciplines in the humanities and social sciences” (ibid, p. 5) has come to occupy “a salient position in the intellectual climate of our times” (Westwood et al., 2007, p. 246). It has only recently however begun to gather momentum in the “somewhat intellectually staid field of business management” (Banerjee et al., 2008:90). PCT offers a framework through which cross cultural interaction in a management context can be deconstructed or decolonialised.

Westwood, who has been at the forefront in advocating a PCT approach to international and cross cultural management, compares the term “postcolonial” to “postmodern” in that both terms can be read from a temporal perspective – as a signifier of an epochal shift – but also as a mode of critique and a form of intellectual practice” (2009, p. 92). The temporal perspective is the basis upon which the intellectual practice, or critical perspective, is developed and both are crucial to the postcolonial approach adopted in this study.

The Temporal Perspective of PCT
The temporal perspective has its roots in the "historical resistance to colonial occupation and imperial control, the success of which then enabled a radical challenge to the political and conceptual structures of the systems on which such domination had been based" (Young, 2001). This perspective is regarded by Young to be a product of revolutionary Marxism and the national liberation movements of the 19th and 20th centuries in that it "combines history with a theorised account of contemporary culture" (ibid., p. 61). Groundbreaking works
such as Sartre's Colonialism and Neocolonialism (1964) and Spivak's The Post-Colonial Critic (1990) helped form the foundations of PCT as a theory but it was Said's Orientalism (1978) that is perhaps most synonymous with postcolonial theory.

At the heart of Said's argument is the notion that the Occident and the Orient are social and cultural constructs developed by the West (which, in turn, is a social construct in itself). Terms such as the 'West' and the 'East' have a specific meaning in Central/Eastern Europe but are used throughout the world, often with completely different interpretations. In a Western European context, "they are cultural constructs whose meanings and natures are contingent and mutually dependent: what counts as the West depends on that which it is not (i.e. the non-West)" (Jack and Westwood, 2009, p. 11). Said, as a postcolonial theorist, advocates the deconstruction, or decolonialisation of the Orientalist discourse thus giving a voice to those whose culture was, as far as the Western world was concerned, constructed by Orientalists "politically, sociologically, militarily, ideologically, scientifically, and imaginatively during the post-Enlightenment period" (Said, 1978, p.3).

It already becomes evident at this point that PCT and the predominant CCM approach discussed earlier are at epistemological odds with each other. It can be argued that the Hofstedian CCM paradigm reproduces an ethnocentric representation of the Other just as the Orientalists constructed their own version of the Orient and the Orientals. While the CCM approach catalogues the cultural divisions amongst various populations, Said writes that "such divisions are generalities whose use historically and actually has been to press the importance of the distinction between some men and some other men... when one uses categories like Oriental and Western as both the starting and the end points of analysis, research, public policy, the result is usually to polarise the distinction – the Oriental becomes more Oriental, the Westerner more Western – and limit the human encounter between different cultures, traditions, and societies" (p. 46).

The Critical Perspective of PCT

The second perspective of PCT identified by Westwood, which has had a significant impact across a number of disciplines in recent years, is the critical approach. Unlike the temporal perspective, the critical mode is not dependent on direct links to historical colonial ties. Although the term would suggest that the post in postcolonial infers completion or finality, "the prefix post complicates matters because it implies an 'aftermath' into senses – temporal, as in coming after, and ideological, as in supplanting" (Loomba, 1998, p. 7). In fact, the postcolonial in the critical perspective of PCT refers more to a state of neocolonialism which "can be understood as a continuation of direct western colonialism without the traditional mechanism of expanding frontiers and territorial control, but with elements of political, economic and cultural control" (Banarjee and Prasad, 2008, p. 91). It is this neocolonial state which is of particular interest to this study.

Despite the recognition of PCT in other disciplines as a valid framework for academic enquiry, it is a framework which "orthodox international business and management studies, with its functionalist and managerialist
inclinations has not yet engaged with as yet to any marked degree (exceptions include Banarjee and Listead, 2001; Chakravartty, 2004; Mirchandani, 2004; Prasad, 1997)” (Westwood, 2006, p. 105). There have been recent developments towards a greater utilisation of PCT within the field however with greater recognition that “a postcolonial perspective can be intellectually productive in the sense that it can reveal the neo-colonial assumptions that underlie management disciplines, especially international management and cross-cultural management” (Banarjee and Prasad, 2008, p. 90).

Historical colonialism can be seen as part of a greater project in which the colonial powers openly pursued a policy of territorial expansion and political control. The contemporary economic expansion of Western interests however differs substantially from the historical model of colonialism in many aspects. Key amongst these is the increased role of the corporation as a driving force combined with less prominent intervention on the part of national governments resulting in the perception of a generic ‘Western’ economic expansion into economically less developed countries. Coupled with this “increasing penetration of corporations into overseas markets” was the "need for knowledge about how to effectively function in them” (Westwood, 2006, p. 94) which has given rise to the spread of business and management studies. The CCM paradigm critiqued earlier has a direct link to this development which critical postcolonial theory views “as a more or less direct continuation of colonialism” (ibid, p. 94).

Two common features of both the temporal and critical perspectives are power and the associated representation of the Other as culturally inferior. In Orientalism, Said defines the relationship between Occident and Orient as one "of power, of domination, and of varying degrees of a complex hegemony" (1978, p. 5).

The power relationship in a cross cultural management context involving individuals from a ‘Western’, developed economy and a ‘non-Western’, less-developed economy is almost certain to be predefined before any interpersonal contact takes place. The predefined nature of UK – Polish CCM interaction is that the Polish managers will almost exclusively find themselves in a subordinate position. This differs significantly from, for example, cross cultural management interaction between representatives of German and American corporations in which either party could conceivably be subordinate to the other. Furthermore, previous UK-Polish CCM research (Allen, 2003) found that the behaviour of the Western managers was affected by the dominant position they almost certainly hold in such a context. Arrogance and feelings of superiority among Western managers were found to have consequences in organisations and produce systems of defence or resistance amongst many of those Polish subordinates who were subject to such behaviour.

Is PCT an appropriate framework for Poland?

Is Poland postcolonial? To make this case, it will be argued that within “Western” management culture there exists a discourse towards Poland (and Central/Eastern Europe as a whole) which reflects two fundamental aspects. The first is a neo-colonial desire for expansion of business
operations and management philosophy into the country. The second is evidence of the representation of Poles by Western managers as inferior in their managerial competencies.

Despite a lack of CCM research in central/Eastern Europe utilising a PCT framework, research in other fields utilising a postcolonial approach (Thompson, 1999; Moore, 2001; Buckley et al., 2011; Cavanagh, 2003; Racevskis, 2006; Sliwa, 2008) points to a growing perception that Central and Eastern European countries can be viewed as postcolonial in their interactions with the West.

**Data and Methodology**

Very little research has been carried out on cross cultural management in Poland and that which has is predominantly based on the Hofstedian model, most notably Nasierowski’s 1998 research which produced data to fit Poland into the Hofstede cultural-dimension framework. As with any positivistic approach, the ‘Hofstede paradigm’ relies heavily on a number of epistemological assumptions. Amongst these is the assumption that such a thing as ‘culture’ exists and can be measured. A second assumption is that this quantifiable notion of culture is distinguishable on a country by country basis resulting in distinct national cultures. An interpretivist, qualitative methodology, capable of reaching a depth which positivist research fails to achieve will be utilized in this study. Postcolonial theory provides a framework through which this can be applied.

This article is a continuation of a research project carried out between 2002 and 2004. This first phase of research involved 32 interviews with both Western (British, American and Canadian) and Polish managers. A previous paper based on the same data (Allen, 2003) examined the suitability of Geert Hostede’s research methodology to the specific scenario of Western managers’ experiences in Poland. It suggested that a qualitative methodology was better suited to analyse the problems of friction and resistance in interaction between Poles and their Western expatriate managers but did not explore the possibility of a PCT framework in the analysis.

The aim of the current research project is therefore to assess the suitability of PCT as a framework for analysing the interaction between Western expatriate managers in Poland and the Poles with whom they interact. The existing dataset has been analysed with the intention of carrying out further, more focused data collection if this initial analysis confirms the suitability of a postcolonial approach. The data analysis from this second round would then focus on representation and power. A minimum of 30 UK managers with at least one year’s experience living and working in Poland in a management role would be interviewed.

The acceptance or rejection of this approach depends on evidence of two factors within the data. The first of these factors is the existence of a neocolonial attitude of Western corporate expansion into economically less-developed regions (in this case Poland). The second factor is the representation of Poles on the part of their UK expatriate colleagues as inferior either culturally or in terms of their managerial competencies. Although some literature exists to provide a degree of depth in the understanding of these issues, the existing literature differs geographically, methodologically and/or historically from this project.
The methodological approach utilised in data analysis is discourse analysis through a postcolonial framework. The choice of methodology was made by revisiting data from the first round of interviews as well as through ongoing contact with UK managers who are or have been expatriate managers in Poland. Discourse analysis provides the opportunity to better understand the representation of Poles by these expatriate managers. Fairclough points out that representation is "clearly a discoursal matter, and we can distinguish different discourses, which may represent the same area of the world but from different perspectives or positions" (Fairclough, 2003, p.26). Furthermore, discourse analysis provides a framework through which discoursal examples of self-identifying and Othering can be analysed. Intertextuality, which “accentuates the dialogicality of a text, the dialogue between the voice of the author of a text and other voices” (Fairclough, 2003, p.9), has the potential to provide rich data providing an insight into the representation of Poles through the selected retelling of others' experiences and accounts.

**The Case for a Neocolonial Expansion**

The end of Soviet communism in the Eastern Bloc can be viewed as having led those countries, Poland included, from one neocolonial system to another. Echoing Fukuyama’s ‘end of history’ hypothesis (1992), Young argues that capitalist economic imperialism has become the new form of postcolonial domination in which “de facto there is now only a single world economic system, and almost all states have been obliged to make some structural adjustment towards it” (p. 60). The end of the era of Soviet dominance and the emergence of Poland as a free-market economy has had an impact on its perception by those in the West. The Western development and marketing discourse of the early 1990’s refers to the "challenges" and "expanding opportunities" the region offered for "policymakers, scholars and global investors" (Bartolovich and Lazarus, 2002). There is a very Victorian feel to this rhetoric, reminiscent of the days of Empire and the general zeal for economic and cultural expansion.

Fairclough (2003) refers to the global spread of the Western economic model as "the new capitalism" which "has also produced a new imperialism, where international financial agencies under the tutelage of the USA and its rich allies indiscriminately impose restructuring on less fortunate countries, sometimes with disastrous consequences (e.g. Russia)" (p. 5).

In their study of the transfer of managerial practices by ‘Western’ food retailers to operations in Poland, Hurt and Hurt (2005) note the frustration on the part of these retailers to the slow pace in which management practices could be transferred. Hurt and Hurt position themselves as proponents of the knowledge transfer of Western managerial practices to Poland and share with the retailers they interviewed the belief that these practices were a force of change and "development" which could and should not be stopped. Resistance to the adoption of these practices should therefore, in their opinion, be minimised if not negated altogether.

The data from the 2003 research have been reviewed for examples of this assumption of a
Western neocolonial economic expansion into Poland. A sample is provided below:

“The Polish director built up a network of friends in management positions who had no relevant qualifications. By radically stopping the cash flow from the German parent company, we brought about compromise between the traditionalists and modernists.”

Two narratives are contained in the extract, both of which question the competency of the Polish director. The first references the stereotype of Eastern corruption which is implied in the “network of friends in management positions” comment. The other is the perceived role of “the German parent company”.

This extract, by referring to the West – East cash flow makes reference to a territorial expansion. Furthermore, the power relationship in this example is very clear. The German company is referred to as "the parent company" and the "modernists". It is this parental, modern entity which "brought about compromise". The tone of the interviewee can, in keeping with the choice of vocabulary, best be described as patronising. Although not as blatant as some of the extracts in the following section, it can be strongly argued that this extract shows a negative representation of the "traditional" Poles with "no relevant qualifications".

“I’ve come across the comment that we (Western managers) are arrogant. It may come across as arrogance but what it is is experience. Without our experience these companies would struggle”

Whereas the previous extract provided an example of the perceived Eastern flow of Western capital, this extract touches on knowledge transfer flowing in the same direction. Arrogance is the theme which appeared regularly in the interviews with Polish managers.

“They (the Polish employees) don’t buy into the corporate identity. Not at all. I don’t expect them to be corporate cheerleaders but they must understand that this is who we are and they are now part of this.”

Once again, there is a clear expectancy that the power relationship should be a Western – Eastern one. "This is who we are and they are now part of this" is an example of this expectancy and is reminiscent of historical colonialism.

**The Case for Negative Representation**

For PCT to be considered an appropriate framework, evidence of neocolonial ideological expansion is not sufficient. Accompanying this expansion should be evidence of a negative representation on the part of the ‘neo-colonisers’ towards the ‘neo-colonised’. Banerjee discusses "an elaborate hierarchy of binary oppositions positing a fundamental ontological and
epistemological distinction” (2008, p.91) in relation to the process of Othering in colonial/neocolonial interaction. Distinctions such as developed/undeveloped, modern/archaic "denote inferiority" and "serve to produce the representation... of the entire non-Western world as something ontologically inferior to the West, and hence needing firm Western supervision, guidance and assistance for becoming fully civilised and developed/modern" (ibid. P. 92).

Take this example from Hurt and Hurt’s (2005) previously mentioned research:

After a period of training, Polish employees in French hypermarkets were expected to have acquired Western attitudes about store layout, merchandizing, price tagging, in-store advertising, store cleanliness, stock maintenance, and so on. Above all, they were expected to take responsibility for their whole department, and even the store being well run. In the longer term, those who moved into management positions were expected to understand the performance appraisal and promotion ratings of the chains' HRM systems. This would go hand in hand with their commitment to a career, buying into corporate purpose and identification with the company. These expectations were sadly disappointed. In the days following the recruitment of the new Polish employees hired to fit out and then run the first hypermarkets, the expatriate French retailing managers were met by silence, lack of reactivity, apparent resistance, absenteeism, carelessness, and lack of initiative — as well as cases of theft and drunkenness — where their own model led them to expect different attitudes on the job. The Poles did not seem ready to learn the knowledge the French had come to transfer.

This extract perfectly illustrates, and is a fairly typical example of, the negative representation of Poles by Western expatriate managers. Although it could be argued that this list of complaints is based on their very real and unfortunate experiences, the discourse goes beyond this to imply the superiority of the French managerial methods and systems. This is apparent in the choice of language with phrases such as "employees... were expected to have acquired Western attitudes", and "the Poles did not seem ready to learn the knowledge the French had come to transfer". The discourse originates from an ethnocentric perspective and seems to imply a righteousness of purpose in transferring this knowledge. The French managers are clearly portraying the locally-based staff with whom they work as managerially and culturally inferior. An example of the latter are the comments relating to the "resistance, absenteeism, carelessness, lack of initiative, theft and drunkenness" of the Polish staff.

Extracts from the 2003 datasets of semi-structured interviews with Western expatriate managers working in Poland provide further evidence of this discourse. A selection is presented below:

"Polish male employees are very egocentric and macho. They expect high salaries and various fringe benefits."
A sweeping value judgement has been made about all male Polish employees. Furthermore, are the “high salaries and fringe benefits” any more than the expatriate managers would be likely to expect? In reality these ‘excessive expectations’ are, in the reality of Polish renumeration packages, almost certainly only a fraction of what the Western managers would receive.

"Western investors are seen only for the money and not as a strategic partner, nor as an authority"

This extract begs the question of whether or not authority is assumed to be based on nothing more than the individual’s status as a "Western investor"? The expatriate manager is, in this case, representing himself as someone deserving of authority and, therefore, superior to his Polish colleagues.

"The importance of titles and status in Poland is very odd. But, if it makes them happy I say give them what they want."

The tone in which this comment was made is relevant. The interviewee was very dismissive and the "give them what they want" comment was made in a very patronising fashion accompanied by a sweeping gesture with his hand. It is perhaps somewhat ironic that the job title on his own business card (which cannot be mentioned for reasons of confidentiality) was lengthy and seemingly designed to impress.

"Identification with the corporate culture is very low among Polish employees. They jump from company to company seeking higher positions and salaries. As a result, they are over-promoted and find themselves in high positions without proper experience. My personal solution is personal appraisal and encouragement leading to their conception of a good boss. Friendly and helpful to his employees”.

Unlike the previous extract, there was no indication of negativity in the tone of this interviewee. In fact, he seemed to have a genuine concern for the well-being of the Polish staff he managed. There are still indicators here however of representation of these employees as undeserving of these higher positions and salaries as if they should be satisfied with "personal appraisal and encouragement" and the perception of a “friendly and helpful” boss as a substitute.

**Conclusion**

Referring to the works of Orientalists, Said noted that “such texts can create not only knowledge but also the very reality they appear to describe. In time such knowledge and reality produce a tradition, or what Michael Foucault calls the discourse, whose material presence or weight, not the originality of a given author, is really responsible for the texts produced out of it.” (Said,p. 94). CCM discourse, as represented by the prominent positivistic Hofstede led
approach have come to represent such a created ‘knowledge’ which has remained largely unchallenged in the international business and management literature. Said presents a useful analogy:

“If one reads a book claiming that lions are fierce and then encounters a fierce lion (I simplify, of course), the chances are that one will be encouraged to read more books by that same author, and believe them. But if, in addition, the lion book instructs one how to deal with a fierce lion, and the instructions work perfectly, then not only will the author be greatly believed, he will also be impelled to try his hand at other kinds of written performance. There is a rather complex dialectic of reinforcement by which the experiences of readers in reality are determined by what they have read, and this in turn influences writers to take up subjects defined in advance by readers’ experiences. A book on how to handle a fierce lion might then cause a series of books to be produced on such subjects as the fierceness of lions, the origins of the fierceness, and so forth. Similarly, as the focus of the text centres more narrowly on the subject – no longer lions but their fierceness – we might expect that the ways by which it is recommended that a lion’s fierceness be handled will actually increase its fierceness, force it to be fierce since that is what it is, and that is what in essence we know or can only know about it.” (Said, 1978, p. 94)

This analogy provides a useful illustration of the impact on the Hofstedian paradigm in CCM studies. Hofstede’s work, together with the plethora of similar studies it has spawned have created a version of ‘reality’ which has gone largely unchallenged. The acceptance of the cross-cultural behavioural ‘differences’ his studies point to have been so widely accepted that they, in turn, have produced further studies on the reasons for these perceived differences. Questions regarding the ontological and epistemological groundings of this approach to CCM, together with the weakness of the many assumptions on which this methodology is based, point to weaknesses within the paradigm. Increasingly, critiques of this approach are appearing in the CCM literature together with proposals for alternative frameworks.

One such framework is PCT which focuses on the dynamics of power and representation rather than the ethnocentric cataloguing of perceived cultural differences. It has been argued that PCT provides an appropriate framework for studying the spread of Western managerial discourse to Poland and, more specifically, the associated representation of Poles by Western expatriate managers living and working in the country.

A review of data collected as part of a previous research project (Allen, 2003) has provided evidence of two key factors:

- the perception on the part of Western managers of a West to East transfer of managerial knowledge and competencies
- the representation of Poles on the part of Western expatriate managers as professionally, managerially, and culturally inferior to themselves and their Western colleagues.
These two factors help to establish the relevance of a postcolonial approach to the study of Western management in Poland.

This analysis, in providing confirmation in the merit of a PCT approach, will form the basis of a further study focusing specifically on the aforementioned representation and its implications in a CCM context.

References:


WODAK, R. & KRZYZ\ANOWSKI, M. 2008. Qualitative discourse analysis in the social
Abstract

Purpose
We intend to show that a set of combinations of a small and well defined number of value dimensions has the potential to indicate contrasting types, which can characterize predominant streams of political thought and managerial attitudes in societies and organizations.

Design
We are modelling an agency which has a normative personality with values and beliefs emerging from its three formative traits. These can take bi-polar epistemic values ("enantiomers"). Combined together, they give 8 different cognitive types that are “personality type mindsets”.

Findings
We find 4 contrasting pairs of mindsets, which include, but go beyond the 4 Maruyama-Mindscape types. Considering the option that balanced traits might also emerge the total number of types will grow to 27.

Practical implications
Contrasting pairs of mindset types are a strong indication that the viability of social systems might depend on managerial and political intelligence, which can bridge immanent value conflicts and foster the auxiliary role of alternate positions.

What is original/ what is the value of the paper?
Mindset Agency was developed during 2013. It combines thought arising in personality theory, sociology, cybernetics, cultural and historical studies.

Keywords
Agency theory, cultural dynamics, mindscapes, normative personality, social intelligence, traits, Schwartz value system.
Introduction

Since the 1970s numerous value studies were undertaken, which follow the Hofstede doctrine (Minkov and Hofstede 2011), i.e. to establish sets of value dimensions, which characterize ‘the basic values’ of societies or organizations. While variety abounds as far as terminology and number of dimensions is concerned and quite a few comparisons were made, not many moves are undertaken towards harmonization of the approaches. Therefore we are raising the issues, how many dimensions do we really need to characterize the culture of societies and organizations, and what is the meaning of different value combinations within societies or organizations?

The increasing number of value dimensions of the Hofstede doctrine itself, from 4 to 7 during 30 years, can be taken as an indication that there is no apparent limit to the number of useful dimensions (for illustration see Table 1). At least one cannot decide about the useful number as long as there is no theory determining a coherent value system.

On the other hand, when it comes to “cultural maps of the world” (Minkov and Blagoev, 2013 forthcoming) despite different sources and different value systems the similarities between these maps is amazing. Irrespective of the analytical methods applied by e.g. Sagiv & Schwartz (2007), or the World Values Survey Project (Inglehart, 2008; Inglehart and Welzel, 2005) and irrespective of the statistical methods applied as e.g. the co-plot method of Raveh (2000), or multidimensional scaling or factor analysis (see e.g. Minkov and Blagoev 2013 forthcoming) the mappings have striking similarities, with European countries on the one side of a global map, African countries on the other side, and the United Stated somewhere in the middle in a rectangular position to an imaginative line between African and European countries. For illustration in Figure 1 we refer to the map provided by Sagiv & Schwartz (2007).

Beyond that it is also worth noting that similar maps can be created from statistical artifacts. Minkov and Blagoev (2013 forthcoming) derived a similar map from a data set using available

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>4-dimension period</td>
<td>5-dimension period</td>
<td>7-dimension period</td>
</tr>
<tr>
<td>Power distance</td>
<td>Power distance</td>
<td>Power distance</td>
</tr>
<tr>
<td>Individualism-Collectivism</td>
<td>Individualism-Collectivism</td>
<td>Individualism-Collectivism</td>
</tr>
<tr>
<td>Masculinity-Feminity</td>
<td>Masculinity-Feminity</td>
<td>Masculinity-Feminity</td>
</tr>
<tr>
<td>Uncertainty Avoidance</td>
<td>Uncertainty Avoidance</td>
<td>Uncertainty Avoidance</td>
</tr>
<tr>
<td>Long-term versus short-term orientation</td>
<td>Long-term versus short-term orientation</td>
<td>Indulgence vs. Restraint</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Monumentalism vs. Self-Effacement.</td>
</tr>
</tbody>
</table>

Table 1 The emergent Hofstede doctrine from 4 to 7 value dimensions
Source: Minkov and Hofstede (2011).
data from international statistics, which could be considered as a particular collection of cultural outcome indicators as the consequences of culturally determined behaviors, and how they are distributed across countries: murder rates, HIV rates, adolescent fertility, national level IQs, road death tolls, transparency versus corruption, living with parents. On one side of the map we find high HIV and murder rates in Southern African region, and on the other side high transparency in Europe, and again, the USA are on this map somewhere in the middle in a rectangular position to an imaginative line between African and European countries.

Independently from Minkov and Blagoev, Roger Bell (2013 forthcoming) comes to the conclusion that ‘cultural neutrality’ is difficult to sustain when cultural outcomes are critical. Bell is offering numerous examples of critical cultural outcomes, e.g. when high power distance is keeping subordinates away from judgment of their bosses who might even get away with murder, or high masculinity is justifying that profit maximization is the one and only goal, never mind abusive and exploitive children work or high death tolls because of unsafe workplaces.

From these experiences we are concluding that there is room for – if not need of – a theory of culture in social systems, which highlights the role of value dimensions in cultural systems, can explain interaction between a social system and its environments, and also the links between a
value system and observable outcomes of that value system. We are suggesting that mindset agency theory does meet some of these requirements.

With this paper, it is our aim to deliver insights into necessities of a theory of organizational culture. We are advocating the view that a 'neutral view' on culture is not advisable. One should consider outcomes, too.

Empirical research and data mining is very useful. Nevertheless a theory is needed to understand the role of culture in a social system. A theory based view on organizational culture can build on the theory of 'normative personality', from which a typology can be derived. However, almost every typology emphasizes the characteristic features of 'pathologic forms of culture'. Some of these pathologies are reflected in artefact mappings as e.g. delivered by Minkov and Blagoev (2013 forthcoming).

'Management intelligence' is needed in order not to fall into the 'simplicity trap'.

**Normative personality theory**

In Figure 2 we present a conceptual agency model, which is bedded on recursive principles of systemic hierarchy (Yolles, 2006). The agency super-system consists of a cultural system, a "strategic" personality system, and an agency operative system. In the core of this model we find "Agency Personality". This is a living system with a normative personality, which is nested into a set of recursively embedded systems, and with which in its environment it is interacting through the Agency Operative System.

The generic model of Figure 2 represents a plural agency which is durable when it maintains a stable culture and embraces learning and development through its cybernetic processes, with a normative personality, an operative capacity, and an environment. The agency operates through intelligences, adapts to changing situations, and creates and implements its own policies. It enables specific relationships to be introduced within and across systemic domains, as necessary and according to the logical processes that may be proposed within social, economic, managerial or political situations.

Cultural orientation attracts agency behavior towards cultural norms of the cultural environment, which are represented by the cultural orientation trait. In the social environment, the operative interactions with other agencies are guided by the social orientation trait. However, in this paper for the purposes of explorative theoretical modelling of the mindsets an agency might follow, we shall not further deal with cultural embeddedness of the affective agency into its environments. In the following we shall focus on the three necessary personality traits: 1) the cognitive orientation trait, 2) the figurative orientation trait, and 3) the operative orientation trait. These three traits are formative through which a plural agency is guiding the attitudes and behavior of its sub-units and its individual members, as for instance departments, staff and management of an organization. Therefore, for the plural agency we call these traits "normative personality traits".

The cybernetic modelling process was undertaken without considering any cultural dimension study. It is based on cybernetic living
systems modelling (Schwarz 1997) and was derived from an attempt to integrate different approaches to individual personality theory into a coherent meta-theory platform (Yolles and Fink, 2009). This personality meta-theory-platform could be migrated into the theory of emergent normative personalities (Yolles, Fink and Dauber, 2011), which in turn is providing a complementary theory to the eclectic Configuration Model of Organizational Culture (Dauber, Fink and Yolles, 2012).

In an ex-post search of a system of cultural dimensions that might fit the requirements of the cybernetic meta-model of an agency, out of the whole repertoire of cultural value dimensions studies from Hofstede to GLOBE, World Values Survey, and Shalom Schwartz (Hofstede, 1980, 2001; House, Javidan, & Dorfman, 2001; Inglehart & Baker, 2000, Inglehart and Welzel, 2005; Schwartz, 1999, 2004) and quite a few others, only one fits – and it is a perfect fit: the Schwartz Value Survey! We can smoothly integrate the Schwartz value dimension system into our cybernetic agency model, which by the way is gaining empirical content through Schwartz's seminal research (Schwartz,1999, 2004).

**Creating Mindset Types from the Sagiv-Schwartz trait basis**

Following an interest in characterizing societal culture, Schwartz (1999, 2004) undertook an extensive study (60,000 respondents) to explore the dimensionality of cultural orientations.
Schwartz derived cultural orientations from a priori theorizing (unlike previous approaches such as: Hofstede, 1980, 2001; House, Javidan, & Dorfman, 2001; Inglehart & Baker, 2000) rather than post hoc examination of data. With respect to the measuring instrument, Schwartz used a set of a-priori defined value items, which serve as markers for each orientation. These items were all tested for cross-cultural equivalence of meaning. The items were demonstrated to cover the range of values recognized cross-culturally, and help to ensure a relative comprehensiveness of cultural value dimensions. In addition, it was specified how the cultural orientations are organized into a coherent system of related dimensions. Finally, empirical evidence was provided that the order of national cultures on each of the orientations is robust across different types of samples from many countries around the world.

Sagiv & Schwartz (2007) identified three bipolar dimensions of culture that represent alternate resolutions to each of three challenges that confront all societies. In the context of the cybernetic theory of the agency, these bipolar dimensions constitute so-called enantiomer pairs (bi-polarity) that, like Boje’s Foucaultian conceptions (Boje 2004a, 2004b), can be assigned to some originating trait. These paired enantiomers are having the alternate poles: embeddedness vs. autonomy; hierarchy vs. egalitarianism; and mastery vs. harmony. An emphasis on the cultural orientation at one polar enantiomer typically accompanies a de-emphasis on the other polar orientation with which it interacts. However, it is important to note that the alternate poles have an auxiliary function to each other, which we shall highlight together with the description of the main function of the alternate poles of the traits. Since these enantiomer pairs can be assigned to traits, we import the labels of the traits from from Figure 2 and summarize the characteristics of each trait in Table 2.

The traits and their auxiliary function can be further explained as follows:

<table>
<thead>
<tr>
<th>Traits</th>
<th>Dimensions/Poles</th>
<th>Values/Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cognitive</td>
<td>Intellectual</td>
<td>[broad-mindedness, freedom, creativity, curious]</td>
</tr>
<tr>
<td></td>
<td>Autonomy</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Embeddedness</td>
<td>[polite, obedient, forgiving, respect tradition, self discipline, moderate,</td>
</tr>
<tr>
<td></td>
<td></td>
<td>social order, family security, protect my public image, national security,</td>
</tr>
<tr>
<td></td>
<td></td>
<td>honor elders, reciprocation of favors]</td>
</tr>
<tr>
<td>Figurative</td>
<td>Mastery</td>
<td>[successful, ambitious, independent, influential, social recognition,</td>
</tr>
<tr>
<td></td>
<td>&amp; Affective</td>
<td>choosing own goals, daring, capable]</td>
</tr>
<tr>
<td></td>
<td>Autonomy</td>
<td>[exciting life, varied life, pleasure, enjoying life, self-indulgent]</td>
</tr>
<tr>
<td></td>
<td>Harmony</td>
<td>[accept my portion in life, world at peace, protect environment, unity with</td>
</tr>
<tr>
<td></td>
<td></td>
<td>nature, world of beauty]</td>
</tr>
<tr>
<td>Operative</td>
<td>Hierarchy</td>
<td>[authority, wealth, social power; humble]</td>
</tr>
<tr>
<td></td>
<td>Egalitarianism</td>
<td>[loyal, equality, responsible, honest, social justice, helpful]</td>
</tr>
</tbody>
</table>
1: Cognitive Trait Enantiomers

**Embedded** cultures are consistent with a collectivistic view, where meaning in life can be found largely through social relationships, identifying with the group, participating in a shared way of life, and the adoption of shared goals. Values like social order, respect for tradition, security, and wisdom are important. There tends to be a conservative attitude in that support is provided for the status quo and restraining actions against inclinations towards the possible disruption of in-group solidarity or the traditional order.

**Autonomy** cultures are consistent with an individualistic view, where meaning is found in the uniqueness of the individual that is encouraged to express internal attributes (preferences, traits, feelings, motives). Two classes of cultural autonomy arise: Intellectual and Affective Autonomy. Intellectual autonomy presumes that individuals are encouraged to pursue their own ideas and intellectual directions independently (important values: curiosity, broadmindedness, creativity), while in affective autonomy individuals are encouraged to pursue affectively positive experience for themselves. The values are: exciting life, enjoying live, varied life, pleasure, and self-indulgence. At this point it is important to note that there are some reasons why affective autonomy is kept separately from intellectual autonomy. The affective dimension is closely related to mastery of the figurative trait. Therefore, in our further analysis we shall integrate the affective autonomy dimension with the mastery dimension.

Intellectual autonomy and embeddedness are having a mutually supportive function – as any of the other traits. If the supportive function is impeded, then pathologies are arising. Intellectual Autonomy fosters creativity. Intellectual Autonomy is a precondition for innovation. Intellectual autonomous agencies go beyond the limits of the cultures into which they are embedded and set impulses for operative, strategic and cultural change.

Embeddedness secures coherence of a social whole (of an agency) through referring to traditions, common interest, keeping the common body of knowledge alive and creating awareness of available resources. Important to Embeddedness is wisdom and knowledge storing, i.e. to keep the memories of knowledge.

If Intellectual Autonomy is too strong, permanently creating new ideas and attempts to implement them may exhaust available resources and could lead to the demise of the agency.

If Embeddedness is too strong, it may suppress new ideas and even prevent new ideas to emerge. Embeddedness is a strong factor constituting collectivism at large.

2: Figurative Trait Enantiomers

**Mastery** promotes the view that active self-assertion is needed in order to master, direct, and change the natural and social environment to attain group or personal goals (values: ambition, success, daring, competence). Mastery organizations tend to be dynamic, competitive, and oriented to achievement and success, and are likely to develop and use technology to manipulate and change the environment to achieve goals. Affective autonomy then secures that those who achieve something can also enjoy it with (almost) no limit.
Harmony promotes the view that the world should be accepted as it is, with attempts to understand and appreciate rather than to change, direct, or exploit. There is an emphasis on fitting harmoniously into the environment (values: unity with nature, protecting the environment, world at peace). In harmony organizations, there is an expectation that they will fit into the surrounding social and natural world. Leaders that adopt this type try to understand the social and environmental implications of organizational actions, and seek non-exploitative ways to work toward their goals.

The main benefit of Mastery is the strong achievement orientation of agents. Affective Autonomy is granting that those who achieve high efficacy also can enjoy the benefits of their efforts. These two facets of the enantiomer constitute an important element of individualism.

Harmony regulates the attitudes towards human and natural resources. It is directing agency strategies towards a positive attitude to the social and natural world, trying to appreciate and accept rather than to change, direct, or exploit. Harmony ensures coherence of the social fabric because it makes social life enjoyable, in particular if something is collectively achieved. Harmony is also often also seen as a constituting element of collectivism at large.

Without Mastery orientation nothing may be achieved. With extreme mastery orientation the social fabric of the agency may collapse, cooperation may not happen and thus, forcefully competing un-coordinated individual action finally will threaten survival of the agency.

Excessive Harmony orientation may abolish all incentives to do anything. Thus, nothing would be achieved, no response is sought to survival challenges, and the delight in nature itself may also find its limits when the threats of nature are not mastered.

3. Operative Trait Enantiomers

Hierarchy supports the ascription of roles for individuals to ensure responsible, productive behaviour. Unequal distribution of power, roles, and resources are seen to be legitimate (values: social power, authority, humility, wealth). The hierarchical distribution of roles is taken for granted and to comply with the obligations and rules attached to their roles.

Egalitarianism promotes the view that people recognize one another as moral equals who share basic interests. There is an internalization of a commitment towards cooperation, and to feelings of concern for everyone’s welfare. There is an expectation that people will act for the benefit of others as a matter of choice (values: equality, loyalty, social justice, responsibility, honesty).

Hierarchy functions through rule setting and ex-ante coordination of action. Hierarchy reduces available options of a broad range of theoretically possible patterns of behavior to a limited set of 'useful' patterns of behavior. Without hierarchy, no coordination of action would happen; the agency could not develop adequate operative decisions.

However, strong hierarchical control makes agents less loyal, less honest and less responsible against the power holders of the agency. Thus, the more power holders of an agency can do without control the less control cost they have and the more they can achieve.
through loyal and responsible agents. The demise begins, when costs of control increase faster than the gains which can be achieved with more control. With too much hierarchy, power holders finally will have not much left what would be worth to be controlled. This marks the ultimate collapse of all dictatorial systems.

From the original empirical findings of Schwartz (1999, 2008) a mapping was drawn with the co-plot method of Raveh (2000). From Figure 1 we excavate the graphic locations of the poles of the identified value dimensions and highlight them in Figure 2. There the three dimensions are mapped in a two dimensional space.

The three traits, their alternate poles (enantiomers), and the values which constitute these traits were provided in Table 2. For identification of consistent labels for the types to be generated, we initially formulate a labelling code as shown in Table 3. These arise from epistemic cross-comparison deriving from the traits poles (the enantiomers), and permit choices to be made for labels for the available options.

As a result we can formulate the Attitude Mindset Types against the alternate poles of the traits and their epistemic values as shown in Table 4. Here...
we present the 8 types as four contrasting pairs in the four main lines of the table.

It should be noted that the type numbers do not imply trait importance, but simply offer an accounting aid, which was used in the SSRN working paper (Yolles and Fink 2013) where we originally generated the Sagiv-Schwartz Mindset Type Space. As indicated in Table 4, the 8 Mindset Types can embrace the four mindscapes of Maruyama 1988, 2001, 2002), H (Hierarchical/Bureaucrat); I (Independent/Prince); S (Social/Reformer); and G (Generative/Revolutionary). Boje (2004a, 2004b) has shown that Maruyama-mindscapes are a constrained set of personality mind-set types that can be assigned to a personality (or in the context of a social, to a “normative personality”). Boje intuited that Maruyama's mindscapes could be explained through three Foucaultian trait dimensions - knowledge, ethics and power - which could operate as a trait basis for mindscape modes. The lack of an empirical basis for Boje’s traits has led us to employ the extensive empirical work on cultural values undertaken by Shalom Schwartz (1994) as an alternative trait basis. The result is the creation of what we call Sagiv-Schwartz (2007) Mindset types.

These 8 types are extremes of the Mindset Space. The four pairs of contrasting types are in diametric contrast and located in opposite corners of the cube as illustrated in Figure 3. However, the 8 types can be multiplied since balances between the types can also develop, as indicated e.g. with symbols like HC∩EC, HC∩EP and HC∩EI. In Figure 3,

HC∩EC stands as an example for a balanced trait which forms one of the edges of the cube;

HC∩EP stands as an example for two balanced traits on one of the faces of the cube; and

HC∩EI is standing as the example for the case where all three traits are balanced, i.e. HC∩EI is
equivalent for $HS \cap EP$ and $HI \cap EC$. If we consider three states of a trait as type forming, then we end up with 27 different types: 8 with extreme positions, 12 with one trait balanced, 6 with two traits balanced, and one with all three traits balanced. However, for sake of brevity, in this paper we do not further pursue these possibilities.

Consideration of balanced traits is of importance, since it is a major assumption distinguishing mindset agency theory from a host of literature devoted to ‘management paradox’. What numerous management scholars call ‘a paradox’ and understand as ‘a simultaneous existence of two inconsistent states’ is the normal state of a well-functioning organization, reflecting a necessary and indispensable constituting element of the organization as a viable system. E.g., Eisenhardt (2000, p. 703) writes: “Paradox is the simultaneous existence of two inconsistent states … This duality of coexisting tensions creates an edge of chaos, not a bland halfway point between one extreme and the other.” However, in the same Special Topic Forum of the Academy of Management Review, Lewis (2000, p. 769) concedes that “managing paradoxical tensions denotes not compromise between flexibility and control, but awareness of their simultaneity. Exemplars offer both/and insights into organizational characteristics and performance, emphasizing the coexistence of authority and democracy, discipline and empowerment, and formalization and discretion.”
The auxiliary function and the Cameron & Quinn competing values framework

Confirming the perceptions of Lewis (2007), but in contrast to the literature on paradox, our model is solidly based on the perceptions of Jung (1921, 1971) which are strongly re-emphasized by (Blutner & Hochnadel, 2010): the alternate pole of a bi-polar trait has an essential and indispensable auxiliary function for the existence and survival of a system. In that sense, our model turns upside down: What numerous management scholars call ‘a paradox’ is the normal state, reflecting a necessary and indispensable constituting element of the organization as a viable system. In view of emerging pathologies in systems (Yolles, 2007) we find it ‘paradox’ that numerous management scholars find the characteristics of a pathologic organization to be the logic characteristics of the ‘normal and desirable state’ of an organization. (Maruyama, 2002: 167) also argues in Mindscape theory that a social system develops a preference for one personality meta-type (mode) over another for historical or political reasons, and ignores or suppresses individuals of other modes. This perception is in obvious contrast to Jung (1921, 1971), Blutner and Hochnadel, (2010) Schwartz (1990) and to Tamis-LeMonda et al (2007) who rather refer to the auxiliary function of alternate poles of a trait. A balanced agency will use both, own knowledge and others’ knowledge. A pathologic

Table 5 Cameron Quinn Competing Values Framework
Source Cameron, Quinn, De Graff, and Thakor, (2006, p.32)

<table>
<thead>
<tr>
<th>Long Term Change</th>
<th>Individuality</th>
<th>Flexibility</th>
<th>Now Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Culture Type:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clan</td>
<td>Facilitator</td>
<td>Innovator</td>
<td></td>
</tr>
<tr>
<td>Orientation:</td>
<td>Mentor</td>
<td>Entrepreneur</td>
<td></td>
</tr>
<tr>
<td>Collaborate</td>
<td>Teambuilder</td>
<td>Visionary</td>
<td></td>
</tr>
<tr>
<td>Leader Type:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Facilitator</td>
<td>Commitment</td>
<td>Innovative Outputs</td>
<td></td>
</tr>
<tr>
<td>Mentor</td>
<td>Communication</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Teambuilder</td>
<td>Development</td>
<td>Transformation</td>
<td></td>
</tr>
<tr>
<td>Value Drivers:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Commitment</td>
<td>Innovative Outputs</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Communication</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Development</td>
<td>Transformation</td>
<td></td>
</tr>
<tr>
<td>Theory of Effectiveness:</td>
<td>Human Development and high</td>
<td>Innovativeness, vision and</td>
<td></td>
</tr>
<tr>
<td></td>
<td>commitment produce</td>
<td>constant change produce</td>
<td></td>
</tr>
<tr>
<td></td>
<td>effectiveness</td>
<td>effectiveness</td>
<td></td>
</tr>
</tbody>
</table>

Internal Maintenance

<table>
<thead>
<tr>
<th>Culture Type:</th>
<th>HIERARCHY</th>
<th>MARKET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orientation:</td>
<td>CONTROL</td>
<td>COMPETE</td>
</tr>
<tr>
<td>Leader Type:</td>
<td>Coordinator</td>
<td>Hard-driver</td>
</tr>
<tr>
<td></td>
<td>Monitor</td>
<td>Competitor</td>
</tr>
<tr>
<td></td>
<td>Organizer</td>
<td>Producer</td>
</tr>
<tr>
<td>Value Drivers:</td>
<td>Efficiency</td>
<td>Market Share</td>
</tr>
<tr>
<td></td>
<td>Timeliness</td>
<td>Goal Achievement</td>
</tr>
<tr>
<td></td>
<td>Consistency and Uniformity</td>
<td>Profitability</td>
</tr>
<tr>
<td>Theory of Effectiveness:</td>
<td>Control and efficiency with</td>
<td>Aggressively competing and</td>
</tr>
<tr>
<td></td>
<td>capable processes produce</td>
<td>customer focus produce</td>
</tr>
<tr>
<td></td>
<td>effectiveness</td>
<td>effectiveness</td>
</tr>
</tbody>
</table>

Incremental change | Stability | Fast change |
|                   | Control |           |
agency will rely only on one pole and neglect or suppress the other.

As an important example for the auxiliary function of alternate poles we can also refer to the “competing values framework” by Cameron and Quinn. Following Cameron, Quinn, De Graff, and Thakor, 2006) four types of management orientation might be identified (Table 5) which we easily can relate to the Schwartz Value Universe:

- The CLAN quadrant is collaboration oriented and closely related to embeddedness
- The ADHOCRACY quadrant is creativity oriented and closely related to intellectual autonomy.
- The HIERARCHY quadrant is control oriented and about hierarchy and power
- The MARKET quadrant is competition oriented and closely related to mastery.

Thus, one major distinction to the Schwartz value dimensions is that Cameron and Quinn are employing an empirical concept and miss out

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**Figure 4** Negative effects of alternate poles and positive effect of integration

<table>
<thead>
<tr>
<th>Negative</th>
<th>Positive</th>
<th>Integration of opposites</th>
</tr>
</thead>
<tbody>
<tr>
<td>The leader emphasizes teamwork and collaboration to the exclusion of speed and urgency. The leader overemphasizes participation and empowerment and is indecisive.</td>
<td>The leader emphasizes teamwork and collaboration</td>
<td>The leader emphasizes teamwork and collaboration as well as speed and urgency. Integration of opposites</td>
</tr>
</tbody>
</table>

Source: Cameron et al. (2006) p. 70

The leader emphasizes speed and urgency. The leader emphasizes speed and urgency to the exclusion of teamwork and collaboration. The leader focuses exclusively on immediate results and ignores long-term outcomes.
two important aspects: the aspect of **egalitarianism**, which is at the foundation of loyalty, and the aspect of **harmony** which constitutes social coherence of equals in contrast to social coherence through norms as in embeddedness or by the ‘Clan’ concept of Cameron and Quinn.

However, most important is the auxiliary aspect emphasized by Cameron et al. (2006, p.68): A too strongly clan-oriented leader will emphasize teamwork and collaboration to the exclusion of **speed and urgency**. Such a leader overemphasizes participation and empowerment and will be indecisive. A too strongly market-oriented leader emphasizes speed and urgency to the exclusion of teamwork and collaboration. The leader focuses exclusively on immediate results and ignores long-term outcomes. If pursued exclusively, both orientations will not be sustainable. Only when a leader emphasizes both, ‘teamwork and collaboration’, but also ‘speed and urgency’ and can integrate these attitudes into a flexible whole, a sustainable positive outcome can be achieved.

**The political meaning of the Sagiv-Schwartz Mindset Types**

So far we have exemplified the need for a theory based view on collectives and delivered insights into necessities of a theory of organizational culture. We find that a recursive model of a social whole requires five traits, two regulating the relations of an agency with its environments, and three of the normative personality regulating attitudes and behavior of the sub-units and members of a normative personality. The theory-defined three traits find a consistent empirical base in the seminal work of Shalom Schwartz (1994), with the three traits: Intellectual Autonomy vs. Embeddedness, corresponding to the **cognitive trait** in our model; Mastery vs. Harmony, corresponding to the **figurative trait**; and Hierarchy vs. Egalitarianism corresponding to the **operative trait**. These traits and their alternate poles are epistemically independent, what is a necessary condition for the auxiliary function (the mutual support function) of the alternate poles of traits. This in turn is a condition for viable systems, while exclusive emphases on extreme poles are rather indicative of systemic pathologies. We are also advocating the view that a ‘neutral view’ on culture is not advisable. One should consider outcomes, too.

From the Sagiv-Schwartz traits 8 extreme types emerge, with four pairs of contrasting types. This theory will have only a meaning if we can identify major streams of political thought which could emerge in any society, and which could have power of attracting types of political behavior, which in turn might influence the behavior of agencies embedded into specific societies. In the sense as formulated by Sagiv and Schwartz (2007, p. 178): ‘In the long run, organisations must be able to justify their activity as expressing or at least not contradicting the preferred values prevalent in their society. Otherwise, they face criticism, pressure to change, or even denial of resources. Consequently, organisational cultures tend to develop and evolve in ways that are compatible to some degree with the societal culture in which they are nested.’

One can identify a few hundred different labels for different political ideologies (see: [http://en.wikipedia.org/wiki/List_of_political_ideologies](http://en.wikipedia.org/wiki/List_of_political_ideologies)) which are more or less distinct by basic assumptions, espoused values (goals) and
artifacts. Here, we do not aim at classifying all these ideologies, we highlight only a few important political streams of political thought with respect to underlying aggregate values expressed and reflected by the 8 mindset types identified in this paper. This classification is indicative of strong tendencies towards a typical set of value combinations, but does not imply that the respective political parties or movements would not be able to compromise on specific issues in the interest of getting to power or in the perceived interest of their voters.

Types 1-4 could be labelled as ‘individualism’, because of the strong adherence to intellectual autonomy. The label ‘mastery individualism’ is chosen for Types 1 and 2, where a strong emphasis is put on Mastery & Affective Autonomy and on Intellectual Autonomy, and for types 3-4 the term ‘harmony individualism’ mindsets is chosen, where a strong emphasis is put on Harmony and Intellectual Autonomy.

‘Mastery individualism’ is at the center of so called ‘conservative’ political orientations. Within that group e.g., US & UK conservatives might have a somewhat stronger orientation towards hierarchical individualism (intellectual autonomy, mastery & affective autonomy, and hierarchy (Mindset type 1).

In comparison the US Tea Party movement may have a stronger conservative/egalitarian orientation in the tradition of ‘individualist anarchism’. Political statements of US Tea Party leaders resemble the views of Benjamin R. Tucker, a famous US-American 19th-century individualist anarchist, who held that "if the individual has the right to govern himself, all external government is tyranny." (Mindset type 2).

For Types 3 and 4 we chose the aggregate label “Harmony Individualism” because of the strong emphasis on intellectual autonomy and on harmony. “Synergism”, which was used by Maruyama (1988, 2001) is an equivalent label. Further labels are “Social Anarchism” or “Ideational Individualism” (influenced by Sorokin, 1937-42, 1962).

<table>
<thead>
<tr>
<th>Mindset type</th>
<th>Enantiomer</th>
<th>Epistemic Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1: HI Hierarchical Individualism</td>
<td>Intellectual Autonomy</td>
<td>[broad-mindedness, freedom, creativity, curious]</td>
</tr>
<tr>
<td>Mastery &amp; Affective Autonomy</td>
<td>[successful, ambitious, independent, influential, social recognition, choosing own goals, daring]</td>
<td></td>
</tr>
<tr>
<td>Hierarchy</td>
<td>[exciting life, varied life, pleasure, enjoying life, self-indulgent]</td>
<td></td>
</tr>
<tr>
<td>2: EI Egalitarian Individualism; or Individualist Anarchism Maruyama: I (Independent Prince)</td>
<td>Intellectual Autonomy</td>
<td>[broad-mindedness, freedom, creativity, curious]</td>
</tr>
<tr>
<td>Mastery &amp; Affective Autonomy</td>
<td>[successful, ambitious, independent, influential, social recognition, choosing own goals, daring]</td>
<td></td>
</tr>
<tr>
<td>Egalitarianism</td>
<td>[exciting life, varied life, pleasure, enjoying life, self-indulgent]</td>
<td></td>
</tr>
</tbody>
</table>

Table 6 Mastery Individualism Mindsets
‘Ideational Individualism’ or ‘Hierarchical Synergism’ is at the core of tendencies towards Intellectual Leadership (intellectual autonomy plus social harmony), but based on strong hierarchy as far as implementation of rules is concerned. These notions raise reflections on the type ‘Gelehrten-Republik’, i.e. how a university is administered, and also have some bearing on the organization of ecclesiocracy (or theocracy), where a leader is more or less freely elected by an electorate body, but if in power the elected leader finds himself on top of a strong operative hierarchy (Mindset type 3, Table 7).

In contrast to hierarchical synergism, ‘Social Anarchism’ is egalitarianism oriented (intellectual autonomy, harmony, and egalitarianism). It is at the core of the values voiced in the French revolution: Liberté, Égalité, Fraternité. Individual (intellectual) freedom is seen as being dependent upon mutual support and social coherence (social harmony). Social anarchist thought emphasizes community and social equality. (Mindset type 4, Table 7).

‘Populism’ or Sensate collectivism is at the core of populist political movements with strong emphasis on embeddedness, ‘belonging to and not belonging to’. Populism emphasizes the homogeneous and virtuous people’s rights, values, prosperity, identity, voice and sovereignty as being under threat from a series of elites and dangerous ‘others’.

The main artefact of populism is reference to ‘the community’ as another name for paradise lost. Populists are not reluctant to promise security, prosperity, identity, return the sceptre of democracy to its rightful owner, and to make the people masters in their own homes, in the widest sense of the term (Albertazzi and McDonnell, 2008, p. 219).

<table>
<thead>
<tr>
<th>5: HP Hierarchical Populism</th>
<th>Embeddedness</th>
<th>[polite, obedient, forgiving, respect tradition, self-discipline, moderate, social order, family security, protect my public image, national security, honour elders, reciprocation of favours]</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mastery &amp; Affective Autonomy</td>
<td>[successful, ambitious, independent, influential, social recognition, choosing own goals, daring]</td>
<td>[exciting life, varied life, pleasure, enjoying life, self-indulgent]</td>
</tr>
<tr>
<td>Hierarchy</td>
<td>[authority, wealth, social power]</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>6: EP Egalitarian Populism</th>
<th>Embeddedness</th>
<th>[polite, obedient, forgiving, respect tradition, self-discipline, moderate, social order, family security, protect my public image, national security, honour elders, reciprocation of favours].</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mastery &amp; Affective Autonomy</td>
<td>[successful, ambitious, independent, influential, social recognition, choosing own goals, daring]</td>
<td>[exciting life, varied life, pleasure, enjoying life, self-indulgent]</td>
</tr>
<tr>
<td>Egalitarianism</td>
<td>[loyal, equality, responsible, honest, social justice, helpful]</td>
<td></td>
</tr>
</tbody>
</table>
There is a noteworthy differentiation between ‘left wing populism’ with stronger reference to egalitarianism (Mindset type 6), and ‘right wing populism’ with stronger reference to ‘law and order’ rooted in hierarchy (Mindset type 5; Table 8).

‘Collectivism’ has its roots in embeddedness and harmony.

For Mindset type 8, egalitarian collectivism, we can refer to the Kibbutz ideology as a form of small group oriented collectivism with strong emphasis on egalitarianism. The Kibbutz is a voluntary collective community in which there is no private property and which is responsible for all the needs of the members and their families.

As is indicated by by Nyerere (1973) there might be emerging tendencies towards hierarchical collectivism with wealth accumulation by individuals or small groups and with emerging hierarchies when collectivist groups, tribes and clans become larger, and/or when individual members of a community perceive that they may become more prosperous when assuming control over resources. Such tendencies may become even more pronounced when the group as a whole is economically on the decline. When resources are not enough to sustain all, a ‘tribal’ ideology is publicly maintained, but not reflected in actual political practice (Gullette 2010). (Mindset type 7; Table 9)

### Conclusion

In this paper we show that without a coherent theory of the social whole, be it a society, an organization or a sub-unit of an organization, it is not possible to determine a necessary and sufficient number of value dimensions for characterization of the culture of a social system. We also show that a set of combinations of a small and well defined number of value dimensions has the potential to indicate contrasting types, which in turn can characterize predominant streams of political thought and managerial attitudes in societies and organizations.

---

**Table 9 Collectivism Mindsets**


<table>
<thead>
<tr>
<th>7: HC Hierarchical Collectivism</th>
<th>Embeddedness</th>
<th>[polite, obedient, forgiving, respect tradition, self-discipline, moderate, social order, family security, protect my public image, national security, honour elders, reciprocation of favours].</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Harmony</td>
<td>[accept my portion in life, world at peace, protect environment, unity with nature, world of beauty]</td>
</tr>
<tr>
<td></td>
<td>Hierarchy</td>
<td>[authority, wealth, social power]</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>8: EC Egalitarian Collectivism</th>
<th>Embeddedness</th>
<th>[polite, obedient, forgiving, respect tradition, self-discipline, moderate, social order, family security, protect my public image, national security, honour elders, reciprocation of favours].</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maryama: S (Social Reformer)</td>
<td>Harmony</td>
<td>[accept my portion in life, world at peace, protect environment, unity with nature, world of beauty]</td>
</tr>
<tr>
<td></td>
<td>Egalitarianism</td>
<td>[loyal, equality, responsible, honest, social justice, helpful]</td>
</tr>
</tbody>
</table>
An important issue is emerging with respect to typifications, which tend to highlight non-viable extremes, which taken by themselves are rather to be seen as systemic pathologies than desirable and effective states. Quite a few authors emphasize the importance of the mutually supportive function of alternate diametric positions as e.g. identified through bipolar value dimensions with competing value directions.

Contrasting pairs of mindset types are a strong indication that the viability of social systems might depend on managerial and political intelligence, which can bridge immanent value conflicts and foster the auxiliary role of alternate positions. Perhaps, this is also a reflection of the experience that democracy, despite of all its weaknesses is the better political system than any autocracy or dictatorship, which necessarily have the inbuilt tendency towards a pathologic extreme position.

Not least, these typifications also have the potential to relate political systems and their underlying value combinations to the social, economic, physical, and political outcomes of systems, a newly emerging issue in the literature on cultural dimensions, cultural mappings and culture teaching.

References


Appendix: Sources about Political Streams of Thought


UK and US Conservatism:


US Tea Party:

UK labour party:
http://www.labour.org.uk/what_is_the_labour_party

Anarchism
Sources in English: http://www.anarchism.net/anarchism.htm
Quellen in Deutsch: http://www.anarchismus.at/

Social Anarchism:
Emma Goldman, Anarchism and Other Essays. Mother Earth Publishing Association, New York 1911

“Anarchism stands for the liberation of the human mind from the dominion of religion and liberation of the human body from the coercion of property; liberation from the shackles and restraint of government. It stands for a social order based on the free grouping of individuals…”


Kibbutz:
Kibbutz Movement, www.jewishvirtuallibrary.org/jsource/judaica/ejud_0002_0012_0_11103.html

Clans and Tribes:
www.academia.edu/379930/_Clan_politics_in_Central_Asia


Marxism and different off-springs

https://en.wikipedia.org/wiki/Marxism

https://de.wikipedia.org/wiki/Marxismus

*Populism*


Right-wing populism


Left-wing populism

http://europeandisunion.blogspot.co.uk/2012/04/Left-wing-populism-is-not-answer.html

Republic of Letters / Gelehrtenrepublik
Introduction

Some speculate that euro-white efforts to exterminate American Indians were perhaps as effective as the many misguided efforts to “help” them. Cross-cultural differences are widely recognized as a source of misunderstanding. This is especially true with indigenous cultures like American Indians, where euro-western interpretations have been notoriously off the mark (Smith, 2009; Mann 2005; Cordova 2007), with especially harmful consequences for these tribal cultures (Williams, 2012; Fixico, 2003).

Many cross-cultural misunderstandings are rooted, not in a story, but rather in what happened before a story, and how that pre-story (or antenarrative) contributes to a story being as it is. A storytelling perspective on cross-cultural differences suggests that certain narrative structures are more compatible with diversity and multi-cultural contexts. The multi-voiced storytelling antenarrative structures which are spiral and rhizomatic, instead of linear or cyclical, (Boje 2011; Rosile 2011; Rosile et al, 2013) can accommodate story co-creation of cross-cultural stories.

While spirals and rhizomes can accommodate multiple voices (Rosile et al, 2013), those voices still need to be included and be invited to be present. Fortunately, today we have many indigenous scholars whose work can assist efforts to allow indigenous peoples to have their own voices in academia (Denzin, Lincoln, and Smith 2008; Cajete, 2000; Wildcat, 2009; Mihesuah and Wilson, 2004; Deloria and Wildcat, 2001).

Despite this burgeoning wealth of literature from indigenous scholars, few have addressed the context of business, and more specifically, of business ethics. This appears to be due to the indigenous tendency to avoid compartmentalizing life into (often dualistic) boxes like business versus family, or business versus spiritual, or even, some might say, business versus ethics. For indigenous cultures, it appears that ethics in general, which addresses how we ought to live, does not need to have a separate category of ethics specifically for business.

In addition, some have interpreted the ethical stance of communal tribal cultures (like American Indians) to be the antithesis of euro-western business capitalism with its emphasis on the individual. Such emphasis on an individually-oriented value system may appear not relevant, or even diametrically opposed, to the communal values of the tribe. Here again, it is euro-western minds that have constructed the oppositional dualism of individual versus group. This dichotomy is not a feature of indigenous scholarship. Regardless of the reasons, the result is that there is almost no literature which considers business ethics from the viewpoint of tribal values and traditions. The Tribal Wisdom project (Rosile, Pepion, Boje, and Gladstone,
2011, 2012, 2013) addresses this gap in the literature. This research builds on that beginning created by the Tribal Wisdom project.

This paper offers a storytelling model for understanding what may occur when businesses that demonstrate traditional American Indian values operate in the very different cultural environment of Euro-Western capitalism. Business examples ranging from casinos to sweat lodges are analyzed with storytelling theory, in a cross-cultural model that offers an alternative paradigm for euro-western business. Also available to accompany this paper is a series of short films with excerpts of interviews this author conducted with leading indigenous scholars. See Appendix A for more information, and also for free access to these short films designed for ethics education from a cross-cultural perspective.

The Tribal Wisdom project provides a window into American Indian traditional business practices, and offers an alternative paradigm for the role of business. The indigenous-based paradigm gives us a fresh look at our own practices through different eyes, along with new insights into means and ends as we story our business worlds.

This paper is divided into four parts. Part I begins with a history of how the eight aspects of Tribal Wisdom emerged from prior interviews and research on this topic. Interviews were conducted as part of making a film to allow indigenous scholars to speak in their own voices. Part II lists and briefly describes the eight (8) aspects.

Part III offers a model to understand the different ethical contexts of four (4) types of indigenous businesses, along with successes and pitfalls for each of these types of businesses. This model recognizes that all indigenous-related business is inherently cross-cultural, embedded as it is withing euro-western culture in the United States. Part IV considers how storytelling can inform inquiries into business ethics, and how an antenarrative analysis can offer insights into co-creating more ethical stories.

**Part I: A History of Tribal Wisdom Research**

This section begins with a history of the topic of Tribal Wisdom research. In proper indigenous fashion, such context and history is essential to understanding the nature of the eight “aspects.” In narrative and storytelling terms, this is the “antenarrative” to this story. The antenarrative can consider how and why story fragments and scattered plotlines were chosen or abandoned in the process of “the story” emerging. Why was this research begun at all? Who funded it? What were initial findings? Why eight aspects instead of 10? Why were the Tribal Wisdom films created?

The Tribal Wisdom project began with a call for proposals to teach American Indian tribes about business ethics. My response (not out loud, only to myself) was that they should be teaching us about business ethics! To be assured of this preferred flow of information, I put in a proposal, which was later funded.

I had done previous work on adapting our basic course in Human Behavior in Organizations to fit the “Tribal Management” major, a task which defied the “build it, and they will come” philosophy (no one signed up for the major for 10 years). Fortuitously, that grant included a few thousand I could spend on building a library.
purchased 95 books, articles, and DVD’s on anything remotely related to tribal philosophy, values, and business. Instead of novels, I began reading this literature and watching these DVD’s. I sought the links between a general indigenous philosophy, and the particular tribal values that implicitly or explicitly affect how business might be conducted. This was the “Tribal Management” project.

For the next project, I planned to go beyond “management” to the more specific topic of business ethics. I proposed to design a course for tribes on business ethics by consulting tribal elders and indigenous scholars on what such a course would entail. My proposal was accepted and funded. This allowed me to continue my journey through indigenous literature.

But there seemed to be no indigenous literature about tribal notions of business ethics. So I consulted the expert indigenous scholars I knew. I met with the former head of our American Indian Programs office at my university, Dr. Don Pepion. He seemed unsure of what I was seeking, and doubtful that he had any relevant knowledge to impart. However, I sensed that his work on indigenous ways-of-knowing and related topics would be valuable. This has since then proved to be so. However, in those early days, I had difficulty explaining the link I saw between tribal values and business ethics. But at that time, Dr. Pepion gave me some names, and I began a widening search.

I travelled to Albuquerque to visit with Dr. Gregory Cajete, head of the Native American Studies program at the University of New Mexico (UNM). Cajete is author of many well-known books on native studies, including the classic “Look to the Mountain” (Cajete, 1994) and then “Native Science” (Cajete, 2000). I met with members of his department at UNM. The response was the same. I would get a puzzled and regretful look, as each would be shaking their heads “no” and saying “Sorry, I can’t think of anything like that.” One faculty member mentioned Linda Tuhiwai-Smith (1999), whose books I of course already had. Everyone was very sad and regretful. I happily told them: “This is great! This is a wonderful opportunity for us to make a contribution here.”

So it happened that what I thought would be a simple literature review around which to design a training program, now became research to create some new knowledge, around which I would then design training. This turned out to be much more complicated than I ever imagined. It was also so much fun as to be addicting. I found myself reading indigenous-related literature, mostly by indigenous authors, at every spare moment, to the exclusion of all other casual and/or professional reading.

The administrator of our Daniels Fund Ethics Initiative, Dr. Bruce Huhmann, suggested I contact Dr. Cal Boardman. His dual doctorates in both philosophy and finance, made him uniquely equipped to study Native American trading practices before they were influenced by the arrival of Europeans. Although our work did not overlap by much, his work was very much a compliment to mine. Our first phone call lasted over an hour because we were each so excited to discover what the other was doing.

Cal and I both shared a firm conviction that contemporary businesses could benefit from understanding the very different paradigm for
commerce which existed before euro-westerners made contact with indigenous peoples of the Americas. We both agreed there was great value in applying some ancient tribal wisdom to today's business practices. Cal and I combined our findings using an indigenous-friendly storytelling perspective (Rosile and Boardman, 2011).

Then came a message from my dean. He wanted to see my “results.” He had seen a popular film (based on a successful book by James Owens) on “Cowboy Ethics” and his response had been “Why can’t we do that type of thing for the American Indians?” This was partly why he, and the Daniels Fund Ethics Initiative at NMSU, funded my work. Now he wanted to be able to present the results.

I had a small problem. My “results” were not fitting into the pattern I had hoped. Only a few overlapped with the much-touted “Cowboy Ethics.” What results did I have? I was surprised to discover I had a list of 8. Eight of what, I could not tell you, just that they were not commandments, nor even principles.

On the plus side, my indigenous scholar friends liked the list. Then came the biggest surprise of all. My Dean did not complain that my list didn’t look like, did not even look very similar to, the Daniels Principles or the Cowboy Ethics. Steeped as I was in the foundationalism of academia, I was sure this would be a problem. Instead, I was delightfully surprised when Dr. Carruthers said my list was great! Who wanted to hear the same old stuff? This was new and different, and added to our knowledge of ethics and business ethics.

Tribal peoples, my scholars had told me, emphasized respect, and maintaining respectful relationships, and repairing damage to respectful relationships through ceremony and ritual to restore harmony and balance to the community. Were these tribal traditions similar to learning to apologize? To awarding a court judgement to someone wronged? If so, then why did our system seem to perpetuate ill feelings and hatred among parties to conflict? In contrast, the Navajo Nation Peacemakers I had brought to campus sought balance, harmony, peace, and reconciliation. Where was that in our justice systems? Where was that in our business environments of cut-throat competition?

The next step was to allow indigenous peoples to tell their own story. I did not want to be the person speaking their words, especially when there are so many who are so much more capable of expressing these views for their own indigenous cultures. Using film, I could allow my experts and informants to speak for themselves.

I embarked on a very steep learning curve of taking information from the scholarly, written and oral medium of my interviews, and translating it to the visual medium of film. My first script would have made a great academic paper, but as a film, it was a disaster. We went back to the editing room, to add music and “b-roll” scenic footage and photos, with the help of experienced independent filmmaker Ed Breeding.

As noted above, this project was addictive and all-consuming. For me, the literature read like novels (especially Deloria, Wildcat and Deloria, Cajete, Fixico, Cordova, Harris, Bordewich, Mann, Ordahl-Kupperman) and then there were the actual novels of Sherman Alexie. When I was not reading the literature, I was reviewing film footage, transcribing tapes of footage, and
reviewing transcriptions of footage my graduate assistants had transcribed. I was a complete novice at filmmaking, and the learning curve was steep.

My core film crew of three young men, while green, was extremely talented, each having won awards in his field. All were very committed to the ideas of the film, sometimes too perfectionistically so. We were all dedicated to getting this message out, to conveying the spirit and the heart of what our interviewees told us. We all wanted it to be as good as we could make it, and even though we worked long hours, we absolutely loved every minute of it!

It took us a year to create a 30 minute film plus 3.5 minute trailer for the film (2012-2013). After that, my talented crew was on to other projects. But we had so much fabulous film (15 hours) that could not all go into our 30 minute gem, that I proposed taking the left-overs, filling in a few gaps, and basically reclaiming that golden footage that would have been otherwise wasted. That next year (2013-2014) I worked with experienced (and award-winning) filmmaker Ed Breeding to put together the 6 short (10-15 minute) films on particular topics drawn from the 30-minute “Tribal Wisdom” film. These short films address indigenous storytelling, sustainability, marketing, finance/trade, indigenous ways-of-knowing, and entrepreneurship. Short descriptions of these films, along with their free-access web sites, are in Appendix A.

The above history is offered as a genesis or “creation story” provided so the reader may get a sense of the context and sources of the following eight (8) aspects of “Tribal Wisdom.” This context helps reveal the trajectory of the storylines. In antenarrative terms, this history reveals the rhizomatic, network-like, and intertextual nature of the co-created list of the story of the eight aspects. I am de-privileging my authorial voice and encouraging the reader to view at least the 3 minute film trailer, to get a better sense of the multiple and mostly indigenous voices I want to spotlight in this story.

**Part II: Eight Aspects of Tribal Wisdom for Business Ethics**

The eight (8) aspects of Tribal Wisdom are presented in a numbered list. The reader is cautioned to remember that these eight things are called “aspects” and not “laws” or “commandments” or even “dominant norms.” They are numbered only for organizational purposes for we non-indigenous minds. The eight aspects could be best thought of as a hologram, where each part contains the whole. In fact, for some indigenous experts, it was difficult to separate one aspect from another, since all are so closely interrelated around the concept of “relationship.”

Following are eight (8) aspects of traditional tribal values and practices that have special relevance for business ethics. These are drawn from a variety of tribal cultures, and are common to most American Indian tribes, according to indigenous scholars cited in filmed interviews and also from some of the small amount of literature in this field.

1. **Relationship**

Relationship is a key value in American Indian cultures. The other aspects of tribal values discussed here may all be interpreted as aspects of, or contributors to, the primary value
of relationship. Further, relationship refers not only to social relations, but also to human relations with the natural environment, and with the universe of all that is.

This sense of relatedness also influences what is perceived as fair. When trading parties had close social relationships, then the profits earned from those close trading partners were expected to be reduced (Wilmoth, 2006). This same type of dynamic might occur today, if we were selling our used car to a favorite brother or sister, we might want to give them a much better selling price than if we sold to a stranger. Similarly, a business transaction is greatly affected by social relationships in indigenous cultures. Specifically, business profits are secondary to, and supportive of, social relationships within the family and tribe.

Conversely, in the euro-western business context, the phrase “Business is business” implies that business profit is at best unrelated to, or in the worst case, takes precedence over, social relationships (Korten, 1995). The euro-western world often views humans, plants, and animals as means to an end, as resources to be employed in the making of profits. In contrast, indigenous cultures view business as a means to the end of enhancing a harmonious balance of relationships among humans and the planet. (Cordova, in Moore, Peters, Jojola, Lacy, eds., 2007; and many others).

2. Gifting rather than Getting

Euro-western business philosophy often endorses the "Greed is Good" philosophy. In contrast, American Indian cultures explicitly value giving more than getting. A person who gives back to the community earns more respect than one who makes a profit from the community. This does not mean that profit is avoided or disdained. It is simply less important than generosity. (Harris, 2000; Rosile and Boardman, 2011, and many others).

Pepion (2011) reports that Blackfeet hunters would share their buffalo with older, weaker, or otherwise needy people of the tribe. Gladstone (2011) agrees that sharing was expected within tribes, and still is today, even though the dominant culture promotes greed and personal wealth. As an example, Gladstone (2011) cites the give-away, or potlatch. These traditions return wealth to the community, both as a form of giving thanks, and as a tithe on personal earned wealth.

3. Egalitarianism vs. Hierarchy

In the euro-western system, business is often viewed as similar to warfare, is described in the language of war or competitive sports, and is the arena where one proves one's superiority to others. American Indians have tribal indigenous cultures, where by definition the tribe is more important than the individual. This tribal orientation in American Indian cultures expresses itself in the desire for egalitarianism (Rosile and Boardman, 2011). Pepion (2011) notes that “many tribes use verbal shaming of any individual who gives the appearance of being better than others...”

4. Non-acquisitiveness

Euro-western capitalism is rooted in the idea of accumulation of wealth as a good and desired end. American Indians tend to view such accumulation as a community-eroding greed. Instead, taking only what one needs is valued as
a way to assure that all have enough. (Alicia Ortega, interview in film Tribal Wisdom for Business Ethics, 2014; Rosile and Boardman, 2011.)

5. Usefulness

Following from the desire for non-acquisitiveness is the other side of the coin: usefulness. If I need a car, but only one day a week, perhaps I could share a vehicle rather than acquiring one of my own. What is important in traditional tribal values is not so much the ownership as the access to, or use, of something. (Rosile and Boardman, 2011.)

6. Barter

A barter economy is compatible with a non-acquisitive, use-oriented culture, while a monetary economy more easily accommodates accumulation of wealth. (Rosile and Boardman, 2011).

7. Trust

Trust is a key factor in building egalitarian relationships in any culture. In American Indian cultures, the importance of trust carries over to business practices that emphasize keeping one’s word, being honest, and following through on commitments. (Rosile and Boardman, 2011).

8. Disclosure

The buyer-beware social norm in euro-western business culture is still in the process of being dismantled by lawmakers and consumer-advocacy groups. In contrast, the historical practice in traditional American Indian trading was a seller-initiated voluntary full disclosure of the flaws and shortcomings of any item in trade (Jaime Geronimo Vela, interview in the 2013 film Tribal Wisdom for Business Ethics; Rosile and Boardman, 2011). Such disclosure practices enhance trust and egalitarianism.

Table 1 summarizes and compares these eight (8) aspects of American Indian business-related traditional values and practices, in contrast to euro-western values and practices.

### Table 1: Summary of American Indian and Euro-Western Business Values and Practices

<table>
<thead>
<tr>
<th>American Indian Values/Practices</th>
<th>Euro-Western Values/Practices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relationships are an end in themselves</td>
<td>Relationships are a means to an end</td>
</tr>
<tr>
<td>Gifting is valued more highly</td>
<td>Getting/acquiring is valued</td>
</tr>
<tr>
<td>Egalitarianism preferred</td>
<td>Hierarchy preferred</td>
</tr>
<tr>
<td>Non-acquisitiveness</td>
<td>Accumulation of wealth</td>
</tr>
<tr>
<td>Usefulness or access to use</td>
<td>Ownership</td>
</tr>
<tr>
<td>Barter for what is needed</td>
<td>Acquire according to supply/demand</td>
</tr>
<tr>
<td>Trust and Buyer Trust are valued</td>
<td>Buyer Beware still exists</td>
</tr>
<tr>
<td>Disclosure is full and voluntary</td>
<td>Truth to the extent required by law</td>
</tr>
</tbody>
</table>

Part III: A Storytelling Model for Cross-Paradigm Business Ethics

In the course of this research, there were many examples of native-owned or native-related businesses. These examples appeared in four
(4) somewhat distinct contexts. Each of the contexts fosters a different kind of story, with a very basic definition of story as consisting of characters and a plotline.

First, there are two dimensions of context, depending on whether the organization’s target market is internal or external to the tribal culture. The second dimension of context is whether the organization offers a service (or is process-oriented product) or offers a product (some cultural artefact).

These categories are not mutually exclusive, and there is movement between the quadrants. This movement creates its own problem situations, as will be discussed below. What the model contributes is a starting point for understanding some dynamics of ethical issues arising in businesses that operate in the cross-cultural context. In this case of businesses having roots in indigenous traditions yet operating in a western and predominantly capitalist business environment, the cultural gap is so great as to be considered a cross-paradigmatic situation.

The following discussion considers each of the four (4) quadrants in turn. The first quadrant is the Elders. These are experienced businesses which serve a primarily internal market. This market seeks and appreciates the tribal values, traditions, and practices of the Elder companies. Some exemplar businesses in this quadrant are first, the Blue Stone Strategy Group, NOVA Corporation, and the Navajo Nation Peacemakers.

The Blue Stone Strategy Group consults with businesses about how to be successful while remaining true to tribal values. Their web site states prominently: we respect and embrace the tribal leadership of Indian country, and help develop tools and resources to protect it.

Their home page states:

As the leading Native American owned advisory firm for Tribal leaders and decision makers, Blue Stone Strategy Group provides culturally sensitive, seasoned guidance in the areas of economic development, diversification, sustainability, leadership development, and Tribal governance. Our executive team possesses firsthand political and management experience in Indian Country, and the proven capability to generate lasting results.

(Downloaded 5/5/14 from http://www.bluestonestrategy.com/)

The danger to this strategy story is the potential for tribal values to erode over time due to constant pressures from the larger non-tribal business environment. In other words, tribal people begin to think that “business is business” and should be conducted according to western capitalist norms. Tribal values appear old-fashioned and inappropriate for the global marketplace, where the primary goal is profit. If tribal attitudes were to shift in such a direction, tribes would no longer seek or value a service that espouses traditional values.

The second quadrant features the Masters, those who use their skills and/or artistic ability to create a product or content creation which can only
come from that particular cultural environment. In this quadrant, the products are cultural artifacts. The artistic exemplar of this quadrant is Yolanda’s Spirit Drums.

Yolanda may be the first (and possibly the only) woman to be approved as a Master drum maker by tribal elders, Yolanda is also a many-time NAMMY/GRAMMY award winner, and a winner of 2010 “Best Indigenous” Indian Summer Music Awards. She conducts her drumming workshops all over the world. Her homepage description, downloaded from www.yolandasdrums.com, describes this as a “Native American business that was created in 1994.” On another page in her site, she describes her work as “creating drums that wake up the soul, balance and connect you with Earth Mother’s rhythms in nature, her heartbeat, and song.”

The dangers to this type of business would be if the current market seeking “authentic” drums, changed its tastes and began to buy cheap imitation drums. In both Quadrants 1 and 2, even when selling outside of the tribal market, those external purchasers are looking for the “authentic.”

The third quadrant is the story of Migrators. Migrators are those businesses incorporate some tribal values in their services or processes, while selling primarily to the larger non-native

Table 2: A Storytelling Model for Cross-Paradigm Business Ethics

<table>
<thead>
<tr>
<th>PRODUCT IS:</th>
<th>SERVICE or PROCESS</th>
<th>PRODUCT or CONTENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>INTERNAL</td>
<td>Service is expertise in processes, especially tribal traditions, while engaging in business</td>
<td>Product is a cultural artefact, offered primarily to those within the culture, or those seeking “authentic”</td>
</tr>
<tr>
<td></td>
<td>ELDERS Story</td>
<td>MASTERS Story</td>
</tr>
<tr>
<td></td>
<td>Blue Stone Consulting Group</td>
<td>Master Drum Makers (Yolanda)</td>
</tr>
<tr>
<td></td>
<td>NOVA IT Security</td>
<td>Potters, Weavers, Basketmakers</td>
</tr>
<tr>
<td></td>
<td>Navajo Nation Peacemakers</td>
<td>Silversmiths, Dancers, Musicians, other arts/crafts</td>
</tr>
<tr>
<td></td>
<td>Danger: tribal values being eroded or overcome by the dominant profit-first culture, leading to loss of market</td>
<td>Danger: devaluing the “authentic” in favor of the less expensive; changing cultural norms such that this “art” is no longer valued as highly</td>
</tr>
<tr>
<td>EXTERNAL</td>
<td>Service incorporates traditional tribal values while selling to the non-native market.</td>
<td>Product is an artefact or byproduct of the native world which is sold to the non-native market.</td>
</tr>
<tr>
<td></td>
<td>MIGRATORS Story</td>
<td>TRADERS Story</td>
</tr>
<tr>
<td></td>
<td>DarDan Enterprises (Sustainability)</td>
<td>Casinos like Laguna Dev. Corp.</td>
</tr>
<tr>
<td></td>
<td>Restaurant (service values)</td>
<td>Cigarette Distributors</td>
</tr>
<tr>
<td></td>
<td>Cosmetics (spiritual aspect)</td>
<td>External Sales of “Authentic”</td>
</tr>
<tr>
<td></td>
<td>Danger: value orientation reduces ability to be competitive and profitable</td>
<td>Tribal Arts, Crafts, and Spiritual Practices and Events</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Danger: Commodification of spirituality and art, “selling out” of values in favor of profits</td>
</tr>
</tbody>
</table>
market. An exemplar here is DarDan Enterprises, a native-owned construction company. Co-founder Dan Stewart says he prefers the remodelling of existing structures, to avoid taking virgin land. He also seeks the newest environmentally-friendly technologies to make their building projects more earth-friendly and sustainable. He notes that the truthfulness and willingness to disclose information that he takes from the native context is much appreciated in his dealings in the non-native world. He is ever mindful of the need to be competitive to remain viable in the larger non-native marketplace (Dan Stewart, personal interview, 2012, and filmed appearance in Tribal Wisdom for Entrepreneurship, 2014). The DarDan web site is http://dardaninc.com/?page_id=11 (Downloaded 5/5/14).

The dangers to businesses in this quadrant are when social good factors like sustainability are not as valued in the marketplace. Also threatening are shifts in the market towards competitiveness based on price rather than value.

The fourth quadrant represents the story of Traders, who take a native product (or byproduct of the native context) and sell that to a non-native market. This category includes all the casinos and cigarette distributors which take advantage of particular regulations applying to reservations, and leveraging that position as a competitive advantage in the marketplace. While casinos especially have been criticized for the unintended negative impacts on communities, these businesses (especially casinos and cigarette distributors) may be used to generate capital to invest in more tribally-oriented businesses.

The dangers of these businesses geared towards external, non-native markets, is the sometimes negative spill-over of often unintended consequences of businesses which do not honor and embody tribal values. Further, it appears that not all of these ventures are the sure-fire money-makers they are claimed to be.

Part IV: Storytelling Conditions for Co-Creating Upsurging Story Spirals

This link between antenarrative story structures and ethics begins with considering who has a voice in the creation of a story (Vickers, 2005), and if those voices have equal power and influence in the storying process. Further, unequal power fosters the material conditions of stories that repeat past exploitation. The storytelling approach assumes all parties, even the oppressed, are complicit in the creation of the joint story. The struggle to co-create a more ethical story begins with each perceiving the other as simultaneously like and unlike the self, while having equal power.

Previous research (Rosile and Boardman, 2011) suggests that only when trading partners have equal power can they hope to engage in the ethical co-creation of what Boje (2011) calls “upsurging story spirals.” This work is summarized in Tables 3 and 4 (adapted from Rosile and Boardman, 2011). The following discussion explains why several combinations of unequal power historically have been storied in simple linear story structures. These simple story structures prevent a more diverse, inclusive, and thus more ethical story from emerging.

More specifically, the storytelling models offered here focus on the antenarrative aspects (Boje 2001, 2011) of how power relationships are pre-
storied, often resulting in oppressive relations to grand narratives. The antenarrative may precede (ante-) the story or narrative, or may become a prospective sensemaking bet (ante) on the future direction of the tribe, organization, culture, society, and so forth. We examine the antenarrative aspects of story creation to have access to the elements of narrative before it becomes “the story.”

Antenarratives (Boje 2011) may take one of four structures: linear, cyclical, spiral, and rhizomatic. Linear structures typically house beginning-middle-end emplotments with simple cause-and-effect chains. An example would be “Boy meets girl, gets married, and lives happily ever after.”

The cyclic antenarrative structure also employs simple cause-and-effect of stage-by-stage repetitions. However, as the name suggests, the end of this linear story line takes us back to the beginning. For example, “Boy meets girl, gets married, gets divorced, meets another girl, gets married, gets divorced…etc.”

The spiral antenarrative structure acknowledges the effects of deviation, amplification, and de-amplification such that the stages do not repeat as in self-same cycles. Thus “Boy meets girl, gets married, gets divorced, meets another girl, gets married, goes to marriage counselling, has children, goes to children’s weddings…etc.”

The rhizomatic antenarrative structure is a networked assemblage without an axial center, within which may appear linear, cyclical, and spiral segments, running every which way. In this type of antenarrative, “Boy meets girl, gets married, girl realizes she is gay, leaves husband and returns to former lover, discovers she is pregnant by former husband, has the baby, marries her gay partner in a state which permits gay marriage, ex-husband meets another girl and gets married and sues for custody of the child with his new wife, child lives half time with each parent…etc.”

### Antenarrative Forms and Co-Created Relationships

Different antenarrative forms (explained above) lead to different forms of co-created relationships. These different relationships arise from power differences among trading partners, and the attitudes accompanying those different power positions. Trading partners may see each other as more, less, or equally powerful. From each power position, my attitude may be exploitive or benevolent.

Table 3 summarizes the antenarrative forms which tend to emerge from each of the power-attitude combinations. Each antenarrative form contributes to a different form of co-created living story of the future. Our ethical position is that others ought to be accepted and viewed as equals. From this stance, with both parties recognizing similarities as well as differences, the rhizomatic assemblage form of antenarrative accommodates the collaboration of multiple voices in co-creating a mutually desirable future. Within the spiral and rhizomatic story structures, trading partners can be in an “intra-acting” relationship (Barad, 2007). This means that each party is willing to change and be affected by the other. This mutual malleability in turn allows the parties involved to co-create stories of upsurging spirals of positive co-created change.

Different stories emerge from different power/attitude combinations. Table 4 shows less-
powerful others are storied as either “Dupes” or “Charity Cases.” If my attitude towards the less-powerful trading partners is exploitive, I view them as “Dupes” who are gullible and easily cheated. If my attitude is benevolent, I tend to view those less-powerful others as “Charity Cases.” Similarly, more powerful others with exploitive attitudes are storied as “Thieves” while more powerful others with benevolent attitudes are “Benefactors.” All of these stories can obscure the awareness of the power of the self, and instead foster unhealthy dependencies.

If partners are equal and same then an exploitive perceiver will assume both parties will desire and compete for the same things in using a competitive style. As an exploitive competitor, the trading partner does not care for the welfare of the other partner. When seeing the other as equal, combined with a competitive relationship, then I take care of myself and I assume that the others can take care of themselves. This leads to the “business is business” attitude, separating business and trading decisions from relationship-building and community-building considerations.

The co-creating column in Table 4 acknowledges that both parties to a relationship at some level must be complicit in either passively allowing, or actively promoting, that relationship. When a trading partner sees the other as superior or inferior, they are promoting a disempowering relationship, whether exploitive or benevolent. Perhaps no context more than that of Native American Indians so well exemplifies what terrible outcomes may be the result of presumably benevolent intentions. From the reservation to the assimilation eras and through current times, we see examples of destructive and disempowering “helpfulness.”

Viewing the other as equal is not enough to correct the disempowering effects of unequal relationship. When partners see the other as equal and the same, they are engaging in projection of one’s own qualities onto the other. Such projection is well documented by indigenous scholars (Ordhal Kupperman 2000, Cordova 2007, Bordewich 1996, etc) and leads to further misunderstanding and miscommunication.

The fourth row in Table 3 addresses perceived equal relationships among trading partners with the equal-and-different perspective rather than the equal-and-same perspective. Native science (Cajete 2000) focuses on anomalies and

<table>
<thead>
<tr>
<th>POWER/ATTITUDES</th>
<th>ANTENARRATIVE FORM</th>
<th>CO-CREATED RELATIONSHIP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other is INFERIOR</td>
<td>Linear and Cyclical Danger: overly simple</td>
<td>EXPLOITATION DISEMPowering</td>
</tr>
<tr>
<td>Other is SUPERIOR</td>
<td>Linear and Cyclical Danger: overly simple</td>
<td>FEAR/GRATITUDE DISEMPowering</td>
</tr>
<tr>
<td>Other is EQUAL and SAME</td>
<td>Linear and Cyclical Danger: Projections of self</td>
<td>PROJECTION SIMULACRA</td>
</tr>
<tr>
<td>Other is EQUAL and DIFFERENT</td>
<td>Linear, cyclical, and spiral;</td>
<td>CROSS-CULTURAL INTRA-ACTING MUTUAL CHANGE</td>
</tr>
<tr>
<td></td>
<td>Danger: dualisms and attributitional biases</td>
<td></td>
</tr>
<tr>
<td>Other is EQUAL and SAME and DIFFERENT</td>
<td>Rhizomatic Assemblage Danger: too complex,</td>
<td>NON-ZERO-SUM COLLABORATIVE UPSURGING SPIRALS</td>
</tr>
</tbody>
</table>
differences, thus it is by nature more suited to the appreciation of what western science calls “diversity.” By becoming open to discovering difference, partners may engage in what Barad (2007) calls “intra-acting,” characterized by mutual change. This opens possibilities for newly co-creating relationships.

The antenarrative perspective suggests a broader canvas to paint a different vision of the future. The rhizomatic assemblage is a form of antenarrative more suited to self and others who have perceived power equality, and who desire to co-create an empowering future story. Co-creation by power-equal participants is what we consider an ethical process.

### Conclusion

This research employs a storytelling approach to suggest four categories of relationship of Native American businesses to euro-western businesses: elders, masters, migrators, and traders. Each category represents a type of relationship between the American Indian business and the euro-western business world.

This framework’s four categories can serve as a problem-avoiding and problem-solving tool for businesses in these cross-cultural marketplace relationships. The model offers a roadmap for businesses on either side of this cross-cultural situation seeking to engage with the other side.

Previous research demonstrated the applicability of traditional tribal values and practices to contemporary business ethics. The eight aspects of “tribal wisdom” cited here will work especially well when business trading partners perceive each other as being in an equal (rather than unequal) trading relationship, thus avoiding both exploitation and misguided benevolence.

Pre-story antenarrative structures can shape and limit our possible future stories, thus has ethical implications. Rhizomatic antenarrative pre-story structures include an expanded cast of characters (or “rhizomatic assemblage”) in their story. This type of antenarrative story structure invites multiple narrators into an expanded story. This multi-voiced story is by nature more likely to treat all parties more ethically as they speak in their own voices. Within this rhizomatic story

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**Table 4: Plotlines with trading partners’ equal and unequal power: Getting to community building upsurging spirals**

<table>
<thead>
<tr>
<th>POWER/ATTITUDES</th>
<th>EXPLOITIVE</th>
<th>BENEVOLENT</th>
<th>CO-CREATED STORY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other is INFERIOR</td>
<td>DUPES</td>
<td>CHARITY CASES</td>
<td>EXPLOITATION DISEMPowerMENT</td>
</tr>
<tr>
<td>Other is SUPERIOR</td>
<td>THIEVES</td>
<td>BENEFACORS</td>
<td>FEAR/GRatitude DISEMPowerMENT</td>
</tr>
<tr>
<td>Other is EQUAL and SAME</td>
<td>ZERO SUM COMPETITION</td>
<td>ZERO SUM ACCOMMODATION</td>
<td>PROJECTION SIMULACRA</td>
</tr>
<tr>
<td>Other is EQUAL and DIFFERENT</td>
<td>ZERO SUM COMPETITION</td>
<td>NON-ZERO SUM COLLABORATION</td>
<td>CROSS-CULTURAL INTR-ACTING and MUTUAL CHANGE</td>
</tr>
<tr>
<td>Other is EQUAL and SAME and DIFFERENT</td>
<td>OPPORTUNISTIC COMPETITION</td>
<td>OPPORTUNISTIC COLLABORATION</td>
<td>NON-ZERO-SUM COLLABORATIVE UPSURGING SPIRALS</td>
</tr>
</tbody>
</table>
structure, trading partners are in an “intra-acting” relationship involving mutual change, and thus are able to more ethically co-create stories of upsurging spirals.

Finally, this work has implications for PRME (Principles for Responsible Management Education) and triple-bottom-line proponents, because the key value in tribal traditions is respectful relationships. In this view, commerce exists to build community and support relationships, including relationships with the natural world.

In the Euro-Western business world, all too often human relationships and the relationship of humans with the natural world are subordinated to, and suffer from, the demands of business for a narrowly-defined definition of profit. Efforts such as PRME (Principles for Responsible Management Education) and advocates for the triple-bottom-line recognize the need for business to operate differently to be life-enhancing rather than life-consuming.

Elders, Masters, Migrators, and Traders all engage in business across cultural and paradigmatic boundaries, because all operate within a dominant non-indigenous business environment. The euro-western business world, together with these American Indian related businesses, can co-create more ethical future stories. The storytelling perspective suggests that using the complex networked stucture of rhizomatic antenarrative allows multi-voiced participation with the potential to yield a more life-enhancing story.

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http://business.nmsu.edu/programs-centers/daniels-ethics/teaching-resources/topic/tribal/


Wikipedia entry on Salamanca NY, downloaded 6pm March 24, 2011, at:


Thank you!

I want to thank and acknowledge both the written works and the personal assistance of many indigenous scholars (Gregory Cajete, Don Pepion, Jeanette Writer, Lisa Greyshield, Kaylynn TwoTrees, Leroy Little Bear, Amethyst First Rider, Joe Gladstone).
30 min educational film & 3.5 min film trailer/preview offers an ethic of business practice that is relationship-based and community-oriented, fostering a harmonious web of life which includes the natural environment. In this brief film, tribal drumbeats, scenes of the vast outdoors, and colorful personal reflections from native and non-native scholars all present a fascinating view of American Indian tribal values and indigenous cultures. These values and practices have shaped daily conduct in business and personal life among Native Americans for centuries. Many of these traditional tribal values still exist in today’s business world, and further, offers insights to which, according to Dr. Garrey Carruthers, “…if some of us would pay a little more attention, we might be better off.” (30 min. film & instructor notes)

PLUS: 6 ADDITIONAL RELATED 10-min film TEACHING MODULES with instructor notes:

1. “Tribal Wisdom and Marketing Strategy” features Dr. Bruce Huhmann discussing gifting as a marketing strategy, relationship marketing, and creating buyer trust (instead of buyer beware) with disclosure and honesty. Huhmann cites business examples including Domino’s Pizza, Google, Facebook, YouTube, and Proctor and Gamble. Huhmann also briefly explains the Daniels Fund Ethics Initiative at the New Mexico State University Ethics College of Business.

2. “Tribal Wisdom and Indigenous Ways of Knowing” features Dr. Don Pepion discussing in clear understandable terms some aspects of indigenous cosmology and related quantum concepts. This indigenous experience is rooted in a living dynamic view of the world, and emphasizes ceremony in fostering respect for, and harmony with, this world.

simple examples, like selling your used car, to convey abstract concepts and their impacts on relationships. Boardman suggests there is contemporary relevance for historical American Indian trading practices.

4. “Tribal Wisdom and Storytelling” features Dr. David Boje and Dr. Gregory Cajete. Boje discusses the differences between indigenous ways of storytelling versus euro-western ways. These differences are demonstrated in Cajete’s telling of a traditional American Indian story called “Coyote Loses His Eyes.” Indigenous storytelling teaches attunement to the environment, respect for community, and other traditional values, in a living, participative process.

5. “Tribal Wisdom and Entrepreneurship” features Dr. Joe Gladstone (dissertation on American Indian entrepreneurs), Yolanda Martinez (Singer/Songwriter/Drum maker, Entrepreneur), Dr. Dan Stewart (DarDan Enterprises), and Alicia Ortega (Junior Strategist, Blue Stone Strategy Group). These academics and entrepreneurs share approaches to incorporating tribal values into business ventures. Examples include giving only your best, maintaining a strong connection to earth mother, showing concern for the environment, and by practicing the integrity of “underpromise and overdeliver.”

6. “Tribal Wisdom for Life-Enhancing Relationships” features Dr. Gregory Cajete and Kaylynn Sullivan TwoTrees. Cajete discusses the “mutual reciprocal relationships” which humans can learn from observing the natural world, and use as a model to create balance and harmony in human society. TwoTrees discusses her work with corporations seeking to understand their position within the natural world which is not “human-centric,” and where relationships are more important than profits. She says “The trees are breathing us.”

NOTE: All materials developed with much-appreciated support of the NMSU Daniels Fund Ethics Initiative.

For further information contact Grace Ann Rosile at garosile@nmsu.edu or phone 575-646-5684.
**Purpose**

Benchlearning is a modern method for corporate development and learning. The idea is for employees to incorporate this habit of learning into their everyday thinking.

We can thus say that benchlearning is an educational method for gaining better understanding and knowledge of our own business by viewing it in the light of someone else’s experience. The principle of ‘seeing ourselves in others’ can also be applied to corporate development and knowledge formation.

*Multidimensional goals are*

- to summarize the needs, necessities, advantages, and usefulness of the concept of organisational studying in operations of public companies, especially when it is about improving performances and the effect on the business development;

- to explore the key performances and areas in which they are effectuated or can be effectuated, in order for public companies to use their chances on the market as well as ways of their evaluation so they can be compared to the effectuated performances of other public companies;

- to show, in that context, the need of an active and long-term relation of public companies to clients in satisfying their needs, demands and desires in resolving their problems connected.

**Design**

The (benchlearning) method step by step:

- Step 1: Identifying areas for improvement and securing acceptance for the project
- Step 2: Setting up effective learning teams
- Step 3: Analysing the current situation
- Step 4: Learning from good examples
- Step 5: Developing new solutions
- Step 6: Effecting improvements
- Step 7: Follow-up and new initiatives.

**Findings**

The final goal is not just resolving specific operational problems, but also motivating an attitude from which constant learning from good examples comes naturally; planning: vision, mission, strategy, ideas, innovations, motivation of employees, training a target group and allowing them to test themselves. They work to get away from the classic attitude of autarchy and to adopt the principle that there is always someone out there who is doing the same thing.
Research limitations/implications

In a turbulent economy with ever-shorter lead times and learning times it is of course very important for companies and organisations to ensure that the mental models which control their employees' actions are compatible with the turbulent reality. With growing global competition and rapid change, it can be very expensive.

Practical implications

Successful innovation is the result of many small improvements made in many ways and areas to a good, delegating problem-solving to those responsible for doing the job. We have seen how such a strategy can generate a powerful force for innovation. Benchlearning lends itself very well to team-building training.

What is original/what is the value of the paper?

The primary aim of learning is important and original:

- influence the attitudes of people in an organization,
- organizational success,
- to stay competitive,
- to take advantage of other people's experience, not defeat,
- to develop and improve,
- help people to perform better and avoid mistakes,
- have win-win-win situation (that it benefits employees as well as customers and owners),
- employees perform more successfully developing in group and likes individuals,
- to be adaptability and flexibility
- learns to produce value at lower cost.

Original:

- People gives own ideas by good or bad experience learn by working on the project,
- Aim: better businessship,
- Control project team: communication between employee, results, expectation,
- Everybody must give opinion, suggestion, plan of better way of doing in the future,
- Make new learning group who will be more creative and faster done all need aims,
- Management process is very complicated and various,
- Aim: Management people; work with maximum quality.

Managerial intelligence must have:

- Management through corporate strategies and values
- Active leadership
- Business open innovation environment and concurrent enterprising
• Collaborative project work
• Controlling of inter-organizational business processes
• Influence through different communities
• Knowledge workers culture
• Flexibility and adaptability
• ICT advanced

Keywords
Benchlearning, aims, development, success, experience.

Purpose
Benchlearning is a modern method for corporate development and learning. The idea is for employees to incorporate this habit of learning into their everyday thinking. Benchlearning fits into the context:

• experience: plays a key part in benchlearning
• variation: encourages learning and understanding and stimulates creativity, a feature of benchlearning
• problem-solving: the starting point for benchlearning
• understanding: benchlearning leads to it
• competence of economic value: what benchlearning aims at
• other people's experience: in benchlearning, the lever for acquiring understanding of how one's own business ought to be developed
• innovation theory: association to new elements of knowledge and understanding through benchlearning cultivates the ability to innovate
• tacit knowledge: benchlearning is a concept for transferring not only calibrated key indicators and pre-codified data but also tacit knowledge, which is harder to access transformations between tacit and codified knowledge: benchlearning creates a learning
environment in which both ‘sender’ and ‘receiver’ are forced to make their insights explicit and create the interactions that accelerate achievement of awareness

- models and diagrams: benchlearning leads to understanding of other people’s models
- power: benchlearning is an effective weapon to combat the tendency to maintain the status quo in defence of a position of power that is not based on competence
- objectivisation: benchlearning accelerates this process
- group-based learning: benchlearning provides opportunities for throwing light on the business from several angles and reinforces cohesion in the group
- absorptive capacity: the group’s analysis of the problem and its choice of good example lay a firm foundation for absorptive capacity
- turbulence: benchlearning enables us to better understand changes in reality
- complexity: benchlearning furnishes the vaulter with a pole without whose help he could never attain the necessary height
- faster processes: benchlearning accelerates learning
- strategy: benchlearning trains strategic thinking ability in those levels of the company where it is most needed
- social competence: benchlearning develops social competence, both through interaction with the good example and within the group itself
- initiative: benchlearning is an action-oriented educational method that gives the participants freedom to act on their own initiative.

We can thus say that benchlearning is an educational method for gaining better understanding and knowledge of our own business by viewing it in the light of someone else’s experience. The principle of ‘seeing ourselves in others’ can also be applied to corporate development and knowledge formation.

A modern development concept must be capable of accelerating learning and handling a growing degree of complexity.

Benchlearning can be described as a combination of business development and organisational learning. This is a combination which has long been sought but which has proved hard to find. The mystery of the lack of education by example has made it desirable to include a fairly extensive theoretical section covering business development and management in general as well as knowledge formation in particular.

The primary goal is to present a modern theoretical approach and summerize a practical process of practical business developement and organizational studying as part of a managing proces.

Learning from the others is the most efficient way of usefull changes determination. In order to make success one must find out why some individuals or enterprises function better and how to reach their succes.
Design

The (benchlearning) method step by step:

Step 1: Identifying areas for improvement and securing acceptance for the project
Step 2: Setting up effective learning teams
Step 3: Analysing the current situation
Step 4: Learning from good examples
Step 5: Developing new solutions
Step 6: Effecting improvements
Step 7: Follow-up and new initiatives.

Findings

The final goal is not just resolving specific operational problems, but also motivating an attitude from which constant learning from good examples comes naturally; planning : vision, mission, strategy, ideas, innovations, motivation of employees, training a target group and allowing them to test themselves. They work to get away from the classic attitude of autarchy and to adopt the principle that there is always someone out there who is doing the same thing better, or who has done it before, and from whom useful lessons can therefore be learned.

Benchlearning performs several functions. In the first place, obviously, it aims to help organizational units to find their own answer to the question: 'How do you know that your operation is efficient?' All executives, no matter what they are responsible for, will be required more and more often to answer that question. The fact that by far the largest share of responsibility within organisations is subject to the laws of planned economy makes it both desirable and necessary to be able to calibrate efficiency (the correlation between value and productivity) against some other operation to find out how well the operation is actually being run. When we talk about planned economy we are referring to cases where some part of an organisation has a monopoly on supplying something to the organisation as a whole or to another part of it, so that the users do not have a free choice of alternative suppliers.

Another essential function of benchlearning, of course, lies in what you can learn from a good example. The logic of the 'reversed burden of proof' makes it irresistibly attractive to press for change if you can show that someone else is doing the same thing better. The benchmarking ingredient of benchlearning has proved its effectiveness time and time again in a large number of projects where those concerned have not been content just to compare key indicators but have gone on to investigate cause and effect.

The third important function of benchlearning is the changes in behaviour and attitudes that result from looking at others as a mirror image of oneself. Our intention is to encourage our readers - and the organisations in which they work - to get away from the classic attitude of autarchy and to adopt the principle that there is always someone out there who is doing the same thing better, or who has done it before, and from whom useful lessons can therefore be learned. In the opening chapters learnings is not only beneficial to individuals but is also of tremendous importance to the economic success of organisations.

From another standpoint, we can also view analysis of and dialogue with the good example
as a way to achieve the variation that increases receptivity to new knowledge. On our own, we may not be able to achieve the variation of solutions and systems that we need to arrive at a closer understanding of various processes or the connection between actions and results, but by comparing a partner’s experience to our own we can substantially increase the number of observations that lead to new knowledge. We can thus say that benchlearning is an educational method for gaining better understanding and knowledge of our own business by viewing it in the light of someone else’s experience. The principle of 'seeing ourselves in others' can also be applied to corporate development and knowledge formation.

If it wants to enable employees at their computer screens to click their way to useful hints, then the 'best practice' area of 'knowledge management' is an appropriate choice. A democratic dialogue conference may be a good way to collect items of experience relevant to a given field on a broad basis without preselection. Benchlearning is appropriate in cases where the aim is to verify whether the company is 'on course' with regard to current developments, or to encourage the ability of employees to learn and grow.

Benchlearning has a legacy from benchmarking in that it looks to good examples. But unlike traditional benchmarking, benchlearning is not primarily based on comparisons of calibrated key indicators but reaches out farther by seeking a dialogue with the good example to learn from its 'tacit knowledge', to objectivise its own operations and to revise its own mental models of the logic of those operations.

The learning and understanding aspects are what distinguish benchlearning from knowledge management, which - at least up to now - has been mainly concerned with retrieving information from database compilations or recorded case studies of best practice.

Like democratic dialogue and many networking schemes, benchlearning aims to achieve broad involvement and participation in the development process, to utilise other people's experience. In this respect benchlearning focuses clearly on one or more good examples who are known to be able to report excellent practice in some area of interest. The process of picking good examples is a key step in benchlearning, because it guarantees that the information communicated in the networks is of substantial economic value. We are fully aware that establishing networks is not an easy or quick process for any of the parties concerned. It takes resources both to establish and to maintain a network. Networks can promote development but, as research has proved, they can also promote secrecy. The question of whether a network makes a positive contribution to economic development or democracy seems therefore to be primarily a matter of the quality of the network and the content of what is communicated. Benchlearning offers a means of guaranteeing as far as possible that the content of the communication is valuable. The good example with whom one conducts the dialogue need not be world class, but must be good enough in comparison to the receiver that objectivisation generates a positive tension and an ambitious plan of action.

What, then, do the exploding volume of data and information, the ever-faster turnover of
knowledge and the ever-more-pressing shortage of time signify in terms of our attitude to using 'stored knowledge'?

One possible conclusion is that searching 'stored knowledge' for a clue to solving our own problem is likely to become a better option than trying to solve the problem on our own. To this the objection may be raised that ever-increasing pressure of time makes it harder to 'go the long way round' via stored knowledge: finding one's own solution may be a more expensive way to solve the problem, but it is quicker. If time is of the essence, it may be better to get the answer almost right, rather than getting an ideal solution that takes too long to find.

In the short term, and in individual cases, there may be some merit to that argument. But the basic rules described: prior knowledge is an important, perhaps the most important, ingredient in the construction of new knowledge. If we make the run-up to a hurdle unaided, we may clear it, but if we have a pole to thrust against the ground and by its leverage multiply our own momentum, then we should obviously use it; not instead of making the effort ourselves, but to get more effect out of making the effort.

In times of rapid shifts in demand, technology, finance and competition, it is more and more important for us to orient ourselves to the forefront of development. If we turn our gaze inward and concentrate on solving the problem unaided, we may succeed. But the problem may not be simply that the solution was wrong. And if it was right, it may have been the right solution - but to yesterday’s problem.

If we are in a hurry and know the way to our destination, we need neither map nor compass. But if the terrain is unknown and problematical, we need both map and compass to find our way. The more uncertain we are of where we are, the more important it is to use all available means of locating ourselves. But if we are experienced orienteers, we need not spend so much time consulting the map to check up on where we are. We need no longer check our compass bearing every hundred metres. Using the instructive power of good examples is like that. We may need to start by setting up well-prepared benchlearning projects. But the idea is for employees to incorporate this habit of learning into their everyday thinking. What is the problem? Who has encountered the same problem before? Who have solved the problem in an interesting way that can teach us something of value?

Research limitations/implications

In a turbulent economy with ever-shorter lead times and learning times it is of course very important for companies and organisations to ensure that the mental models which control their employees actions are compatible with the turbulent reality. With growing global competition and rapid change, it can be very expensive.

There are also other factors behind these developments. The increasing emphasis on quality means that the individual employee must be enabled to develop their own competence and to take responsibility for their own work. In addition, the pressure for efficiency generated by increasing competition and demands for transparency means that ancillary costs such as production and quality control must be
integrated with, not isolated from, the work process. This further stresses the relevance of the adage that 'no chain is stronger than its weakest link'.

But this also means that the process of development, including the strategic aspects that apply to the group or project, can be efficient only if everybody concerned participates in the effort. This is probably also something which appeals to the members of the group and reinforces their sense of security and common purpose. Suspicions of "unfairness' and favouritism within a group can have a devastating effect on the group equilibrium, impairing the drive and enthusiasm that are so crucial to its performance. That puts a premium on team-building ability. Benchlearning lends itself very well to team-building training; indeed, a benchlearning project is in itself an applied exercise in team-building.

In the matter of comparisons with good examples, there is a further motive for placing responsibility for the development project in the team's own hands. A process of development based on comparison with an advanced example may create misgivings about its purpose. If it is 'proved' that somebody out there has solved this problem better than we have, that can be used in in-house discussions as a stick with which to beat the unit concerned, which will therefore do all it can to avoid getting involved in such processes. But if the group itself is in control of the project, that not only inspires confidence but also a knowledge-seeking attitude which guarantees that the company will have an absorptive capacity that can understand, evaluate and use the information which it acquires. It is very hard for those who are not in daily contact with an operation to judge from outside how the partner's experience can be evaluated and used by those who bear the operative responsibility in their own company.

Putting the group in charge of its own project is also important as an aid to learning. Learning means that the people involved acquire a better understanding of their work. An individual who has done that is more autonomous. It is thus important that an individual's influence over their job should match the new autonomy, and that the organisation should allow the individual and the group to experiment so as to avoid placing needless obstacles in the way of learning by inhibiting opportunities for interaction between individuals, actions and results.

Benchlearning further encourages the development of an extroverted, inquisitive organisation. The realisation that there are always good examples to be found is incompatible with smugness and a self-glorifying style of management. To be capable of benefiting from externally generated knowledge, an organisation must instead cultivate a corporate culture that is analytical and open. Groups whose membership is variegated in terms of experience, sex and ethnicity enjoy an advantage over homogeneous groups when it comes to taking the broad view and identifying interesting opportunities for development.

Even if it is the group that owns a benchlearning project, that does not make the role of the corporate management any less important. Managers, for the most part, set the rules within the company and set their stamp on corporate culture. The individual, for the sake of their own
development and involvement, needs to be given new and varied assignments to tackle. Managers' attitudes to regular job-swapping and job rotation are very important in this respect. Does the company offer attractive career opportunities? Does it offer tangible rewards to those who try to learn new skills and improve themselves? Does it encourage collaboration or internal competition? Does it organise regular appraisal interviews with individual employees and, if so, how are they followed up? Are there opportunities for refresher training for employees who want to update their knowledge and thereby enhance the company's ability to learn and use new technology and methods? Those are just some of the questions that managers should consider if they want to encourage the personal development of their employees.

In the short term, and in individual cases, there may be some merit to that argument. But the basic rules described: prior knowledge is an important, perhaps the most important, ingredient in the construction of new knowledge. If we make the run-up to a hurdle unaided, we may clear it, But if we have a pole to thrust against the ground and by its leverage multiply our own momentum, then we should obviously use it; not instead of making the effort Our selves, but to get more effect out of making the effort.

In times of rapid shifts in demand, technology, finance and competition, it is more and more important for us to orient ourselves to the forefront of development.

5. Practical implications
Successful innovation is the result of many small improvements made in many ways and areas to a good, delegating problem-solving to those responsible for doing the job. We have seen how such a strategy can generate a powerful force for innovation. Benchlearning lends itself very well to team-building training.

Faster learning
A modern development concept must be capable of accelerating learning and handling a growing degree of complexity.

That requirement could be formulated as a number of sub-requirements:

to furnish the company/group with a tool enabling it to use prior knowledge as a lever for new knowledge formation

to offer guidance and serve as a compass to indicate the direction in which new knowledge should be sought to raise the company’s aspirations to a high yet realistic level to promote better understanding of one’s own business and its logic and context.

The concept is based on what is perhaps the most important kind of knowledge formation, the proposition that utilisation of prior knowledge is the starting point for producing new knowledge, finding solutions to new problems, developing a new product, and so on.

The instructive power of good examples likewise guides the search for knowledge in a given direction. The desire to use the best practice in a given field as a source of inspiration and point of comparison not only provides input for the effective transfer of knowledge but is also a method that influences the level of aspiration: 'If they can do it, why can’t we’?"
Application of the instructive power of good examples has the further advantage that those who are seeking to improve their efficiency have absorptive capacity in the area of knowledge to be transferred. They have experience, they have worked on the same problems themselves, and they know what is needed to make further progress. Here, too, the concept agrees with research in the field.

From another standpoint, we can also view analysis of and dialogue with the good example as a way to achieve the variation that increases receptivity to new knowledge. On our own, we may not be able to achieve the variation of solutions and systems that we need to arrive at a closer understanding of various processes or the connection between actions and results, but by comparing a partner's experience to our own we can substantially increase the number of observations that lead to new knowledge. We can thus say that benchlearning is an educational method for gaining better understanding and knowledge of our own business by viewing it in the light of someone else's experience. The principle of 'seeing ourselves in others' can also be applied to corporate development and knowledge formation.

Benchlearning is thus a strategy that aims at giving people a greater understanding of the relationships and logic that influence their daily work. Another important point here is that benchlearning also tries to identify the mental models which influence and perhaps even control the actions of our good examples. Without that, we risk trying to study behaviour in isolation while ignoring the reasons for such behaviour. By studying our examples' mental models, on the other hand, we achieve understanding and with it the ability to use our benchlearning partners' experience creatively, not just imitatively, with a view to developing our own business.

In a turbulent economy with ever shorter lead times and learning times it is of course very important for companies and organisations to ensure that the mental models which control their employees' actions are compatible with the turbulent reality. Benchlearning is a method that forces obsolete models and ideas to come to light; this usually has a beneficial effect on the psychosocial environment.

Benchlearning solves yet another problem - the lack of natural opportunities to reflect on and evaluate one's own business — when the focus is on quick and specific learning, or just-in-time learning.

The opportunities that a benchlearning project provides for reflection may also explain the frequently observed phenomenon in benchmarking that it is easy to recruit those seen as good examples as partners in such projects. It is the opposite that is difficult — that is, getting less advanced companies to agree to such a project. One possible explanation for this is that the good company has attained its position because it has always focused its attention on the world around it and not on its own problems. The self-confidence inspired by the appreciation of one's peers also undoubtedly plays a part, as does the prestige of being held up as a good example. But on top of that, even the good example has a need to articulate and evaluate its experience, and have it illuminated by the questions put by potential partners, such as in a
benchlearning project. Such a project requires them to formulate their experience for the benefit of external partners, and to do that the company must itself articulate, codify and evaluate its own experience. With the help of a consultant and partners, the good example can also acquire a deeper understanding of its own business.

**What is original/what is value of the paper**
The primary aim of learning is important and original:

- influence the attitudes of people in an organization,
- organizational success,
- to stay competitive,
- to take advantage of other people’s experience, not defeat,
- to develop and improve,
- help people to perform better and avoid mistakes,
- have win-win-win situation (that it benefits employees as well as customers and owners).
- employees perform more successfully developing in group and likes individuals,
- to be adaptability and flexibility
- learns to produce value at lower cost.

*Original*

- People gives own ideas by good or bed expirience learn by working on the project,
- Aim: better ‘businessship’,
- Control project team: communication between employee, results, expectation,
- Everybody must give opinion, suggestion, plan off better way of doing in the future,
- Make new learning groupe who will be more creative and faster done all need aims,
- Management process is very complicate and various,
- Aim: Management people; work with maximum quality.

Managerial intelligence must have:

- Management through corporate strategies and values
- Active leadership
- Business open innovation environment and concurrent enterprising
- Collaborative project work
- Controlling of inter-organizational business processes
- Influence through different communities
- Knowledge workers culture
- Flexibility and adaptability
- ICT advanced.

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Abstract

Purpose
This paper aims at investigating how national culture affects entrepreneurship, measured by the percentage population who are either a nascent entrepreneur or owner-manager of a new business in a specific country. We rely our analysis on GLOBE’s dimensions, but with a new perspective. Considering the influence of both values (should be scores) and practices (as is scores), we identify the inclination towards cultural change of a specific country as the difference between its ‘should be’ and ‘as is’ scores of each cultural dimension. Our purpose is to verify if the inclination towards cultural change affects entrepreneurship.

Design
Our study is based on a quantitative analysis. We consider Globe’s dimensions and we measure the difference between should be (values) and as is (practices) scores, in order to get the inclination towards cultural change of each country. Entrepreneurship is measured as Total early-stage Entrepreneurial Activity (TEA) gathered from the Global Entrepreneurship Monitor Project (GEM). Data have been analysed through a regression between cultural gaps (independent variables) and TEA (dependent variable). We then introduced some controlling variables, in order to understand if they affect the relationship between the inclination towards cultural change and TEA.

Findings
The Statistical analysis shows that the inclination toward cultural change affects entrepreneurship. Moreover we find different results in term of statistical significance for different Cultural dimensions.

Research limitations/implications
Our research sheds new light on the literature on cultural entrepreneurship. As far as many contributions exist on the influence of national culture on entrepreneurship, studies are still fragmented and not much consistent. The most of literature analyzes the linkage between cultural values and entrepreneurship, and only a few studies refer to cultural practices and on their influence on entrepreneurial orientation. On the contrary, our paper considers both the influence of practices and values on entrepreneurship.

Our research has some important limitations. The analysis should consider more variables to verify the degree of entrepreneurship of each country, and environmental factors should be considered to complete our analysis.
Practical implications

Our study is useful for investors who want to create new firms in distant cultural contexts. In addition, understanding cultural barriers can help policymakers to plan the best policies to promote entrepreneurship.

What is original/what is the value of the paper?
We consider both the influence of values and practices, and we hypothesize that the gaps between ‘should be’ and ‘as is’ scores of GLOBE's cultural dimensions give an indication of the inclination towards cultural change of a specific country. The existence of a new cultural dimension – namely change orientation, derived from the difference between them.

Keywords
Entrepreneurship, cultural values, cultural practice, cultural change, GLOBE, GEM.

Introduction

Entrepreneurship is a complex phenomenon that regards many aspects of management. Scholars give a wide definition of entrepreneurship and define entrepreneurship as “processes of discovery, evaluation, and exploitation of opportunities” (Shane and Venkataraman, 2000, p. 218) Sharma and Chrisman (1999, p.17) defined entrepreneurship as “acts of organizational creation, renewal, or innovation that occur within or outside an existing organization.” Following this perspective, Morris (1998) sees entrepreneurship as a property, which can - or should be – associated with any strategic decisions an organization takes.

Once defined entrepreneurship as the processes through which newness is created (Ireland et al., 2003; Lumpkin and Dess, 1996), authors focus on the meaning of newness. Following Schumpeter's conceptualization (1934), newness can be intended on as new products, new processes, and new markets, that is the engine of wealth creation. However some scholars adopt a more specific conceptualization of newness and entrepreneurship, by intending newness as the creation of new organizations, and entrepreneurship as the start-up of new firms (e.g., Dobrev and Barnett, 2005; Schumpeter, 1934; Thornton, 1999). Many authoritative definitions of entrepreneur actually include some reference to venture or enterprise creation. For example, Bygrave and Hofer (1991)

Coherently with the definition of Dobrev and Barnett (2005) and Thornton (1999), we define entrepreneurship as a process through which new firm is created. Although theoretical models of the new venture creation process differ with the extent to the assumptions and variables they encompass, they all include common elements as well. Shapero (1975) for example, sees the prospective entrepreneur’s readiness to act as determined jointly by prior experience and the perception of current opportunities. According to Shapero, general readiness becomes a predisposition to initiate a venture when the individual experiences a precipitating event such as a layoff. However, this predisposition turns to action only when the individual perceives a suitable opportunity and can assemble the financial and other required resources from a supportive environment (Krueger, 1993; Martin, 1984; Shapero, 1975). Gartner (1985) defines the creation of a new venture as an interaction among four dimensions: personal characteristics of the entrepreneur (individual), competitive entry strategies (organization), push and pull components (environment), and the actions taken by the entrepreneur to bring the enterprise into existence (process).

Cross-countries analyses reveal that countries show different degrees of entrepreneurship: new firms’ creation varies across countries and differences exist even among countries, which have similar degrees of socio-economic development (Krueger and Brazeal, 1994; Moore et al., 1986). Relying on this evidence, the cultural approach focuses on the influence of cultural dimension on firms’ creation and self-employment (Lee and Peterson, 2000). The cultural approach gives an interesting and new contribution. The inclination to create new firms depends on some important entrepreneurial capabilities, such as long-term orientation and the inclination to face and manage risks, all aspects which are strongly influenced by collective and individual culture.

While interesting and stimulating, the cultural approach does not give a unique interpretation of the linkage between culture and entrepreneurship. On the contrary, scholars reach different and sometimes contrasting results (Engelen et al., 2009). The most of literature analyzes the linkage between cultural values and entrepreneurship. These studies predominately rely on Hofstede’s framework of cultural values and get to contrasting results (Baughn and Neupert, 2003; Hayton et al., 2002; Hofstede et al., 2004; Hunt and Levie, 2003; Pinillos and Reyes, 2009; Wennekers et al., 2007; Wildeman, 1999). Other authors (Stephen and Uhlner, 2010; Zhao et al., 2010) focus their analysis on the influence of cultural practice and entrepreneurship, and base their analysis on the GLOBE project - the Global Leadership and Organizational Behaviour Effectiveness Research project - that is the first cross-cultural analysis to consider both practices and values as predictors of individual and organizational behaviours (House et al., 2004).

According to GLOBE’s authors (House et al., 2004), national culture can be defined as
country’s shared practices and values. Practices and values are both important to understand how people behave in a certain country and to which extent they are inclined to change their way of life, to be engaged for a better future, to promote social changes and, consequently, to become entrepreneur. According to this perspective, our analysis considers both values and practices, and considers the inclination towards cultural change of a specific country as the difference between its ‘should be’ and ‘as is’ scores of each cultural dimension.

Starting from the relationships that Hanges and Dickson (2004) observe between values and practices, our paper investigates the relationship between the inclination towards cultural change and entrepreneurship. We measure the inclination towards cultural change as the difference between should be (values) and as is (practices) scores of each of GLOBE’s dimension, and we formulate the following research question:

RQ: Does country’s Inclination towards cultural change affects country’s rate of entrepreneurship? And which is the impact of the different cultural dimensions?

The paper is articulated as follows: the next section presents the theoretical background highlighting the main literature on the topic; section 3 describes the dataset and the variables considered in the analysis; section 4 presents our theoretical hypotheses; section 5 answers the research question by presenting the results derived from the statistical analysis; the final section presents the limitations of our work as well as our main conclusions.

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**Literature review**

Cross-cultural studies on entrepreneurship analyse the influence that national culture exerts on new firm creation from different perspectives. Most of literature focuses indeed on the effects of cultural values on new firm creation, entrepreneurship orientation and innovation. According to Hofstede (1980) and Schwartz (1994), culture is meant as a set of values, peculiar to a specific group or society, which shape the development of certain personality traits, and motives. It impacts on work ethic, on individual need of achievement, on the way people feel legitimated. Culture shapes the orientation of individuals to take initiatives, and it shapes the orientation of social group to positively evaluate personal initiatives (Baughn and Neupert, 2003). Values and beliefs are related to personal characteristics that prompt entrepreneurial orientation of individuals to become an entrepreneur (Bausenitz and Lau, 1996; Kreiser et al., 2010; Lee and Peterson, 2000; Mc Grapth et al., 1992; Mitchell et al., 2000; Mueller and Thomas, 2001).

Employing as their basis Hofstede’s cultural dimensions, some authors (Mc Grapth et al., 1992; Mc Grapth, Mac Millan, and Scheinberg, 1992) show that entrepreneurship orientation is higher in countries with high Power Distance, Individualism and Masculinity and lower degree of Uncertainty Avoidance. On the same hand, Mueller and Thomas (2000) observe that individualistic countries show a greater internal locus of control orientation, which contributes to country’s entrepreneurial orientation. While focusing on entrepreneurial orientation, Lee and Peterson (2000) get to similar results. They include in their analysis Trompenaars’ (1994) cultural dimensions, and find that entrepreneurial...
orientation is stronger in individualistic, achievement oriented, and universalistic cultures, characterized by autonomy, competitive aggressiveness, innovativeness, and risk taking.

As far as authors agree on the deep impact of cultural dimensions on entrepreneurship, they do not reach homogeneous results. As an example, in contrast with the former literature, Baum et al. (1993) hypothesise a reverse role of individualism, arguing that in collectivistic society people are not able to satisfy their emotional needs within institution and organisation and consequently they are more inclined to self-employment, which is the basis of new start-ups.

In order to overcome contradictions, Wildeman et al. (1999) analyse both the effects of cultural and economic values on self-employment. The authors underline that dissatisfaction (with life and democracy) is the most significant driver to self-employment. The level of dissatisfaction is largely influenced by national culture, in particular authors find that it is related to a high level of power distance and strong uncertainty avoidance, while the influence of individualism (-) and masculinity (+) is not significant. Despite authors’ results cannot be generalized because are tested on a limited number of developed countries they give an important contribution to literature because consider cultural and economic variables as contextual drivers of entrepreneurship.

Among the studies that empirically analyse the effect of national culture on start-ups, an important stream of research utilize the results of the Global Entrepreneurship Model (GEM) (Arenius and Ehrstedt, 2008; Baughn and Neupert, 2003; Baughn et al., 2006; Hunt and Levie, 2003; Levie and Hunt, 2005; Pinillos and Reyes, 2011; Stephan and Uhlaner, 2010; Suddle et al., 2006; Zhao et al. 2010). However, basing their analysis on cultural values they still get to inhomogeneous results, both when analysis involve Hofstede’s dimensions (Arenius and Ehrstedt, 2008; Wenneker et al., 1999; Wenneker et al., 2005) and when they involve the World Value Survey (Pinillos and Reyes, 2011; Suddle et al., 2006). As noted by Pinillos and Reyes (2011), culture plays a different role according to the degree of national wealth, and commitment is an important driver of entrepreneurship because it positively influences both individual inclination to entrepreneurship, and societies evaluation of personal initiatives.

At the end of the 90s’, cross-cultural researchers start considering cultural practices in addition to cultural values. House et al. (2004) define national culture as country’s shared practices and values, and psychologists consider more and more as an informal institution built up of common behaviors, which structure social interactions. This perspective influences the cultural approach too, and scholars begin to consider the impact of cultural practices on entrepreneurship (Stephan, Uhlaner, 2010).

Considering cultural practices has some important advantages. First of all, practices enable more realistic measures. In the value approach, culture results from a mean of personal preferences and desires, while in the practice approach, people answer about the effective behaviors they observe within their society (Fischer, 2008; Hofstede, 2001; Verplanken and Holland, 2002; Wicker, 1969). Second, the relationship between values and
entrepreneurial activity is not appropriate because people do not always behave according to their desires or preferences - that is actions can be conditioned by contextual factors which are different from the ideal situation (Fischer, 2006; Peng, Nisbett and Wong, 1997; van Oudenhoven, 2001)

In their work, Stephen and Uhlner distinguish between supply-side factors and demand-side factors of entrepreneurship, and focus on GLOBE's dimensions to find out the effects of culture on entrepreneurial motivation and situational variables. By defining performance-based cultures (PBC), and socially supportive cultures (SSC), the authors hypothesize a positive effect of future orientation, uncertainty avoidance, performance orientation, and humane orientation, and a negative effect of assertiveness.

Also Zhao et al. (2012) utilize GLOBE's dimensions to analyze in depth the linkage between cultural practices and entrepreneurship. They found a strong impact of cultural practices on start-ups, more than on established entrepreneurial firms. They find out that in-group collectivism, humane orientation, low uncertainty avoidance and low gender egalitarianism are all directly related to early-stage entrepreneurial activity.

As highlighted by the essential literature review, cultural practices are certainly useful to understand the influence of cultural dimensions on entrepreneurship, above all on early-stage (Zhao et al., 2010). However entrepreneurial activities require a long-term orientation and the capability to face and manage risks. Those aspects are not independent from cultural values. As noted by House et al. (2004) indeed, both values and practices influence behaviours, and their influence is evident both for groups and individuals. In addition, only a small number of studies based on cultural values concern new firms’ creation.

Starting from the relationships that Hanges and Dickson (2004) observe between values and practices, our paper analyses the effects of cultural values and practices into shaping national entrepreneurship rate. For a specific context, the gap between values and practices gives an important indication: managers perceive the need of a change, both in the context they belong to and/or in their approach to business. We assume that this gap is an important indication of the inclination towards cultural change, and we hypothesize this cultural change is a predictor of entrepreneurship, which requires the capability to face uncertainty and to promote changes.

**Database and Variables**

*Independent variable*

Our study is based on a quantitative analysis aimed at statistically measuring how national culture affects entrepreneurship.

We use GLOBE's cultural dimensions, which explain the different perception and acceptance of leadership within each context. The Global Leadership and Organizational Behaviour Effectiveness Research Project (GLOBE project) is a multi-phase, multi-method project, involving 62 countries, grouped into ten cultural clusters, in order to analyse in depth their different cultures. Cultural contexts are examined through nine dimensions - power distance, uncertainty
avoidance, institutional collectivism, in-group collectivism, gender egalitarianism, performance orientation, future orientation, humane orientation, and assertiveness-. Each dimension is studied at two levels considering both ‘as is scores’ – that is what middle manager think about their culture in a certain moment – and ‘should be scores’ – that is what middle managers think about how their culture should change to improve.

According to House et al. (2004), cultural practices (as is) measure individuals’ perception of the present culture while cultural values (should be) measure how the culture should be according to their wishes. In order to get the change orientation of each country, we measure the difference between should be (values) scores and as is scores (practices) for the nine GLOBE’s dimensions.

The gaps are important to measure if people (managers) perceive the necessity and/or the willingness of changes and to understand the direction of changes. Positive gaps mean that values are higher than practices - that is according to middle managers, the dimension is going (or should) increase -while negative gaps mean that practices are higher than values -that is managers perceive that the importance of a specific dimension should decrease over time.

The derived gaps can be described as follows:

- **Power Distance Gap (PDGAP)** measures individuals’ willingness of change for power distance. It means that individuals perceive power distance as something worthy. Higher values of power distance gap mean that individuals in a certain country want to move versus higher degree of independency, with a higher inclination to control. PDGAP is negative for all the analyzed countries.

- **Uncertainty avoidance gap (UAGAP)** measures individuals’ willingness of change for uncertainty avoidance. It means that people do not feel comfortable with changes and unpredictability. Higher values of uncertainty avoidance gap mean that individuals in a certain country are not inclined to face higher level of risk in the future. Russia shows the largest positive gap (2.19) while Switzerland shows the most negative gap (-1.68).

- **Performance Orientation Gap (POGAP)** measures individuals’ willingness of change for performance orientation dimension. It means that people look for higher performances, they want much more meritocracy and they have the need to feel gratified for their results. Higher values of performance orientation gap mean that individuals in a certain country want that performance improvement and excellence will be more rewarded in the future. POGAP is positive for all the analyzed countries.

- **Future Orientation Gap (FOGAP)** measures the individuals’ willingness of change for future orientation dimension. People want to look at the long-term, they build up their future aiming at better results than those they could obtain today. Higher values of future orientation gap mean that individuals in a certain country are inclined for the future to encourage specific behaviors such as planning, investing in the future, and delaying gratification. FOGAP is positive for all the analyzed countries except for Denmark (-0.11).
• In-group collectivism Gap (INGGAP) measures the individuals’ willingness of change for in-group collectivism dimension. People perceive that group and relationships are going to play (or should play) an important role in the future. Higher values of in-group collectivism gap mean that individuals in a certain country wish more pride, loyalty and cohesiveness in their organizations or families. This dimension shows a high variability: New Zealand shows the largest positive gap (2.54) while Canada shows the most negative gap (-0.710).

• Institutional collectivism Gap (INSGAP) measures individuals’ willingness of changes for institutional collectivism dimension. People look for an institutional system – a system of rules – able to reduce opportunism. Higher values of in-group collectivism gap mean that individuals in a certain country encourage the adoption of organizational and societal institutional practices aimed at collective distribution of resources and at supporting collective actions. Countries like Greece shows a large positive gap (2.15), while countries like Taiwan shows a large negative gap (-4.44).

• Assertiveness Gap (ASSGAP) measures individuals’ willingness of changes for assertiveness dimension. People think that direct style of communication is preferable. Higher values of assertiveness gap mean that individuals in a certain country wish more level of aggressiveness in social relationships. China shows the largest positive gap (1.68), while countries Germany shows the most negative gap (-1.48).

• Gender Egalitarianism Gap (GEGAP) measures the individuals’ willingness of changes for gender Egalitarianism. It emphasizes people’s need of parity opportunities, and respect. Higher values of Gender Egalitarianism gap mean that individuals in a certain country wish more egalitarianism between genders in social relationships. GEGAP is positive for all the analyzed countries.

• Humane Orientation Gap (HOGAP) measures the individuals’ willingness of changes for humane orientation dimension. Higher values of humane orientation gap mean that individuals in a certain country encourage people for being in the future more fair, altruistic, friendly, generous, caring, and kind to others. HOGAP is positive for all the analyzed countries.

Looking at the single dimensions, some anomalies emerge: power distance gap is quite always negative, while humane orientation, gender egalitarianism, future orientation, and performance orientation gaps are quite always positive.

**Dependent variable**

Similarly to many studies that analyze entrepreneurship at national level we utilize data of the Global Entrepreneurship Monitor (GEM). The Global Entrepreneurship Monitor Project is the result of a joint research initiative of Babson College in Wellesley (USA) and the London Business School. It is devoted to filling some of the most important gaps in the international data on entrepreneurship. Data on entrepreneurship, both as the number and typologies of new firms, and as institutional and environmental factors affecting entrepreneurship are collected year by year for the most of the involved countries. Today
it is considered as one of the best source of comparative entrepreneurship data in the world (Sternberg and Wennekers, 2005; Shorrock, 2008).

Among different GEM dimensions we have considered TEA variable - Total early-stage Entrepreneurial Activity – to measure countries’ entrepreneurship rate. TEA captures the percentage of the adult (aged 18-64) population that is actively involved in entrepreneurial start-up activity. As such, TEA includes nascent entrepreneurs and young business owners. Nascent entrepreneurs are individuals who have, during the last past 12 months, taken tangible action to start a new business, would personally own all or part of the new firm, would actively participate in the day-to-day management of the new firm, and have not yet paid salaries for anyone for more than three months. Young business owners are defined as individuals who are currently actively managing a new firm, personally own all or part of the new firm, and the firms in question is not more than 42 months old. In some cases, an individual may report both nascent and young business ownership activity. However this individual will only be counted once towards the TEA percentage in the adult population. TEA indices have high validity and reliability (Reynolds et al., 2005).

Since the number of participating countries of the GEM project varied from year to year, and not all the country of our sample participated in considered years, we measured the TEA average rate, obtained as the arithmetical mean of the TEA registered from 2004 to 2014 (Zhao et al, 2012). We chose this period because it follows GLOBE investigations and consequently allow us to measure the effects of cultural gaps on start-ups. Moreover, Zhao et al. (2012) suggested that it is possible to measure national cultures and entrepreneurial activities on the same level of relative stability across time because national cultures has been stable for centuries. TEA average rate varies consistently among countries: countries like Bolivia and Zambia shows a higher TEA average (respectively 34 and 38) rate while countries like Japan shows a low TEA average rate (3,58).

Hypotheses

On the basis of the previous studies and with the aim to understand to which extent of the inclination towards cultural change is a predictor of entrepreneurship, we formulated our hypotheses.

Looking at the different cultural dimensions literature emphasizes how power distance is often associated with high level of entrepreneurship (McGrapth et al., 1992; McGrapth, Mac Millan, and Scheinberg, 1992). Wildeman et al. (1999), indeed, show that high level of power distance contributes to increase the dissatisfaction of individuals about present situations pushing them to self-employment and creation of own companies. According to previous study we expect that countries that wish higher level of power distance show higher level of entrepreneurship rate and formulate the following hypothesis.

H1: A positive Power Distance Gap (PDGAP) is positively related to TEA average rate.

Regarding the uncertainty avoidance scholars reach different results. Some authors (McGraph et al. 1992) find an inverse relation between entrepreneurship and uncertainty avoidance
because entrepreneurs are often more inclined to risk comparing to non-entrepreneurs. At the same time other studies find that higher level of uncertainty avoidance is positively related to entrepreneurship because increase the individuals’ dissatisfaction (Wildeman et al., 1999) and supports the adoption at country level of norms and infrastructures aimed at reducing risk perception and at protecting entrepreneurs (Baughn and Neupert, 2003). Moreover in countries where the willingness of uncertainty avoidance is high, individuals tend to create their own business to better control risk levels. Consequently we formulate the following hypothesis.

**H2: A positive Uncertainty Avoidance gap (UAGAP) is positively related to TEA average rate.**

Authors who referred to the GLOBE project – even if to as is scores - find a positive relation between future orientation and performance orientation, on one hand, and start-ups (Stephan and Uhlander, 2010). Consequently we expect that countries wishing higher level of performance orientation and future orientation support entrepreneurial initiatives, so we formulate the following hypotheses:

**H3: A positive Performance Orientation Gap (POGAP) is positively related to TEA average rate.**

**H4: A positive Future Orientation Gap (FOGAP) is positively related to TEA average rate.**

While literature on performance orientation and future orientation is quite homogenous, the influence of collectivism on entrepreneurship is controversial. Some scholars affirm that individualism affect positively entrepreneurship because founding a new company is an individual initiative (Lee and Peterson, 2000; McGraph et al. 1992). Other authors affirms that entrepreneurship is favored in collectivistic countries because creating a new firm is intended as a way to take care of others, more than as an expression of individual realization (Baum et al., 1993; Pinillos and Reyes, 2011). In addition other scholars do not find a significant relation between individualism and entrepreneurship (Wildeman et al. 1999), or in-group collectivism and entrepreneurship (Stephan and Uhlander, 2010). However, following the prevailing approach (Lee and Peterson, 2000; McGraph et al. 1992) we expect that countries that desire a higher level of in-group collectivism discourage individual initiative, and consequently that a positive gap of in-group collectivism has a negative impact on entrepreneurship. On the contrary we expect that a positive gap of institutional collectivism has a positive impact on new firms creation, because the presence of mechanisms and institutions able to encourage an equal distribution of resources and opportunities can encourage entrepreneurship. Consequently our hypotheses on collectivism are:

**H5: A positive In group Collectivism Gap (INGCOLGAP) is negatively related to TEA average rate.**

**H6: A positive Institutional Collectivism Gap (INSCOLGAP) is positively related to TEA average rate.**

Only scholars who base their analysis on the GLOBE project have considered the effects of assertiveness and humane orientation on
entrepreneurship (Stephan and Uhlander, 2010; Zhao et al, 2012). Nevertheless they get to contrasting results. In addition, within this new stream of literature, only one paper explores the effects of gender egalitarianism and finds an inverse relationship between this dimension and entrepreneurship (Zhao et al., 2012).

However, assertiveness, humane orientation and gender egalitarianism have some important traits in common with Hofstede’s dimension masculinity/femininity. High level of assertiveness, low level of humane orientation and low level of gender egalitarianism are typical of masculine societies. Studies based on Hofstede’s dimensions find a positive relation between masculinity and entrepreneurship (Mc Graph et al. 1992). Consequently we formulate the following hypotheses:

H7: A positive Gender Egalitarianism Gap (GEGAP) is negatively related to TEA average rate.

H8: A positive Assertiveness Gap (ASSGAP) is positively related to TEA average rate.

H9: A positive Humane Orientation Gap (HOGAP) is negatively related to TEA average rate.

Control variables

In order to confirm the direct relationship between the inclination towards cultural change and TEA average rate, we introduced in our analysis some control variables, which have been identified in the extant literature to have a strong impact on entrepreneurship.

Table 1- Principal Component Analysis of the control variables

<table>
<thead>
<tr>
<th>Principal Component</th>
<th>Eigenvalue</th>
<th>Variance (%)</th>
<th>Cum. Variance (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>7.346</td>
<td>61.216</td>
<td>61.216</td>
</tr>
<tr>
<td>2</td>
<td>1.710</td>
<td>14.253</td>
<td>75.468</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Component</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>GDP per capita</td>
<td>.821</td>
</tr>
<tr>
<td>Burden of government regulation</td>
<td>.608</td>
</tr>
<tr>
<td>General infrastructure</td>
<td>.892</td>
</tr>
<tr>
<td>Quantity of education: Higher education &amp; training</td>
<td>.896</td>
</tr>
<tr>
<td>Availability of specialized research &amp; training services</td>
<td>.942</td>
</tr>
<tr>
<td>Prevalence of trade barriers</td>
<td>.776</td>
</tr>
<tr>
<td>Flexibility of wage determination</td>
<td>.058</td>
</tr>
<tr>
<td>Rigidity of employment</td>
<td>-.567</td>
</tr>
<tr>
<td>Ease of access to loans</td>
<td>.875</td>
</tr>
<tr>
<td>Venture Capital availability</td>
<td>.884</td>
</tr>
<tr>
<td>Local supplier quantity</td>
<td>.729</td>
</tr>
<tr>
<td>Local supplier quality</td>
<td>.900</td>
</tr>
</tbody>
</table>
Looking at the Global Competitiveness Report of the World Economic Forum and World Bank’s report (2008-2009; 2009-2010) we derived a set of 12 factors computing the average score of each variable in the two years (Table 1). The set of control variables include economic (i.e. GPD, Ease of access to loans, Venture capital availability) and social (i.e. Local availability of specialized research and training services) factors. In order to simplify the analysis, we applied a Principal Component Analysis (PCA) and reduced the 12 factors in 2 main facilitators that account 75.468% of the cumulative variance. We tested the possibility that some differences in Total Entrepreneurship Activity may result from these 2 variables. We therefore control for each driver to isolate the unique contribution of national cultural gaps.

In order to verify our hypotheses about a direct impact of change orientation on entrepreneurship, we limited our analyses to the countries studied both in the GLOBE project and in the GEM. We consequently have a sample of 49 countries: Argentina, Australia, Austria, Bolivia, Brazil, Canada, China, Colombia, Costa Rica, Denmark, Ecuador, Egypt, Finland, France, Germany, Greece, Guatemala, Hong Kong, Hungary, India, Indonesia, Ireland, Israel, Italy, Japan, Kazakhstan, Korea, Malaysia, Mexico, Morocco, Netherland, New Zealand, Philippines, Poland, Portugal, Russia, Singapore, Slovenia, South Africa, Spain, Sweden, Switzerland, Taiwan, Thailand, Turkey, United Kingdom, USA, Venezuela, Zambia.

**Results**

To test our hypotheses we explain variations in TEA rate using two regression models, conducted with SPSS 21, where national cultural gaps constitutes the primary explanatory variable. In order allow the comparison of data, we standardized all the variables. Pearson correlation results are shown in table 2.

<table>
<thead>
<tr>
<th>Table 2 - Pearson correlation matrix of variables</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) TEA</td>
</tr>
<tr>
<td>-</td>
</tr>
<tr>
<td>(2) PD GAP</td>
</tr>
<tr>
<td>(4) FO GAP</td>
</tr>
<tr>
<td>(5) IN-GR COLL GAP</td>
</tr>
<tr>
<td>(6) INSIT COLL GAP</td>
</tr>
<tr>
<td>(7) PO GAP</td>
</tr>
<tr>
<td>(9) HO GAP</td>
</tr>
<tr>
<td>(10) GE GAP</td>
</tr>
<tr>
<td>(11) FACTOR 1</td>
</tr>
<tr>
<td>(12) FACTOR 2</td>
</tr>
</tbody>
</table>

**. Significant at 0.01 (2-tails); *. Significant at 0.05 (2-tails) (Pearson’s index)
At first, we calculated the Pearson correlations between cultural gaps components, Total early-stage Entrepreneurial Activity (TEA) average and control variables.

The bivariate correlations (Table 2) reveal a significant positive correlation between TEA and the Uncertainty Avoidance gap (UA GAP) and Future Orientation gap (FO GAP) and a significant negative correlation between TEA and Human Orientation gap (HO GAP) and the first control variable (FACTOR 1).

In order to test our hypotheses, two regression models were constructed (Table 3). The first model considers the impact of cultural gaps on TEA; in the second model the two control variables are inserted. We also controlled for multicollinearity bias analyzing the variance inflation factors (VIFs) after each regression. Since the values are within acceptable limits, we ascertain that the results are free from multicollinearity bias. In addition, we also controlled for the standard and studentized

<table>
<thead>
<tr>
<th>Variable</th>
<th>Model 1</th>
<th>Model 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>PD GAP</td>
<td>0.222</td>
<td>0.057</td>
</tr>
<tr>
<td></td>
<td>(0.178)</td>
<td>(0.154)</td>
</tr>
<tr>
<td>UA GAP</td>
<td>-0.170</td>
<td>-0.665**</td>
</tr>
<tr>
<td></td>
<td>(0.283)</td>
<td>(0.265)</td>
</tr>
<tr>
<td>FO GAP</td>
<td>0.506*</td>
<td>0.373*</td>
</tr>
<tr>
<td></td>
<td>(0.254)</td>
<td>(0.216)</td>
</tr>
<tr>
<td>IN-GR COLL GAP</td>
<td>-0.230</td>
<td>0.004</td>
</tr>
<tr>
<td></td>
<td>(0.179)</td>
<td>(0.160)</td>
</tr>
<tr>
<td>INSIT COLL GAP</td>
<td>0.119</td>
<td>-0.009</td>
</tr>
<tr>
<td></td>
<td>(0.150)</td>
<td>(0.130)</td>
</tr>
<tr>
<td>PO GAP</td>
<td>0.142</td>
<td>-0.006</td>
</tr>
<tr>
<td></td>
<td>(0.168)</td>
<td>(0.165)</td>
</tr>
<tr>
<td>ASS GAP</td>
<td>-0.009</td>
<td>0.076</td>
</tr>
<tr>
<td></td>
<td>(0.141)</td>
<td>(0.129)</td>
</tr>
<tr>
<td>HO GAP</td>
<td>-0.499***</td>
<td>-0.201</td>
</tr>
<tr>
<td></td>
<td>(0.146)</td>
<td>(0.141)</td>
</tr>
<tr>
<td>GE GAP</td>
<td>0.252*</td>
<td>0.229*</td>
</tr>
<tr>
<td></td>
<td>(0.144)</td>
<td>(0.122)</td>
</tr>
<tr>
<td>FACTOR 1</td>
<td></td>
<td>-0.932**</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(0.234)</td>
</tr>
<tr>
<td>FACTOR 2</td>
<td></td>
<td>0.290**</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(0.132)</td>
</tr>
<tr>
<td>Constant</td>
<td>7.72E-16</td>
<td>5.517E-16</td>
</tr>
<tr>
<td></td>
<td>(0.112)</td>
<td>(0.094)</td>
</tr>
</tbody>
</table>

Observations: 49
Adjusted R-Squared: 0.387 0.569
Δ R-Squared: 0.166
F-Statistics: 4.366** 6.755**

Robust standard errors in brackets
***. Significant at 0,01 (2-tails); **. Significant at 0,05 (2-tails); * Significant at 0,1 (2-tails)
residuals of regression: they fall inside the acceptable values, making us ascertain that outliers do not invalidate our statistical results.

Regression results for Model 1 show that three cultural gap affect TEA average rate, in particular, Future Orientation Gap (FO GAP=0.506) and Gender Egalitarianism Gap(GE GAP=0.252) positively affect TEA average rate, while Human Orientation gap (HO GAP=-0.499) appears negatively related to entrepreneurship variable.

However, while significant, the relation shows a quite low level of Rsquare, which poses some doubts about the kind of causal relationships existing between cultural gaps and the TEA average rate. We then introduced in our analysis two contextual factors, in order to understand if they affect the relationship culture and TEA average rate.

In Model 2, where these control variables are inserted, the significance of the analysis increases (Adjusted R-square = 0.569; $\Delta R^{2} = 0.166$).

The coefficients of both control variable are significant, but while the first factor negatively affect TEA average rate (FACTOR 1 =-0.932), the second factor does not (FACTOR 2 =0.290).

In the second model the effect exerted by cultural gaps on entrepreneurial activities decreased: Future Orientation Gap (FO GAP=0.373) and Gender Egalitarianism Gap(GE GAP=0.229) still positively affect TEA average rate, while the Uncertainty Avoidance Gap (UA GAP= -0.665) become negatively related with entrepreneurship rate with statistical significance.

### Discussion and conclusion

Many contributions exist on the influence of national culture on new firm creation (Pinillos and Reyes, 2011; Lee and Lim, 2009; Reynolds, Storey and Westhead, 2007; Wennekers, Van Stel, Thurick and Reynolds, 2005; Hunt and Levie, 2003; Lee and Peterson, 2000; Davidsson and Wiklund, 1997), but they are still fragmented and not much consistent (Engelen, Heinemann and Brettel, 2009).

Moreover the most of literature analyses the linkage between cultural values and entrepreneurship relying on Hofstede’s framework. (Pinillos and Reyes, 2009; Wennekers, Van Stel, Thurick and Reynolds, 2005; Hofstede et al., 2004; Baughn and Neupert, 2003; Hunt and Levie, 2003; Hayton, George and Zahara, 2002; Duysters, De Man and Wildeman, 1999). Only few studies refer to cultural practices as measured by GLOBE project and on their influence on entrepreneurial orientation (Zhao, Rauch and Frese, 2010; Stephen and Uhlner, 2010).

From a cross-cultural perspective, limitation and contrasting results could derive by authors’ tendency to focus only on some peculiar dimensions, or from their tendency to analyse only a component of culture: values or practices. According to House et al. (2004), national culture can be defined as country’s shared practices and values. Practices and values are both important to understand how people behave in a certain counties and to which extent there are inclined to change their way of life, to be engaged for a better future, to promote social
changes and consequently to become entrepreneur.

Starting from the relationships that Hanges and Dickson (2004) observe between values and practices, our paper analyses the covariate effect between cultural practices and values into shaping national entrepreneurship rate. In particular we assume that what affect new firm creation are the gaps existing between values (should be) and practices (as is) considering as a measure of countries’ inclination towards cultural change. The inclination towards cultural change is, indeed, a predictor of entrepreneurship, which requires the capability to face uncertainty and to promote changes.

According to our research, the inclination towards cultural change is useful to explain the degree of entrepreneurship of a specific context. The bivariate correlations among the mentioned components and the TEA reveal significant positive correlation between TEA, UA GAP and FO GAP; and a significant negative correlation between TEA and HO GAP. In addition, the first regression model confirms that three cultural gaps are significantly related to the TEA average rate: we found that the high levels of TEA are typical of countries more future oriented (+FOgap). In these countries people desire less humane orientation (-HOgap) and more gender egalitarianism (+GEgap).

While the first regression shows the significance of some cultural gaps, considering the control variable we get to different results. In the model 2, the effect of the inclination towards cultural change decreases. In particular, while future orientation (+FOgap) and gender egalitarianism (+GEgap) still affect positively TEA average rate, the Uncertainty Avoidance Gap (UAgap) is negatively related with new venture creation. Therefore, just H4 is confirmed by statistical results, while other hypothesis are not supported by our analysis.

The control variable seem to have a strong effect on TEA, too. The first control variable, positively related to the level of GDP per capita, the level of General infrastructure, education level, the local availability of specialized research and training services, negatively affect the TEA average rate. On the other hands, the second component, mainly related with the flexibility of wage determination, positively affects entrepreneurship.

Conceptually our findings are confirmed by the circumstance that countries that have the best possibilities to increase the rate of new firm creation are emerging nations, characterized by a national culture oriented to reach better development level of the context and that encourage the individuals to self-achievement. At the same time, as expected, the lack of infrastructures, a low level of education, and the necessity to face high costs for the start-up of new activities are all factors which limit the relationship between countries’ inclination towards cultural change and TEA.

The results of our analysis support our idea that entrepreneurship is strongly influenced by country’s inclination towards cultural change. At the same time, it gives force to the idea that culture is a very complex phenomenon, which need to be analysed taking into account the interdependence existing between its different aspects. Moreover it supports the idea of many entrepreneurship studies affirming that the
entrepreneurship rate is influenced by the attitude of individuals to self-achievement and by the presence of a set of norms and institutions that support individuals.

Our paper gives an interesting contribution to entrepreneurship and cross-cultural literature. First of all our paper is the only study that considers at the same time the influence of both cultural practices and cultural values to entrepreneurship. This aspect helps us to overcome the contrasting results existing in the studies on culture entrepreneurship. Starting from the gap between should be and as is scores of GLOBE’s cultural dimensions, we evaluated countries’ inclination towards cultural change. This new measure affects new firms creation and could be useful to interpret the effects of national culture on other managerial phenomena or other aspects of entrepreneurship like innovation or corporate entrepreneurship.

Our study has important practical implications. It highlights to which extent culture is a driver or a limitation to entrepreneurship and this is useful for investors who want to create new firms in distant cultural contexts. In particular it highlights that countries more favourable for entrepreneurship are emerging nations, consequently to promote new firms creation is more useful to invest in these latter countries then in developed nations. Understanding which cultural dimensions can affect entrepreneurship can help policymakers to plan the best policies to promote new firms creation. Specific indications derive from the consideration that a willingness of gender egalitarianism (GE GAP) positively influences entrepreneurship. This consideration suggests policy makers to create a set of norms and institutions aimed at a more equal gender distribution of power and responsibilities.

While shedding new light on the relationship between national culture and new firm creation this study offers a number of points of departure for deeper considerations. The relationship between the inclination towards cultural change and TEA needs to be deeper explored through the inclusion of some other control variables, which will be explored in the future. In addition the analysis should consider more countries and should be tested in a longer time. Nevertheless we were forced to limit our analysis because GEM data are not homogeneous for all the countries, and the countries studied by the GLOBE and GEM projects are not exactly the same. In the future our research will be completed through the analysis of other data.

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NIGERIA’S CULTURAL DIMENSION IN FOCUS: CHALLENGES IN THE APPLICATION OF WESTERN MANAGEMENT THEORY AND PRACTICES IN DIFFERENT CULTURES

RASHEED OYEDEJI

Discussant: Rezvan Rashidipourfard

Abstract

Purpose
The purpose of this paper is to present and enable a better understanding of Nigerian management theories, practices and philosophies which apparently was distorted during the process of transferring modern management principles into her different cultures within the context of Hofstede’s cultural dimension. Cultural differences in the applications of management theory and practice in Nigeria are also discussed.

Design
This article is also based on a multi-method qualitative approach using secondary source of data collection. The paper is a product of structured survey of articles, majority of which were published in the last twenty years, face-to-face interview and group discussion which suggested a number of categories for item development including: transferability of modern management principles into different cultures, Nigerian managerial practices’ cultural roots, difficulties in applications of management theory and principles. A large initial pool of items was written to these specifications and items were discarded if there was not substantial agreement (90%), in content classifications, by members of the research group.

Findings
Culture and management practices are inseparable. This study reveals that the practice of management is heavily influenced by the traditions, values and habits of a people as well as their political, economic and social contexts.

Research limitations/Implications
Challenges in the application of western management theory and practices in different cultures are discussed within the context of Geert Hofstede’s five cultural dimensions using Nigeria as the focus of the study. It must be noted that Nigeria is a multi-cultural country with over 250 ethnic groups with different languages. There is still a need to study in-depth the various cultural practices that exist across the ethnic group to better understand the challenges that occur. The majority of those interviewed during the course of this study were from the Yoruba, Hausa and Igbo ethnic groups never the less, it can be generalize to some extent that several cultural norms existed across the ethnic groups.

Practical implications
This study is built around the integrated framework of Hofstede five cultural dimensions, for better understanding of the challenges in the applications of western management theories.
and practices in different cultures. This study provides a practical understanding of how the three ethnic groups have been running their affairs (Business, political and socio economic activities) before the coming of the European.

**Originality/Value of the Paper**

This paper is built on scholarly contributions on culture and Cultural Differences in the applications of western management Theories, philosophies and practices in different culture in Nigeria. It takes a step further to study some aspects of culture practice that constitute cankerworm to the success not achieved in the application of western management practices in Nigeria. Examples are provided to support the assertion that there are challenges in the application of western management theory, philosophies and practices in different cultures in Nigeria.

**Keywords**

Culture, Management theories, Transferability, ethnic group, Nigeria

**Introduction**

The development of a large body of accepted management and academic literature relating to western management theory and practices has deeply affected the way we understand our management practices in Nigeria. Concerning management in Nigeria, the western world created a blockage in the development of our indigenous management thoughts by super-imposing or transferring, completely, their own modern management thought and practices into Nigeria during the time of colonization without bearing in mind the socio cultural and ethnic diversity of the three major groups. Over time western management concept and writing became dominant in the thinking of managers and academics in Nigeria (Gbadamosi, 2003).

Management theory and practices of any continent, nation and region is strongly rooted in their cultural beliefs and traditions (Fashoyin, 2005). Before the advent of the Europeans in the early 18th century, the three major ethnic groups have their own socio cultural, management practices and thought which was strongly rooted in their beliefs and traditions. To enhance the so called easy process of transferring modern management practices into different cultures, they started management educational programme to facilitate the entrenchment of western management theories and practices (Iyang, 2008). They trained, elevated and integrated the best brains with western management principles and practice to supply energies for the colonial establishment. “They” trained and elevated brains comprised the
pioneer group of foreign-loyalist African managers who make up today's African management” (Eze, 1995).

The idea that nations can have distinct cultures is based on the assumptions that some sets of values, norms, belief and assumptions become internalized by the citizens. The contribution of culture as a main driver of application of management theories in Nigeria can be found in the study conducted by Akporherhe (2002) which notes that culture is the acquired knowledge that people use to interpret experience and to generate social behaviour. Culture is learned through education, socialisation and experience and passed from one generation to another; therefore it can be said to be enduring. Oghojafor, George and Owoyemi (2012) also defined culture as the way of life of a set of people. On the other hand, culture has been defined as the assumptions, values, and artifacts that are shared by the members of a group (Schein, 1985) and as the "collective programming of the mind" (Hofstede, 1984). Regional cultural differences and management practices may cause many difficulties, including conflict, misunderstanding and poor performance in any nation socio political and economic systems. Contrary to the above statement some multinational management teams, including ABB, Shell, Unilever, and ICL-Fujitsu (now merged), suggest that cultural diversity does, not necessarily lead to poor performance. Cultural diversity might even confer an advantage by giving managers a broader range of perspectives for managing complex cultural systems (Boyacigiller & Adler, 1991). The purpose of this paper is to present and enable a better understanding of Nigeria management theories, practices and philosophies, which apparently was distorted during the process of transferring modern management principles into her different cultures. Cultural differences in the applications of management theory and practice in Nigeria are also discussed.

Research methods
In order to verify if there are challenges in the applications of western management theory and practice in different Nigeria culture, the researcher set out to carry out a conceptual research, based on a review of some existing literatures, group discussion and face-to-face interview which suggested a number of categories for item development including: transferability of modern management principles into different cultures, Nigerian managerial practices' cultural roots, difficulties in applications of management theory and principles. A large initial pool of items was written to these specifications and items were discarded if there was not substantial agreement (90%), in content classifications, by members of the research group. This article is also based on a mono-method qualitative approach using secondary source of data collection. Secondary data are data collected and recorded by a third party researcher for purposes other than contemporary needs of the researcher (Harris, 2001). The paper is also a product of structured survey of articles, majority of which were published in the last twenty years. This major database covers about thirty five business and social science publications. Using key words Culture, Applicability, Management theory and practices, Nigerian Managerial practices cultural roots model, this enabled the research to
generate a list of more than forty-five articles and
text.

**Theoretical/Conceptual Background**

*Evolution of Management Theories and Practices*

In the early days of 18th century, Fayol (1930) notes managerial ability was essential for organizational success. If managerial ability was important, then why did schools and universities neglect managerial training to focus exclusively on teaching technical skills? The answer he gave was that there was an absence of management theory. Fayol (1930) defined theory as “a collection of principles, rules, methods, and procedures tried and checked by general experience.” In its simplest conceptualization, a theory is a systematic grouping of related principles (Iyang, 2008). Fayol (1930) notes that many managers theorized, but that in practice there exist many managerial contradictions and little systematic reflection. Fayol (1937) believed that a lack of a management theory made it more difficult to teach and practice management because managers’ experiences were localized and not easily understood by other managers or students of management. However, management theory “is a synthesis of the concepts and principles of management. Management theory attempts to present in a concerted manner those facts about human behaviour in organization” (Nwachukwu, 1992). In short, industrial revolution gave birth to management theory because every firm, business, organization required management: “Be it a case of commerce, industry, politics, religion, war, or philanthropy, in every concern there is a management function to be performed. This lead to various schools of thought conceptualized as scientific management, bureaucratic and administrative management and human relations management (Williams, 2007; Robinson and Coulter, 2009). Early in the past century, scientific management dominated management thought. In the later part of the century, other schools of thought sprang up basically critiquing each other by identifying each other weaknesses and building on their strength. For instance, the scientific managers are concerned about effective and efficient utilization of resources. To achieve this you must display good managerial ability identified by (Fayol, 1949).

- Physical qualities: health, vigor, address [literally, manner of behaving]
- Mental qualities: ability to understand and learn judgment, mental vigor, and adaptability
- Moral qualities: energy, firmness, willingness to accept responsibility, initiative, loyalty, tact, dignity
- General education: general acquaintance with matters not belonging exclusively to the function performed
- Special knowledge: that peculiar to the function, be it technical, commercial, financial, managerial, and so on
- Experience: knowledge arising from the work proper; the recollection of lessons a person has derived from things.

To achieve all these aforementioned managerial abilities Fayol stressed education for management rather than training. Fayol's
administrative theory proposed that every manager in an organization most perform the following five principal duties (i) forecast and planning (ii) organizing (iii) command (iv) coordinate (v) control

He further identified 14 general principles of management which go alongside the management’s five principles. They are as follows: division of work; unity of direction; authority and responsibility; discipline; unity of command; subordination of individual interest to general interest; personnel remuneration; centralization; scalar chain of authority; order; equity; stability of tenure of personnel; initiative; and teamwork. Most organizations still practice the principles identified by Fayol because it encapsulates personal effort and team dynamics, though there is less practice of the ‘unity of command’ as most employees now tend to report to more than one supervisor (Wren and Bedeian, 2009). In contrast Taylor (1911) also identified various features that are important in the management of the organization with the intent to minimize management by rule of thumb and replace it with timed observations leading to the one best practice. The intention of Taylor was to improve productivity which he finally achieved. His principles tended to dehumanize workers in the work place.

On the other hand, the husband and wife Frank and Lillian Gilbreth (1868-1924) are best known for their use of motion studies to simplify work and improve productivity. Indeed, Frank (1916) said “The greatest waste in the world comes from needless, ill-directed and ineffective motions. The motion study is different from time study. Taylor (1911) developed time study to put an end to soldiering and to determine what could be considered a fair day’s work. Frank used films cameras and micro chronometer to conduct motion study in order to improve efficiency by categorizing and eliminating unnecessary or repetitive motions. One of their over looked accomplishments was the critical role they played in rehabilitating and employing handicap worker (Hymowitz, 2002).

The bureaucratic and Administrative Management: The bureaucratic was propounded by German sociologist Max Weber (1864 - 1920) sought to replace authority based on tradition and charisma with legal authority and to prescribe an impersonal and merit basis for selecting, hiring, and promoting employees. The major setback in this theory in its application is that bureaucracy lack of flexibility, especially with regards to multi-tasking and teamwork which is important in today's knowledge based era will make a lot of sense during the pre colonial era.

In the late 1920s Elton Mayo and McGregor disproved Taylor’s suggestion that science informs the highest productivity and rejected the idea that individuals were no more than extensions of machines to be controlled. Elton Mayo was able to determine through a series of experiments known as the Hawthorne experiments (1927-1932) that work performance was more dependent on working conditions and attitudes than economic factors (Adegboye 2013) quoting (Olum, 2004). McGregor suggested Theory X and Y set of employees in an organization. Subsequently, different theories emerges like: theorists like Abraham Maslow, Frederick Herzberg, Rensis Likert, David McClelland and Chris Argyris stressed informal relationships, communication, uniqueness of individuals and motivation, rather than monetary
incentives and to some extent how employees behavior (Mullins, 2011).

Management theory and practice are inseparable. Management theory increases managerial efficiency by providing the guidelines to help the managers solve problems in the organization. Theory also helps in crystallizing the nature of management – in terms of analyzing management job and the training of managers. Management theory formulation brings about improvements in research and management practice, leading, logically to the attainment of social goals and human development. Management practice, therefore, involves the translation of existing management knowledge and theories into action that will result in the achievement of the dual goals of organizational efficiency and effectiveness (Iyang, 2008).

This concept in management, presented below has not been giving adequate attention in Africa. Indeed Nigeria management literature written by Nigerian management practitioners, researchers, academics and practitioners before the influx of the European and the introduction of western management education, theories and practices should be giving adequate consideration. This is telling on the development of the nations and the continent as a whole. The managerial practices’ cultural roots were not allowed to evolve and develop as an indigenous management theories and practices.

Nigeria Managerial Practices’ Cultural Roots

To advance management theory, a growing number of scholars are engaging in field research, studying people, real problems, and real organizations. The managerial practices carried out by the three major ethnic groups are in accordance with their cultural belief and traditional system which begin and develop through the interactions between the people involved. These interactions emerged with time and according to the personal needs within the groups. Thus, managerial practices can be defined as a union of organizational activities that are mapped out depending upon cultural demands (Jarzabkowski, 2010). In this sense, values can be understood as managerial practices’ cultural roots (Hofstede, 1991; Schwartz, 1994; Schwartz, 1994). Hofstede, (1991; Torres Jr., Gati, 2011) noted that values are part of the cultural formation of a group, and thus they conform to the context in which the group is inserted. The social reality experienced by this group of people displays the preference these individuals have about important aspects that groups must understand if they desire to accomplish managerial practices in different regions of their ethnic groups.

To a very large extent Nigerian management philosophy is a reflection of the core values of Africa culture. Ifechukwu (1994) notes that Africans and indeed Nigerians gave serious thought to effective management for achieving and enhance high organization performance and stated goals. As described above, Nigeria culture like any other culture in Africa places emphasis on the following values: respect for traditions and elders, communal effort and support most especially in the aspect of socio economic and political activities, extended family, hero-worship, age grade social system and so on. Most of these core values exist among the three major ethnic groups in Nigeria (Yoruba, Hausa/Fulani and Igbo). History reveals that all these three groups have effective ways of
running their affairs (Business, socio economic activities, political) of their region before the coming of the European.

For instance, among the Yoruba of Nigeria, there was the Oyo Empire with the Alafin of Oyo as the head. There were other great kingdoms such as the Benin Kingdom; The Egba kingdom with the Alake as the supreme head, Ile-Ife kingdom with the Oni as the head, Ijebu kingdom with the Awujale as the head etc. These could not have existed without effective organisations (Ifechukwu, 1994). Furthermore, among the Igbo of Nigeria, there is a Council of Elders advised the Obi or Igwe (King). There is also age grades through which the village could achieve various village programmes during peace or war times. The town has town criers for announcement of important messages to the towns' folk. These features in a traditional Igbo society are suggestive of the recognition of management principles and techniques for purposes of achieving group and organisational goals. It is also on record that when Lord Lugard came to Nigeria, he found that the Hausa already had their own effective system of public administration which Lugard used through indirect rule (Ifechukwu, 1994).

It is important to note that in the entire Yoruba kingdom, the supreme heads (Kings) are appointed by the gods through Ifa divination. The ifa oracle speaks the minds of the gods in Yoruba land and it is used in exploring so many things like marriages, business, forecast the future and so on. That is why ifa is addressed as atori omo tunsuhan se. Whenever the Ifa speaks the Babalawo (Priest) translated it to the people. Whenever the Oba (king) is chosen so much power is associated to that sit and it is called iku baba yeye, igba keji orisa (the second to the gods) as powerful the king will be his activity is checkmated. In other word, Oyo mesi are to check the excesses and abuse of power by the Alafin. The afore mentioned chiefs like the Oyo mesi are the afoabaje (traditionally they are the people that make the king) which consists of seven councilors of society. Also this is done in other paramount Yoruba traditional societies (Oyedeji, 2014) quoting (Osae and Nwabara, 1980).

On the other hand managerial practices’ cultural roots of Nigeria can also be looked at in the area of human resources management practices and employment relations practices; pre colonial era. Armstrong (2006) defines HRM as a strategic, coherent and comprehensive approach to the management and development of the organisation’s human resources in which every aspect of that process is wholly integrated within the overall management of the organization. On the other hand, HRM is a distinctive approach to employment management which seeks to achieve competitive advantage through the strategic development of a highly committed and capable workforce using an integrated array of cultural, structural and personnel techniques (Storey, 2001). Developing HRM in formal sector require some link of foreign HRM practices such as recruiting, selection, rewarding, training, appraising and planning with organizational goals. In short, HRM practices links the organizational goals with the strategic management process (Sparrow, Brewster & Harris, 2004) Thus, there is a need for considerable historical and cultural insight into local conditions to understand the processes, philosophies and problems of national models of HRM (Hofstede, 1993). Nigeria is the most
populous country in Africa with an estimated population of 180 million people and over 250 ethnic groups with different languages. The Nigeria’s population and human resource base make it one of the most attractive countries for foreign investment in Africa. As foreign and local firms increase their involvement in Nigeria, they will need to build capabilities and utilize local competencies. Hence, the way to get things done cannot be divorced from local values, customs, and the overall external cultural environment (Fajana, Owoyemi, Elegbede & Gbajumo-Sherif, 2011). In Nigeria, during the pre-colonial era the key functions of human resources was carry out by the heads of the family who is often refers to as Olori Ebi. On the other hand, human resources management also takes place among the Regberegbe (social groups). The indigenous human resources management practices cut across the social, economic and political life of our people in Nigeria. For instance in the pre-colonial era our people are predominately famers and the means of trade was purely barter system which later took another dimension of using cowries in exchange of goods and services.

Furthermore, employment relation management practices in Nigeria indeed Africa is paternalistic in nature before the European invasion to Nigeria and Africa as a whole. The impression about Nigeria not to have employment relation management should be erased. Ubeku (1983) acknowledged that there was an employment relations system in practice in Nigeria before the arrival of the British colonial masters; this was the Paternalistic employment relations system. Paternalism indicates a more intricate relationship between the involved parties than what an organizational hierarchy requires. In such a relationship there are two parties: one is a patron who protects helps, cares and guides the other party who is a subordinate loyal and deferent to the patron. The parties act in reciprocity terms in their relationship. Paternalist relationships may develop within and also among organizations, groups and families. This kind of relationships enables the involved parties to exchange certain monetary, social and other types of resources (Mead, 1994). For instance the family metaphor of paternalism in Nigeria to when the traditional leaders (Obas, Chiefs, Obis and Emirs) were employed as the recruitment agents by the colonial masters, the family heads usually sent the troublesome sons and children of less favoured wives some of whom later became educated and joined wage employment. This system of employment relations practice was referred to as the Paternalistic System (George, Kuye, and Onakala, 2012). The Nigerian Paternalistic employment relations practice was also based on the predominantly agricultural economy, culture and traditions which formed the basis for systems of work and reward while the British Voluntarist employment relations practice evolved based on the prevailing social, political and economic philosophy at the period of industrial revolution of the 18th and early 19th centuries in Britain.(Oghojafor, Idowu & George, 2012).

Transferability of Foreign Management Practices into Different Cultures

Research attention on the issue of cross-cultural transfer of management practices into different culture has been growing steadily since 1960s (Fan, 1998). Research in this field can be classified into two types of study: the
applicability and transferability of Western management principles to the developing countries since 1960s (Gonzalez and McMillan, 1961; Cranch, 1974; Cavusgil and Yavas, 1984; Akaah and Riordan, 1988; Kinsey, 1988; Jaeger, 1990); and the transfer of western management theory and practice to developing countries especially Africa since 1900. Oberg (1963) emphasizes the importance of cultural differences in the transfer. From his empirical research he concluded that cultural differences from one country to another are more significant than many writers (on management theory) now appear to recognize . . . If management principles are to be truly universal . . . they must face up the challenge of other cultures and other business climates. Management transfer is a process of learning, and also a process of knowledge formation (Hedlund and Nonaka, 1993). The major factor is colonialism in Nigeria which cemented way for the transfer of western management theories and practices, and this was influenced by so many factors like (1) Environmental factors (2) Organizational factors (3) Cultural and behavioral factors.

Environmental factors include socio-political system and economic system; Organizational factors which may otherwise be referred to as family structure and business structure. Traditional Nigeria culture and behavioral pattern is influenced by three sources arranged in descending order: predominantly agriculture, communalism ideology, and values. Communalism is basically a non-competitive culture, emphasizing harmony, tolerance and peaceful coexistence with one another in the community.

Discussions

Cultural Differences in the Applications of Management Theory and Practices

Culture and management practices are also inseparable. Previous studies have shown that the practice of management is heavily influenced by the traditions, values and habits of a people as well as their political, economic and social contexts (Oshagbemi, 1984; Thomas & Schonken, 1998; Edoho, 2001; Horwitz, 2002; Jackson, 2004; and Fashoyin, 2005). Traditional Nigeria culture is highly structure, organized communal work characterized by hierarchy of control which is basically dominated by nurturing male child that will take up the span of control. With help of the five dimensions mode proposed by Hofstede (1980) the challenges in the applications of western management theory and practices in different cultures in (before and after colonization) Nigeria shall be discuss.

Power Distance Dimension: this is the extent at which people in a country accept that power is distributed unequally in the society and organizations (Williams, 2007). In a country like Nigeria power distance is highly pronounced when compared with countries like Sweden and Denmark employees don’t like their organization or boss to have power over them or tell them what to do. In traditional Nigeria culture, power distance is highly demonstrated in some factors like social class, age and family headship. For instance, when the elders are talking, the younger ones do nothing other than listen and follow directions given to them. This shows that there is high power distance dimension in the Yoruba socio cultural society is high. On the other hand, the Igbo speaking community don’t believe in superiority (Egalitarian community).
For example whenever there is dispute in one community the Igbos will never accept any insider to preside over the settlement except from another community. The Hausa/Fulani’s are in between because a larger part of the Fulani’s are into cattle rearing this make most of them mobile that they don’t have a stable place of their own this make it impossible to categorize some of them but the Gambari’s and Dan-Fodio’s are the preoccupant of the north. There practices are similar with that of the Yoruba’s in the south west. Cultures that emphasize Egalitarian Commitment like the Igbo’s socialize their members to commit themselves voluntarily to cooperating with others and to be concerned for their welfare. In contrast, Cultures that stress Conservation promote the maintenance of the status quo, and cultures that give high importance to Hierarchy promote differences in power and hierarchical systems of roles (Schwartz, 1994; Ros & Schwartz, 1995). It is important to note that in high power-distance societies, an important emotional distance separates subordinates from authorities. Respect and formal deference for higher status people (e.g., parents, elders) are valued.

The cultural difference of uncertainty avoidance is the degree at which people in a country are uncomfortable with unstructured, ambiguous, unpredictable situation. Countries like Greece, Portugal and West Africa country are characterized with high degree of uncertainty avoidance, people tend to be aggressive, emotional and seek security. In other words, the societies with strong uncertainty avoidance are characterized by high levels of anxiety and aggressiveness that creates a strong urge for people to work hard (Hofstede, 1980). Generally in Africa we don’t like taking risk. That is leaving certainty for uncertainty. This hinders the country prospect of growth and development. If a country or an individual is not taking any risk is not going to gain anything. Risk taking is one of the major features of an entrepreneur. For instance, the Chinese and other foreign firm that dominates the Nigeria construction industry and they are now moving gradually into the oil sector all in the name of bringing development in the country. The question is thirty years ago who are those people that helped the Chinese in developing their country and if these Chinese and the European countries needs help where do they run to. To a very large extent this people stayed in their countries and built their country by themselves. For instance Nigeria, Malaysia and Singapore earn the same per capita income in the 1960s now they earn more per capita income than Nigeria and the rate of development is not incomparable. Nobody is going to develop Nigeria except Nigerians themselves. Nigeria is of age we have the technical skill and labors to develop our nations our self the indigenous contractors and engineers should be giving the chance to improve on their skills because if you don’t make mistake you cannot make amend. Informal discussion with an indigenous construction engineers showed that most of the construction and infrastructural development can be done by our indigenous construction companies. From the economic aspect is unwise, these foreign companies will make profit which is the essences of being in business and these profits will be taken to their country and it will be further used in the development of their country. On the other hand, Nigerian should not be confined to one specialized routine, with clear rules and singular chain of command. For example the Hausa/Fulani’s should not restrict
themselves to the prehistoric, arcade ways of cattle rearing.

With respect to social relationships, Individualism-Collectivism is the two most important dimensions for differentiating the nations and culture. Individualism orientation refers to an emphasis on individual goals, individual rights, autonomy, self-reliance, achievement orientation, and competitiveness. Collectivism, on the other hand, refers to an emphasis on collective goals, collective rights, interdependence, affiliation with the larger collective, cooperation, and harmony (Kulkarni, Hudson, Ramamoorthy, Marchev, Georgieva-Kondakova & Gorskov, 2010). On the other hand, Individualism is mostly refers to the priority given to the person or the group (often the extended family). Individualist cultures promote introspection and focus attention on inner experience. On the other hand, collectivist cultures do not encourage focusing attention on the inner self – the most salient features of emotional experience are external and interactional (i.e., how one’s actions affect others). Research confirms that cultural individualism is correlated with subjective well-being when high income, human rights and equality are controlled (Diener, Diener & Diener, 1995). Examples of collectivist countries are Guatemala, Indonesia and Taiwan, while examples of individualist countries are the USA and the Western European nations (Fiske, Markus, Kitayama & Nisbett, 1998; Hofstede, 1991; Smith & Bond, 1998). The collective dimension is more prevalent in traditional Nigeria culture of communalism. For instance, family and community take precedence. People live together in the same compound; go to farm together, the eldest sees to the growth of the younger ones in the community (communal living) Individualism on the one side versus its opposite, collectivism, is the degree to which individuals are supposed to look after themselves or remain integrated into groups, usually around the family (Hostede 2001; 1985)

Masculinity- Feminism Dimension: This is the extent at which the dominant values in society are “masculine”- the acquisition of money and machismo over nurture; care for others, quality of life and people (Hofstede, 1980). Women or female have been victims of gender ideology. Gender ideology is a systematic set of cultural beliefs through which a society constructs and wields its gender relations and practices (Hussein, 2005). In Nigeria attention is given to a male child than a family child right from birth because an average Nigerian precisely Africa sees a male child as his successor the one that will continue to bear the family name in other words they believe that the male child will save the family name from going into extinction. More so, the male child work and fetch a leaving for their family in short the first male child is the head of the family regardless to any numbers of families that has come before him. The Yoruba speaking part of the country call him Olori-Ebi (head of the family). Ironically, some part in the country place or attach importance on the female child because of their family selfish interest in releasing the female child to the highest bidder who is ready to have her hands in marriage at the age of thirteen or at the second or third menstrual period. This set of group hide under the pretence of religion in handling their family child hands in early marriage.

Uncertainty- Avoidance: The cultural difference of uncertainty avoidance is the degree at which
people in a country are uncomfortable with unstructured, ambiguous, unpredictable situation. Countries like Greece, Portugal and West Africa country are characterized with high degree of uncertainty avoidance, people tend to be aggressive, emotional and seek security. In other words, the societies with strong uncertainty avoidance are characterized by high levels of anxiety and aggressiveness that creates a strong urge for people to work hard (Hofstede, 1980). Generally in Africa we don’t like taking risk. That is leaving certainty for uncertainty. This hinders the country prospect of growth and development. If a country or an individual is not taking any risk is not going to gain anything. Risk taking is one of the major features of an entrepreneur. For instance, the Chinese and other foreign firm dominates the Nigeria construction industry and they are now moving gradually into the oil sector all in the name of bringing development in the country. The questions is thirty years ago who are those people that helped the Chinese in developing their country and if these Chinese and the European countries needs help where do they run to don’t want take. To a very large extent this people stayed in their countries and built their country by themselves. For instance Nigeria, Malaysia and Singapore earn the same per capita income in the 1960s now they earn more per capita income than Nigeria and the rate of development is incomparable. Nobody is going to develop Nigeria except Nigerians themselves. Nigeria is of age we have the technical skill and labors to develop our nations our self the indigenous contractors and engineers should be giving the chance to improve on their skills because if you don’t make mistake you cannot make amend. Informal discussion with an indigenous construction engineers showed that most of the construction and infrastructural development can be done by our indigenous construction companies. From the economic aspect is unwise, these foreign companies will make profit which is the essences of being in business and these profits will be taken to their country and it will be further used in the development of their country. On the other hand, Nigerian should not be confined to one specialized routine, with clear rules and singular chain of command.

Short-termism – Long-termism Dimension: This is the fifth cultural dimension which was later added by Hofstede in 2001, Long-term versus short-term orientation. Laverty (1996) defines short-termism as an inter-temporal choice problem, “a course of action optimal in the short term but sub-optimal over the long run”. In contrast, long termism the need to plan for the future. Long-term versus short-term orientation refers to the extent to which a culture programs its members to accept delayed gratification of their material, social and emotional needs (Hostede, 2001:1985) hard work and dedication form was the value shared among Nigerian. For example the Yoruba socio-cultural group perception to work is to eliminate poverty and therefore if any Yoruba person is not ready to work he or she will remain poor for his or her lifetime. On the other hand this group also believe that a good name is better than silver and gold that it is good to maintain good name than running after riches because after you might have make the all riches you are going to buy a good repute in the mildest of your colleagues and family. In most cases they are contented with the little they have. The tradition is been
pass on to generation to generation through oral transmissions

**Conclusion**

Before the coming of the Europeans there were signs of tremendous growth in the socio-economic and political practices in Nigeria. The socio-economic activities were characterized by professionalism and specialization. For example, groups or families specialized in cultivating different kinds of crops and these crops are usually available throughout the year. If the socio-cultural realities, traditions, and values of Nigerians have not been influenced by foreign management practices and we are left alone we would have fine tune or improve on our indigenous practices. By know the aforementioned variables would have become our strength and the younger generation will not be influence by the practices of the west. For instance, Jaeger (1990) states that the uncritical use of Western management theories and practices in developing countries like Nigeria could contribute not only to organizational inefficiency and ineffectiveness but to the resentment and other negative feelings associated with the perception of being subject to 'cultural imperialism', i.e. being forced to adopt and accept practices which run counter to deeply held values and assumptions of the local culture. For instance, the flat structure or the first name culture in UK is not applicable in Nigeria. The elders are highly respected and cannot be addressed by their first name at work if you are the senior colleague at work. It is preferable one address them by their title for example Alhaji or Alhaja (religious title) or simply as „Egon” (senior brother) or Baba (father) as noted by (George and Owoyemi, 2012). On the other hand, the total and indiscriminate transplanting of western practices regardless of the apparent differences in socio-cultural environment and local circumstances. It believes that anything that is foreign is good even to the some extent moon shines brighter in the West. All these influences, despite of their thought and philosophical impact on management practice and the transfer of management of practices into different cultures, have so far not been well understood due to some major cultural factors like communalism set up of different ethnic group, languages, traditional religion and beliefs system. Cultural differences which leads to cultural diversity as the major challenge in the application of western management theories and practices. Managers, Management practitioners, academics researchers and government of federal republic of Nigeria should saddle themselves with the responsibilities of integrating cultural differences, socio-cultural activities and the indigenous management practices of the three major ethnic groups and prevent the continuous damage and cankerworm aftermaths effect of transferring western management practices which distort the evolvement in the indigenous management philosophies.

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Abstract

Purpose
The present study compares the ways public organizations design employee training activities in Canada, Germany, Morocco and Singapore.

Design
The research was carried out in public organizations operating in four different countries: Canada, Germany, Morocco and Singapore. The countries were selected according to Hofstede's (2003) classification and are representative of his four organizational models. To guide the present research, four of Hofstede's cultural dimensions, explicitly those of power distance, uncertainty avoidance, individualism/collectivism and masculinity/femininity constitute the explanatory variables. On the other hand, the design of employee training program, as the dependent variable, was separated in three elements: 1) Who: organizational actors involved in the training design stage; 2) How: formalization of the training design stage; and 3) What: outcomes of the training design stage, namely training objectives, content, methods, evaluation and transfer.

Findings
The results of the current study show evidence of the influence of the power distance, uncertainty avoidance, individualism/collectivism and masculinity/femininity cultural dimensions on the ways employee training activities are designed within public organizations in the countries under study.

Research limitations/implications
National culture has been considered through Hofstede (1980, 2001) model and its main four cultural dimensions while other important cultural aspects may have been overlooked.

Practical implications
The present study will contribute to the advancement of knowledge in the area of designing employee training and to the improvement of training programs provided internationally.

What is original/what is the value of the paper?
Systematically identifying influences of national culture on management practices related to the design employee training activities in four culturally diverse countries.

Keywords
Designing employee training; national culture; culture and training
Abstract

Purpose

Intercultural competence is considered as one core characteristic for future employees and essential in a multinational business environment (Deardorff, 2006). There is an increasing number of students mobile across national boundaries (OECD, 2012). These developments have an impact on how curricula at universities are designed in order to build up competences of graduates. Additionally, this increased internationalization has led to a stronger interpersonal cross-cultural contact that affects students and employees (Black & Mendenhall, 1990). However, studies have shown that intercultural contact alone does not increase the intercultural competence of students (Otten, 2004). In contrast, intercultural contact without guidance can even “reinforce stereotypes and prejudice” (Otten, 2004, p.15). This rather prevents students from building the required competencies. In order to generate positive effects, universities as well as organizations need to prepare for the upcoming challenges. So far, some studies have looked at the effectiveness of intercultural training. Among those Binder et al. (2013) conducted a qualitative study using semi-structured, in-depth interviews in order to evaluate the effectiveness of the training at a German university. Building on this research this paper evaluates the training in quantitative terms to enable a generalization of the results to a wider population and investigates whether the intercultural training has an effect on the social and academic life satisfaction of students.

Design

Empirically, this study examines an intercultural peer-to-peer training at Jacobs University Bremen, an international university in Germany with 1200 students from over 100 different countries. The training was introduced after noticing that intercultural contact alone is inadequate for the development of intercultural competence (Kuschel, Özelsel, Haber, Jungermann & Kühnen, 2007). A total sample (N=157) of first year undergraduate students (response rate of 57%) completed a pen-and-paper questionnaire (N=37 Questions). The five elements of the questionnaire were asking questions about the (1) training format, (2) effects of the intercultural training, (3) performance of the trainers, (4) general performance/well-being at university, followed by a demographics section (5) including information about gender, age, nationality.

Findings

The main findings show that the students are generally satisfied with the peer-to-peer training, even though they were only moderately...
motivated to participate. However, the results also showed that students who have been exposed to an intercultural environment before, rate the training significantly worse than those who have not. A significant difference in social and academic life satisfaction between non-participants, partial participants and full-day participants could not be found.

Research limitations/ implications
The study was conducted in a very specific university context at Jacobs University and has therefore rather a low generalizability. Additionally, the control group (non-participants) was rather small in order to lead to significant results which is due to the fact that the training is mandatory.

Practical implications
The research shows that peer-to-peer training is strongly supported by the participants which implies institutions should reflect on their teaching modules in general. In specific, prior cultural experience should be taken into account to design effective training.

What is original/ what is the value of the paper?
Most intercultural training evaluations focus on training taught by professional intercultural trainers. This paper focuses on the effects of peer-to-peer training schemes and emphasizes the evaluation effect of students who have prior intercultural experience.

Keywords
Intercultural training, peer-to-peer training, university education, cultural diversity, intercultural competence

Introduction
Companies, as well as universities, become more international every year. In addition to that, intercultural competence is considered as a core characteristic for future employment. The concept ‘intercultural competence’ is not clearly defined and has many definitions. A study by Deardorff (2006) revealed that most scholars define intercultural competence as “the ability to communicate effectively and appropriately in intercultural situations based on one’s intercultural knowledge, skills, and attitude” (p. 247). In 2010, 4.1 million students were enrolled at a university in a country other than their home country (OECD, 2012). One of the motivating factors to study abroad is to experience studying in another country and gain international experience in order to have more chances on the job market (Jianvittayakit, 2012). Therefore, every year an increasing number of students decide to study abroad and universities become more international.

This increased internationalization has led to a stronger interpersonal cross-cultural contact (Black & Mendenhall, 1990). Research has shown that misunderstandings in cross-cultural contact can be caused by problems on various dimensions. Kimmel (2000) argues that these are subjective culture and mindsets, constructing reality, cultural identity, attribution error and miscommunication, stereotypes, reasoning and cognition, high-context and low-context communication. Furthermore, earlier research by
Allport (1954) and Amir (1969) had already emphasized that intercultural contact alone does not increase intercultural competence of students (cited in Otten, 2004). Thus, intercultural contact can often lead to problems and even “reinforce stereotypes and prejudice if the experiences of critical incidents in intercultural contexts are not evaluated on cognitive, affective, and behavioural levels” (Otten, 2004, p.15). In order to manage this cross-cultural contact and its upcoming challenges, it is important that organizations and institutions support this development. Otten (2004) explicitly states that “diversity as a challenge and a chance for mutual learning and personal growth needs personal motivation and institutional support” (p.15).

Especially differences in learning styles due to culture can challenge the professors and students. For instance, research has provided evidence that Asian and Western cultures follow different learning styles (Li, 2003; Tweed & Lehman, 2002; Berninghausen et al., 2009). Bentley, Tinney and Chia (2005) state that if “educational values do not match those of a course, then dissatisfaction is likely to occur” (p. 117). The significance of this is highlighted by a study of Harrison (2006), who found that nearly half of his study’s interviewees related their university withdrawal to dissatisfaction with a course. The difference in learning styles can foster problems among students and professors in an intercultural context. Students might feel insecure or even discriminated due to the professor’s teaching style (Van Egmond, Kühnen, Li, Yan & Haberstroh, submitted). This underlines the problems that can occur in an intercultural environment and demonstrates that institutions need to prepare for upcoming challenges.

A small, private, international university in Bremen, Jacobs University Bremen, with students from more than 100 different nations, introduced an intercultural peer-to-peer training in 2005 after noticing that intercultural contact alone is inadequate for the development of intercultural competence (Kuschel, Özelsel, Haber, Jungermann & Kühnen, 2007). Since then this intercultural training has been offered to all incoming students to prepare them for living and studying in the intercultural environment of Jacobs University. The training consists of three different core modules: (1) culture, values, and stereotypes, (2) intercultural challenges and opportunities at Jacobs University Bremen, and (3) managing change. All incoming students have to attend the training. However, some students cannot participate, mostly because of late arrival due to visa issues. Students are trained in a full-day workshop lasting for seven hours, divided into morning and afternoon sessions. The training is conducted in small groups consisting of 10-15 students with a diverse cultural background. The students are trained by a pair of peer-trainers. Usually a team is set together out of one male and one female senior student who come from different countries and have different majors. The peer-trainers are recruited on campus and trained in an intensive two-day workshop to provide them with the content, teaching methods and main aims of the training (Kuschel et al. 2007). The training is supposed to consist of mixed training methods including lectures and experiential parts. Additionally, the training is aimed at facing a wide range of cultures and should address the topics in a culturally general rather than a culturally specific manner.
A study by Binder (2012), evaluated the effectiveness of this training by using qualitative, semi-structured, in-depth interviews with eight first-year undergraduate students. Binder’s main aim was to provide a qualitative evaluation of an intercultural peer-to-peer training. The results showed that the students generally supported the format of the training. Especially the peer-trainer scheme was favoured a lot, as a student expressed “I thought this is actually pretty neat because they could talk about own experiences and afterwards, you could go and talk to them, like you had a reference person. So that is maybe nicer than a professional cultural trainer because it is like you really believe what these people tell you because they have experienced it themselves” (Binder, Schreier, Kühnen, Kedzior, 2013, p.227). Further results demonstrate that 75% of the participants preferred a combination of lecture and experiential teaching methods. Additionally, the students mentioned that the training prepared them for life at Jacobs University Bremen (50%). However, Binder also reported the student’s negative training experiences as boring (25%), too long (12%), too short (12%), and too repetitive (12%).

In contrast to Binder’s study, the current study aims at evaluating the training in quantitative terms to enable a generalization of the results to a wider student population. This study does not want to explore the individual opinion of the students, but rather analyze quantitative data to support Binder’s previous findings. Thus, Binder’s qualitative study serves as a grounding basis for this study. In total, this study will consider three different aims. The first and main aim is to evaluate the training in quantitative terms using a representative sample of undergraduate students at Jacobs University Bremen and relate these results to Binder’s findings. The data will be collected using pen-and-paper questionnaire asking the students about their expectations, motivation, what they like and dislike about the training, and about their general performance and well-being at Jacobs University.

The second aim of the study is to investigate whether the intercultural training can have an effect on the social and academic life satisfaction of the students. It is expected that if the training is effective then the students who participated will show a greater social and a better academic life satisfaction compared to those who did not attend the training.

Lastly, the third aim is to analyse the relationship between feeling prepared by the training for the intercultural environment at Jacobs University and the students' academic and social life satisfaction. It is predicted that the students who feel prepared by the training for living and studying in the intercultural environment will show a greater social and academic life satisfaction.

**Methods**

**Participants**

Undergraduate students were recruited at Jacobs University Bremen from four different courses: Statistical Methods I: Exploring Relationships and Comparing Groups, Statistical Concepts and Data Analysis, ESM2A - Linear Algebra, Probability, Statistics, and General Biochemistry and Cell Biology II. In addition, a few students (N=5) completed the questionnaires individually outside of classes.
under supervision to create similar conditions. The study was conducted in early February 2013 by Wallin and Röhrs to obtain data, which was used for two different theses’, the current thesis and Wallin (2013). After having signed a consent form (Appendix A), a total number of 200 students filled in the questionnaire.

Procedure
The questionnaire with 37 questions (N= 2 open-ended and N=35 Likert scale, Appendix B) was developed based on Binder’s interview guide and findings (Binder, 2012). Additionally, questions from Kühnen et al. (2012) were included in the questionnaire (Q27-Q34) to test whether students who attended the training show a greater social and academic life satisfaction and whether these students know what is expected from them academically. The final questionnaire considered items such as expectations, peer-trainer scheme, trainer ability, methods used in the training, length of the training, social and academic satisfaction, and applicability to everyday and academic life. Overall, the questionnaire was divided into five major topic sections. Prior to these sections, two questions were asked. The first question (Q1) asked the students for their own definition of intercultural competence. This open-ended, qualitative question was investigated in another thesis (Wallin, 2013). The second question (Q2) asked whether the students participated in the training. In case the students did not or only partly participated, they were also asked to provide a reason for their absence.

The five major sections were:

1. training format, Q3-Q10
2. effects of the intercultural training, Q11-Q22
3. performance of the trainers, Q23-Q26
4. general performance/well-being at Jacobs University, Q27-Q35

A demographics section (5) including information about gender, age, nationality, semester, field of major, intercultural experience (living or studying abroad, visiting an international school, language of instruction at school), and Grade Point Average (GPA) was included at the end of the questionnaire. This would provide the ability to control for certain characteristics of the participants. Participants who did not attend the intercultural training at all (Q2) were asked to skip to the questionnaire from Q27, since without having attended the training it is impossible to evaluate it. Thus, they were only asked about their general performance/well-being at Jacobs-University.

Question 7 was a control question because the answer possibility was in reversed order, meaning that if the students ticked 1=strongly disagree, they liked spending their time at the training and evaluated the training positively. All other questions were rated on a five point Likert scale, which referred to the following meanings:

- 1= very low/ very poor/ far too short/ strongly disagree/ not at all satisfied/ not at all easy/ not at all true
- 3= medium/ satisfactory/ about right/ neutral
- 5= very high/ very good/ far too long/ strongly agree/ very satisfied/ very easy/ very true

A pilot study showed that the questionnaire was understandable to the participants (N=3).
**Statistical Analysis**

For all statistical analyses SPSS Statistics 21 was used. For the first aim, the evaluation of the training, only full-day participants were considered (N=136). Non- or partial participants were not considered, because of their incomplete participation in the training. Descriptive statistics for the three following sections: ‘training format’, ‘effects of the intercultural training’, and ‘performance of the peer trainers’ were computed and inspected. In order to investigate the second aim, only two selected questions from the section ‘general performance/ well-being at Jacobs University’ (Q27, Q28) were used. It was expected that the social and academic life satisfaction would correlate with attending and liking the training as well as the extent to which students felt prepared by the training for the intercultural environment at Jacobs University. In order to explore the third aim, two questions from the section ‘effects of the intercultural training’ (Q11, Q12) were selected. A correlation between the students’ positive response towards feeling prepared by the intercultural training and a positive social or academic life satisfaction was expected.

**Results**

**Participants**

In total, 200 students filled in the questionnaire. This refers to a response rate of 15% since in total 1370 students (Information from the Registrar’s office (18/03/2013), Jacobs University Bremen: registrar@jacobs-university.de) were enrolled at Jacobs University Bremen in spring 2013. To create a homogeneous sample only students in their second semester (first year) were considered (N=157). The final sample consisted of 157 out of 277 first year students. A response rate of 57% can be considered as very representative for all first year students. The majority of these students (N=136) participated in the training in August 2012. The reason why the sample was

<table>
<thead>
<tr>
<th>Variable</th>
<th>Controls n=12</th>
<th>Partial Participants n=9</th>
<th>Full-Day Participants n=136</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female/ Male (%)</td>
<td>8/4 (33%)</td>
<td>5/4 (44%)</td>
<td>82/54 (40%)</td>
</tr>
<tr>
<td>SHSS/ SES/ Both/ missing</td>
<td>4/6/0/2</td>
<td>0/7/1/1</td>
<td>69/50/15/2</td>
</tr>
<tr>
<td>International School/</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No (%) international school</td>
<td>6/6 (50%)</td>
<td>3/6 (67%)</td>
<td>44/92 (68%)</td>
</tr>
<tr>
<td>Study abroad experience/</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No study abroad experience (%)</td>
<td>6/6 (50%)</td>
<td>3/6 (67%)</td>
<td>57/79 (58%)</td>
</tr>
<tr>
<td>Age</td>
<td>M ± SD (range)</td>
<td>M ± SD (range)</td>
<td>M ± SD (range)</td>
</tr>
<tr>
<td></td>
<td>19±1 (17-22)</td>
<td>20±1 (19-22)</td>
<td>19±1 (17-23)</td>
</tr>
</tbody>
</table>

*Note:* Controls refer to the students who did not attend the training at all. Partial participants refer to the students who either participated in the morning or afternoon session. SHSS=School of Humanities and Social Science, SES= School of Engineering and Science, Both= Students who are double majoring in both schools.
reduced to first year students was that second and third year students participated in the training a longer time ago and this memory effect could have an impact on the results. In addition to that, the second and third year students have already lived in the intercultural environment of Jacobs University for a longer time and could have gained intercultural competence by being exposed to the intercultural environment. Moreover, Binder (2012) only interviewed first year students. Similar conditions for comparing the results were enabled by also restricting the sample to first year students in the current study. Nevertheless, during the data collection process students from every year were considered for ethical purposes. If the study would have excluded second and third years in the collection process, these students would have been discriminated since in some courses the students received course credits for filling in the questionnaire.

The sample (N=157) was divided into three different groups: (1) controls (students who did not attend the training, N=12), (2) partial participants (students who either participated in the morning or afternoon session, N=9) and (3) full-day participants (N=136). The characteristics of the students are displayed in Table 1. In all three groups female and male students were represented. Also, the age of the groups was similar. However, in the control- and partial participants group the majority of the students came from the School of Engineering and Science, in contrast to the full-day participants, where the majority belonged to the School of Humanities and Social Science.

First Aim: Quantitative evaluation of the intercultural training

(1) Training Format

The first aim of the thesis was to quantitatively evaluate the intercultural training conducted at Jacobs University Bremen. In the first section of the questionnaire, the training format was evaluated in order to see how much the students liked it. In total, eight questions were included in the section evaluating the training format. The participants had to evaluate statements about:

- their motivation (Q3),
- a general rating (Q4)
- an evaluation of the length of the training (Q5)
- an evaluation of the content of the training (Q6)
- their preferred time allocation (Q7)
- the structure of the training (Q8)
- an evaluation of the lectures (Q9)
- an evaluation of the experiential parts (Q10)

All descriptive statistics for N=136 are displayed in Table 2. Except for Q5 and Q10, all response possibilities were selected by the participants. This means that for the majority of the questions all response possibilities were represented. In Q6 and Q8-10 the majority of the participants agreed with the statements (mode=4) and thus supported the training. Regarding the statement whether the students would have preferred to spend the time on something other than the training (Q7-control question), most of them disagreed. For none of the questions (Q6-10) the majority evaluated the statement as neutral. This means that the majority of the participants were not satisficing, but actually had an opinion. In contrast to this, Q3 and Q5 reported a mode of
Nevertheless, due to the different meaning of the answers (Q3: 3=medium and Q5: 3=about right) the participants were not satisficing either. Most participants reported a medium motivation to participate in the training. In contrast to the medium motivation, the majority of the participants evaluated the training in general as good. In order to test whether students confronted with an intercultural environment before coming to Jacobs University would evaluate the training differently, an independent t-test was performed. The test showed that students who attended an international school before coming to Jacobs University generally rated the training (Q4) significantly lower (M=3.5±0.8) than students who did not attend an international school (M=3.8±0.8, t(134)=-2.1, p=0.034). However, students who studied abroad before coming to Jacobs University did not generally evaluate the training in significantly different compared to the students who did not study abroad (t(134)=-1.5, p=0.144). Ergo, only students who attended an international school before coming to Jacobs University rated the

| Q3. How high was your motivation to participate in the intercultural training 'Dive into Diversity'? | 3.4 | 3 | 0.9 | 1 | 5 |
| Q4. How do you rate the intercultural training 'Dive into Diversity' in general? | 3.7 | 4 | 0.8 | 1 | 5 |
| Q5. How do you evaluate the length of the training? | 3.4 | 3 | 0.7 | 2 | 5 |
| Q6. The content of the intercultural training was very interesting. | 3.5 | 4 | 0.8 | 1 | 5 |
| Q7. I would have preferred to spend time on something else than the training. | 2.9 | 2 | 1.1 | 1 | 5 |
| Q8. The training was well-structured. | 3.6 | 4 | 0.8 | 1 | 5 |
| Q9. I liked the lectures of the intercultural training. | 3.5 | 4 | 0.8 | 1 | 5 |
| Q10. I liked the experiential parts (discussions, Q&A session, examples based on real cases) of the training. | 4.0 | 4 | 0.8 | 2 | 5 |

Note:  
Q3: 1=very low, 2=low, 3=medium, 4=high, 5=very high  
Q4: 1=very poor, 2=poor, 3=satisfactory, 4=good, 5=very good  
Q5: 1=far too short, 2=too short, 3=about right, 4=too long, 5=far too long  
Q6-10: 1=strongly disagree, 2=disagree, 3=neutral, 4=agree, 5=strongly agree  
Q7 is a control question
training significantly different from those who did not.

The length of the training was neither rated too short nor too long by the participants. This suggests that the length of the training is appropriate. None of the participants indicated that the training was extremely short. However, there were a few who indicated that the training was extremely long. Most participants agreed with the statement that the content of the training was very interesting and the majority disagreed to have rather preferred spending time on something other than the training. The participants rated the training as well structured. They also agreed with liking the lectures of the training. However, it seemed as if the students slightly preferred the experiential parts (discussions, Q&A session, examples based on real cases) compared to the lectures. None of the participants reported that they did not like the experiential parts of the training at all. A visualization of the results can be found in appendix C.

(2) Effects of the intercultural training

The second part of the questionnaire dealt with the effects of the intercultural training regarding:

- studying and living in the intercultural environment at Jacobs University (Q11&12)
- preparation for communicating with students, faculty and staff members from other cultures (Q13-15)
- experiencing intercultural problems (Q16)
- reference to advice and tips (Q17)
- reflection on one's own culture (Q18)
- the awareness of cultural differences (Q19)
- pleasure of the cultural diversity on campus (Q20)
- the understanding of the importance of cultural differences (Q21)
- preparing the student to cope with negative intercultural experiences (Q22)

The results (Table 3) show that the participants thought the training prepared them slightly more for living in the intercultural environment at Jacobs University as compared to studying and learning in the intercultural environment. However, most students agreed that in general the training prepared them to study and live in the intercultural environment at Jacobs University. Regarding communication, the results illustrate that the training focused mostly on preparing the students to communicate with fellow students from other cultures. In contrast to this, most of the students had the feeling that the training prepared them less for communicating with faculty and staff from other cultures. Furthermore, the students agreed with having experienced intercultural problems at Jacobs University, which reminded them of examples provided in the intercultural training during O-Week. They even reported that they referred to tips and advice from the intercultural trainers. In addition to this, the students agreed that they thought more about their own culture after attending the training and were also more aware of differences among cultures. The students also reported an understanding that these cultural differences are really important at Jacobs University. Moreover, they indicated that the training made them enjoy the cultural diversity on campus more. Finally, according to the
Table 3: (2) Effects of the intercultural training

<table>
<thead>
<tr>
<th>Q11. The intercultural training prepared me for studying and learning in the intercultural environment at Jacobs University.</th>
<th>N</th>
<th>Mean</th>
<th>Mode</th>
<th>Std. Deviation</th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td>Missing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>136</td>
<td>0</td>
<td>3.2</td>
<td>4</td>
<td>1.0</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Q12. The intercultural training prepared me for living in the intercultural environment at Jacobs University.</td>
<td>136</td>
<td>0</td>
<td>3.3</td>
<td>4</td>
<td>1.0</td>
<td>1</td>
</tr>
<tr>
<td>Q13. The intercultural training prepared me for communicating with students from other cultures at Jacobs University.</td>
<td>135</td>
<td>1</td>
<td>3.4</td>
<td>4</td>
<td>0.9</td>
<td>1</td>
</tr>
<tr>
<td>Q14. The intercultural training prepared me for communicating with faculty from other cultures at Jacobs University.</td>
<td>135</td>
<td>1</td>
<td>3.1</td>
<td>3</td>
<td>0.9</td>
<td>1</td>
</tr>
<tr>
<td>Q15. The intercultural training prepared me for communicating with staff from other cultures at Jacobs University.</td>
<td>134</td>
<td>2</td>
<td>3.0</td>
<td>3</td>
<td>0.9</td>
<td>1</td>
</tr>
<tr>
<td>Q16. I have experienced intercultural problems at Jacobs University which reminded me of examples provided in the intercultural training during O-Week.</td>
<td>136</td>
<td>0</td>
<td>3.3</td>
<td>4</td>
<td>1.0</td>
<td>1</td>
</tr>
<tr>
<td>Q17. I referred to advice and tips from the intercultural trainers in certain situations which I experienced in the intercultural environment at Jacobs University.</td>
<td>136</td>
<td>0</td>
<td>3.3</td>
<td>4</td>
<td>1.0</td>
<td>1</td>
</tr>
<tr>
<td>Q18. The training made me think more about my own culture.</td>
<td>136</td>
<td>0</td>
<td>3.5</td>
<td>4</td>
<td>1.0</td>
<td>1</td>
</tr>
<tr>
<td>Q19. The training made me more aware of differences among cultures.</td>
<td>136</td>
<td>0</td>
<td>3.6</td>
<td>4</td>
<td>0.9</td>
<td>1</td>
</tr>
<tr>
<td>Q20. The training made me enjoy more the cultural diversity on campus.</td>
<td>136</td>
<td>0</td>
<td>3.4</td>
<td>4</td>
<td>0.9</td>
<td>1</td>
</tr>
<tr>
<td>Q21. The training made me understand that cultural differences are really important at Jacobs University.</td>
<td>136</td>
<td>0</td>
<td>3.7</td>
<td>4</td>
<td>0.9</td>
<td>1</td>
</tr>
<tr>
<td>Q22. The training prepared me to cope with negative intercultural experiences.</td>
<td>136</td>
<td>0</td>
<td>3.3</td>
<td>4</td>
<td>0.9</td>
<td>1</td>
</tr>
</tbody>
</table>

Note: Q11-22: 1=strongly disagree, 2=disagree, 3=neutral, 4=agree, 5=strongly agree
evaluation of participants, the training even prepared the students to cope with negative cultural experiences and overcome intercultural problems. Histograms visualizing the results can be found in appendix D.

(3) Performance of the peer trainers

The third part of the questionnaire aimed at evaluating the peer trainer scheme. It contained four different statements dealing with the following topics:

- general performance of the peer trainers (Q23)
- preparation of the peer trainers (Q24)
- liking of the general peer trainer scheme (Q25)
- the likelihood of the students becoming an intercultural trainer themselves before graduating from Jacobs University (Q26)

The results show that the majority of the respondents rated the performance of the peer trainers as high. This seems to be connected to the good preparation of the peer trainers. In general, the participants supported the peer trainer scheme and most of them liked that second and third year students were conducting the training. It is also remarkable that none of the students strongly disliked the peer trainer scheme. The majority of the participants agreed to become an intercultural trainer themselves before graduating from Jacobs University. However, this question showed a very high standard deviation, which means that the answers of the participants differed a lot. There were some students who were strongly convinced to become an intercultural peer trainer and others who did not see them in this position. The results are visualized in appendix E.

Table 4: (3) Performance of the peer trainers

<table>
<thead>
<tr>
<th>Q23. How do you rate the performance of the intercultural peer trainers in general?</th>
<th>N</th>
<th>Mean</th>
<th>Mode</th>
<th>Std. Deviation</th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Valid</td>
<td>Missing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q24. The intercultural peer trainers were well-prepared.</td>
<td>136</td>
<td>0</td>
<td>3.9</td>
<td>4</td>
<td>.9</td>
<td>1</td>
</tr>
<tr>
<td>Q25. I liked that 2nd and 3rd year students were conducting the training.</td>
<td>136</td>
<td>0</td>
<td>4.2</td>
<td>4</td>
<td>.8</td>
<td>2</td>
</tr>
<tr>
<td>Q26. I want to become an intercultural trainer myself before I graduate from Jacobs University.</td>
<td>135</td>
<td>1</td>
<td>3.3</td>
<td>4</td>
<td>1.2</td>
<td>1</td>
</tr>
</tbody>
</table>

Note: Q23: 1=very low, 2=low, 3=medium, 4=high, 5=very high

Q24-26: 1=strongly disagree, 2=disagree, 3=neutral, 4=agree, 5=strongly agree
Second Aim: Effects on the social and academic life satisfaction

The second aim of the study was to investigate whether the students who participated in the training enjoyed a greater social and academic life satisfaction. If the training was effective, it was expected that the students who participated would indicate a greater social and academic life satisfaction compared to the ones who did not or only partially participated in the training. To test this hypothesis two questions, Q27 ‘Overall, how satisfied are you with your social life at Jacobs University?’ and Q28 ‘Overall, how satisfied are you with your academic at Jacobs University?’ were analysed.

The results of a One-Way-ANOVA display that the three different groups, non-participants, partial-participants, and full-day participants, did not show significant differences in the indication of their social life satisfaction (F (2,154)=1.4, p (2-tailed)=0.261). This means that the attendance at the intercultural training is not a determining indicator for the students’ social life satisfaction. A second One-Way-ANOVA also demonstrates that the three groups did not differ significantly in their indication of their academic life satisfaction (F(2,154)=0.146, p (2-tailed)=0.864). Thus, neither academic nor social life satisfaction were significantly related to whether the students participated fully, only partially or not at all in the intercultural training at Jacobs University Bremen.

Third Aim: Consciously gained intercultural competence and its effects on the social and academic life satisfaction

In contrast to the second aim, the third aim of the study wanted to explore whether the training had an effect on the students who participated (N=136). It did not want to test whether students who participated and did not participate differed. Rather, it tested whether the ones who participated and experienced the training differently showed different effects. If the training had an effect it was expected that the students who indicated that the training prepared them for living in the intercultural environment at Jacobs University (Q12) would also enjoy a greater social life satisfaction (Q27). In addition to that it was predicted that the students who agreed to the statement that the training prepared them for studying and learning in the intercultural environment (Q11), would have a better academic life satisfaction (Q28) than the students who did not feel prepared by the training. Thus, it wanted to assess whether consciously gained intercultural competence by the training can have an effect on the student’s social and academic life satisfaction.

The results show that the students who agreed to feeling prepared by the intercultural training to live in the intercultural environment (Q12) showed a significantly greater social life satisfaction (Q27) compared to the students who did not agree to feeling prepared (r=0.17, p=0.048, N=136). A scatterplot of the findings can be found in the appendix (Appendix F). However, a non-parametric correlation was computed, because the scatterplot revealed that a clear linear relationship does not exist. In contrast to the first results, the non-parametric correlations showed that the results are not significant (r=0.12, p=0.178, N=136). This means that the relationship of feeling consciously prepared by the intercultural training for living in the intercultural environment at Jacobs University
and the social life satisfaction is not of significant relevance.

The second part of the results showed that if the students indicated feeling prepared by the intercultural training to study and learn in the intercultural environment (Q11), a significant effect on their academic life satisfaction (Q28) could not be identified either ($r=0.12$, $p=0.161$, $N=136$). A scatterplot for these results can be found in the appendix as well (Appendix G). One can observe again, that a clear linear relationship does not exist. Consequently, a non-parametric correlation was computed. The results confirmed again that the relationship is not significant ($r=0.08$, $p=0.334$, $N=136$).

One can conclude that a relationship between feeling prepared by the intercultural training to live in Jacobs University’s intercultural environment and its effects on the social life satisfaction does not exist. A relationship between feeling prepared by the intercultural training to study and learn in Jacobs University’s intercultural environment and the student’s academic life satisfaction cannot be confirmed either.

Discussion

First Aim: Quantitative evaluation of the intercultural training

(1) Training Format

The first aim was to quantitatively evaluate the student’s opinion on the experience of the intercultural training at Jacobs University Bremen to support and approve Binder’s qualitative findings. The results demonstrated that overall, the training format was supported by the students. Binder (2012) described in her study, that there were some students who favoured an emphasis on experiential methods. This study confirms her findings since the majority of the students slightly preferred the experiential parts to the lectures. In the qualitative study Binder pointed out that there were students who evaluated the length of the training in negative ways: either too short or too long. The quantitative study proves the opposite, namely that the length is evaluated neither as too short, nor too long by the majority of the participants. This means that the length of the training is suitable for its purposes and should not be adjusted to an individual student’s opinion. Additionally, most students in Binder’s study described a high motivation to participate in the intercultural training. However, the quantitative results show that most students indicated a medium motivation to participate in the intercultural training. In contrast to their medium motivation, the quality of the training in general was evaluated as good.

An important finding showed that students who visited an international school before coming to Jacobs University rated the training significantly lower compared to the ones who did not attend an international school. Binder already pointed this out in her qualitative study. One student evaluated the training as followed: “[…]mostly people who come from an international school like myself found it to be redundant because that’s basically what I have been doing the last two years […]” (Binder et al., 2013, p. 277). Consequently, it can be questioned whether future trainings should only be mandatory for students who did not attend an international school before coming to Jacobs University. Attending the training even though the students
attended an international school before, could have a negative effect for them since they might not enjoy diversity anymore due to its redundancy on emphasizing that a training is needed in order to overcome problems and difficulties.

The results also show that students who studied abroad before coming to Jacobs University did not show the same effects. They liked the training as much as the others. This might be due to the fact that trainings regarding school exchange programs are rather country specific as explained on a website by ‘EF- Education First’, one of the largest educational travel companies (EF-Education First, n.d.). Jacobs University’s intercultural training aims at covering a wide range of cultures. Thus, the two trainings are very distinct from each other and therefore do not result in redundancy. One can conclude for this section, that the general training format was supported. However, one can question for future trainings whether it should only be mandatory for students who did not attend an international school.

(2) Effects of the intercultural training

The findings mainly reported positive effects caused by the intercultural training. It seems as if the students could use their knowledge obtained in the training. Nevertheless, the results demonstrated that the students generally felt prepared for living in an intercultural environment. The aspect of studying in an intercultural environment and communicating with an intercultural staff and faculty seems not to be focused upon in the training. Several studies provided evidence for cultural differences regarding learning beliefs and styles (Li, 2003; Tweed & Lehman, 2002; Berninghausen, Gunderson, Kammler, Kühnen, & Schönhagen, 2009). Mind and virtue oriented cultures engage in different learning behaviour. For example, mind-oriented cultures rely on principles introduced by Socrates. It is seen as essential for “the learner to question the known and to explore and discover the new” (Li, 2005, p. 191). It is expected in Western cultures that the students engage in this behavior and actively ask and question. In contrast to this, in virtue oriented cultures the learner needs to “develop the virtues of resolve, diligence, endurance of hardship, perseverance, and concentration” (Li, 2005, p. 191). This different learning behavior can cause serious problems due to misunderstandings. Even though several studies suggest that social life satisfaction is a predictor for academic success, most of them do not consider cultural differences (Gerdes & Mallinckrodt, 1994; DeBerard, Spielmans & Julka, 2004). Social life satisfaction is connected to academic life satisfaction; therefore it is extremely important to emphasize the differences and expectations in an intercultural environment. Thus, it is recommended that the future trainings will focus equally on social and academic life of the students at Jacobs University Bremen and that thereby cultural learning misunderstandings could be prevented.

(3) Performance of the peer trainers

Overall, the students were extremely positive about the peer-trainer scheme. The majority of the students liked that fellow students were teaching them. Binder already described a lot of positive feedback in her qualitative study. The peer trainer scheme has many other advantages
as already pointed out by Binder. First of all, the senior students could use their own experience and do not just teach but also recall from their own lives. This results in an additional learning effect for the peer trainers, since they can reflect on their experiences. Lastly, it can be considered as an “efficient and inexpensive way of knowledge transfer from one student generation to the next” (Binder et al., 2013, p. 275). Finding students who are willing to become intercultural trainers is not a problem. The findings demonstrated that the majority of the students could imagine becoming an intercultural trainer themselves before graduating from Jacobs University. Ergo, one can conclude that this system works very efficiently for an intercultural training at universities and has many advantages regarding the peer-trainers, the participants and the economy of the institution.

Second Aim: Effects on the social and academic life satisfaction

The second aim of the study intended to assess whether attending the training had an effect on a student’s social and academic life satisfaction. The results of two One-Way-ANOVAs revealed that neither academic, nor social life satisfaction was significantly related to whether the students participated fully, only partially or not at all in the intercultural training at Jacobs University Bremen. However, one can question in what respect the results would differ if the control group (non-participating students) would have been larger. Due to the fact that the intercultural training is mandatory and all incoming students have to attend there are very few students (N=12) who did not participate. Most of the non-participating students arrived late on campus due to visa issues. This led to the consequence that the control group is very small and cannot be considered as a true control group leading to significant results. If the students had a free choice about attending the training, the chances of having a larger control group would be higher. Even though the training is mandatory, there are very few students (N=9) who either only attended the morning or afternoon session. The likelihood that this group would increase if the training would not be mandatory is also very high. In order to find significant results between full-day and non-participants regarding their social and academic life a larger control group is needed.

Implementation of a voluntary training could be an alternative worth studying next year, as a larger control group might be identified. On the other hand, this change could lead to long-term negative outcomes because of many students not attending the training. In conclusion, it is very difficult to find a solution for the problem of a too small control group.

Third Aim: Consciously gained intercultural competence and its effects on the social and academic life satisfaction

Finally, the third aim wanted to test whether the students who participated in the training (N=136) indicated a different social and academic life satisfaction depending on their feeling for being prepared to live and study in Jacobs University’s intercultural environment. It was expected that the students who consciously indicated having gained competence for studying and living in the intercultural environment by the training would also indicate a better social life satisfaction. However, the results showed that a relationship between the feeling of being prepared by the
intercultural training to live in Jacobs University’s intercultural environment and its effects on the social life satisfaction does not exist. Additionally, a relationship between feeling prepared by the intercultural training to study and learn in Jacobs University’s intercultural environment and its relation to the student’s academic life satisfaction could not be identified either. There might be several explanations for this.

According to the Peace Corps Model, four different forms of intercultural competence exist: unconscious incompetence, conscious incompetence, conscious competence, and unconscious competence. Unconscious competence is defined as “culturally appropriate behavior [that] is more or less automatic” (cited in Lane & University of Southern California, USA. Institute for Creative Technologies, 2007, p. 3). It might be that Jacobs University students’ intercultural competence is not related to the training, but rather an automatic unconscious process. Students might have indicated that the training did not prepare them due to the fact that they thought they are automatically able to study and live in the intercultural environment. Additionally, as stated before intercultural competence is described as a very complex concept (Deardorff, 2006). Therefore, one might consider using a more complex model creating a variable for intercultural competence by using various questions (Q11-22) and not only asking whether the students feel prepared or not.

Another explanation could be that additional factors influence the students rating on their social and academic life satisfaction. However, feeling prepared is not one of them. A reason could be that students learn living and studying not only by the training itself, but also by being exposed to it. Their intercultural competence might be not only related to the training but to the additional experiences they have gained by being exposed to the intercultural environment. In a further study one could consider longitudinal effects. This could be done by conducting a questionnaire evaluating the effects right after the training and a second one evaluating the effects a certain time later and comparing these results.

**Conclusion**

This study aimed at evaluating the intercultural training “Dive into Diversity” conducted at Jacobs University Bremen in quantitative terms. The first aim dealt with the evaluation of the intercultural training. Overall, this study confirmed Binder’s qualitative findings. The general format of the training was supported by the majority of the students. However, one can question whether the training should only be mandatory for students who did not attend an international school before. The students who have already experienced a similar training might even be negatively affected by the training. Additionally, the peer trainer scheme received a lot of positive feedback. This format could be implemented at other universities or educational institutions as well since additional advantages as cost-effectiveness and learning effects of the trainers (in terms of reflection) can be identified. Furthermore, the evaluation showed that the current training emphasizes the social life of the students. Nevertheless, due to different learning beliefs, as mind and virtue orientation, it is critical to cover academic intercultural differences in the training as well.
The second aim of the thesis explored whether non-, partial-, and full-day participants indicated a different social and academic life satisfaction. The results were not significant, which might be due to the fact that a true control group (N=12) was not available. If the training would not be mandatory, it would be easier to investigate this hypothesis. Nevertheless, making the training voluntary could result in negative long-term effects for the respective cohort.

The third aim attempted to explore whether the students who participated (N=136) showed different effects regarding their consciously gained intercultural competence during the training. Again, no significant results of a relationship between feeling prepared by the training to live and study in the intercultural environment and the students’ social and academic life satisfaction were identified. However, as described by many scholars, intercultural competence is a very complex concept and can hardly be defined (Deardorff, 2006). Additionally, students might relate their intercultural competence to experiencing the intercultural environment, but not to the training itself. Therefore, a longitudinal study or a more complex analyses should be considered.

In conclusion, most of Binder’s results could be confirmed and the majority of Jacobs University’s students were in favour of the intercultural training. The results of this study can be used to underline the importance of an intercultural training in an intercultural environment. Additionally, the results showed that cross-cultural contact can be positively influenced by introducing trainings and facilitating life in an intercultural environment. Furthermore, it demonstrated that other universities and intercultural institutions should consider introducing a similar training in order to avoid the problems of cross-cultural contact. In conclusion, one should not only “Dive into Diversity” by being exposed to an intercultural environment. An intercultural training can establish important foundations to live, learn, and study successfully in an intercultural environment and gain the desired intercultural competence that future employers are looking for in their employees.

References


Van Egmond, M.C., Kühnen, U., Li, J., Yan, S. &
FROM POLITICS AND SOCIETY TO ORGANIZATIONAL STUDIES: AN EXAMINATION OF DYSTOPIA AS METHOD

LAUREN SCHROCK

Discussant: Slawomir Magala

Abstract

Purpose
To bridge a methodology of dystopian critique from its foundations in political studies and sociology to organizational studies (O.S.) in order to legitimate a yet-investigated framework for examining organizations

Design
Literature Review: establishing the roots of dystopian discourse as a political and social methodology (Levitas 2013) and its connections to organizational studies

Constructivist Textual Analysis of O.S. articles: connections and disconnections between political and social dystopian methodology to that within O.S. articles

Theoretical Leverage:
• Ruth Levitas
• Thomas Moylan
• Martin Parker

Findings
The political foundation of dystopian critique as a means to prompt social and structural change (Young 1999) is an echoed teleology within O.S. In a reading of various articles, this similarity of practice, using dystopian critique, in order to encourage change (a new end-state), is found in such O.S. studies/categories as: technology (Bryant 2008; Howcroft and Fitzgerald 1998; Winner 1997), feminism (Bainbrigge 2001; Bhavnani and Foran 2008; Wolfram Cox and Minahan 2004), discipline and punishment (Downes and van Swaanningen 2007; Zedner 2002), education (Hughes 2012), neoliberalism (Kunkel 2008), organizational structures-bureaucracy, size (Kunkel 2008; Warner 2007), the use of space (MacLeod and Ward 2002; Neuman 2007), and medicine (Singer 2013).

However, it’s clear that while the political and social method of dystopian critique is present within O.S., the dystopian genre of literature is too. Following the increasing legitimacy of the novel as a source of organizational knowledge (De Cock and Land 2005), analysis of the dystopian novel (or other imaginary sources, like films) have been presented, along with their motifs or archetypes (Kunkel 2008; Parker, Higgins, Lightfoot and Smith 1999; Parker 2005).

Therefore, there’s two lines of discussion: (1) the connection of O.S. dystopias to political/societal dystopian critique methodologies, and (2) O.S. dystopias and dystopian literature. While the former will be examined in this article, it opens the second as a further opportunity.

Research limitations/implications
Limitations of approach, textual analysis, and time.

Raises a dystopian methodology (grounded in political and social studies) for O.S. that has yet to be fully assessed in manners of purpose and use (how). Additionally, in grounding this methodology as inter-discipline (between politics/society to O.S.), it opens the discussion for extended research and dialogue.

Practical implications

In applying the political/societal methodology of dystopia, it extends the audience of O.S. discourse outside of academia in offering criticism of real life organizational situations.

What is original/ what is the value of the paper?

In reading, I have yet to come across an article within O.S. that directly addresses the dystopian methodology as a connection to political/societal studies, enforcing an inter-disciplinary examination. Secondly, in my research, I've evidenced its companion: dystopian literature as a foundation for O.S. analysis.

By addressing this dystopian methodology of critique, encourages academics into expanding their audience outside of academic circles while enabling change and reflection of real life organizational situations.

Keywords

Dystopian Critique, Politics, Society, Organizational Studies, Methodology

Introduction

Since the early 1900s, there has been an increasing fascination with dystopia (Hillegas 1967; Vieira 2010). As a result, our worst nightmares have unseated the utopia, or visionary ideal, as the dominant criticism of reality (Fitting 2010; Papastephanou 2008; Vieira 2010). The growing interest with the fantastical horror is one of the reasons why it is relevant to turn our gaze to the dystopia.

My primary concern in this paper is to address dystopia as method, or how a dystopia problematizes an entity—specifically politics, society, and organizations—in order to instigate change and renegotiate dominant ideologies. So as to draw upon dystopia as method, I will begin with Levitas’ (2013) method of utopia, which is embedded within political and social investigation, and recast it as a method of dystopia. It is this method of dystopia, situated within a frame of politics and society, which will be used as a starting point for analyzing and uncovering the method of dystopia present in organizational studies. This will subsequently lead the way towards further theorizing of dystopia as method.

Part 1. From Utopia as Method to Dystopia as Method

From Utopia to Dystopia

In my opinion, the most effective way to understand dystopia, and thus dystopia as method, is to begin with dystopia’s conceptual predecessor and complimentary method of critique: the utopia. Until the twentieth century, utopia has shadowed dystopia as the dominant form of criticism (Hillegas 1967; Papastephanou
A “utopia” has been identified as a placeless “nowhere” (More 2008; Philippopoulos-Mihalopoulos 2001) or a context that is better than the current context of the dreamer (Suvin 1979). Thus the utopia envisions how life “should be” and “implies an ideal society created by deliberate human endeavor” (Olssen 2003:526). Hence a utopia is deeply concerned with “human flourishing” (Levitas 2013:199). The vision of a utopia “is a society in which all...mechanisms are in accordance with one vision” (Bonnett 2004:131).

The “one vision” (Bonnett 2004:131) of utopia foreshadows the relativity of dominant powers in conceptualizing the utopian ideal. Since power is innately linked to knowledge (Foucault 1982), and thus the knowledge of utopia. And alternative utopian conceptualizations can be suppressed, forgotten, or prohibited from even being formed. The role of power in executing utopian ideals will be explored further in the framework of utopia as method due to its significance.

The character of utopia is both static and dynamic (Schmidt 2011). A static utopia examines the differences between reality and the ideal in order to enable comparison. A dynamic utopia describes the movement or progress from reality to a utopia by eliminating the “root of all evil” or bettering “political and social arrangements” (Jameson 2004:40). As this article focuses on method or “a programme for change and for gradual betterment of the present” (Vieira 2010:23), we are concerned with this dynamic movement from reality to utopia. Not with developing further the characteristics of utopia.

The method of utopia is elucidated by Levitas (2013). The close concerns of utopia as method and politics and society exhibited in Levitas (2013) make it a relevant foundation for examining dystopia as method more generally, and later within organizational studies. Levitas’ (2013) utopia as method or program for the “Imaginary Reconstruction of Society” is constituted by a triad of frameworks (p. 153). These frames interact with each other and are each emphasized at different moments during the investigation of utopia. A summary of Levitas (2013) method of utopia is assembled in Table 1 below. I will elaborate on each mode including the questions being asked, the nature of knowledge, the source of knowledge, and the purpose of each frame.

The first frame of Levitas’ (2013) method of utopia is Archaeology. Archaeology seeks to answer the question: what are the current models of utopia underpinning politics and society? In order to formulate a response, one relies on artefacts or culture (e.g. proposals or programs for politics and society). However, the accounts detailing the ideal are usually assumed and shaped by the dominant ideology in power; this is the implication of the “one vision” of utopia (Bonnett 2004:131). Due to negotiations of power, a utopia is conceptually renegotiated and re-written (Philippopoulos-Mihalopoulos 2001). So researchers play a significant role in reconstructing and filling the gaps of what the utopia proposed within politics and formed in society. And in doing this, the utopia is made explicit; therefore the assumptions of the utopia guiding politics and society are accessible for questioning.
The second frame of Levitas’ (2013) method of utopia is Ontology. This component questions: what is the presumed nature of wo/man underpinning politics and society, and what does “good for humanity” mean? In essence, this part of the utopia as method is concerned with the assumptions about the nature of humanity, the needs of humanity, and what the best for humanity would mean. Furthermore, what context, institution, and needs must be fulfilled in order to become and sustain our best self? Through experience and theorizing, we become aware of the dominant claims on the nature of humanity that are supported through a mix of theory, empirical observation, and reflexivity. And as there are many arguments about human nature, the dominance of one ideology of humanity can silence another. So instead of aligning oneself to an assertion of human nature, it is important to remain exposed to the variety of claims of humanity in order to remain critical of both the ideal and reality.

Finally, the third component of Levitas’ (2013) method of utopia is Architecture, which is concerned with the imaginary visions of utopia. This state of imagination, or “a free play of possibilities in a state of uninvolvelement with respect to the world of perception or action”, is necessary in order to engage with an ideal beyond the constraints of reality (Ricoeur 1994:118). This mode questions: what are the

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alternate visions to the present way of life, and what are the constraints of the imagined utopia? In order to put forth such fantastical narratives, the visions of utopia are usually found in fictional forms, most commonly literature. The utopian imagination is guided by the extent of our subjective knowledge, either empirical or theoretical, and that knowledge which is embedded within the present politics and society. But these utopian visions are not confined to the constraints of reality. Instead, a knowledge created within a utopian imagination is enclosed within the imaginary that is influenced by our knowledge of the real. The purpose of the architecture frame is to critique the present by means of comparison (the reality to the utopia) or to foreshadow and suggest alternative ways of life. Levitas (2013) remarks that dystopia resides comfortably with this frame.

It is Levitas' (2013) method of utopia that I will now use as a basis for elaborating on dystopia as method in the same disciplines of politics and society. As Levitas (2013) pointed out, the method of dystopia does include the architecture frame. However, my intention is the method of dystopia also inhabits the additional two frames of Levitas’ (2013): archaeology and ontology. This is because a dystopia acts just as a utopia does. Jacques (2002), “dystopia operates under the same rules of logic, of time and space that rule in utopia...[and] it serves the same purpose as utopian thinking” (p. 30). Furthermore, “all types of utopia [so dystopia included] turn out to be focused on two functions: (1) to expose social criticism, [and] (2) to demonstrate an ethical purpose of politics” (Schmidt 2011:164). Therefore, a dystopia should not be constrained to a singular frame but rather occupy all frameworks. Ergo, while remaining in an investigation of politics and society, one can transfer Levitas' (2013) method of utopia to a method of dystopia.

To understand dystopia we can draw upon our understanding of its opposite: the utopia. As Levitas (2013) wrote of utopia as “human flourishing” (p. 199), one could describe dystopia as classifying human suffering and even the decline of humanity as we know it. In such respects, a dystopia is the worst per se. Also a dystopia can also imply its position as the anti-utopia by problematizing the utopia as a source of oppression (Olssen 2003; Jameson 2004; Papastephanou 2008). In restricting the dystopia to a perspective of politics and society, a dystopia can be described as the “anti-Enlightenment” or a return to the structures of power and ways of life before modern politics and society (Zafirovski 2011:333). Or a dystopia can be a totalitarian state with a complete absence of democracy (Olssen 2003; Schmidt 2011). The function of dystopia is also similar to the utopia in that it can act as a static comparison or a dynamic process in relation to the real (Schmidt 2011). As done earlier, I will focus on the dynamicism of dystopia for the purpose of this article. The dynamicism of dystopia is unlike the utopian course for a better outcome since the progress of dystopia is to avoid an outcome, which would be the worst imaginable. And it is how the method of dystopia can negotiate such evasion of the worst imaginable outcomes within politics and society that we will now engage with.

**Politics, Society and a Method of Dystopia**

As we continue with the frame of politics and society, we must adjust the method of utopia
by Levitas (2013) to account for the dystopia. This does not imply a rigorous reworking, but rather a subtle shift to examine our worst political and social nightmares rather than our political and social ideals. So in continuation with the 3 Components of Utopia as Method of Levitas (2013) overviewed earlier, these three frames now uncover present dystopian fears and examine dystopian visions. This modification is depicted below in Table 2 and will now be expanded on.

As a dystopian investigation, the frame of Archaeology by Levitas (2013) is geared towards uncovering the present fears that underpin politics and society so that these scenarios can be avoided. For example, this could be the prevention of political and social systems, like communism or totalitarianism, and how these structures of power are consciously or unconsciously evaded via language, behavior, or values (Jameson 2004; Olssen 2003; Papastephanou 2008). Also archaeology consists of questioning what dystopian fears are silenced; and thus left unaddressed and unresolved.

The second frame of Ontology examines the basic assumptions of humanity, including basic needs and human nature (Levitas 2013). But rather than fantasize about what “good for humanity” might mean, one asks: what does the

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“worst for humanity” mean? Therefore widening the analysis to consider what contributes to the worst way of life for humanity, while also inquiring into the absence of what which consequently enables a dystopia. Examples of this include too much injustice, the absence of private property (Schmidt 2011; Zafirovski 2011), or the absence of democracy (Olssen 2003). These two frames, archeology and ontology, are committed to unearthing the dystopia within the dominant ideologies.

Finally, the third frame of Architecture is concerned with the constructions of other ways of life through sources of fantasy (Levitas 2013). As Levitas (2013) pointed out, this is where the method of dystopia exists most comfortably among well-known fiction titles like Aldous Huxley's Brave New World (1932) and George Orwell's Nineteen Eighty-Four (1949) where visions of dystopia actively critique and foreshadow reality through the readership experience of an illusionary reality.

The purpose of a method of dystopia in analyzing politics and society is to critique the present real situation or to uncover the assumptions and ideologies that constrain the dominant vision of dystopia or silence alternative visions of dystopia. And when acting as the anti-utopia, a dystopia can even satirize and simultaneously critique the utopian imagination embedded within politics and society (Moylan 2000). Having modified Levitas’ (2013) method of utopia to a method of dystopia, and having explained further this dystopia as method, we can now turn to an examination of the method of dystopia as is within organizational studies.

Part 2. Uncovering Dystopia as Method in Organizational Studies

As far as I am aware, there is no explicit method of dystopia within organizational studies. I theorize that this is due to several reasons. One is that within organizational studies, the pressure to achieve utopia in the sense of better outcomes is greater than the encouragement to find behaviors or values that could lead to dystopia or the worst conceivable outcome. Parker (2002) argues that the desire to achieve a utopian organization is an assumption within popular management. Therefore, in the interest of management and organizations, academics have likewise followed the utopian inclination. A second reason is that the formulation and expectation of academic writing has stifled contributions that are imaginary (Reedy 2002). A third explanation is that any method of dystopia has been assumed to be inherent and unquestioned knowledge thus requiring no explicit report. I believe this is a consequence of the historical and prevalent method and concept of utopia in politics and society, which means that any treatment to the succeeding dystopia has been presupposed without external conceptualization.

Although there is no formally expressed method of dystopia within organizational studies, there is the presence of dystopia as method. Organization, in this article, is not restricted to the notion of a company but rather a general understanding of institutions—from education to hospitals and including business—as all having systems of hierarchies and processes of
managing that could be inclined to turn dystopian (Parker 2002).

My investigation began with reading a variety of articles on organizations that presented both fictional and real classifications of organizational dystopia, in the sense that an article identified an organizational dystopia per se or an element of an organization as dystopian. From there, I was able to identify that articles were exploring different frames of the dystopia as method, which were presented earlier in the realm of political and societal investigation.

From Politics and Society to Organizational Studies: The Presence of Dystopia as Method

There are considerable, observable connections between the method of dystopia within organizational studies to the method of dystopia discussed previously within politics and society. To demonstrate the existence of dystopia as method beyond politics and society to organizational studies, I have provided examples of research on organizational dystopia that fits each frame of dystopia as method. The fit of an organizational article into a frame depends on the alignment of mode characteristics, which were explained earlier.

Archaeology

One connection between the archaeology frame and organizational studies is the case study. In a case study, the culture and artefacts of the organization are rendered observable for inquiry. The authors here uncover dystopian visions that are embedded in the organizational contexts they researched. And in doing so, the researchers offer implied criticism of the dystopian nightmare underpinning the focus of the case study.

An organization explored by Wolfram Cox and Minahan (2004) was the Woomera Detention Centre for refugees. As a refugee there is a real fear that the progress to exit the dystopia, which is the context of war or troubles before entering the refugee camp, will be denied in the form of no citizenship or asylum privileges. This dystopian fear of the refugees is contrasted to the dystopian fear held by the organization's management, such as the high costs in maintaining a refugee camp. Hence there was a clear conflict between the avoidance of dystopia (uncovered financial costs) posed by the organization versus the need of refugees to avoid returning to dystopia. As a result, when the dominance of the organizational dystopia shadowed the dystopia of the refugees, the refugees' environment became one of silenced insecurity. Hence the refugees turned to lip sewing in order to gain significance and voice (Wolfram Cox and Minahan 2004). The act of lip sewing was a clear indicator of a “tactile dystopia” (Wolfram Cox and Minahan 2004:297). Yet, these acts did not resolve the crisis of dystopia. Instead it furthered the refugees' position as an “other” to that of the citizen, and twisted Woomera into its own dystopia of horror (Wolfram Cox and Minahan 2004:297). The plight of the refugees captured within their “tactile dystopia” (Wolfram Cox and Minahan 2004:297) conflicted with the model of dystopia underpinning the management of Woomera. Thus the observations of Wolfram Cox and Minahan (2004) are evidence of archaeology, yet it’s also significant that they pointed out the position of the refugees as the “other” (p. 297). In doing so, Wolfram Cox and Minahan (2004)
cross over to the ontology frame in their rudimentary exploration of a divided humanity, and that the worst for a divided humanity could be.

Another example of archaeology is Hughes’ (2012) analysis of schools in Harlem during the Great Depression. As a reflexive examination, Hughes (2012) writes that the education system specifically within Harlem during the 1930s was dystopian due to the clash of class, race, and language between students, teachers, and the community. In addition, the degrading physical state of the schools expressed the experienced dystopia, where students had minimal educational resources, faced overcrowded classrooms, and suffered due to a lack of functioning facilities or roof (Hughes 2012). In an overall characterization, the educational dystopia faced in Harlem was an early manifestation of an institution that American democracy had yet to reach and intervene within (Hughes 2012). In this sense, Hughes’ (2012) article expresses a model of educational dystopia that the United States education system hopes to avoid returning to by enforcing and advancing its concept of democracy.

A recent article by Singer (2013) criticized the changing medical industry in the United States as progressing towards dystopia. Singer (2013) focuses on the contemporary governmental legislations and medical education as contributing to increasing bureaucratic control and training practiced as adherence to protocols at the loss of doctor autonomy. These changes, Singer (2013) warns, can have a negative effect on individualized care. “Once free to be creative and innovative in their own practices, doctors are becoming more like assembly line workers, constrained by rules and regulations aimed to systemize their craft” (Singer 2013:519). From Medicare, Medicaid, and the Affordable Care Act of 2010 to the systematic training of medical students, “the decline of the medical culture” is a progress to a dystopia; a dystopia perceived by doctors who are not neophytes to medical practice (Singer 2013:518). The criticisms by Singer (2013) are remarks of a model or progression to dystopia recognized by medical professions that to others, such as the government or education, has not been perceived as such. Thus the emphasis Singer (2013) places on medical culture extends the conceptualization of the dystopian nightmare presently being lived by doctors who have a history as medical practitioners.

These articles examining cases of organizational culture and artefacts conform to a specific frame of dystopia as method: archaeology. The models of avoiding the worst scenario were explored from different, subjective standpoints. In addressing subjective dystopias, the authors were able to explore what was unspoken or implicit in the dystopian nightmare at the time of its occurrence. Consequently each researcher applied reflexivity at some point to contribute to the underdeveloped notions of dystopia exhibited within each case.

Ontology

While assessing articles on organizations and dystopia, the presence of the ontology frame was visible. The articles included here qualify within the ontology mode because of their attention to the nature of humanity as laborers, specifically the fear of what these laborers should not be. Of note is that these articles are
similarly concerned with technology in organizations, which is a prevalent theme in exploring dystopia.

First, Winner (1997) theorizes the advancing of technology is replacing workers and transforming the nature of work. Illustrating Winner’s (1997) arguments are his observations of a Remote Encoding Center. Winner (1997) claims that laborers today are experiencing a dystopian progression due to suppression of identity and creativity in addition to the loss of stable work. Winner’s (1997) first hand account and subsequent reflections is key to assessing simultaneously the nature of the organizational worker and what the worst means for the employee. Winner (1997) theorizes that at their core, the individual who is part of the organization is knowledgeable, imaginative, and capable of creation; however, when this innate character is denied by continuing monotonous work as a subject to the machine, the worker loses their sense of person, and becomes one cog within the automation (Winner 1997). The turn from an employee as person to the employee as technology is what Winner (1997) argues is the worst condition of work, especially when the employee becomes the servant to the machine. Winner’s (1997) claims rely on the knowledge of the nature of humanity as a creator, and when the ability of humanity to create is questioned, it sets a progression from reality to dystopia. Furthermore, the spanning of ontology and archaeology frames is again exemplified in this case due to the aspects raised in the case study of the Remote Encoding Center. However, Winner’s (1997) analysis is more aligned with ontology due to the theoretical emphasis of the organizational worker.

Second, Bryant (1988) extends the criticism of technology as dystopia by arguing technology has its own rationality, which oppresses laborers and alternative ways of organizing. In other words, the replacement of human work by machine is due to how technology is conceived. Bryant (1988) argues that technology is narrowly defined towards efficiency, and thus all other alternative consequences, positive or negative, are concealed. In addition, Bryant (1988) states that technology is faultily deemed as determined, when it is contingent on organizational and man-made circumstances. So Bryant’s (1988) conclusion is that information technology is doomed to limit human relations unless technology as rationality is questioned, and by critical examination technology as rationaly is returned to human intervention. By arguing that laborers should not be constrained by a deterministic rationality of technology, Bryant’s (1988) criticisms exhibit a frame of ontology.

From these examples, it is evident that the frame of ontology within the dystopia as method is accessible within organizational studies. The focus on more abstract considerations, such as the nature of labor, in conjunction with determining what would be the worst outcome for organizational workers are qualifications for the frame of ontology. And as previously stated, archaeology and ontology are often interconnected. Therefore while an organizational study may conform to a dominant mode within dystopia as method, this does not assert that the research when interpreted occupies only that frame.

Architecture
The final mode to consider within dystopia as method is architecture, and like the previous frames, it is visible within organizational studies. The following examples distinctly reference fictional sources of dystopia in order to present alternative visions of organizations that encourage further investigation and directly problematize the present work life.

A rare example of an organizational article that relies directly on the creation of a fictional story is Jermier’s (1985) contrasting of Critical Theory and Marxist Theory through the imaginary life of Mike Armstrong, a plant operator. The theoretical analysis underpinning the tale highlight how alienated consciousness propels forth dystopian states of work, and how ultimately it is the processes of sensemaking taken by the worker that determine if the organization is judged dystopian or is left unquestioned. The purpose of illustrating organizational theory through fiction is that it offers a dynamic depiction so further research can “clarify and assess the realism of these alternative viewpoints [theory]” (Jermier 1985:79). Therefore Jermier’s (1985) inclusion of the dystopian narrative is not only critical of the organization, but is also questioning of how organizations are understood via theory.

Parker (2005) recognized Gothicism, a sub-genre of dystopian fiction, has raising critique of organizations. Through metaphors of the monster and the darkness of science, Parker (2005) explored how Gothic film and literature conjure narratives of dystopian organizations. In effect, Parker (2005) demonstrates how the imaginary aids in problematizing and criticizing the dystopia within organizations, such as by offering metaphors to draw comparison to. Today, “the corporation is taken to be their [Gothicism] most credible site” due to the widespread acceptance of Gothic analogies to current organizational life (Parker 2005:162). However, while the fictional Gothic may offer means to problematize organizations as dystopian, the overuse of Gothicism in such capacities as metaphor can limit its impact as the metaphors no longer “shocks” (Parker 2005:164).

Both Jermier (1985) and Parker (2005) exhibit qualities of the architecture frame within dystopia as method. In these examples, the academic researchers have adapted the imaginary dystopia found in fiction to criticize how the organization is understood and the organization itself.

In analyzing the suitability of organizational articles to a specific frame of dystopia as method, it is apparent that the dystopia as method found within politics and society is also evident within organizational studies. Hence dystopia as method in an examination of politics and society can be used as a genesis to explicitly understand the dystopia as method in organizational studies. For this reason there is a contribution to be made in connecting a method of dystopia across disciplines, as is done here, in addition to stimulating further research into dystopia as method in organizational studies.

Part 3. Advancing Dystopia as Method

Raising Questions: The Dilemmas of Dystopia as Method in Organizational Studies

However the transition of dystopia as method from politics and society to organizational studies is not seamless. In critiquing dystopia as
method in organizational studies, there are
deviances that should be addressed. First, it is
significant to note that organizational researchers
do claim real institutions as dystopian, as
evidenced in the articles previously assessed.
Therefore, the concept and thus the method of
dystopia in organizational studies is not
completely committed to the imaginary, which is
contrasting to Levitas (2013) program of utopia
and its adjusted dystopia as method. Therefore,
the application of dystopia to the real implies an
expansion of dystopia as method as well as
utopia as method. Second, the contextualized
appearance of dystopias occupying various
spaces and separate durations of time suggests
that organizational studies assumes that there
are infinite perceptions of dystopia. In order to
reckon these two dilemmas, further theorizing of
dystopia as method within organizational studies
is necessary in order to foster authentic and
credible declarations of dynamic dystopia, or the
movement of organization to dystopia, whether
real or imaginary.

As evident in the work of Wolfram Cox and
and Winner (1997), the organizational dystopia
existed (or still exists) within real space and time.
The problem in claiming real organizations or
parts within organizations as dystopian is doing
so undermines the boundaries of dystopia as
method. For in detailing dystopia as method, it is
clear that while certain aspects such as culture
or artefacts in the frame of archaeology can be
examined as representations of a dystopian
nightmare, the culture and artefacts themselves
are not the dystopia (Levitas 2013). Therefore the
deviance in applying the category of dystopia to
the real is an act that could extend the ability of
dystopia to incite change. However,

problematicizing the real by categorizing it as
dystopian could constrain the method of
dystopia over time in organizational studies.
Ricoeur (1994) remarked imagination is derived
from language and not image. So, if the claim of
organizational dystopia is increasingly given to
the reality, then the language of dystopia as
method will be likewise constrained to reality.
Therefore the “free play of possibilities” is limited
to outcomes that are conceivable and confined
to reality (Ricoeur 1994:123). Thus the dilemma
in approaching the organizational dystopia as
real is that it can extend the use of dystopia as
method, in the sense that dystopia as method
would account for both the real and the
imaginary, but it may have long-term
consequences in limiting the abilities of
explicating the envisioned worst. Of course, the
assumption that dystopia as method would be
identical in treating the real dystopia versus the
imaginary dystopia is questionable and requires
further analysis. Also one must consider whether
enforcing the third frame of dystopia as method
—architecture—prevents any loss in the ability to
perceive dystopia as imaginary.

Claiming a real organization as dystopian has
consequences for utopia as method. As both
dystopia and utopia are methods that
accompany each other (Papastephanou 2008),
adjusting the dystopia as method to account for
a real organizational dystopia requires a similar
alteration for utopia as method. Otherwise the
compatibility of dystopia and utopia as method is
hindered if the dystopia as method can be
attributed to reality while utopia cannot. Ergo the
significance of a real dystopia translates into a
similar signification for utopia. This has
significant consequences for organizational
studies. Parker (2002) forewarns, “If utopia is
nowhere, it is not dangerous, but if it is somewhere, it is potentially very dangerous indeed” (p. 224). Therefore, a critical issue at hand is how the dystopia as method or utopia as method when addressing the real would influence the progress of modernity if the nightmare or dream came true (Marcuse 1970).

Furthermore, the examined organizational research here presents instances of dystopia bound to specific contexts, which are recognizable as dystopia only by subjective positions. I do not believe the dystopia as method can or should limit one’s ability to claim dystopia based on if they have experienced the dystopia, as in the case of Singer (2013), or if they are completely outside of the experience of dystopia, like Hughes (2012), or potentially a mix between experience and externalization through continuous entering and exiting. As advocating for a specific subjective experience, especially when considering dystopia as real, could promote alternative subjectivities as inferior and thus restrict the perception of dystopia, which would confine the ability to problematize and suggest change. Rather I suggest the dystopia
as method approach could be strengthened if there is increased criteria or consideration of the point of comparison to the dystopia. As a start for further inquiry, I have put together some positions of comparison in relation to the position of dystopia, either real or fictional, in Table 3 below. One can identify the position of comparison as the placement of the researcher in relation to a position of dystopia, or where the dystopia sits within time and space.

Recognizing the various positions of comparison that establish the foundation for identifying a dystopia. Furthermore, understanding the positions of comparison is significant as these points of reference enable the analysis of dystopia as method. In addition, recognizing the various subjective positions of determining and classifying a dystopia means the dystopia as method in organizational studies is inherently tied to power/knowledge (Foucault 1982). In which case, the subjectivity of power/knowledge and specificity of time and space alludes to infinite claims of dystopia. And rather than enforce a criteria of dystopia, which could silence the dystopia of others, it is more promising to engage with the positions of comparison that act as the foundation for judging a context, either real or fictional, as dystopian.

**Progressing Dystopia as Method: From Organizational Studies to Politics and Society**

The presence of dystopia as method within organizational studies establishes a methodological link to investigations of politics and society. Therefore it is misleading to propose that only organizational studies is benefitting from this article’s exploration of dystopia as method. For in raising the organizational studies’ dilemmas of dystopia as method in the previous section, these problems can be addressed in the method of dystopia present in politics and society.

One of the first considerations is the extension of dystopia as method into analysis of real dystopias. If organizational studies has identified real entities as dystopian, therefore shifting the dystopia as method beyond the imaginary, then is it valid to suggest that politics and society can and should do the same? Otherwise what are the consequences of having separate methods of dystopia given the constraints of separate disciplines of analysis? In a sense, it raises the issue of the possible limitation in considering totalitarianism or communism as dystopian political and social systems in their abstract form (Jameson 2004; Olssen 2003; Papastephanou 2008) instead of problematizing real events or experiences as totalitarianism or communism. Hence a suggestion raised from inquiring dystopia as method in organizational studies is the examination of dystopia when real in a method of dystopia in politics and society.

A second contribution in assessing dystopia as method from organizational studies is the attention to subjectivity in positions of comparison where the judgment of dystopia is drawn. This is not a new theoretical concern in a method of dystopia in politics and society. Çakar and Alakavuklar (2014) note that when ideologies conflict, so do the perceptions of one’s utopia being another’s dystopia. However, in assuming an identical method of dystopia shared among politics, society, and organizational studies, the research in organizational studies could be used as
additional sources to examine the nature and influence of subjectivity when engaging with dystopia as method.

The dystopia as method, adjusted from Levitas (2013) utopia as method, is a cross-discipline approach that benefits investigations of dystopia in politics, society, and organizational studies. The questions and dilemmas raised when analyzing dystopia as method in organizational studies contribute to deepening the dystopia as method in politics and society. The concerns addressed here included the potential of claiming dystopia as real, and thus in applying dystopia as method to a real dystopia. Also the point of comparison when deducing the existence of dystopia, whether real or fictional, can further elucidate the power/knowledge relationship embedded within dystopia as method. Thus problematize the positions of dominating dystopian claims and of silenced dystopias. Therefore, the significance of examining dystopia as method in organizational studies is two-fold: it can enable a more thorough analysis of organizational dystopias, and in doing so, can propose additional considerations in the application of dystopia as method when researching politics and society.

What Next: Applying Dystopia as Method in Organizational Studies

An explicit method of dystopia in organizational studies enhances the study of organizational dystopias in such cultural products as the electronic game Syndicate (Cook 1993). In this analysis, the dilemmas previously raised on dystopia as method in organizational studies are visible for critique. The computer game Syndicate (Cook 1993) takes place in a dystopian future and is thus an example of the architecture frame within dystopia as method. In Syndicate (Cook 1993), three major corporations have replaced the government and are now ruling the world. These three corporations control their populations by means of the CHIP, which when implanted in the neck, alters “every perception of the outside world” (ibid p. 4). The player of the game leads a European Syndicate, a team of controlled cyborgs, in order to obtain “world domination” over corporations and other rival syndicates (ibid p. 5). This alternative vision is of the future where cities are “canyons of concrete and steel” and country divisions are replaced by color-coded syndicate or corporate occupations (ibid p. 5).

Yet this other world is constrained to modern managerial discourses. For example, the player game is not just a leader, but a “Syndicate executive” who must hone the skills of budgeting, develop subjects of the organization (cyborgs and dominated populations), and eliminate resistance in order to develop a strategy of monolithic supremacy (ibid p. 5). In addition, a player is forced into analyzing the productivity and efficiency of their team based on the amount of kills per cyborg and budget costs. Therefore, this alternative dystopian world within Syndicate (Cook 1993) is limited in imagining other ways of organizing beyond modern concepts like management, productivity, efficiency, and resistance. So while the alternative vision of organization presented in Syndicate (Cook 1993) may criticize the present, its criticism is constrained by the knowledge and values of the present.
However, in situating Syndicate (Cook 1993) as a product of the culture industry, one can expand beyond the frame of architecture and span into the other frames of dystopia as method. This is because the culture industry is a massive network from the few executives to populations of consumers, from the technology of mass production to entertainment consumption (Horkheimer and Adorno 2002). Therefore one can analyze Syndicate (Cook 1993) with a frame of architecture, as well as archaeology and ontology based on the knowledge that Syndicate (Cook 1993) is an artefact of Western entertainment culture instilled with models of dystopia that are underpinned by the assumptions of humanity held by the few executives of power who decide what dystopias are produced. Hence one can analyze Syndicate (Cook 1993) not only an alternative vision of the future that can problematize the increasing power of corporations and the negative characterizations of managerial executives, but also as a vision of dystopia that is specific to a culture and supported by tacit expectations of wo/man as organizational subject. Ergo an explicit dystopia as method can open the analysis of organizational dystopias beyond one frame, even in the case of architecture as depicted in this case of Syndicate (Cook 1993), a product of the culture industry.

An analysis of Syndicate (Cook 1993) at widening levels of examination, from game player of Syndicate (Cook 1993) to culture industry analyst of Syndicate (Cook 1993) as artefact, offers itself as a source for theorizing on the dilemmas of dystopia as method within organizational studies that were raised earlier. First, Syndicate (Cook 1993) is a fictional dystopia aligned to a mode of architecture, yet in extending the levels of analysis, it has the ability to cross into the frames of architecture and ontology in assessing the ideologies of dystopia embedded in a culture of entertainment (Horkheimer and Adorno 2002). Therefore it is the position of the researcher to determine if all frames of dystopia as method can be applied. Second, analyzing Syndicate (Cook 1993) as a fictional dystopia from the present reality as a point of comparison can supply further analysis on the criteria beyond time and space necessary to judge the existence of dystopia, either real or fiction. Such can be done in identifying what is conceptually necessary in order to identify a dystopia from the standpoint of the player to culture industry executives. Recognizing these dilemmas encourages further reflection of dystopia as method when utilized in organizational studies.

This article has explored how Syndicate (Cook 1993) as a product of culture depicting organizational dystopia can be assessed using an explicit dystopia as method. Drawing upon Levitas’ (2013) utopia as method, I established a method of dystopia within politics and society. This method of dystopia engaging with politics and society is a foundation for examining dystopia as method in organizational studies. From research articles examining organizational dystopias, it is clear that all three frames of dystopia as method are in use. Yet, there are certain dilemmas in organizational studies that are not addressed in dystopia as method and require further theorizing. These include the dystopia as real and the point of comparison in claiming a dystopia, which is the genesis for practicing dystopia as method. Such questions additionally contribute to the dialogue on dystopia as method in politics and society.


Abstract

Purpose
While emotions and feelings arise in the singular personality, they may also develop a normative dimensionality in a plural agency. We intend to identify the cybernetic systemic principles of how emotions might be normatively regulated and affect plural agency performance.

Design
The agency is a socio-cognitive entity with attitude, and operates through traits that control thinking and decision making. Beyond that, the affective agency embraces temperament and emotion, and follows impulses of motivation. Within the normative personality, classes of emotional feeling tendencies (containment, stimulation, passiveness, dysthymic feelings) may arise from interaction between temperament of positive or negative valence and the intensity of emotional arousal (high or low).

Findings
Processes of affect regulation are supposed to go through three stages: (1) identification (affective situation awareness); (2) elaboration of affect is constituted through schemas of emotional feeling, which include emotion ideologies generating emotional responses to distinct contextual situations; (3) execution: in the operative system primary emotions are (a) assessed through operative intelligence for any adaptive information and the capacity to organize action; and (b) turned into action, i.e. responses, through cultural feeling rules and socio-cultural display rules, conforming to emotion ideologies.

Research limitations/implications
This is a theoretical paper with the attempt to integrate different classes of theory with different systems of terms and notions into a coherent theoretical platform.

Practical implications
So far not known.

What is original/what is the value of the paper?
The paper is building on the recently developed Mindset Agency Theory and expanding the cognitive model into an affective agency model, where cognitive and affective traits interact and become responsible for patterns of behavior.

Keywords
Agency theory, adaptation, emotions, feelings, mindsets, self-organization, temperament.
Introduction

Major issues of creating a coherent theory of the affective agency are emerging from the turmoil and contradictions within the variety of affective theories in the literature, where similar or even the same constructs are labelled with different terms and some similar concepts are differentiated from others only through the use of different terminology. As a result, this paper may be considered to be a first attempt to link closely with recent theory of the socio-cognitive agency and integrating disparate theories, which are dealing with related issues of temperament, emotion and affect, into a coherent meta-theory of the “normative affective agency”, i.e. a plural agency.

Yolles et al (2011) have developed a socio-cognitive plural agency theory that is based on living systems theory. Its plurality is differentiated from that of the singular individual in that the plural agency operates through cultural norms. Hence the theory of the plural agency is a theory of culture. The plural agency has cognitive control functions that are represented by traits. These traits condition thinking and decision making attributes of the agency from which patterns of behaviour may be anticipated. Bringing affective theory into the agency creates the potential to move beyond anticipating patterns of behaviour and make it possible to explore the conditioning factors of behaviour. Cognitive agency orientations are the result of traits that can take epistemically independent values that are constituted through well-defined polar extremes or some intermediate states, which in some situations might perhaps be balance points. An alternative way of considering traits is that they take meaning values on a linear continuum and are having an auxiliary function of the alternate poles.

A theory of affective epistemic traits is required for integrating aspects of temperament, emotion and affect into the current theory on the cognitive agency. The affective agency embraces temperament, emotion and affect. It, too, is seen to operate through bipolar trait values. In more traditional affective theory, the values that an affective trait may take lie on a linear continuum on which more of one extreme means less of the other. Such theory is inadequate as an adjunct to the socio-cognitive agency that operates as epistemologically based trait theory. For theoretical coherence the theory of an affective agency requires traits for which polar values are epistemically independent. Fortunately, theory has been developed that takes the bipolar trait values to be epistemically independent (Russell & Carroll, 1999: 3; De Cooman & Troffaes, 2004) and this paper will draw on this. In principle the paper distinguishes between independent affective traits, each of which resides in ontologically distinct parts of the agency.

While emotion is normally discussed within the context of the singular agency (i.e. the individual) in this paper we shall first explain that it is also a property of the plural culturally based agency through the cultural norms that it develops. We shall relate this to the concepts of emotional culture and emotional climate. The paper then explores some of the confusing terminology adopted in the literature, relating...
and distinguishing the three words typically adopted: namely emotion, temperament, and affect. Here, we coin the term “affective agency”, having temperament and emotions. These two attributes are argued to be quite equivalent, but both terms are used to reduce confusion arising from originating literature. The paper then explains the dynamic processes that occur in the development, control and manifestation of emotions.

The paper argues that if the variety of concepts, which abounds in the literature, is to make any sense then they need to be connected and integrated into a coherent model. To do this, socio-cognitive agency theory is explained, with its inherent capability for an observer to anticipate patterns of agency behaviour given sufficient knowledge about its formative traits. Next, this theory is extended to embrace the affective agency and the function of emotional intelligence. While the socio-cognitive agency operates through cognition, the influence of dynamic emotional processes conditions cognition. It is explained how this results in the affective agency, with traits that control emotional states. Emotional intelligence controls the way in which these emotional states are manifested in determinable ways.

**Distinguishing Plural and Singular Affective Agencies**

Even though plural agencies are composed of singular agencies (individuals) resulting in a supposition that normative and singular personalities operate in a similar way, there are distinctions between the singular and the plural agency (Yolles, 2009a). The substantive difference is that singular agencies that are part of a plural agency may adhere to the plural agency norms, while the plural agencies operate through collective norms that develop from their cultures. Unlike that of the singular agency, normative personality processes are often both observable and measurable. The singular agency has temperament, emotional feelings and emotional arousal, and this will undoubtedly impact on the functioning of the plural agency to which it is a part. Nevertheless, normative emotional attributes have a profound influence on the plural agency's overall functioning and coherence.

While emotions/feelings occur in the singular personality, they may also develop a normative dimensionality in a plural agency. In both cases emotions also can affect agency performance, but the nature of this performance is quite different in the singular and plural agency. In discussing this, it must be made clear how one can differentiate between emotions and feelings, as there does seem to be some confusion between these terms in the literature. For us a useful distinction between the two comes from Hansen & Christensen (2005:1426), who tell us that:

“...neuro-psychologists, brain researchers and other behavioural scientists have strongly emphasised the importance of emotional response (Damasio, 2000; Le Doux, 1998). In this research, a distinction has emerged between feelings and emotions..... Basically, emotions are thought of as very primitive, extremely fast, unconscious mechanisms controlling the individual responses to a wide variety of situations ranging from serious threats (for instance from an approaching car) to trivial decision making tasks (for instance choosing a
coffee brand in the supermarket) (Heath, 2001; Franzen & Bouwman, 2001). Feelings, on the contrary, are those conscious and cognitive perceptions we use to describe our more primitive non-cognitive emotional control of what we do. We may talk about feelings of sadness, jealousy or happiness etc. Such feelings are much more detailed in nature than emotions and they can be described verbally in more or less precise terms by the individual experiencing such feelings.”

This applies to both singular and plural agencies. The idea that plural agencies have normative feelings is not new (Albrow, 1997; Elfenbein, 2007). Albrow (1997) argues that adequate organizational narrative needs to transcend the emotion/rationality divide. Elfenbein (2007) explains how the emotion process begins with a focal individual who is exposed to an eliciting stimulus, registers the stimulus for its meaning, and experiences a feeling state and physiological changes, with downstream consequences for attitudes, behaviours, and cognitions, as well as facial expressions and other emotionally expressive cues. These downstream consequences can result in externally visible behaviours and cues that become eliciting stimuli for interaction partners. For each stage of the emotion process there are distinct emotion regulation processes, that incorporate individual differences and group norms and that can become automatic with practice. Elfenbein (2007:1) draws on the notion of emotional contagion for which:

“Research has found that emotions - both upbeat [emotions that for us result in such feelings] like enthusiasm and joy, and negative [emotions that for us result in such feelings] like sadness, fear and anger - are easily passed from person to person, often without either party's realizing it. Emotional contagion occurs in a matter of milliseconds (Hatfield et al., 1994; Hatfield, & Rapson, 2004)... If you’re the receiver, you may not know what exactly happened, just that you feel differently after the encounter than you did before.”

Some yet empirically unsupported theory has also appeared that might have the potential to explain how normative emotional states might arise in the plural agency. Deindividualisation theory arises from LeBon's crowd theory (1895), which proposes that the psychological mechanisms of anonymity, suggestibility and contagion transform an assembly into a psychological crowd (Postmes & Spears, 1998). However, while normative contagion theory may be linked to the creation of the emotional norms, there is a need to develop more theory to underpin this notion.

Thus, Mazhar (2011) recognises that emotion and culture are very closely linked through the formation of a “social mind” that according to Cooley (1962) is a unity, not of agreement, but in organisation through the interactive influences that arise between parts of the social system that creates some whole. In particular, Cooley notes that “everything that I say or think is influenced by what others have said or thought, and, in one way or another, sends out an influence of its own in turn” (Cooley, 1962: 4). For Jenkins (2004:63) this social mind is relatable to the internalisation of Mead’s (1934) generalised other in the development of an individual's personality and the rejection of any sharp divide between individual and social psychology (since for Mead it is through social interaction that consciousness
arises). Bolender (2010:3) therefore recognises this notion of the social mind as a relational cognition which can be expressed in terms of cooperation. Such relational cognition is not only connected with attitudes and rational thought, but also with emotion enabling the idea of emotional climate (de Rivera, 1992; Tran, 1998; Ozcelik, Langton & Aldrich, 2008) to develop. The argument for this is that the social mind operates through cognitive scaffolding (Sterelny 2010; Caporaël, 1997; Wilson 2005) that has developed into Hutchins’ (2010, 445) notion of enculturated cognition – that is ecological assemblies of human cognition that make pervasive use of cultural products that are typically assembled as on-going cultural practices. These arise as behaviours that are part of processes of interaction. Where emotion is the cultural product enhanced by interaction, emotional climate results. The idea of the social mind can now be extended by recognising that a durable group with a dominant culture has the capability of collective cognitive and temperamental processes (Clark, 2008; Clark & Chalmers, 1998; Theiner, Allen & Goldston, 2010), a pre-required conceptualisation for the existence of a normative/collective personality.

Emotional Climate

For Gordon (1989: 115) emotional climate is constituted as the patterns of meanings embodied in symbols through which people communicate, perpetuate, and develop their knowledge about and attitudes toward emotions. More generally Fernández-Dols, Carrera, De Mendoza, & Oceja (2007) define emotional climate as being constituted as an emotional atmosphere that provides emotion accessibility caused by the priming of specific categories of emotion linked to culturally-based emotional conventions. De Rivera (1992) indicates that emotional climate emerges because emotions have structures which may be specified in precise ways, what is leading to a structural theory of emotions. For Wolff et al (2006), such structure is represented by the conscious set of rules and resources that influence the experience of emotion within a plural agency.

Emotions are therefore always in a society - though the notion of ‘society’ may be reduced to only two people. However, it is also worth noting that emotions may also emerge when an individual is thinking about an imaginary other (De Rivera, 1992). Tran (1998) is interested in how an emotional climate arises, evolves and is maintained, and notes that emotionality and rational thought coexist in organisational settings. With their emotions, interacting individuals collectively create an emotional climate, which in turn will affect individual emotions. For de Rivera (1992: 7), emotional climate contributes to political unity and cultural identity. In a plural agency, emotional structural theory (de Rivera, 1977; de Rivera & Grinkis, 1986) shows how emotions may be conceived as various sorts of attractions and repulsions between people, who transform their bodies and perceptions. Illustrations of different types of climates are provided. For instance, a climate of fear comes about in certain political or economic circumstances, isolates people from one another, is not conducive to cooperative activity, and encourages insecurity in relation to an authority. In contrast, a climate of security might arise. Both might be measured through an instrument that evaluates how in a given collective people maintain relationships of trust among each other and to authority.
Climates of stability or instability may exist. Measuring norms of anxiety, aggression or synergy might suffice. Yet other climates and their measures exist that de Rivera considers to be constituted as confidence, satisfaction, hostility, solidarity, and hope. Ozcelik, Langton & Aldrich (2008) suggests that emotional climate can be positive or negative, drawing on the relational systems framework of Kahn (1998) which sees organizations as on-going systems of work relations among employees who have varying emotional attachments to each other. Kahn proposed that relational systems can be functional or dysfunctional depending on how members of a collective are emotionally bound to others “through experiences of feeling themselves joined, seen and felt, known, and not alone in the context of their work lives” (Kahn, 1998: 41). These relational systems routinely shape the interactions among organizational members and have a substantial impact on the way that organizations operate and perform. Ozcelik, Langton & Aldrich (2008) argue that organizational leaders may influence the relational systems in their organization by establishing and enacting norms for how organizational members should interact with each other, and also adhere to these norms.

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So, emotion is constituted as a cultural knowledge based belief potential, which has been manifested as emotional states in a personality. When it is aroused (or activated) and maintains propositional information about some object of attention, it becomes an “emotional attitude”. The cultural elements from which emotions arise may be referred to as “emotional culture” that define the criteria of emotional competence and determine self-regulation of emotions and exposure to emotional episodes (Gordon 1989) that are manifested into the personality through cultural intelligence. In this context, it is worth noting that in some other theory, like that of Hirschman & Stern (1999), the concept of “emotional attitude” is replaced by the idea of positive or negative “temperament valence”, while Briesemeister, Kuchinke & Jacobs (2012) refer to positive or negative “emotional activation” of the cognitive system.

**Emotions and Temperaments**

While emotions may be generally seen as states of mind (often associated with longer lasting mood), Bates, Goodnight and Fite (2008: 485) note that the term temperament is also used and corresponds to emotion in so many ways that it is clear that they are part of the same whole, though the terms are often additionally used within the same context of theoretical analysis. They further refer to both emotion and temperament as sets of hypothetical constructs that in the former case represent processes that range across all levels of psychological theory, while in the latter case describe individual differences in reactivity and self-regulation. Their analysis tends to operate as a hypothetical construct describing individual differences in reactivity and self-regulation (Rothbart & Bates, 2006), in contrast to the schemas of the Jung (1923) model of personality and Myers-Briggs Type Inventory (2000). Combining these natures, temperament may in general be seen as the pattern of responses in a given type of incentive condition across many occasions (Bates, Goodnight & Fite. 2008). These responses are often placed on a scale of positive-negative values called valence (which are equivalent to “emotional attitude”): positive in the sense that as a consequence feelings like happiness or joy
can be manifested; or negative in the sense that as a consequence feelings like stress, specific fears or frustrations, or sadness may be manifested. These valence values are usually assumed to occur on a linear continuum for which the polar extremes are positive or negative emotion. Thus, as explained by Norris et al. (2010: 2), “In other words, feeling ‘less bad’ is equivalent to feeling ‘more good,’ regardless of the underlying structure of evaluative space…”. In this schema the temperament valence trait may take polar positive and negative values, or it may take some balance position that takes positive and negative proportions. However, Briesemeister, Kuchinke & Jacobs (2012) argue that there is an alternative schema referred to as the Evaluative Space Model, which proposes that emotions may also be simultaneously both positive and negative – that is emotionally ambivalent. This notion adopts the view that positive and negative temperament valences are epistemic independent entities that are referred to as positive activation and negative activation. As such, positive or negative activation may be seen as constituting a strategic potential for the personality that is otherwise referred to as temperament valence. When manifested as arousal, activation is now directed towards some object of attention. If the trait takes an epistemic value that is constituted as a balance between positive and negative activation, then this ambivalence could be a balance value taken by the trait.

The issue of epistemic independence is important. This is noted by Russell & Carroll (1999: 3) when they say: "Dimensional theories and theories that assume discrete emotions differ in many aspects, but despite their differences, with only few exceptions, they agree in one assumption: Emotional experiences are either positive or negative. This, however, is questioned by the evaluative space model (ESM), which suggests that emotional experiences are sometimes both, positive and negative at the same time…Therefore, according to the ESM, three affective states have to be differentiated: positive, negative, and emotionally ambivalent (i.e., positive and negative). Evidence supporting the ESM assumptions is, for example, provided by an analysis of verbal reports…or by evaluations of bittersweet films…, where participants reported to feel happy and sad simultaneously.”

In this paper the variable that is able to take a variety of epistemic values is called a trait, and it has access to one of two extreme or polar epistemic values, or some state between them. The meaning values taken by the trait variable is said to be epistemically independent when (Walley, 1991) two related values are epistemically irrelevant to each other, and hence when (De Cooman & Troffaes, 2004) information (i.e. additional knowledge) about one meaning value does not influence knowledge and beliefs about the meaning value of the other. Under this condition this means that when a trait variable takes a meaning value that occurs as a state (which could be a balance) between the two polar values, then that value does not have a meaning that is proportional to the two polar values, but is rather itself epistemically independent. This is consistent with the requirements of the ESM noted by Russell and Carroll. In contrast, if a trait were to take a balance value the meaning of which is consistent with a scalar proportionality to the distance
between the two polar values, then one must rather refer to epistemic dependence, and the argument of Russell and Carroll is abandoned.

“Arousal” is also an important emotional attribute, conceived as a flow with a positive–negative polarity (Stets & Turner, 2008). For Mujica-Parodi et al. (2004) emotional arousal primes an agency by increasing its orienting response, permitting it to find and focus on objects for particular attention. Once so oriented emotional arousal strengthens attention to the object, and diminishes attention to stimuli unrelated to it, so there is a narrowing of the the amount of peripheral information that is simultaneously accessible with the target object. This twin process has obverse benefits. They occur by narrowing cognition and hence limiting access to information, and increasing flexibility in the ability to switch attention from one object of attention to another. In this schema, emotional arousal is a linear continuum so that more positive arousal means less negative arousal.

For illustration that temperament theory is a trait based theory, where traits combine in their effect and balanced states of traits are possible, we are referring to Hirschman & Stern (1999), and to a web-source: http://archive.fighunter.com/?page=temperaments, Copyright © Pseudolonewolf 2004 – 2011.

Hirschman & Stern (1999), like Russell & Carroll (1999), propose a model that represents the interaction between temperament and emotional arousal which results in emotional feelings like tranquillity, delight, melancholy or panic. These four classes of emotional feelings could be considered as emerging from two dimensions: (1) temperament of positive or negative valence, and (2) high or low emotional arousals. The four quadrants also could be labelled as containment, stimulation, passive, and dysthymic.

Pseudolonewolf (2004 – 2011) are referring to the four classical temperaments, Choleric, Melancholic, Phlegmatic, and Sanguine, which by and large are also distinguished along two dimensions, one related to tough or soft attitudes and persistence, and the other basically to extrovert or introvert. In the analysis there is a third dimension relating to emotional arousal, too (emotional vs. unemotional), which would lead to

<table>
<thead>
<tr>
<th>Choleric</th>
<th>Melancholic</th>
<th>Phlegmatic</th>
<th>Sanguine</th>
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<tbody>
<tr>
<td>HARD</td>
<td>HARD</td>
<td>SOFT</td>
<td>SHORT DURATION</td>
</tr>
<tr>
<td>LONG DURATION</td>
<td>LONG DURATION</td>
<td>SHORT DURATION</td>
<td>SHORT DURATION</td>
</tr>
<tr>
<td>EXTROVERTED (AMBIVERTED)</td>
<td>INTROVERTED</td>
<td>INTROVERTED (AMBIVERTED)</td>
<td>EXTROVERTED</td>
</tr>
<tr>
<td>QUICK REACTIONS</td>
<td>SLOW REACTIONS</td>
<td>SLOW REACTIONS</td>
<td>QUICK REACTIONS</td>
</tr>
<tr>
<td>HIGH SELF-ESTEEM</td>
<td>LOW SELF-ESTEEM</td>
<td>LOW SELF-ESTEEM</td>
<td>HIGH SELF-ESTEEM</td>
</tr>
<tr>
<td>OPTIMISTIC (REALIST)</td>
<td>PESSIMISTIC</td>
<td>PESSIMISTIC (ADAPTIVE)</td>
<td>OPTIMISTIC</td>
</tr>
<tr>
<td>UNEMOTIONAL</td>
<td>EMOTIONAL</td>
<td>UNEMOTIONAL</td>
<td>EMOTIONAL</td>
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Table 1 The four classical temperaments

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<tbody>
<tr>
<td>GENERAL CHARACTERISTICS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DOMINANT</td>
<td>COMPETENT</td>
<td>STEADY</td>
<td>INFLUENTIAL</td>
</tr>
</tbody>
</table>
8 distinct types if taken seriously. However, the authors stay with four major characteristic types: Choleric = dominant; Melancholic = competent; Phlegmatic = steady; and Sanguine = influential (Table 1).

(Bradley et al, 2001: 276) perceive emotional arousal to be a form of motivation activation. It involves a decision process (Cherry, 2014). Jallais & Gilet (2010: 318) note that this representation of arousal refers to “a sense of mobilization of energy as activation versus deactivation. Cederholm et a. (2010) cite Labouvie-Vief & González (2004 p 248 - 247) as saying “when levels of emotional activation-arousal are low, complex and well-integrated thinking, planning, and remembering are possible... when arousal rises to extremely high levels, it tends to render complex, cool cognitions and behaviour dysfunctional and poorly integrated.” So the method of emotion regulation adopted by an agency may depend on situational constraints, and on individual agency differences in the strategy of emotion regulation.

Thus, from this brief review we can conclude that a theory of the affective plural agency should be a trait theory based on three traits, one regulating the basic attitudes, the other regulating emotional arousal, and the third regulating patterns of behaviour in interaction with other agencies the respective context, i.e. the environments.

**The Soci-cognitive Agency and the Normative Personality**

Figure 1 is a generic model (also called a meta-model), which adopts a set of generic conceptual characteristics of living systems (Yolles, 2006). It is an adaption from Schwarz's (2003) "Living System Theory" that describes the dynamics of more or less complex entities defined as sets of several (at least two)
interacting parts. His starting point consists of identifying three inseparable primal categories present in all systems: objects, relations and wholes. These three types of initial ingredients are on equal footing. In his meta-model he argues that he has an extension of the mechanist paradigm where objects have a privileged ontological status. In his new paradigm of ultimate "reality" (that which is deemed to exist), objects and relations are complementary, inseparable and irreducible.

In Figure 2 is shown the core modelling approach of the agency embedded into a cultural environment and interacting with other agencies within a social environment, consisting of a supersystem and three interconnected systems. Here, the supersystem can be identified as “living” if the interconnections satisfy the properties of autogenesis and autopoiesis. The cognitive system offers an important directive for the living supersystem since it is here that identity constructs occur that act as a referent field of influence for the rest of the supersystem. Seeing these systems in terms of fields of influence, the cognitive system operates as a field attractor for the supersystem as a whole. Autopoiesis is constituted simply as a network of processes that enables cognitive system activity to become manifested operatively (Schwaninger, 2001), and this is conditioned by autogenesis – a network of principles (that may be seen as second or higher order processes) that create a second order form of autopoiesis guiding autopoiesis. The conceptual system maintains conceptual entities that act as a formative reference for the figurative system in which conceptual entities are manifested through autogenesis as structured schematic entities, which create a strategic potential for the supersystem. The operative system operates through structured operative entities, manifested by autopoiesis from the figurative system, and from which together with stimuli from its operative environment it undertakes its operative functions. Feedback between each of the systems enables the supersystem as a whole to learn.
The system entities referred to above may be explained in terms of the forms of knowledge by adapting studies by Marshal (1995), Marshall et al. (1996) and Paris et al. (1998) on military processes. Planning was an element of their consideration, which is here taken as being composed of principles and processes that are formative of the living system, and as part of autogenesis and autopoiesis. Autogenesis is a network of principles that enables the ability to create, organise, and prioritise according to some cognitive interest associated with self-identification that permeates the cognitive system for a given operative context. Autopoiesis occurs as a network of processes that are used to connect elaborated figurative schemas to a set of possible operative actions that conform to these schemas under the given context. Responses may be fed back to the figurative and cognitive system so as to amplify or suppress particular figurative schemas or conceptual identifications. Each of the entities of these systems can be defined in terms of different forms of knowledge required, as shown in Table 2.

<table>
<thead>
<tr>
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<tbody>
<tr>
<td><strong>Identification</strong></td>
<td>In complex situations agencies respond to a large number of events that sometimes unfold rapidly and often unexpectedly. Time constraints may be tight, and there may be an urgent need to identify aspects of a situational context that need to be prioritised. Identification is definitive in that it holds normative characteristics that influence the plural agency overall. It relates to situation awareness (from which arise cognitive interests), needed to inform controls that may in due course be applied repeatedly in tactical settings. Effective identification involves recognising a context by focusing on the particular configuration of features that are present in it. Identification information occurs as patterns that construct attitudes through a field of influence that vectors the orientation of the agency.</td>
</tr>
<tr>
<td>(Cognitive Systems)</td>
<td></td>
</tr>
<tr>
<td>Creation of patterns of recognition connected with cognitive interest which can be related to a given context</td>
<td></td>
</tr>
<tr>
<td><strong>Elaboration</strong></td>
<td>Agencies need to elaborate their understanding and interpretation of a context and the development of regulations. In so doing they call on experience that is manifested from the cognitive system to assist in the creation of new schemas in a given context. Some of this elaboration may be related to critical thinking skills (Cohen, Freeman, &amp; Thompson (1997), and some to case-based reasoning (Kolodner, 1993). Elaboration enables the summarisation of experiences. It enables the creation of schemas relating to particular contexts. Effective elaboration enables reliable and acceptable hypothesis may be formulated with regard to the operative purposes for the given context. Elaboration creates personal agency information schemas (like ideological, ethical and self) that anticipate operative processes of decision making. The operative system contains execution of action related information that results in conscious decisions from which behaviours are likely to result.</td>
</tr>
<tr>
<td>(Figurative Systems)</td>
<td></td>
</tr>
<tr>
<td>Development of schemas relating to a particular figurative purposes determined by a given context</td>
<td></td>
</tr>
<tr>
<td><strong>Execution</strong></td>
<td>Centres the nature of operative implementation from the schemas. Includes notions of distribution of forms of knowledge and its structuring through role specifications and operative activities needed, and what rules may be required to guide operative processes. Effective execution requires sufficient follow-through by an agency to satisfy purposes and interests. Here operative information is identified that directs the system towards action.</td>
</tr>
<tr>
<td>(Operative Systems)</td>
<td></td>
</tr>
<tr>
<td>Development of operative structures, role assignment and processes.</td>
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</table>

Table 2: Nature of the three systems of an living supersystem, adapted from Marshal (1995) and Paris et al. (1998)
of identification of cultural knowledge including beliefs and values, the figurative system is strategic and through elaborative information it establishes agency schemas like ideology, ethics, goals, and self-schemas. The operative system is structural and from this emanates social actions operating through execution “data information” (data that has been structured to offer meaning). In the case that the context is one of personality within a socio-cognitive agency, then in the cognitive system the form of knowledge is identification information that occurs as patterns that construct attitudes through a field of influence. In the figurative system we have elaboration information which is where the schemas already referred to are created and reside, and which anticipate operative processes of decision making. The operative system contains execution of action related information that results in conscious decisions from which behaviours are likely to result.

The conceptual model for the agency (Figure 2) which is bedded on recursive principles of systemic hierarchy (Yolles, 2006): here living systems are structured as a hierarchically nested set of recursively embedded systems, one within another creating more complexity in the modelling process (Williams & Imam, 2006). Here, the agency supersystem consists of a cultural system, a “strategic” personality system (Table 2), and an agency operative system.
<table>
<thead>
<tr>
<th>Trait</th>
<th>Enantiomer</th>
<th>Nature</th>
<th>Key words/ Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cognitive</td>
<td>Intellectual Autonomy</td>
<td>People seen as autonomous, bounded entities who should find meaning in their own uniqueness and who are encouraged to express their internal attributes (preferences, traits, feelings and motives). Intellectual autonomy encourages individuals to pursue their own ideas and intellectual directions independently.</td>
<td>Autonomy, creativity, expressivity, curiosity, broadmindedness.</td>
</tr>
<tr>
<td>Embeddedness</td>
<td>People are viewed as entities embedded in the plural agency. Meaning in life comes through social relationships, identifying with the group, participating in its shared way of life and striving towards its shared goals. Such values as social order, respect for tradition, security and wisdom are especially important. Embedded cultures emphasise maintaining the status quo and restraining actions or inclinations that might disrupt in-group solidarity or the traditional order. Embrace responsibility and duty and commit to shared goals. Connected with Transactional scripting that constitutes simple repetition and sameness.</td>
<td>Polite, obedient, forgiving, respect tradition, self-discipline, moderate, social order, family security, protect my public image, national security, honour elders, reciprocity of favours.</td>
<td></td>
</tr>
<tr>
<td>Figurative</td>
<td>Mastery &amp; Affective Autonomy</td>
<td>Encourages active self-assertion to attain group or personal goals and to master, direct and change the natural and social environment. It is basically monistic in nature. The affective autonomy aspect that is encouraged is the pursuit of affectively positive experiences. It encourages individuals to pursue affectively positive experience for themselves. Likely to treat others as independent actors with their own interests, preferences, abilities and allegiances. Others need autonomy to self-develop own ideas.</td>
<td>Ambition, success, daring, competence, exciting life, enjoying live, varied life, pleasure, and self-indulgence.</td>
</tr>
<tr>
<td>Harmony</td>
<td>Trying to understand and appreciate rather than to direct or exploit. This orientation emphasizes the goals ‘unity with nature’, ‘protecting the environment’, and ‘world at peace’. It is basically pluralistic in nature.</td>
<td>Acceptance of portion in life, world at peace, protect environment, unity with nature, world of beauty.</td>
<td></td>
</tr>
<tr>
<td>Operative</td>
<td>Hierarchy</td>
<td>People are socialized to take the hierarchical distribution of roles for granted and to comply with the obligations and rules attached to their roles. In hierarchical cultures, organizations are more likely to construct a chain of authority in which all are assigned well-defined roles. There is an expectation that individuals operate for the benefit of the social organization. Sees the unequal distribution of power, roles and resources as legitimate. This has an implicit connection with power and power processes.</td>
<td>Social power, authority, humility, wealth.</td>
</tr>
<tr>
<td>Egalitarianism</td>
<td>Seeks to induce people to recognize one another as moral equals who share basic interests as human beings. People are socialized to internalize a commitment to co-operate and to feel concern for everyone’s welfare. They are expected to act for others’ benefit as a matter of choice. Organisations are built on co-operative negotiation among employees and management. This has an implicit connection with service to the agency.</td>
<td>Quality, social justice, responsibility, honesty, loyal, equality, honesty, helpful, cooperation</td>
<td></td>
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</tbody>
</table>
Figure 3: Affective nature of the personality system

Table 4: Nature and polar epistemic values of the three affective traits

<table>
<thead>
<tr>
<th>Affective Cognitive System – Emotional Activation - involving Identification Information</th>
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</thead>
<tbody>
<tr>
<td>Nature</td>
<td>Affective Activation with Positive Valence</td>
<td>Affective Activation with Negative Valence</td>
</tr>
<tr>
<td>Is an emotional potential constituted as temperament valence or emotional attitude that activates emotions.</td>
<td>Improves positive expectations about the likely outcome of anticipated events; prompts engagement in more elaboration and thinking about interests, needs and desires. Enhances information processing ability and reduces cognitive elaboration.</td>
<td>Negative valence narrows the field of attention and perception leading to narrow focus on details to be examined.</td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>Affective Figurative System – Emotion Activation involving Elaboration Information</th>
<th></th>
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<tbody>
<tr>
<td>Nature</td>
<td>High Emotional Arousal</td>
<td>Low Emotional Arousal</td>
</tr>
<tr>
<td>Concerned with emotional regulation; coordinates an agency towards some stimulation. Its orientation derives from underlying emotional attitudes and is connected with the goals that give rise to action.</td>
<td>Depending on values of temperament valence, a high degree of satisfaction or dissatisfaction of interests, needs and desires, i.e. goal achievement, may trigger strong emotions which, if positive, may induce un-reflected repeated action and if negative may impede the capacity of figurative intelligence to develop adapted figurative images and new goals.</td>
<td>Depending on values of temperament valence, a moderate degree of satisfaction or dissatisfaction of interests, needs and desires, i.e. goal achievement, may trigger modest emotions which, if positive, may induce reflected repeated action and if negative may lead to reconsideration of figurative images and pursued goals.</td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>Affective Operative System – Emotion Management involving Operative Information</th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Nature</td>
<td>Action-focused</td>
<td>Adaptation-focused</td>
</tr>
<tr>
<td>Harnesses execution information.</td>
<td>Is involved in situation selection, situation modification, action and attention deployment.</td>
<td>Involved in behaviours that are adaptive by intensifying, diminishing, prolonging, or curtailing ongoing emotional experience and/or emotional response.</td>
</tr>
</tbody>
</table>
The generic model of Figure 2 represents a plural agency which is durable when it maintains a stable culture, and which embraces learning and development through its cybernetic processes, with a normative personality, an operative capacity, and an environment. The agency operates through intelligences, adapts to changing situations, and creates and implements its own policies. It enables specific relationships to be introduced within and across systemic domains, as necessary and according to the logical processes that may be proposed within socio/economic/political situations. Cultural orientation attracts agency behaviour towards cultural norms. The three normative personality traits indicated in Figure 2 are described in Table 2. However, in this paper for the purposes explorative theoretical modelling of the affective agency we shall not further deal with cultural embeddedness of the affective agency into its environments.

The Affective Agency

It has been said that the socio-cognitive trait theory developed from Sagiv & Schwartz (2007) arises from the Schwartz (1994) cultural values study. These are cognitive attributes that relate to processes of thinking and are connected with attitude (Table 3), and necessarily they are influenced by affective attributes. For a theory of the affective agency the socio-cognitive traits need to be complemented by “affective traits” regulating affect and emotions (Table 4).

The nature of the affective agency is that it has three ontologically distinct components in a living system (Figure 3). Each of these three components is represented through the affective traits of temperament valence, emotional arousal and emotional management. Each trait may adopt one of two polar enantiomers as shown in or a balance between them. There is an
interactive relationship between the affective and cognitive traits of the agency as shown in Tables 4 and 5.

In the personality, patterns of emotional information are manifested in the cognitive system as identification temperament, and this can take positive or negative valence when related to some contextual object of attention. Due to the nature of the living system model, this essentially establishes a temperament field which, though figurative emotional intelligence is able to positively or negatively influence emotional arousal. Under guidance, i.e. influence of the affective cognitive system the affective figurative system is regulating emotional arousal and operative emotional management.

Cognitive attitudes and affective temperament are both independent and interactive, as shown in Figure 4, where cognition and effective traits maintain a feedback/feed-forward relationship. Temperament thereby has a capacity to condition cognition and vice versa. Following Yolles (2009a), the cognitive traits have a role that relates to anticipatory control and causality and is an instrument to action. In contrast, the affective traits are constituted as a set of temperament or emotion control mechanisms that in some way condition the capacity of the cognitive traits to function, thereby influencing patterns of behaviour.

In the figurative system of the personality, elaboration temperament involves schemas of feeling. These include emotion ideologies, a schema that for Stets & Turner (2008) constitutes appropriate feelings and emotional responses to distinct contextual situations. It also includes emotional ethics schema – a temperament map that represents either adaptive emotional experiences with a capacity to organize action, or maladaptive ones which need to be corrected. It also has a self-schema which uses the general definitions of self and other(s), as well the attributions for the causes behind contextual situations and their outcomes, the awareness of one’s role in a social environment, and recognition of cultural guidelines.

Operative intelligence in the personality deals with these schemas when it undertakes a process of emotional analysis. For Greenberg (2008) such analysis involves the interconnection of primary and secondary (or reactive) emotions against adaptive/maladaptive emotional experiences. Primary emotions are assessed through operative intelligence for any adaptive information and the capacity to organize action. However, if it transpires that the emotions are maladaptive, and thus learned responses that are not appropriate to current context as assessed in the operative system, then they need to be regulated and transformed through operative intelligence feedback. Secondary emotions are internal processes that result from primary emotions, and may be defences against these such as feeling ashamed of one’s sadness or hopeless when angry. Secondary maladaptive emotions need to be explored to access their more primary cognitive or emotional generators. Operative intelligence is also likely to embrace context sensitive cognitive appraisal (Stets & Turner, 2008) of the self-schema in a similar way as occurs with the ideology schema. As a result of this explanation, it should be recognised that both figurative and operative intelligence have an emotional component that is normally referred to as emotional intelligence.
Execution temperament occurs in the operative system and develops temperament structures that involve feelings that actively support action taking and decision-making. This includes (Stets & Turner, 2008) emotion management through which a presentation of self is maintained that operates through cultural feeling rules and socio-cultural display rules, and conforms to emotion ideologies as represented by operative intelligence.

Normative temperament, just like normative attitude, is manifested through the self-creating network of second order cybernetic processes that constitute figurative intelligence. In this context one also might refer to figurative emotional intelligence that is charged with the control of emotional arousal. Where the controls are not effective, problems can arise in processes that involve strategic, ideological and ethical attributes. Similarly the first order network of processes of operative intelligence has an operative emotional intelligence that works to control emotional arousal in operative action. When this does not work as intended, operative system functions can be perturbed and patterns of behaviour can become misdirected.

The issue of emotional arousal affecting information encoding from a source system (e.g. the cognitive system) and information decoding by a target system (e.g. the figurative system) that occurs as part of figurative/operative intelligence is significant for the organisation. When information encoding/decoding deviations occur from some expected norm due to emotional arousal, they can impact on performance of an agency and on the development of normative misnomers that can result in misinformation about the nature of situations and events, and misrepresentations or misunderstandings about the organization, it’s functioning, and the direction in which it strives. Encoding of information flows occurs in a source system of the personality, while decoding occurs in the target system. Together with their capacity to harmonise their coding processes, this contributes important aspects of figurative and operative intelligence.

Differentiating between the individual and the collective leads to the following question: when and how does individual emotional arousal becomes normative emotional arousal and what might this mean for the organization as a whole? While there is little research on the area of collective processes in this area, studies on crowd behaviour (like the early work of Sigmund Freud) have the potential to shed some light, as does the notion of panic epidemics in crowds (also called the “madness of crowds”, BMJ, 1970). However, the notion of emotional climate would seem to provide the greatest potential for both theoretical and empirical development.

It is clear that normative emotional arousal and its interaction with temperament is likely to do more than just affect agency memory. Its equivalence in the organisation is that it is likely to affect the cybernetic processes of how collective knowledge and its management occurs, and hence the development of understandings, strategy, ideology and ethics and their processes, and the use of these in an organisation’s operations.

### Emotional Intelligence

Emotional intelligence may be defined as an agency’s capability to function effectively in emotional situations characterised by diversity. It
may also be seen to be a component of the Piaget (1950) intelligences, and hence operating through the conduits that connect the different personality systems of the agency. Operative emotional intelligence is a network of processes that manifests temperamental feelings as operative feelings to enable its managerial use operatively.

These processes can be elaborated on by referring to Salovey & Mayer (1990), who tells us that emotional intelligence offers the promise of organised responses. They are cross physiological, cognitive, and experiential personality systems, and may be used to affectively regulate an agency (through its personality) as well as the reactions of others in its social environment. Emotional intelligence operates through both, temperament valence and emotional arousal, and it therefore has, as indicated by Spering, Wagener & Funke (2005), both positive and negative effects. These can influence the function of the formative traits and the schemas which reflect an agency’s strategic perspective, as well as the ability to create effective outcomes for simple cognitive tasks.

The affective traits determine the emotional orientation of the personality, while the cognition traits determine its intellectuality. These orientations are informed by emotional intelligence, either enhancing or dis-enhancing different intellectual and temperamental activities in one way or another.

It has been said that the interaction between temperament and cognition can have positive and negative consequences, which can have an influence on the natural cultural imperative of the social orientation traits. Positive effects can result in flexible and creative thinking and the facilitation of efficient decision-making in more complex environments in the operative system, and, adapting an explanation from Salovey et al. (2008), creates a tendency towards adopting more Patterning heuristic approaches to information processing, thereby encouraging the adoption of this particular strategic self-schema in the figurative system. In contrast negative

<table>
<thead>
<tr>
<th>Temperament</th>
<th>Nature of Action</th>
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<tbody>
<tr>
<td>Awareness</td>
<td>Identify emotion in one’s physical and psychological states.</td>
</tr>
<tr>
<td></td>
<td>Identify emotion in other people and objects.</td>
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<tr>
<td></td>
<td>Express emotions accurately, and to express needs related to those feelings.</td>
</tr>
<tr>
<td></td>
<td>Discriminate between accurate and inaccurate, or honest and dishonest, expressions of feelings.</td>
</tr>
<tr>
<td>Facilitation</td>
<td>Redirect and prioritize cognition relating to feelings connected with objects, events, and others.</td>
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<td></td>
<td>Manifest vivid emotions to enable judgments and memories about feelings.</td>
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<tr>
<td></td>
<td>Adopt mood shifts to create and integrate multiple perspectives.</td>
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<tr>
<td></td>
<td>Apply emotional states to benefit of problem resolution and facilitate creativity.</td>
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<tr>
<td>Comprehending</td>
<td>Understand the relationship between different emotions.</td>
</tr>
<tr>
<td></td>
<td>Recognising the causes and consequences of feelings.</td>
</tr>
<tr>
<td></td>
<td>Interpreting complex feelings, such as blends of emotion and contradictory feelings.</td>
</tr>
<tr>
<td></td>
<td>Apprehending expectations for emotions transitions.</td>
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<tr>
<td>Management</td>
<td>Recognising negative and positive feelings.</td>
</tr>
<tr>
<td></td>
<td>Monitoring and reflecting on emotions.</td>
</tr>
<tr>
<td></td>
<td>Engaging, prolonging, and detaching from an emotional state related to perceived value of information content.</td>
</tr>
<tr>
<td></td>
<td>Managing emotion in oneself and others.</td>
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</table>
effects can encourage an alternative self-schema that facilitates more in-depth processing resulting in more Dramatising approaches towards information gathering and processing.

Salovey et al (2008) note that agencies differ in their ability to perceive, understand, regulate, and utilise temperament information. An agency’s emotional intelligence thus contributes to intellectual and temperamental well-being and processes of change, as represented through its characteristics shown in Table 5.

Awareness represents an important attribute of emotional intelligence. Emotions can be recognised in a number of contextual situations, for instance in body language, voice, and cultural artefacts, as well as an agency recognising its own emotions. Agencies have different competencies in this, which in turn relates to information-processing capacities that related to feelings and mood states. Agencies that have poor awareness are referred to as alexithymic. The use of these competencies enables an agency to efficiently and effectively respond to their environment and to others. Individuals also must appraise the emotions of others. Again, there are individual differences in people’s ability to perceive accurately, understand, and empathize with others’ emotions (reviewed in Buck, 1984; Barrett & Salovey, 2002), and individuals who are best able to do so may be better able to respond to their social environment and build a supportive social network (Salovey, Bedell, Detweiler, & Mayer, 1999).

Conclusion

In this paper we develop a cybernetic model of the normative (plural) affective agency and refer to affective trait characteristics that may influence cognitive traits. Affective trait epistemic values can enhance or reduce the epistemic nature of each of the bi-polar traits of the cognitive system. We identify the characteristics of the required three bi-polar traits of the affective system, of affective activation (guiding climate of positive or negative valence); emotion regulation (with high or low emotional arousal), and operative emotion management (action or adaptation focused).

In a way, these three traits resemble the major underlying dimensions of the classical temperament theory with Choleric, Melancholic, Phlegmatic, and Sanguine temperaments, which by and large are distinguished along two dimensions, one related to tough or soft attitudes and persistence (relating to the figurative affective trait); the other relates to extrovert or introvert (operative emotion management). However, there is also a third dimension relating to emotional climate (emotional vs. unemotional), which would lead to 8 distinct types if taken seriously. Thus, further research is required for more closely investigating into an “affective space” with 8 distinct types, which could embrace the classical four temperaments types but will go beyond classical temperament perceptions.

The model of the affective agency links the affective traits to the respective cognitive traits of the cognitive agency model. In an interactive process, cognitive traits are conditioned by the affective activation traits, and vice versa. This, e.g., will condition Intellectual Autonomy and/or Embeddedness with emotional direction of high
or low temperament valence. Similar conditioning occurs for figurative and operative traits. Emotions and affect are influencing the mastery vs. harmony trait and the hierarchy vs. egalitarianism traits, too.

This paper is part of an ongoing effort of developing a coherent theoretical framework for understanding and relating individual and collective agency. Previous research has included the application of social viable systems theory to integrating personality theories, normative personality theory, cognitive trait theory, organisational intelligences, and more recently to mindset agency theory.

Further research has to be undertaken to develop a coherent theory of the interaction between cognitive traits and affective traits; how this interaction is regulated through self-reflection and emotional intelligence, and in the end how emotions may influence perceptions of organisational culture. This in turn will provide the basis for a coherent theory of individual and organisational motivation, where the interaction of cognitive interests with emotions and affect will impact and characterize the degree and the importance of types of motivation, e.g. extrinsic vs. intrinsic motivation.

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Abstract

Purpose

This paper aims to propose a conceptualization of culture that moves away from a value-driven orientation, and views culture as a system of symbolic meanings (Geertz, 1973) situated and expressed in social praxis.

Design

Theory development based on sociocultural theory and ethnography of communication.

Findings

Specifically, we adopt Vygotsky’s (1978) sociocultural theory as a theoretical perspective for the following reasons: (1) it stresses praxis as the prerequisite of knowledge construction, (2) it views consciousness and cognition as the means and end product of socialization, and (3) social behavior is meditated through the use of language as a set of tools.

In light of the sociocultural theory, we adopt ethnography of communication (EoC) as a situated tool to investigate the discourse where we can gain micro-level cultural insights (Van Maanen, 1988) and derive macro-level cultural regularities in social practice (Collin, 1981). The perspective we propose on cultural behavior is not to be intended as an outright dismissal of the valuable insights gained thus far by research conducted in the national values paradigm. National values and the ’so phisticated stereotypes’ they generate – are a practical starting point for IB managers. However, our paper invites practitioners and researchers to move on to the next stage, to consider the possibility that cultural behavior as observed in real life interaction in IB might in fact be quite complex and dynamic, and might require a socio-cognitive analytical approach for it to be appreciated.

In line with the new development of research on culture in the IB context (Shenkar, 2001; Zhu & Bargiela-Chiappini, 2013), the theoretical approach to culture proposed in this paper seeks to make three contributions. First, it uses a sociocultural theory of culture that best reflects the essence of culture-as-practice, including both social and cognitive aspects of culture and applying this in the intra- and intercultural contexts. Second, it focuses on achieving mutual understanding across cultures through a gradual process of mutual negotiation of the perspectives of cultural Self and Other. Third, it contributes to advancing interdisciplinary cross-cultural research in the IB field, by drawing insights from educational psychology (which treats culture as both social and cognitive), and linguistics (EoC).

Research limitations/implications

Discussant: Grace Ann Rosile
Practical implications

Business practitioners can draw implications and insights from identifying the meanings of culture in a foreign context. In addition, they also need to understand cultures as lived experiences, and more importantly sources of forming strategies for problem-solving in IB practice. At the firm level, this study has implications for cross-cultural collaboration across a number of areas in IB including joint-ventures, FDI and cross-border mergers and acquisitions. In a similar vein, MNCs may want to focus on developing training programs for applying and practicing some of the EoC techniques in light of the sociocultural approach.

What is original/ what is the value of the paper?
Interdisciplinary research developing novel theories of culture drawing sources from education and linguistics.

Keywords
Sociocultural approach, situated cognition, ethnography of communication

Introduction

One of the most prevalent assumptions underlying the conceptualization of culture in IB research is the view that cultural values direct and determine behavior and performance, especially at the national level, as evidenced in the use of various cultural value dimensions. This issue has been long been brought to attention in other disciplines such as sociology (see: Swidler, 1986). Although a negative correlation between cultural values and practices has been identified by the GLOBE project (House, Hanges, Javidan, Dorfman, & Vipin, G., 2004), it has not been given sufficient attention in IB. The value-driven approach has been shown to be misleading since it overlooks the symbolic meanings of culture (Geertz, 1973) and social practice, which is informed by values. Some IB scholars have uncovered negative correlations between cultural values and practices (House et al., 2004; Maseland & van Hoorn 2009; Brewer & Venaik, 2010); yet, so far little attention has been given to identifying the root cause of these discrepancies.

This paper is not concerned with providing a critical overview of approaches to culture in IB, for which the reader is referred to the relevant literature (see for e.g.: McSweeney, 2002; Holden, 2004; Shenkar, 2001); instead, it aims to propose a conceptualization of culture that moves away from a value-driven orientation, and views culture as a system of social interactions and artefacts closely related to social praxis. Specifically, we adopt sociocultural theory (e.g., Vygotsky, 1978; 1987) as a theoretical
perspective for the following reasons: (1) it stresses praxis as the prerequisite of knowledge construction, (2) it views consciousness and cognition as the means and end product of socialization, and (3) social behavior is mediated through the use of language as a set of tools. Socialcultural theory often applied to education for children learning as novice learning from an expert. Yet the significance is much broader to include the interaction of culture and social interaction, hence the relevant to the IB field as well as to cultural study in general.

To contextualize the sociocultural theory, we adopt ethnography of communication as a particular type of ethnography first proposed by Dell Hymes (1974), for investigating the discourse of interactions where we can gain micro-level cultural insights (Van Maanen, 1988) and derive macro-level cultural regularities in social practice (Collin, 1981). The perspective we propose on cultural behavior is not to be intended as an outright dismissal of the valuable insights gained thus far by research conducted in the national values paradigm. National values – and the ‘sophisticated stereotypes’ (Osland, Bird, Delano, & Matthew, 2000) they generate – are a practical starting point for IB managers. However, our paper invites practitioners and researchers to move on to the next stage, to consider the possibility that cultural behaviour as observed in real life interaction in IB might in fact be quite complex and dynamic, and might require a socio-cognitive analytical approach for it to be appreciated. At this point, we would introduce our new perspective on culture and cultural behaviour, which this article will expound in some detail.

Moves strengthening the critical and/or interdisciplinary perspective of cross-cultural research in IB include the study of cultural conflicts or friction via social constructionism (Shenkar, 2001), and the introduction of a situated cultural learning approach (Zhu & Bargiela-Chiappini, 2013). In line with these developments, the theoretical approach to culture proposed in this paper seeks to make three major contributions. First, it uses sociocultural theory of culture to best reflect the essence of culture-as-practice, including both social and cognitive aspects of culture and applying this in the intra-and intercultural contexts. Second, it focuses on achieving mutual understanding across cultures through a gradual process of mutual understanding of both the perspectives of cultural Self and Other. Third, it contributes to advancing interdisciplinary cross-cultural research in the IB field, by drawing insights from educational psychology (which treats culture as both social and cognitive), and linguistics (EoC). The study of language and discourse in IB has already been accepted as a vital aspect of IB practice (Marschan-Piekkari & Reis, 2004; Marschan-Piekkari, Welch & Welch, 1999). A sociocultural approach to practice through the use of language can cast further light to a range of IB concerns such as joint venture collaborations and expatriate assignments where cross-cultural collaboration and synergy.

The reminder of our paper is organized as follows. First, we study the underlying assumptions of the value-directed orientation and their manifestation in extant IB research. Second, we define culture from a sociocultural perspective, drawing insights from education psychology, and show how IB research can be
reinforced by interdisciplinarity (Birkinshaw, Brannen, & Tung, 2011). Third, we introduce EoC to capture cultural values, beliefs and norms as they become manifest and are negotiated in interaction; in other words, we show when and how culture matters (Shenkar, 2001). Fourth, we illustrate how the sociocultural approach could benefit IB research (e.g., in expatriate assignments), followed by a brief discussion of relevant theoretical, methodological and practical implications in IB research and practice.

The current status of cross-cultural research in the IB field

We are aware that a wide range of assumptions underpinning cultural differences have been well documented in the past two decades (e.g., McSweeney, 2002; Shenkar, 2001). However, in this paper we intend to address the core issue in the value-directed approach, which overshadows a deeper understanding of culture. Only with a thorough understanding of this issue, will we be able to unravel and manage cultural biases and more readily engage with alternative approaches of cultural analysis.

Assumptions of the value-directed orientation

The fundamental assumption in a value-driven view of culture is that values direct behavior. The prevalent definition of culture in international management and business as in cross-cultural psychology is one of “shared values, beliefs and norms”, especially at the national level (see: Lustig & Koester, 2003). We tend to agree that values are important elements of culture, but they should not be seen as directing behavior. Cross-cultural research seems to have a tradition that overemphasizes the directing role of values, which can be traced back to Kluckhohn and Strodtbeck’s variations in Values Orientations, published in 1961. And values have always been a dominant criterion for explaining variation in behavior and performance across cultures and countries, which remains a trend in cross-cultural research in general; the field of international business is no exception.

An additional assumption, relating to the first one, is that priori cultural values provide causal explanations such as preference for group membership within collectivistic cultures and preference for autonomy in individualistic cultures (Hofstede, 1980). Likewise, other cultural dimensions (e.g., as in GLOBE and, to a lesser extent of application, in Trompenaars & Hampden-Turner, 1997) have been seen to impact on a wide range of international business practice, most commonly foreign direct investment (FDI), joint ventures and expatriate adaptation or acculturation.

The above assumptions have been consolidated in IB for more than two decades especially since Kogut and Singh (1988) developed distance cultural value dimension measures. Researchers tend to focus on identifying the (often negative) impact of cultural value dimensions on performance as a major research objective in IB cross-cultural research. As substantiation, Hult, Ketchen, Griffith, Finnegan, Gonzalez-Padron and Harmancioglu (2008), in a recent extensive review of more than 167 studies published in major journals of international business, found that the majority of these used cultural value dimensions and analyzed their impact on IB practice. IB researchers tend to expect that cultural value dimensions should provide a causal relationship between IB behavior and
performance. As Shenkar (2012: 2) sums up, in the FDI literature, the cultural value dimension model has been used to explain the foreign market investment location and the sequence of activities within such investment by multinational enterprises (MNEs). The second is to predict the choice of mode of entry into foreign markets. A third application has been to account for the performance of MNE affiliates in international markets.

A similar approach using cultural value dimensions as an explanatory tool has been applied in other areas of IB such as in implementation of joint ventures (Ren, Gray, & Kim, 2009) and failure of expatriate assignments. However, so far there is no hard evidence to prove a direct link between cultural values and IB practice/behavior (Hult et al., 2008; Shenkar, 2012). And the findings based on the cultural value dimension model are very mixed with some proving the relevance of cultural value dimensions and others disproving them (see detailed discussion in Shenkar, 2001, and Luo & Shenkar, 2011).

Although the cultural value dimension model is often categorized in the Western market as based on perceptual measures (Boyacigiller & Adler, 1991), its influence is deeply-ingrained in IB and it reflects a mindset that relies on values as a major explanatory determinant of variation in cross-cultural behavior. Our argument is further supported by evidence of discrepancy between societal values (as things should be) and societal practice (as things are), provided by the GLOBE project on international business by House, et al. (2004) who collected data on cultural attributes in 62 countries or regions, through survey questionnaires. The study identified nine dimensions including power distance, uncertainty avoidance, institutional collectivism, in-group collectivism, gender egalitarianism, assertiveness, performance orientation, future orientation, and humane orientation. Researchers found that negative correlations between values and practices occur in seven of these nine dimensions. House, et al. (2004) did acknowledge the complex relationship between cultural values and practices, which also aroused a spur of responses over the cause of these negative correlations since it was beyond the conventional expectations of culture. For example, Hofstede (2006) explained that these discrepancies were due to the flaws of the research design, and Maseland and van Hoorn (2009) argued that the values measured by GLOBE were only preferred marginal values as a result of ‘diminishing marginal utility’ (Maseland & van Hoorn 2009). However, according to Brewer and Venaik (2010), these values are real values, hence highlighting the need for further investigation of these negative correlations regarding each of the GLOBE dimensions.

To the best of our knowledge, no further attention has been given to this topic since. These debates are revealing in two ways in relation to the argument of our paper. Firstly, they demonstrate that values are not always consistent with practices, not to mention directing practices, hence the inappropriateness of the value-directed orientation. Secondly, many IB scholars are still oblivious to this issue since debates in the field have not touched on the question: why should there be such an assumption or expectation that cultural values should be consistent with cultural practices in the first place?
Critiquing the value-driven orientation: evidence from other fields

Findings from a number of research areas cast serious doubt on the explanatory power of the value-driven orientation of culture and suggest that it is social practice that should be seen as central for understanding culture. In sociology, for example, Swidler (1986) provides an example that youth from poor backgrounds share very similar values for a better life as those from a middle class background. However, their behaviour, or interaction patterns were very different, suggesting no direct or causal link between values and behavior. Compared to the educated middle class, the youth living on the street are much more disadvantaged in terms of resources and knowledge. In this study, it is what they do, rather than values, that set the two groups apart. Also values by no means direct actions in a linear fashion, nor can they provide uncontroversial causal explanation for the groups’ behavior patterns. Swidler (1986) developed the concepts of ‘settled life’ (more established communities) and ‘unsettled life’ (communities in development) to further elaborate on the complex relation between values and behavior in relation to social practice. Values tend to have more impact on behavior in the unsettled life of a specific community where there is a need to establish new patterns of behavior. In contrast, in the community of the ‘settled life’, values have much less impact on behavior, where people seem to have more options to select what values to follow as part of their strategic action in social practice. From this perspective, culture is a toolkit for constructing strategies of actions, rather than as a switchman directing an engine propelled by interests or values (Swidler, 1986: 277).

A similar view of value work as a complex process is shared by organization studies scholars. In their study of the development of an honor code in a large business school, Gehman, Treviño, & Garud (2013) found that values are formed through a process of interactive patterns of discourse enacted among members. Such findings contradict the deterministic view of values in an organizational cultural context, by exposing as misguided the understanding that values are defined by management and then shared by organizational members. Similar research in organization studies also underlines the benefits of applying praxis-based perspective for generating theoretical insights (e.g., Feldman & Orlikowski, 2011; Sandberg & Tsoukas, 2011).

The above discussion provides further substantiation that value-directed orientation leads to a narrow and potentially misguided understanding of cultural behavior. The focus of cultural analysis should be placed on the enaction of a group’s values, beliefs, etc. in practice, as visible in the discursive routines of organizational praxis. In this situation, values become selectively salient during interaction when individuals are called upon to engage in the practice of ‘doing business’ in a certain social group or cultural community. A cultural community is a coordinated group of people with shared traditions and understandings, extending across generations but incorporating changes in situated social practice (Gutiérrez & Rogoff, 2003). For example, in certain social contexts, individuals sharing similar values will tend to form interest groups or cultural communities around such values and share interactional strategies that display share core values, beliefs and norms. In this sense, ‘culture’ is emergent.
and dependent on which individual core and other values become manifest, i.e. are observable, in interaction. As the term suggests, core values tend to become closely associated to a group and are possibly more stable, if potentially always negotiable, than other values or norms that may have been acquired strategically during temporary contact with ‘cultural Others’.

Compared to the above research fields, IB researchers have been slow to reflect on the root-cause of the persistence of the valued-directed orientation approach. As a way of encouraging a critical re-appraisal of the current situation, we suggest conceptualizing culture as incorporating a focus on social praxis rather than values. As discussed in the following section, a sociocultural theoretical perspective is proposed to move away from the valued-directed orientation and focus on culture as social practice.

**Sociocultural theory: a shift to culture as social practice**

Sociocultural theory was first systematically introduced in educational psychology by Vygotsky and his Russian colleagues in the 1920s-1930s. It is based on the assumption that human activities take place in cultural contexts, are mediated by language and other symbol systems, and can be best understood in the historicity (e.g., past traditions passed from generation to generation) of a certain social group or community. Sociocultural theory thus posits a close link between culture, language and thought. This conceptualization is more sophisticated and dynamic than the linear assumption embodied in cultural value dimensions; it has been widely applied in education (Brown, Collins, & Duguid, 1989; Gutiérrez & Rogoff, 2003) and organizational learning (Engestrom, 1993; Lave & Wenger, 1990), and is also relevant for reconceptualizing culture in IB, in a number of ways.

First, one of the fundamental insights of sociocultural theory, according to Lantolf (2000), is its claim that the human mind is mediated. Vygotsky (1978) finds a significant role for what he calls ‘tools’ in humans’ understanding of the world and of themselves. He advocates that humans do not act directly on the physical world without intermediary of tools. Whether symbolic or signs (mostly language), according to Vygotsky, tools are artefacts created by humans under specific cultural and historical conditions (or historicity), and as such they carry with them the characteristics and meanings of the culture in question. According to Vygotsky, there is no clear division between internal and external worlds in knowledge construction since both are socially based and constructed. Furthermore, the semiotic means that populate these worlds are seen as both the tools that facilitate the construction of knowledge for the individuals and the means that can be internalized to aid future problem-solving activity.

Second, internalization is seen as both process and outcome and viewed as a social and cognitive phenomenon (Vygotsky, 1978; Brown et al., 1989). Individuals internalize the meanings of tools (in particular language) through actively reconstructing external and shared operations on the internal plane whilst, simultaneously, they also achieve the outcome of further developed understanding toward a higher level plane of constructing knowledge through reflection. The
outcomes thus include considerations about how the internalization of interpersonal activity fundamentally restructures the individual's cognition such as relating to understanding of and a full participation in one's own culture.

Third, and based on the social and cognitive tenets of sociocultural theory, Vygotsky (1978) advocates that the role of a psychologist should be to understand how human social and mental activity is organized through culturally-constructed artefacts and language. Accordingly, learning should be examined by incorporating the dialectics of these two aspects as complementary and interconnected. These three tenets are also crucial for conceptualizing culture as both social and cognitive, with the two aspects in dialect relationship. We use ‘dialectics’ here as a philosophical underpinning for re-conceptualizing culture, although it can be and has already been operationalized at the instrumental level such as for studying children's performance and knowledge development (Vygotsky, 1978). More importantly, the emphasis in this paper is on the social dimension as the basis of cognition, including the understanding of cultural values and their relations with other aspects of culture in both intracultural and intercultural interactions.

**Culture revisited**

We revisit the concept of culture in light of the sociocultural theory. As early as the 1950s, Kroeber and Kluckhohn (1952) compiled a list of 164 definitions of culture in Culture: A Critical Review of Concepts and Definitions provided by anthropologists alone. It is quite likely that more definitions can be found today. However, our paper is not to critique or add to the definitions of culture. Rather, for the purposes of our paper, we use extend sociocultural perspective to define culture by further stressing the social and cognitive aspects from the following three dimensions.

First, we define culture as situated practice and activities. The meanings of culture are closely related to the very contexts, situation, routines and activities of the particular social group or community. These routines are normally expressed through artifacts, especially through language. In a similar vein, Keesing's (1981) defines culture as a toolkit of publicly available symbolic forms through which people experience and express meanings within a social group or community. In so doing, we keep away from 'national culture' focus whilst being sympathetic with Gould and Grein's (2009) culture-centric perspective, which views culture as a glocalized community “generated” by social groups, with national culture being just one of the many variables contributing to its creation. Also in light of the sociocultural perspective introduced above, the most important symbolic system in the interactional world is language as used in the situated, lived experience of social groups or cultural communities (Gutiérrez & Rogoff, 2003).

Drawn from the above view, it would not be difficult to find the link between the sociocultural perspective and Geertz's (1973) perception of culture when he notes that cultural systems can be expressed in discourse, or through systems of meanings and symbols of language. Sherzer (1987) maintains that discourse creates meanings out of situations, thereby becoming the ‘essence of culture’ and constitutive of language, culture and society. As Kramsch
(1993, 2011) boldly concludes, culture is discourse and discourse is culture. To fully understand a particular culture, we need to understand people’s use of language to express meanings in a particular context such as how Chinese managers used small talks to strategically interact with potential business partners in initial business negotiations (Yang, 2012; Zhu, 2008, 2011; Zhu et al., 2007). This social aspect of culture thus captures the situated practice orientation of culture as in Vygotsky’s sociocultural theory, which shows how one can learn and share culture values and beliefs and become enculturated into a social group through social interaction and appropriate use of tools and historicity.

Second, we define culture as situated cognition and view schemas (or mental structures or models) and the meanings of cultural artifacts and symbols are closely related since schemas are. However, different from the taken-for-granted definition of schema as mental structures inside the head, Bartlett (1932) also known as the first to develop ‘schema’, insists that schema is conventions and social practices both inside and outside the head. In other words, cultural schema is not seen as residing in the individual's head as existing ‘scripts’; rather, it is the product of social interactions and is later internalized from the praxis of social interactions. Similarly, according to Lederach (1995: 5), “culture is the shared knowledge and schemes created by a set of people for perceiving, interpreting, expressing, and responding to the social realities around them”.

Third, we view culture as mediated action of cognition and artifacts. Neither of the above two aspects exist in isolation. Rather they are mediated through human interactions (in relation to others) and social activities (in relation to specific contexts, situations and activities). Similar thrust of understanding culture as composed of both subjective and objective elements can also be found in the anthropology (e.g., Durkheim, 1912; White, 1959). This is also the fundamental assumption that underpins activity theory (Cole, 2003; Engeström, 1993, 2001). In a similar way, values, as well beliefs, rituals and protocols, are formed and reinforced through those shared experience and interactions with a certain social community or group. In this sociocognitive process, language, thought and culture become intertwined, with one reinforcing the other. The above dimensions of culture with its stress on social practice and cognition paves the way to understanding culture in a relational manner of self to social practice via artifacts, especially language as tools.

Our conceptualisation of culture, besides the intra-cultural scope, also provides the foundation for deriving models for understanding the cultural Other. The relation between self and cultural Other is a central topic of concern in extant cross-cultural research (Gudykunst & Kim, 1992; Holliday, 2013). For example, we can become more reflexive of our own perspective by progressively engaging with and internalizing the discourse of the cultural Other. However, to fully understand the interaction between self and the cultural Other, we introduce ethnography of communication as a methodology that enables such appreciation in the following section.

**Ethnography of communication: A way of accessing the sociocultural**
We introduce EoC as a way of enabling the researcher and interactants to access the sociocultural understanding of Self and Other. It also extends the sociocultural theory in both the social (situated communication practice) and cognitive (reflexivity) aspects. After a brief introduction to these aspects, we concentrate on the aspects of EoC that are most valuable for an analysis of culture as practice as expounded in sociocultural theory.

**Introducing EoC as Related to Situated Communication Practice**

EoC is a type of ethnography, which has been devised specifically to study culture-embedded communicative practices (Barro, Joordan, & Roberts, 1998), offering a sympathetic and well-developed methodology for analyzing culture as social practice. Anthropologist Dell Hymes (1962, 1964, 1974) is usually quoted as the founding figure of EoC as a methodology underpinned by an epistemology that “brings together language and cultural practice by looking at speaking as a cultural system [...]; studies conducted in this tradition either start from a particular aspect of speaking and consider its ramifications for social life or they start with a theme such as marriage or role conflict and examines how these themes are illuminated through communication” (Barro et al., 1998: 80).

Hymes’ original SPEAKING mnemonic refers to a heuristic consisting of sixteen analytical categories grouped under eight headings: Setting and Scene, Participants, Ends, Act Sequence, Key, Instrumentalities, Norms, Genre. These labels reveal Hymes’ understanding of speech as context-dependent. EoC claims to provide a methodology for the systematic, component-based description of societal communicative practices as they are observed but also as they are discussed by participants (Carbaugh 2007). In the same tradition, British linguistic anthropologist Brian Street proposed a conceptualization of culture as a verb, that is culture as “a signifying process – the active construction of meaning” (Street, 1993: 23). Social cultural theory as described earlier intersects precisely this insight and enriches it with a cognitive dimension that is usually missing in linguistic anthropology.

A full account of EoC methods and applications cannot be discussed here due to lack of space but the reader is referred to the work of sociologists, interaction analysts and communication scholars who have applied ethnographic tools (Bargiela-Chiappini & Harris, 1997; Boden, 1994; Salvi & Tanaka, 2011).

**Reflexivity in EoC**

In order to exploit the experience and expertise that many IB professionals have acquired over time and that could be usefully drawn upon by both educators and researchers, we propose to stress reflexivity as the unique contribution of EoC toward developing a more effective intercultural IB researcher and practitioner. As Easterby-Smith and Malina (1999) note, reflexivity acknowledges that the researcher is not detached from what she observes; thus, sociologists, social constructionists and postmodernists, all have at different times and in their specific ways critiqued the objectivity of natural scientists. Through reflexivity, one gains insights into oneself by using information from another in the twofold process of mirroring and
contrasting (p. 84): “In mirroring, observation of another leads to the realization that the features observed can also be attributed to the observer” [whilst] “contrasting, involves an observer’s focusing on another in order to understand how the observer is different” (p. 84). Through the reflexive practice built into EoC, researchers develop an acute and productive awareness of their surroundings and the people who inhabit them, their own assumptions and preconceptions, what they bring to the research process, and how their presence affects what they observe. In the case of Easterby-Smith and Malina (1999), the application of reflexive analysis of post-event has yielded valuable insights about the project as experienced by participants.

Like the researcher trained in ethnography, so the IB researcher practitioner can be trained to become, if she is not already, self-reflexive and constantly engaged with one’s own assumptions, values, meta-theoretical import, emotions, etc. It is possible to at least be more engaged in EoC and successful cases about how students turned into ethnographers through the use of EoC can be found in both language learning (Roberts et al., 2001) and cross-cultural management education (Zhu & Bargiela-Chiappini, 2013). For example, the IB practitioners are at once experts in their roles as well as constant learners from the field; participants with goals to achieve as well as observers of their own and others’ sociocognitive positioning; insiders with vested interests but also reflexive outsiders.

Although a potentially apt methodology for interpreting the dynamics of cross-cultural interaction, the application of EoC has been largely applied in language education (e.g., Roberts, Byram, Barro & Street, 2001; Holliday, 2013). In this research, linguists argue that intercultural competence, often seen as composed of appropriate attitude and behavior, should also include communicative competence (i.e. using language appropriately in contexts) as discussed in Hymes (1974). We are aware of the prevalent concept of intercultural competence introduced by scholars such as Ting-Toomey and Kurogi (1998), and composed of cognitive, behavioral and outcome factors. We are also aware of the ongoing discussion around developing a universal model of intercultural competence (Deardorff, 2009). However, the major concentration on competence as an outcome rather than as a process (as in for example, Ting-Toomey & Kurogi, 1998; Spitzberg, 2000) is not helpful to our discussion. We therefore remain with a dynamic, processual and practice-based sociocognitive understanding of culture as supported by sociocultural theory and articulated through the practice of EoC in three important ways: (1) the relativisation of self and the cultural Other; (2) reflexivity for enhanced critical awareness and (3) intercultural openness.

**Applying ethnography of communication in cross-cultural encounters**

The relativisation of self and the cultural Other

First of all, EoC proposes the cultural tool of language to relativize Self and the Cultural Other (cfr. Devin & Liddicoat, 2013; Holliday, 2013; Roberts et al., 2001; among others). EoC stresses taking the cultural Other’s perspective through discursive interpretation of social interactions. Cultural self and cultural Other
become reflexively aware of their own lived experience and knowledge of their own culture, an interpretative approach that they extend to the lived experience and knowledge of the cultural Other. Holliday (2013) refers to this process as the development of a “small culture grammar” explaining how one’s own culture is formed through social interactions and through learning from others in the micro-level social and historical context. Roberts et al., (2001) for example, found that through participant observation, students came to appreciate the nuanced ways such as gift-giving of a particular cultural community. For example, gift-giving at the level of local German politics has political (hierarchy and power) and emotional (interpersonal or intercultural ties) consequences within the local community. This kind of situated cultural learning is quite different from the generalized understanding of culture as directed by national values (Zhu & Hildebrandt, 2013). Through observation of the lived experience of cultural Others - their daily discourse routines and practices – one can begin to reflect on our own discourses and practices and to develop an appreciation of alternative ways of ‘doing things’, and glean the personal values and preferences that shape such ways.

As one of the cultural tools, reflexivity taps into a reservoir of knowledge from which interactants draw to develop strategic actions (Gutiérrez & Rogoff, 2003), hence enabling a deeper understanding of the cultural Other. In fitting with the above argument, there is a body of research (e.g. Nishizaka 1995; Mori 2003) which examines intercultural interactions from an EoC position. That is, treats intercultural differences not as an a priori resource for explanation, but as a topic to be explored in itself. Such research seeks to explore how interactants make relevant, or irrelevant, perceived cultural differences in practice, and to understand how and why this has occurred. For example, Nishizaka (1995) showed how Japanese speakers select certain sets of values and protocols to achieve their goals in situated contexts of communicating to a foreigner. Other researchers (e.g., Bargiela-Chiappini & Harris, 1997) observed how managers of MNCs enacted certain actions in

**Reflexivity for enhanced critical awareness**

The second aspect of EoC that is synergetic to sociocultural theory is the enhancement of critical awareness achieved through the practice of reflexivity (Holliday, 2013). EoC involves critical participation in intercultural interactions, which is being aware of one’s own cultural baggage, and aware of underlying assumptions and preconceptions. From a sociocultural perspective, critical awareness is closely related to reflecting on the formation of one’s own culture such as how values are derived from the interpretation of interactions in the specific social contexts. In addition, we have to be critical of our own stance toward other cultures and attempt to achieve the understanding of the cultural Other from their perspective, which includes ongoing assessment of our own biases. Existing cultural value dimensions can only be the starting point for assessing our biases (Holliday, 2013).
patterned sequences of business meetings in situated cultural contexts and interactively (e.g. how politeness behavior such as invitations emerged at British or Italian corporate meetings through association with a certain set of values).

However, reflexivity does not stop at the participation or observation of discourse in the fields but rather take the point of departure from there for learning in one’s self-understanding (of own culture and of own biases and ethnocentrism) and ensuing construction of otherness from their perspective. This is what Blasco (2012) calls critical reflexivity and is also similar to Bargiela-Chiappini & Harris (1997) concept of active socially responsible individuals for cross-cultural interactions.

**Intercultural openness**

The third aspect of EoC revisited in a sociocultural perspective is intercultural openness (Holliday, 2013; Sáez, 2002), which incorporates the dialectics of the social and cognitive aspects of culture (Vygotsky, 1978). Openness includes appreciation of diversity and the need for positively imagining diversity in relation to other cultures. Cultural differences are very frequently seen as negative in cross-cultural research in IB (Günter & Tung, 2013). EoC can help address this shortcoming by treating most cultural differences as resources. In particular, the praxis-based view in sociocultural theory stresses cross-cultural understanding as reciprocal hermeneutical experience leading to dialectic interpretations of culture by Self and Other. This openness can be achieved by positively imagining the cultural Other (cognitive) and through active (co-)participation and co-learning in dialogue and social interaction (social). As Holliday (2013) explains, one applies the same small or microlevel cultural processes acquired through lived experience to new contexts and develops and adapts his or her own interlanguage (or interpretation of the cultural Other) as a learning experience toward increased mutual understanding and intercultural collaboration. The individual thus plays a proactive role rather than a passive role in intercultural interactions. In addition, through the ongoing learning process, one can become proficient in interacting with individuals from a number of (new) cultures and eventually collaborate effectively with several cultural Others.

**Applying the sociocultural approach to IB**

In light of the sociocultural perspective, we propose EoC as a methodology to interpret and analyze cross-cultural interactions in IB as procedural, practice-based and reflexive. Specifically, the aforementioned aspects for cross-cultural encounters are applicable to IB as well. So in lieu of looking for national values as determining cultural practice, we need to examine how and what kind of values, beliefs and norms are enacted in practice, and how they shape and are shaped by the social life of a group we plan to collaborate with in IB. In what follows, we apply the sociocultural theory to expatriate adjustment, which is among the most popular cross-cultural topics in IB (Shenkar, 2001). However, we mainly focus on illustrating some possible ways of addressing the key value-directed assumptions underpinning expatriate assignments rather than provide a critical review of literature, which deserves a separate study.
Assumptions of extant literature on expatriate adjustment

The first assumption of extant expatriate literature tends to be expatriate-centric, focusing on how expatriates adjust to foreign contexts and the impact of the host culture on their performance (Black, Mendenhall, & Oddou, 1991; Brock, Shenkar, Shoham & Siscovick, 2008; Tung, 1984). In particular, expatriates are often seen as individuals trying to adjust their behaviour in order to fit into the new international organizational contexts. So it is often a one-sided story about expatriates either imposing their home culture (based on cultural attractiveness) onto the subsidiary, or being subsumed into the subsidiary's culture. In another words, the expatriate is seen as a passive participant in the new cultural environment. This assumption overlooks the roles other stakeholders play such as the local culture members collaborating with the expatriates in MNCs. As a matter of fact, the locals and expatriates relationships come to the fore as individual bearers of cultures in interaction, either as superiors or collaborators in subsidiaries (Takeuchi, 2010).

The second key assumption is that the closer the distance between the expatriate and host culture, the easier the adjustment for the expatriate. This assumption has been proved to be flawed and research (see, e.g. Shenkar, 2001) indicates that cultural distance is not significant since expatriates from both close (e.g., American expatriates in UK) and distant cultures (e.g., American expatriates in Thailand) have exhibited similar level of challenge adjusting to the new environment of their assignment. Once again, this assumption is based on the view that cultural values predict success of expatriate adjustment, which proves to be problematic. Even MNCs from the same culture may not predict the same level of adjustment (see for example, Saka-Helmbout’s (2010) comparative study of Japanese firms in UK).

Re-reading extant research through a sociocultural lens: culture and expatriate adjustment

A number of researchers (e.g., Black et al., 1991; Tung, 1984) note that previous overseas experience will help expatriate with their adaptation to the new culture. We will therefore focus on studying expatriate lived experience systematically applying the sociocultural approach, which will help to achieve the major goals of assignments, including “understanding why each culture does things the way it does, agreeing which approach will lead to desired outcomes in specific cultural encounters, and reviewing the outcomes and modifying approach to fit both cultures better” (Luo & Shenkar, 2011: 8). In the following, we re-examine one example from extant research through the socio-cultural lens to show how its purchase could be extended. For example, Saka-Kelmhout (2010) used a situated learning approach to compare two Japanese subsidiaries’ adaptation to the host country of UK through organizational learning to create a positive team culture. Situated learning, defined as learning in specific contexts of practice (also known as legitimate peripheral participation, see: Lave & Wenger, 1991), originates from Vygotsky’s sociocultural theory and so the connection with our approach is very close. Moreover, in expatriate literature, organizational learning is considered an important factor for success of overseas
assignments and operations (Reiche, Kraimer, & Harzing, 2011).

Through interviews with the Japanese managers from the two firms (Teniki and Nissera), Saka-Kelmhout (2010) found that Nissera had developed a much higher team culture of learning and one of the major reasons is that the Japanese expatriates integrated well into the manufacturing activities (e.g., hands-on training and participation in the floor activities). Whereas a lower-level of team culture was identified with Teniki where there was a clear segregation between Japanese expatriates' supervision and employees’ shop-floor activities (so a less degree of participation). Her research made a contribution to using situated learning to study the integration or adjustment of expatriates in the IB context with a reference to interactions of the expatriates with the host national culture.

Yet, Saka-Kelmhout’s study focuses on understanding the local culture mainly from the Japanese expatriates' perspective (hence still expatriate-centric), which is only one aspect of ‘relativising self and the cultural Other’. In light of the sociocultural theory, EoC can, first of all, help to enrich this situated understanding through incorporating also the hosts’, i.e., the insiders’ perspective on the cultural specificity of their practices. This is to complete the process of relativizing self and the cultural Other. The host nationals’ perspective as an insider has been proved to be possible for incorporation into the research design elsewhere such as in Bargiela-Chiappini and Harris (1997). Various techniques such as (non-)participant observation of talks and other interactions and ethnographic interviews can be used as a tool for observing and interpreting the local perspective in action.

Second, sociocultural theory could further extend the purchase of the above study by introducing reflexivity to increase the level of cultural awareness conducive to learning. In this case, cultural distance would stop being a determinstic factor of adjustment. By reflecting on one’s own assumptions on cultural value dimensions and going beyond ‘sophisticated stereotypes’ about the cultural Other. Difference in cultural assumptions has been recorded before in the literature: Selmer, Chiu and Shenkar (2007), for example, found that cultural distance can be asymmetrical for the two parties involved (e.g., Germans and Americans may not view the distance between them as the same in their expatriate experience respectively). Although Selmer et al. used this finding as evidence against the commonly-held symmetry view about cultural distance (assuming the parties involved would have the same view about the cultural distance between them), their findings could be treated as evidence of the work of reflexivity in relation to understanding other cultures. EoC, through the analysis of talks in interaction, can provide important clues about the enacted cultural practices which may help answer the question: what should each party do in order to achieve the goal of building a positive team culture in their subsidiaries as in Saka-Kelmhout’s (2010) case?

The third insight inspired by the application of sociocultural theory to IB is intercultural openness. A more systematic study of co-participation and collaboration between the host country nationals and expatriates will offer new insight into understanding the outcome of expatriate adjustment which, in the paper we are analysing as an example, is creating a team culture. Coincidentally, this is an under-
researched area in expatriate assignment research (Takeuchi, 2010). Saka-Kelmhout (2010) stresses the importance of the institutional context for learning. However, she fails to give due consideration to the contribution that all stakeholders make in this learning process.

Intercultural openness is also related to an important area of expatriate-host interface and especially the contribution of the expatriates to the subsidiaries (Takeuchi, 2010). A sociocultural approach to this issue would emphasise the willingness and openness to share and learn from each other that expatriates and hosts demonstrate. For example, there may be multiple types of learning such as technological learning and cultural learning, and each party can be an expert in one of them, as in the case of routined cultural practice in UK vs. routined professional practice by the expatriates (Saka-Kelmhout, 2010). Through extensive interaction and negotiation, IB parties may eventually agree on common interests as the base of their collaborative relation. Moore (2011), in her study of German-British merger, has shown this kind of interface is useful for exploring common interests between the expatriates and locals especially in face of issues involving power and control.

This co-learning and co-participation approach not only reduces the expatriate-centricity but also pays attention to the expatriates’ and locals’ contribution to the new shared cultural contexts. Cultural differences or diversity would be viewed more positively by both parties through observing each other’s learning practice through a hands-on or structured approach (cfr: Saka-Kelmhout, 2010). In the meantime, both parties can also reflexively revisit their stance toward intercultural openness and constantly critique their own views and possible biases toward the cultural Other and constantly reinforce the cross-cultural team culture for collaboration. All in all, we need to study the dialectics of culture in practice and our internalization processes, which are conducive to better cross-cultural collaboration as in expatriate assignments and beyond. This is an ongoing process; changing value-directed orientation needs constant examination and reflexivity of both social and cognitive aspects, including reflecting on the dialectic relation between them.

Conclusion and implications

Our focal argument was that the prevalent value-oriented approach was flawed, and it has been dominating cross-cultural research in IB and international management for more than half a century (Taras, Rowney, & Steel, 2009). To address this long-standing issue of the value-directed orientation in cross-cultural research in IB, we have proposed a new way of reorienting cross-cultural research with a focus on praxis and reflexivity. Specifically, drawing on Vygotsky’s socio-cultural theory, we have conceptualized culture as closely related to lived experience and internalization of symbolic artefacts including language and historicity. The strength of this approach lies in its focus on both social praxis and cognitive aspects of culture as embedded in situated interactions and acquired through internalization of artefacts and discourse, thus offering a richer theoretical perspective for understanding culture than the cultural value index. As noted by Gehman et al. (2013), value-directed assumptions in organizational research can actually blind us from seeing the nuanced practice of value work, or, in our case, intercultural interactions at work.
In sociocultural theory, culture (including national culture) is seen as repertoire of knowledge enacted in practice and so it is essential to study cultural behavior in situated contexts, through observation or, ideally, participation.

To reiterate, we view EoC as a suited analytical methodology to capture the workings of culture in practice. Specifically, we propose three aspects of EoC for understanding intercultural encounters including relativisation of self and the cultural Other, critical reflexivity and intercultural openness. We have shown how these three aspects can help to address some existing issues in this area (such as a one-way focus on expatriates), for which cultural value dimensions have so far failed to address satisfactorily (e.g., in the research of expatriate adjustment). In a similar way, the sociocultural theory can also be applied to other areas where cultural issues are present such as in FDI, and cross-border mergers and acquisitions, to avoid oversimplification of the nuanced IB practice across cultures and also have further theoretical implications for developing new theories.

**Theoretical implications**

This study has theoretical implication in a number of areas. First, also as a major contribution, the application of sociocultural theory combines both the social and cognitive aspects of culture, often seen as separate in extant research (see: Marshall, 2008) into an integral system. Our introduction to EoC makes this approach accessible for cross-cultural research in IB. Although this perspective is not a panacea for the many in challenges in cross-cultural research, a re-orientation away from cultural value dimensions provides a new space for re-conceptualizing culture dynamically and with a strong praxis foundation. Once again, culture is all about social practice and people draw from repertoires of cultural knowledge to conduct strategic actions and achieve strategic goals such as in creating a positive team culture in a subsidiary (Saka-Kelmhout, 2010). The sociocultural approach well captures the workings of culture as it happens and also processes of (social) cognition such as internalization taking place simultaneously.

Second, and closely related to the above implication, we have contributed to the dialogue about reconceptualizing culture which is consistent with various calls (e.g., Devinney et al., 2013) in IB for such an extension. As such, we have developed an open system of understanding culture through the analysis of micro-level interactions rather than through a closed system based on the value-directed orientation as in extant literature. We still agree that values, beliefs and norms do exist as important components of culture, yet they are neither a given nor deterministic. Rather, they are part of the cultural resources that can be used for developing strategic actions (Sherzer, 1987) such as achieving strategic goals for joint-venture collaborations. And, they are enacted in practice and routines of interactions (e.g., conversations and talks) suggestive of macro-level cultural regularities at work. Values, in this thrust, are no longer directing behavior or performance as commonly taken for granted in extant IB research.

Third, we also complement extant cross-cultural research in IB. Rather than dismissing all extant research using cultural dimensions, we view culture as related to practices and some
practices may indeed overlap with some of the cultural dimensions identified by extant IB research as part of the navigation systems of applying values and beliefs in practice. Note that we focus on how some of the values actually are enacted and shared in praxis. The sociocultural approach also complements cross-cultural research by pointing to the gaps between our assumptions of other cultures and the practice of those cultures. It is essential to be aware that the cultural value index only represents an etic or outsider’s perspective, which needs to be complemented by the emic or the insider’s perspective (cf: Morris, Leung, Ames, & Lickel, 1999; Zhu & Bargiela-Chiappini, 2013). This embracing view of culture points to future research directions to further explore the complementarity of insiders’ and outsiders’ views.

We have shown that a more nuanced emic perspective of the cultural Other can be achieved through micro-level analysis such as envisaged by EoC. Drawing on a sociocultural approach, we emphasize that both researchers and interactants need to learn to be ethnographers of communication and interpret culture as it is unfolding interactionally before their eyes. In addition, we also stress the need for studying the initiatives of all participants of cross-cultural interactions in IB as a co-participative and co-learning process with potential for achieving positive cross-cultural outcomes and collaborations, hence viewing cultural differences as potentially positive rather than generally negative as in extant IB literature (Günter & Tung, 2013).

Last but not least, this study has potential theoretical implications for developing interdisciplinary theory in IB. We have shown how sociocultural theory can be used to re-conceptualize culture. Similar approaches can be further explored and developed drawing strengths from anthropology, sociology and other social sciences that may help broaden our views toward understanding culture as a socio-cognitive process and further explore the relations between cultural values and practices.

**Methodological implications**

Methodologically, this study has implications for designing cross-cultural research. As our main contribution, we have conceptualized and illustrated how EoC can be used as a methodology to study the patterns or chains of micro-level interactions (Collins, 1981) for deriving the macro-level meanings of culture. But we did not stop here but rather moved on to take care of the dialectics of culture in praxis and the complex cognitive process of internalization and reflexivity in relation to the praxis (Vygotsky, 1978). So instead of ‘measuring’ culture objectively using cultural dimensions, which is unrealistic, we need to design research, incorporating the spirits of the sociocultural theory and capturing the complexities relating to the dialectics of social and cognitive aspects. We argue that it is this dialectic relation that should drive the designing of research methodology with the purpose of identifying the regularities of culture (Gutiérrez & Rogoff, 2003) without losing sight of the cognitive aspect (e.g., how reflexivity complements a better understanding of culture through removing biases).

As a methodological contribution, we have proposed EoC as an apt ethnography for IB
research. Similar to other ethnographies, EoC also focuses on observations of social structures, artefacts and behaviors, providing descriptive data that defines the group and its culture. However, differently from other types of ethnography, EoC emphasizes the discourse and communication aspects of interaction, which is closely related to sociocultural theory. However, we are not claiming this type of ethnography is better than those already applied in IB (e.g., Caprar, 2011; Moore, 2011). Rather, it is better suited to the application of a sociocultural approach to understanding culture as they both focus on language and artefacts as major manifestations of culture. The combined strengths of a sociocognitive approach have implications for developing research methodology that can generate ‘thick descriptions of culture’ (Geertz, 1973).

In a similar thrust, any methods of qualitative and quantitative design or multiple methods (e.g., Polsa, 2011) should be concerned with capturing the complexities of change and dynamics of interactions in praxis and reflexivities relating to praxis, and examine thought or behavior ‘...in the process of undergoing change, right before one’s eyes’ (Vygotsky, 1978: 26). However, EoC should not be seen as in conflicts with other quantitative research methods and can be applied as part of a mixed method approach which is increasingly used in IB. As a matter of fact, sociocultural theory has already been incorporated in the experimental research design in education (see Vygotsky, 1978) and future study may explore similar developments for studying the dialectic relation between the social and cognitive aspects of culture.

**Practical implications**

The sociocultural approach also has practical implications for both IB scholars and business practitioners. We need to understand closely how practitioners ‘do culture’ in the real world of IB in order to understand their perspectives. We hold the practitioners’ views as an important source of understanding the very culture they experience in context (e.g., the experience of expatriates). In the meantime, we need to learn to be more reflexive of cultural practice and also of extant cross-cultural research in order to expose and correct cultural bias. In a similar way, business practitioners, as interactants in cross-culture practice, can draw implications and insights from identifying the meanings of culture in a foreign context. In addition, they also need to understand cultures as lived experiences, and more importantly sources of forming strategies for problem-solving in IB practice (as in expatriate assignments and joint-venture collaborations).

At the firm level, this study has implications for cross-cultural collaboration across a number of areas in IB including joint-ventures, FDI and cross-border mergers and acquisitions. Through viewing cultural differences more positively, MNCs may seek to play a more active role in cross-cultural interactions and collaborations with their overseas partners (e.g., from either a technological or a local cultural knowledge perspective). In a similar vein, MNCs may want to focus on developing training programs for applying and practicing some of the EoC techniques in light of the sociocultural approach.

Above all, the issue of the value-directed orientation is overdue and there is an imperative to view intercultural encounters as an ongoing
process of reducing and minimizing biases and achieving genuine cultural understanding in practice. It is hoped that sociocultural theory and EoC can offer some new insight for further exploration of culture both theoretically and methodologically in the sociocognitive direction.

References


Shenkar, O. 2001. Culture distance revisited: Towards a more rigorous conceptualization and


Abstract

Purpose
Cultural Intelligence (CQ) has been demonstrated to be essential to expatriate adjustment and adaptation. While there is a heavy emphasis on CQ as an antecedent to various outcomes, CQ has hardly been examined as a dependent variable. Different from this cluster of studies, we investigate CQ as an outcome of international experience.

Design
Based on the premise that CQ is a set of malleable capabilities that can be developed and improved through international experience, we review existing research in regards to this relationship. We discuss the variation in research findings and on this basis argue for the appropriateness of utilizing Social Learning Theory (SLT) to examine the influence of international experience on CQ. We complement the proposed framework with a set of theoretical propositions.

Findings
A careful analysis of the link between international experience and CQ reveals inconclusive and contradictory findings in the existing literature. We argue that this is mainly because the majority of studies lack a theoretical foundation to explain the link. We utilize SLT to address this weakness. SLT views learning as being affected by both observation and experience and includes four fundamental elements: attention, retention, participative reproduction and incentives. The central premise focuses on anticipatory action, where individuals anticipate actions and their consequences in order to determine their behavior before they encounter a situation. Learning occurs as a result of observing others' behavior and experiencing the consequences of reproduced behaviors, which shapes future behaviors. Thus, SLT provides a sound explanation for why international experience should result in the development of CQ, if individuals interact with the learning environment. As a result we argue that scholars should incorporate the depth of international experiences into research on its link to CQ.

Research limitations/implications
We only focus on how international experience impacts on CQ. There are however other important antecedents that are likely to lead to the development of CQ.

Practical implications
The need to provide expatriates and human resource managers with insights about how CQ is developed is undeniable given its demonstrated impact on expatriate adjustment and adaptation. For expatriates, it is important to know how they can learn CQ in order to have more successful adjustment for future
international assignments. For human resource managers, understanding how international experience impacts CQ development allows for better expatriate selection decisions.

**What is original/what is the value of the paper?**

The article advances the research on CQ by (1) investigating CQ as an outcome variable and (2) proposing a theoretical framework to explain the relationship between international experience and CQ development and guide future research on CQ as an outcome variable. In addition, rather than focusing on mere length and number of international experiences, we emphasize the importance of the interaction between the individual and the environment as a key to CQ skill development. Our theoretical framework offers a basis for empirical testing.

**Keywords**

Cultural Intelligence, International Experience, Social Learning Theory, Expatriates

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**Introduction**

This article joins the academic conversation on Cultural Intelligence (CQ) within the expatriate literature. The construct of CQ was introduced by Earley and Ang (2003) to encompass an individual’s abilities to effectively function in culturally diverse settings; answering the question of why some individuals effortlessly adapt and adjust their views and behaviors in cross-cultural situations while others struggle (Van Dyne, Ang, & Livermore, 2010: 132). Scholars previously used cultural competence, intercultural competence, cross-cultural competence, among others to refer to these individuals’ abilities, but the lack of coherent theoretical grounding and confusion from mixing ability and nonability characteristics caused questions of construct validity and practical utility to arise (Ang, Van Dyne, & Tan, 2011; Gelfand, Imai, & Fehr, 2008). Addressing these concerns, Earley & Ang (2003) based CQ on the theory of multiple intelligences and the Sternberg and Detterman framework (1986) and included four facets - cognitive, metacognitive, behavioral and motivational - introducing a measurable construct. A later conceptualization treats CQ as “a system of interacting knowledge and skills, linked by cultural metacognition that allows people to adapt to, select, and shape the cultural aspects of their environment” (Thomas et al., 2008: 126) and includes three elements - cultural knowledge, cross-cultural skills and cultural metacognition. This re-conceptualization of CQ is described as a latent construct, as opposed to an aggregate construct as originally conceptualized, and views cultural metacognition as the linking facet between...
cultural knowledge and skills and culturally intelligent behavior (Thomas et al., 2008). However, both conceptualizations of CQ focus on an individual's capabilities to effectively interact in culturally diverse situations, translate across multiple cultures and are multidimensional, highlighting its importance for expatriates.

Expatriates frequently operate in new and changing cultural environments where their abilities to adjust and adapt are essential to their international assignment success. A common reason for expatriate failure is the inability to effectively adjust and interact in culturally diverse environments. Unsuccessful international assignments can result in damaged personal careers and serious financial losses for organizations (Stroh, Gregersen, & Black, 2000). Addressing this issue, current research heavily emphasizes CQ as an antecedent to various outcome variables. While a number of studies have demonstrated the positive impact of CQ on expatriate international adjustment (Gudmundsdottir, 2013; Huff, 2013; Lee, Veasna, & Sukoco, 2013; Lin, Chen, & Song, 2012; Malek & Budhwar, 2013; Moon, Choi, & Jung, 2012; Ramalu, Rose, Uli, & Kumar, 2012; Templer, Tay, & Chandrasekar, 2006) and performance (Ang et al., 2007; Chen, Lin, & Sawangpattanakul, 2011; Duff, Tahbaz, & Chan, 2012; Lee & Sukoco, 2010; Nafei, 2013; Rose, Ramalu, Uli, & Kumar, 2010), this is only part of the story. An imbalance within the broader nomological network of CQ allows the focus on the development of CQ as the next logical step in the progression of research.

This article investigates the link between international experience and CQ. Literature focusing on this link has confirmed that, generally, a positive relationship exists between international experience and CQ (Crowne, 2013; Kim & Van Dyne, 2012; Li, Mobley, & Kelly, 2013; Moon et al., 2012; Shannon & Begley, 2008). However, the results have been inconsistent, particularly when research has investigated the individual facets of CQ (Li et al., 2013; Moon et al., 2012; Shannon & Begley, 2008; Tarique & Takeuchi, 2008; Tay, Westman, & Chia, 2008; Varela & Gatlin-Watts, 2013). Our critical review of this literature identifies two possible reasons - the lack of a theoretical framework and the superficial operationalization of international experience. We argue for the appropriateness of Social Learning Theory (SLT) to address these issues by utilizing it in a theoretical framework and suggesting quality or depth when measuring international experiences. By doing this we contribute to the current research on CQ in two ways. First, we propose a theoretical framework that comprehensively explains how and why international experience may lead to the development of CQ. Second, we identify the need for investigations on the link between international experience and CQ to include more informative measures of international experience.

The remainder of the article is structured as follows. In the next section we place CQ in the position of a dependent variable and critically examine literature that has used international experience as an independent variable. Then we discuss SLT and its central elements. On this basis we present a theoretical framework utilizing SLT to explain why and understand how international experience could be one way to develop CQ and complement the framework with a set of propositions. Finally, we discuss the implications of the suggested model.
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International Experience and CQ

Going beyond existing research that has focused on conceptualizing and demonstrating the importance of CQ for performance and success among expatriates, we focus on the development of CQ by specifically investigating the link between international experience and CQ. CQ is conceptualized as a state-like concept consisting of a set of malleable capabilities that can be influenced by exposure to foreign cultures and thus susceptible to development (Ang & Van Dyne, 2008). In order to explain how international experience can lead to the development of CQ, we began by conducting a critical review of literature that has considered these two variables. From this review, we highlight 13 publications in Table 1, where the link between international experience and CQ has been investigated. Along with journal articles, we also included chapters from the Handbook of Cultural Intelligence: Theory, Management, and Applications (2008) as it preceded much of the empirical CQ research and provided a comprehensive examination of the application of the concept. We also included articles where CQ was measured as a mediator between international experience and a dependent variable.

Despite the intuitiveness to expect a positive and predictive relationship between international experience and CQ, as shown in Table 1, evidence has been inconsistent. International experience is commonly operationalized as either frequency/number of times abroad or length of international experiences. To measure CQ, all studies included in Table 1 used the Earley and Ang (2003) conceptualization and items from the Cultural Intelligence Scale (CQS) developed to measure CQ within this conceptualization, while the number included ranged from 8 items to the full 20 items. Some papers report total CQ and others report the individual facets of CQ. All tested hypotheses state that previous international experience will have a positive and significant predictive relationship with CQ. Furthermore, the participants of the studies were mostly students and included multiple nationalities with samples commonly drawn from the United States, Europe and Asia.

Studies that investigate the relationship between international experience and the development of CQ generally demonstrate that international experience positively influences total CQ (Crowne, 2013; Kim & Van Dyne, 2012; Li, Mobley, & Kelly, 2013; Shannan & Begley, 2008). However, some variation has been shown when the individual facets of CQ are measured. Cognitive CQ has been demonstrated to increase (Eisenberg et al., 2013; Li et al., 2013; Moon et al., 2012; Morrell et al., 2013; Remhof et al., 2013; Tarique & Takeuchi, 2008; Tay et al., 2008; Varela & Gatlin-Watts, 2013) while metacognitive CQ (Li et al., 2013; Tarique & Takeuchi, 2008; Tay et al., 2008) behavioral CQ (Li et al., 2013; Moon et al., 2012; Shannon & Begley, 2008; Tarique & Takeuchi, 2008; Tay et al., 2008; Varela & Gatlin-Watts, 2013) and motivational CQ (Moon et al., 2012; Tarique & Takeuchi, 2008; Tay et al., 2008; Varela & Gatlin-Watts, 2013) have not always resulted in significant increases from international experience. Moon et al. (2012) highlight the importance of considering nonwork international experiences and demonstrated that these types of experiences better predict CQ than work related experiences. Crowne (2013) explains that international experience should include multiple
measures using binary exposure by examining depth and breadth of experiences. A few scholars conclude that short-term international experiences or international travel experiences do not impact CQ development (Gupta et al., 2013; MacNab & Worthley, 2012; Tay et al., 2008) because they do not allow enough time for the individual to interact with the environment. Finally, Tarique and Takeuchi (2008) suggest examining different modes of international experience and the interplay between them to understand the relationship between international experience and CQ development.

We put forward two possible reasons for the variation in the results of the studies presented in Table 1. One of them is the absence of a common theoretical framework to explain how international experience could lead to the development of CQ. The second is the rather simplistic operationalization of international experience that lacks a consideration for the quality of experiences. We elaborate on these two issues next.

At the simplest level, theory is a linguistic device that researchers use to imply that there is reason and organization within their complex empirical work (Bacharach, 1989). While previous research and hypotheses are necessary in order to examine any research problem, they do not provide theoretical arguments to explain why certain outcomes are expected and how the variables and constructs are related (Sutton & Straw, 1995). The relationships between the variables need to be explained through theory (Thomas, Cuervo-Cazurra, & Brannen, 2011), a step that has been largely missing from the analysis in most of the studies on the link between international experience and CQ. The need for theoretical grounding to “unravel the inconsistencies” in the current empirical results has been previously concluded in reviews by Ang, et al. (2011: 591) and Ng, Van Dyne, and Ang (2012). Within the 13 papers presented in Table 1, five do not mention theory at all. Of the remaining eight papers, Kim and Van Dyne (2012) argue for contact theory as an explanation for the excepted relationships between the variables; four papers simply suggest but do not utilize SLT as an explanation; and two papers base their expectations on experiential learning theory. For example, Li et al. (2013) systematically incorporate experiential learning theory in their argument by including learning style as a moderator on the relationship between international experience and CQ. Finally, MacNab and Worthley (2012) mention both SLT and experiential learning theory as reasoning for the relationships they examine. This overall lack of sound theoretical grounding provides no basis for expecting CQ to result from international experience. Furthermore, without theory to explain the link, measurement of international experience has been naturally limited.

To systematically understand the conditions that cause international experience to be effective or ineffective for developing an individual’s CQ, the quality of international experiences must be included in its operationalization. Consider the theories that have been referred to in the 13 papers presented in Table 1. Each of them requires in-depth interaction between an individual and the environment or models in the environment before learning can take place. Simply being in a foreign culture, regardless of the length of time there, does not imply that an individual is actively involved in that culture.
International experiences cannot be treated as equal and these experiences need to be substantial enough to bring about change in an individual (Ang et al., 2011). An individual cannot simply learn by being placed in a foreign country; they must observe what natives of the foreign culture do, consider their individual abilities, make attempts to re-enact the behaviors they observe and either succeed or fail in order to develop cognitive maps of accurate behavior. Eisenberg et al. (2013: 608) reasoned that “inadequate metrics for assessing international experience” have caused inconsistencies in previous research, highlighting a lack of rigor in the operationalization of international experience. They operationalized international experience as “the number of countries where students lived for at least 6 months” (Eisenberg et al., 2013: 608). Following this direction will allow for more accurate predictions about the link between international experience and CQ.

CQ, in this case, is being tested as a learning outcome or as a skill developed through international experience, thus it is meaningful and justifiable to borrow a learning theory. To explain how international experience can influence the development of CQ, SLT (Bandura, 1977) provides a comprehensive theory to examine the link between international experience and CQ.

**Social Learning Theory and its Central Elements**

In the areas of training and development, SLT has been used to examine a variety of skills (Latham & Saari, 1979; Frayne & Latham, 1987; Black & Mendenhall, 1990). Most notably, Black and Mendenhall (1990) developed a theoretical framework for explaining and evaluating the effectiveness of cross-cultural training programs for expatriates. They proposed that modeling could be used, according to SLT, to train individuals and could predict its impact on work performance and cross-cultural adjustment. Black and Mendenhall (1990) stated:

“cross-cultural adjustment involves the knowledge of which behaviors to execute or suppress in given situations and the ability to effectively actualize this understanding. Cross-cultural training can provide models of appropriate and inappropriate behavior in general or specific, hypothetical or simulated situations; it can provide information from which trainees can imagine appropriate and inappropriate behavior and associated consequences; it can increase individuals’ efficacy and outcome expectations; and it can facilitate symbolic and/or participative rehearsals of the modeled behaviors” (p. 124).

Using processes similar to those of individual learning explained by Black and Mendenhall (1990) lends itself to the investigation of how international experience can influence the development of CQ.

Bandura (1977: 12) stated that “virtually all learning phenomena resulting from direct experience occur on a vicarious basis by observing other people’s behavior and its consequences for them.” These consequences are used to inform, motivate, and reinforce the individual’s behavior in the future. Being a part of the learning environment, paying attention to the behavior of natives, seeing the consequences, committing them to memory, having the opportunity to reproduce behaviors, and experiencing the consequences personally...
leads to the development of new (models for) behaviors. As a result, individuals are able to develop CQ through the construction of appropriate cognitive maps for future use. The cognitive maps that are created are stored for future use by the individual, which provides the schemas that are necessary for CQ.

Learning is governed by four central elements in SLT: attention, retention, reproduction, and motivation and incentive (consequences) processes (Bandura, 1977; Black & Mendenhall, 1990). The attentional processes are used to determine what is observed and what is extracted from exposure (Bandura, 1977). In order for an individual to give attention to behaviors being portrayed around them, they must first notice the behavior. People pay attention because of associational patterns (people that they are exposed to most frequently), functional value, interpersonal attraction, and behaviors that are intrinsically rewarding. In addition, individuals look for models who are similar or enact behaviors that are important to them (Black & Mendenhall, 1990). Similarity of characteristics and other social factors affect the association preferences and determine the models who will be observed and the behaviors that will be learned (Black & Mendenhall, 1990). Individuals must pay attention to their new environment in order to learn essential tasks, such as getting bread from a bakery, and more optional tasks, such as learning a proper greeting for the culture they are now a part of.

Through the retention processes the modeled behavior is coded into memory as easily remembered schemas in symbolic form for later use through response retrieval and reproduction, which involves imaginal and verbal systems (Bandura, 1969). The coding device as imagines are obtained and used when the individual is exposed to members of the culture portraying appropriate and culturally accepted behaviors. Observed models physical behaviors are associated with corresponding sensory conditioning and are stored as retrievable images of sequences of behavior and can be evoked even when the individual is no longer in the presence of the modeled behavior (Black & Mendenhall, 1990). Behavior is mostly regulated by verbal cognitive processes; an individual will code modeled sequences into readily utilizable verbal symbols and control future behavior with verbal self-direction. The retention is secured through symbolic coding operations and individuals use rehearsal of the behavior both through mental rehearsal and repeated modeling to retain the information. The level of learning is enhanced through practice or rehearsal of modeled response sequences (Bandura, 1969).

Reproduction processes involve the utilization of symbolic representations and converting the schema into appropriate action through both cognitive level formation (mental rehearsing) and self-corrective adjustment of the behavior (Black & Mendenhall, 1990). Referring to the schemas, provides a basis for self-instruction where new patterns of behavior are developed through the combination and sequencing of the schemas as representational guides. Even in the absence of stimuli, such as direction or enactment of behavior, the individual is able to portray reproduced behaviors (Bandura, 1969). As individuals attempt to reproduce the behavior they refer to their memory and take corrective actions as necessary. However, the accurate retention of the modeled behaviors, the quality of
observations, and physical limitations can inhibit the reproduction of behaviors. Therefore, participative reproduction, which allows the individual to practice the behavior in an appropriate setting and experience the consequences of the reproduced behavior, is most effective for learning (Bandura, 1977).

The incentives (consequences) an individual experiences and their motivation shape what they learn and their future behaviors in similar situations (Black & Mendenhall, 1990). The perception of positive incentives will transform learned behaviors into actions. Bandura (1977) emphasized the importance of both observed and experienced consequences in influencing what behavior is repeated as opposed to what is learned. Consequences are experienced externally or from the environment, vicariously or through observation of others, or are self-generated through self-reward or punishment. The cognitive maps that result from the consequences of the learned behavior are then used when replicating the behavior and determine the actions of the individual. Therefore, an individual may learn multiple behaviors but only those that are reinforced with positive consequences will be reproduced (Bandura, 1977). Considering that CQ requires individuals to develop schemas of appropriate behavior in order to display their learned behavior, incentives play an important role in the development of CQ. Incentives are influential at all stages of the learning process and we view attention, retention, and reproduction as a

Figure 1: The link between international experience and CQ development seen through the lens of social learning theory

Motivation

Efficacy Expectations

Outcome Expectations

Attention:
Paid to observed and experienced behaviors and to observed and experienced consequences of the behaviors in cultural situations.

Retention:
Committing observed behaviors to memory as cognitive maps for appropriate use in future cultural situations.

Participative Reproduction:
Reproducing the learned behavior within an appropriate environment and making adjustments based on consequences.

International Experience:
Active participation in the learning environment, observation develops models and the consequences of observed behavior determines the participative reproduction of the behavior, which results in skill development as the behavior is perfected through the learning process.

Incentives
Consequences

Cultural Intelligence Development

P1, P2, P3, P4, P5, P6, P7, P8, P9, P10, P11, P12, P13
circular process that is constantly ongoing and influenced by incentives/consequences, as shown in Figure 1. Thus incentives/consequences influence the extent to which individuals attend to observed behaviors, influence the extent to which behaviors are rehearsed which influences what behaviors are retained, and they determine what behaviors are actually executed (Black & Mendenhall, 1990).

Finally, Bandura (1977) highlighted the importance of the motivational processes because even if an individual pays attention, retains the information, and can reproduce it, he/she will not do so if they are not motivated. This motivational need is similar to the motivational element within CQ and the need for individuals to actually perform the behavior that they learn through SLT. Two types of expectancies, efficacy expectations and outcome expectations, were distinguished by Bandura (1977) as related to motivational processes. Self-efficacy is a person’s belief in their ability to execute a specific behavior (Black & Mendenhall, 1990). Individuals with higher levels of self-efficacy are more willing to imitate behaviors and persist at perfecting their imitation of behaviors. Self-efficacy is increased through past experience, vicarious experience, and verbal persuasion (Black & Mendenhall, 1990). Outcome expectations are similar to self-efficacy, however they refer to an individual’s belief that certain behaviors will lead to the desired outcomes. According to Bandura (1977) incentives, efficacy expectations, and outcome expectations together determine what learned behaviors are enacted by the individual.

The review of literature on the link between international experience and CQ indicated that variation in the results stems from the lack of a theoretical framework to systematically understand the conditions that cause international experience to be effective or ineffective in developing CQ. In the previous section we discussed SLT. In this section we apply SLT to the link between international experience and CQ, and complement the framework with a set of theoretical propositions. In this section we use the Earley and Ang (2003) conceptualization of CQ, because it is most frequently used within CQ literature, which includes metacognitive, cognitive, motivational and behavioral facets. Although the attention, retention, reproduction, and incentives govern learning within SLT, these processes impact different facets of the overall construct. However, in line with the original conceptualization, the overall construct of CQ is made up of the four facets (Ang et al., 2007) and as such the propositions refer to CQ as one construct.

**International Experience and CQ Development**

Based on SLT, when individuals are able to observe the behaviors of natives in their natural environment and experience the consequences of portrayed behaviors while in the environment, learning will take place. International experience implies that an individual will be an active member within this culture and it is likely that through this experience they develop comprehensive cognitive maps (similar to the schemas used by individuals with high CQ), which provide sets of cognition about social behavior (Takeuchi, Tesluk, Yun, & Lepak, 2005). Once an individual experiences and observes a behavior, he/she will use cognitive processes to
transfer experiences into knowledge and skills and store this information for future use. Stored information allows individuals to use symbols to anticipate behaviors and associated consequences enabling them to determine their behavior before a situation occurs. This anticipatory action, for future interactions, is the central premise of SLT (Bandura, 1977).

Empirical research tends to confirm that a positive relationship exists between international experience and CQ development, but the significance of the results has not been consistent. However, using the processes of social learning theory explains the relationship between the variables and based on this argument we propose the following proposition:

Proposition 1: International experience leads to CQ development through the social learning processes.

*Attention Processes and CQ Development*

According to SLT (Bandura, 1977), one-way individuals learn the behaviors, customs, and cultural norms important for living and working in a different country is by observing the behaviors of natives in the foreign culture. Associational preferences will determine what types of behaviors are frequently observed and those that are learned most thoroughly (Bandura, 1971). Individuals will attend to natives in the cultural environment that have similar characteristics and portray behavior they want to imitate. Therefore, students on a study abroad, for example, will learn from other students at the university where they are studying and expatriates will pay attention to other business professionals in the location of their international assignment. Observation of natives’ behavior during an international experience will be driven by interpersonal attraction to the models and those with similar characteristics. Models who portray vital information will also gain the attention of observers, influencing who is observed and who is ignored. Model attraction and the value of the portrayed behaviors will impact the development of CQ. Cognitive and behavioral CQ are developed when individuals gain information about cultures (both similarities and differences) and learn the capabilities to exhibit appropriate verbal and nonverbal behaviors (Ang, et al., 2011) through the attention processes of SLT. On the basis of these observations we advance the following propositions:

Proposition 2: Individuals who observe natives while in the foreign country will develop CQ.

Proposition 3: Individuals who interact with natives of the foreign country engaging in activities of significant importance will develop CQ.

*Retention Processes and CQ Development*

In order for individuals to be influenced by observed behaviors they must remember what was observed and in order to reproduce behaviors when the model is no longer present, the behavior must be represented in their memory in symbolic form (Bandura, 1971). Bandura (1977) emphasized that learning can take place entirely through symbolic modeling, meaning an individual can observe behavior and mentally rehearse the behavior. Through the retention processes individuals use symbolic coding to develop images or verbal direction allowing them to mentally and cognitively rehearse behaviors and adjust those behaviors based on consequences they have observed or
experienced. In this way, rehearsal serves as a memory aid and rehearsed behaviors are unlikely to be forgotten (Bandura, 1971). Rehearsal refines and reinforces developed cognitive maps and the refined cognitive maps facilitate reproduction of behavior for future interactions. Through retention processes individuals develop metacognitive CQ by consciously questioning their cultural assumptions, reflecting during interactions and adjusting their cultural knowledge during interactions and while rehearsing (Ang, et al., 2011). Hence, it is plausible to advance the following propositions:

Proposition 4: Individuals who use cognitive rehearsal will develop CQ.

Proposition 5: Individuals who reflect on observed and reproduced behaviors will develop CQ.

Reproduction Processes and CQ Development

The reproduction processes allow an individual to perform learned behaviors in actual situations where symbolic representations will guide overt actions (Bandura, 1971). Bandura (1971) emphasized that acquiring required skills determines the amount of observational learning that an individual will exhibit behaviorally. However, in the case of extensive deficits in ability, skills can be developed through rehearsal and practice. Learning essential information is also strengthened by direct experience in the learning environment where an individual can reproduce behaviors. Although learning can take place entirely through symbolic modeling, participative reproduction is more effective because it allows the learner to practice the behavior, receive feedback, and make adjustments. This is particularly important when applying SLT to developing CQ from international experience, since individuals are in the foreign country it gives them an opportunity to reproduce the behaviors and perfect them through practice in an environment where the behavior is necessary. This develops cognitive CQ by providing knowledge about appropriate behaviors and influences behavioral CQ because individuals learn the skills to portray behaviors correctly. Based on these arguments we propose the following propositions:

Proposition 6: Individuals who use behavioral rehearsal will develop CQ.

Proposition 7: Individuals who engage in participative reproduction during an international experience will develop CQ.

Proposition 8: Individuals who experience positive or negative consequences while reproducing behaviors during an international experience will develop CQ.

Incentives and Motivational Processes and CQ Development

According to SLT, incentives and motivational processes significantly influence attention, retention, and reproduction of behavior. Even if an individual acquires, retains, and has the capabilities to skillfully execute modeled behaviors, learning will not be activated into explicit performance if it is unfavorably sanctioned or negatively received (Bandura, 1971). When provided positive incentives, previously unexpressed learned behaviors are translated into action. Individuals have to be motivated to learn from their environment and based on the incentives for learning behaviors or
consequences they observe the behavior is portrayed. In addition, having self expectancies and outcome expectancies provides motivation to rehearse behaviors in the learning environment as participative reproduction. This develops motivational CQ where individuals use knowledge and skills to engage in appropriate cultural interactions. Therefore, we propose that incentives and experienced consequences, and self-efficacy and outcome expectations influence the development of CQ with the following propositions:

Proposition 9: Individuals who are given incentives to portray learned behaviors will develop CQ.

Proposition 10: Individuals who experience negative consequences will adjust their behaviors and develop more appropriate cognitive maps, leading to the development of CQ.

Proposition 11: Individuals who experience positive reinforcement will continue to portray learned behaviors and develop appropriate cognitive maps, leading to the development of CQ.

Proposition 12: The higher an individual’s self-efficacy, the more likely they are to reproduce the learned behavior and develop CQ.

Proposition 13: The more an individual believes that their behavior will result in the desired outcome, the more likely they are to reproduce learned behavior and develop CQ.

**Conclusion**

This article began by reviewing literature that investigates the link between international experience and CQ. Our systematic analysis of this link revealed inconclusive and inconsistent findings that we argue results from a lack of theory to explain the link between international experience and CQ development. As Cropanzano (2009: 1305) stated “If there are few theory articles, but a lot of empirical ones, then the area could use some additional synthesis.” We addressed this need for “theoretical refinement” (Ang et al., 2011) and suggested SLT as an appropriate theory to understand how and why international experience leads to the development of CQ. We discussed SLT and its central elements, proposed a theoretical framework and complemented it with a set of theoretical propositions.

The model we have proposed positions CQ and its development as the dependent variable. As we argued in the beginning, by far most of the studies on CQ have examined it as an antecedent to various outcomes. While considerable theoretical and empirical knowledge has been generated to understand CQ as an antecedent, we seem to need considerably more insights into what actually leads to CQ. In other words, how can CQ be developed and nurtured? What are important variables to consider when trying to understand how and under what circumstances CQ comes to exist? The model we have put forward is an attempt to position CQ as an outcome rather than a precursor.

In relation to this we have theorized about how international experience in particular can lead to the development of CQ. The choice of this particular independent variable was motivated by two factors – the existence of earlier studies that have examined the link, yet
came to inconsistent findings and the context of expatriation that our study has considered. We have demonstrated and argued that the varying findings of studies that have investigated the link between international experience and CQ may well be due to a lack of solid theoretical grounding. We have tried to counter-balance this weakness by advocating for the appropriateness of SLT to understand the link in more nuances. We have unpacked the key components of SLT to establish a much more detailed link between international experience and CQ development. In particular, we proposed how attention, retention and participative reproduction as processes embedded in an international experience can lead to CQ development. Similarly, we have developed propositions regarding how motivation processes (efficacy expectations and outcome expectations in particular) and incentives and consequences lead to CQ development. This is a considerably more fine-grained approach to investigating the link between international experience and CQ development than the overall and overly general one that has so far been put forward in the existing literature. We have also put forward the argument that when operationalizing international experience, the quality of these experiences must be incorporated. By utilizing SLT and through the propositions we have developed, we demonstrate that interaction with the cultural environment is important for determining the influence of international experience on learning outcomes such as CQ. This can be done by asking questions aimed at understanding cultural interaction and reflection during an individual’s international experience. Furthermore, who an individual interacts with is important to their CQ development and should be included in future studies.

Practical implications for expatriates and international human resource managers are also provided through this article. For expatriates, knowing how they can learn and develop their CQ is important for their international assignment success. By understanding that they need to take advantage of opportunities to interact with models within the foreign culture and take time to reflect of what they observe, empowers them to control the outcomes of their international experiences. Expatriate selection is an essential function of international human resource managers. Understanding what and how previous experiences of potential expatriates are beneficial to their development of CQ allows for better expatriate selection decisions and for international experience to be used as a selection criterion.

References


Abstract

Purpose
This conceptual paper tries to shed light on the mechanisms that may lead to the development of an inclusive multicultural workplace, with a particular attention to cultural and communicative dynamics. The aim of this paper is twofold: to propose a new theoretical framework to interpret organizational inclusiveness in multicultural workplaces and understand how the development of intercultural competences may favour the construction of an inclusive culture.

Design
The analysis developed in the paper is theoretical, as it is rooted in a rich literature review concerning multicultural organizations and intercultural competences. Then, we enriched these studies by applying a complex systems theory perspective, with a specific focus on organizational flexibility and chaordic systems.

Findings
According to Pless and Maak (2004, p. 130), inclusiveness could be an attribution of a specific cultural milieu. Inclusive culture fosters workforce integration, assures the expression of latent diversity potentials, gives value to the differences as well as the similarities of the individual self and others (Ib.). A breeding and inclusive workplace may favour the development of intercultural competences and, at the same time, they can even facilitate the construction of an inclusive culture, both at individual and organisational level. We argue that this two way process could be fostered by the presence of an organizational form characterized by a significant rate of flexibility (see Aaker and Mascarenhas, 1984, Volberda 1996). According to complex systems theory (Stacey, 1996, Tsoukas, 1998, Mitleton-Kelly 2003), this kind of organization could be described as chaordic system (Tsoukas, and Chia, 2002, Brown and Eisenhardt 1997, van Eijnatten, and Putnik 2004), e. g. a non-linear self-organizing system operating on the edge between order and chaos.

Research limitations/implications
The hypotheses need to be empirically tested.

Practical implications
The inclusive culture is build up on a daily basis by “intercultural competent” people and managers and could be considered some kind of horizontal change process (see Maimone and Sinclair 2014), but it also needs a consistent strategy and a coherent design in order to flourish up. We argue that the design of a real multicultural workplace should involve organizational members at every level, implementing participatory design processes.
(Schuler and Namioka, 1993). According to the approach adopted in this paper, leaders should set up the right preconditions to facilitate the emergence of an inclusive culture and the development of intercultural competences, and then drive and inspire people through their managerial action, communication and example.

What is original/ what is the value of the paper?

Many authors adopted the concept of “third culture” (Casmir 1993, Early and Mosakowski 2000, Adair, Tinsley and Taylor, 2006) to explain the specific cultural sub-system that may favour diversity management and foster the collaboration within/between multicultural work teams and units. We argue that the concept of third culture is not sufficiently broad and deep to explain how a multicultural workplace could conciliate effectiveness and inclusiveness. Therefore, we provide a multidisciplinary theoretical framework that aims to better understand the emergent phenomenon of inclusive culture. Moreover, we propose an innovative perspective of analysis, based on complex system theory, that may contribute to a better understanding of the preconditions and key processes that facilitate the development of an inclusive multicultural workplace.

Keywords

Inclusive culture, intercultural competences, multicultural workplace, chaordic organization, organizational flexibility
Abstract

Purpose
Culturally-diverse colleagues can be a valuable source for stimulating creativity at work, but only if they decide to share their knowledge. Employees who are not motivated to share their knowledge with colleagues may hide their knowledge. Knowledge hiding is defined as intentional withholding or concealing of knowledge that has been requested by another person (Connelly, Zweig, Webster, & Trougakos, 2012). Yet at its core, creativity involves social interaction (Perry-Smith & Shalley, 2003) because interaction with different individuals may invoke new information and knowledge, which in turn increases creativity (Madjar, 2005). Therefore, the main purpose of the present research is to explore the relationship between knowledge hiding, cultural intelligence and creativity (individual and team) in a culturally diverse environment.

Design
Drawing on social exchange theory (Blau, 1964), we propose that a culturally diverse environment can act as a salient contingency in the relationship between knowledge hiding and creativity (individual and team). We further suggest, based on social categorization (Tajfel & Turner, 1979), that cultural intelligence enhances the likelihood of the social exchange between culturally diverse individuals and therefore has a positive moderating effect on the relationship between individual knowledge hiding and individual creativity. To test our hypotheses, we conducted an experimental study among 132 international students in an elective course at a Slovenian university. We need to control for the task in order to capture the effect often underreporting individuals’ knowledge hiding behavior and to use multiple experts to rate the individual and team creative outcomes, therefore we conducted an experimental study.

Findings
An experimental study revealed that knowledge hiding is related to both on individual and team creativity in a culturally diverse environment. Further, moderation analyses have shown that individual creativity was high in the knowledge hiding condition only when individual cultural intelligence was high.

Research limitations/implications
This study contributes to the knowledge of the relationship between knowledge hiding and creativity in culturally diverse environments. First, by exploring cross-level interaction between individual knowledge hiding and team creativity in a culturally diverse environment, we add to previous single-level (i.e., individual) research. Second, we aim to answer the call to identify a
moderator of knowledge hiding (Connelly, et al., 2012) by introducing cultural intelligence to the knowledge hiding-creativity relationship.

**Practical implications**

As employees will continue to not be motivated to share their knowledge and will sometimes instead intentionally withhold it, managers need a new, deeper understanding of what triggers individual knowledge hiding, its negative effects on employees, and how it can be mitigated in organizations. Our results suggest that employees with high cultural intelligence tend to be more valuable than their colleagues with low cultural intelligence, while it's an individual ability for stimulating creative behavior when faced with knowledge hiding in a culturally diverse environment.

**What is original/ what is the value of the paper?**

The first theoretical contribution to the creativity literature is a novel perspective on the relationship between knowledge hiding and creativity in a culturally-diverse environment. Second, we depart from the common scholars’ focus on studying creativity only at a single level by showing that similar patterns of social exchange that can affect the relationships between knowledge hiding and creativity at the dyadic level can also be expected within teams.

**Keywords**

Knowledge hiding, creativity, cultural intelligence, culturally diversity.

**Introduction**

Innovations are crucial for organizations as the work environment is rapidly changing and increasingly uncertain (George, 2007; Lopez-Cabrales, Pérez-Luño, & Cabrera, 2009). Driven by the assumption that all innovations start with creativity (Amabile, Conti, Coon, Lazenby, & Herron, 1996), it is not surprising that scholars and practitioners have shown a strong interest to identify factors that enhance creativity. Generally, creativity is defined as the production of ideas that are both novel and useful (Amabile, 1983; Shalley, 1991). In the past, researchers have examined the personal and contextual factors that facilitate or inhibit creativity (Shalley, Zhou, & Oldham, 2004; Tierney & Farmer, 2002), yet little research has been done to explore creativity in culturally diverse environments.

Diversity literature, based on the value in perspective, suggests that the diverse work environment enlarges the ranges of different knowledge available within individuals (Pelled, Eisenhardt, & Xin, 1999; Williams & O'Reilly, 1998), which may be valuable sources of creativity (Amabile, 1996). However, whether individuals will share their knowledge with colleagues or not is up to them (Gilson & Shalley, 2004). Employees who are not motivated to share their knowledge with colleagues may hide their knowledge. Knowledge hiding is defined as intentional withholding or concealing of knowledge that has been requested by another person (Connelly, Zweig, Webster, & Trougakos, 2012). Yet at its core, creativity involves social interaction (Perry-Smith & Shalley, 2003) because interaction with different individuals may invoke new information and knowledge, which in turn increases creativity (Madjar, 2005). It follows that employees’ knowledge hiding
decreases not only individual, but also team creativity.

We note that although researchers (Černe, Nerstad, Dysvik, & Škerlavaj, 2014) have started to investigate the role of knowledge hiding in the creativity process, specific situations are still unexplored (Connelly, et al., 2012). More precisely, it is unclear whether knowledge hiding will have any effect on creativity when individuals interact with people from different cultural backgrounds. Therefore, the main purpose of the present research is to explore the relationship between knowledge hiding and creativity (individual and team) in a culturally diverse environment. To do so, we build upon social exchange theory (Blau, 1964) and social categorization theory (Tajfel & Turner, 1979). Based on social exchange theory (Blau, 1964), we predict that employees in diverse work environments are most likely going to hide knowledge from culturally different colleagues, because they “struggle to understand one another and consequently fail to share information” (Gilson, Lim, Luciano, & Choi, 2013, p. 206). Furthermore, based on social categorization (Turner, 1985), we predict that employees in diverse work environments are most likely going to hide knowledge from culturally different colleagues, because “people tend to favour in-group members over out-group members” (Van Knippenberg & Schippers, 2007, p. 518). Namely, when employee A intentionally hides knowledge from team members from different cultural backgrounds, he or she directly affects individual and team creativity.

To advance theory, research, and practice on how managers can mitigate the effects of knowledge hiding, it is critical to know how to reduce the likelihood of knowledge hiding in culturally diverse environments. We suggest that individual’s cultural intelligence can affect the social exchange pattern between the knowledge hider and seeker (Poortvliet & Giebels, 2012) and can reduce in-group/out-group perception while it’s defined as an individual’s capability to function effectively in a culturally diverse environment (Ang & Van Dyne, 2008). In particular, researchers have shown that cultural intelligence is one of the highly relevant predictor of affective performance outcome in culturally diverse environment (Imai & Gelfand, 2010). For example, Chua and Morris (2009) found that an individual’s cultural intelligence through trust affected the frequency of idea sharing between intercultural ties. As Connelly et al. (2012) explained, knowledge sharing does not necessarily indicate the absence of knowledge hiding because knowledge hiding is intentional withholding of knowledge that someone else has requested. Yet, we can assume that if an individual’s cultural intelligence impacts his or her sharing in a culturally diverse environment, it also impacts his or her knowledge hiding. We, therefore, propose that cultural intelligence can reduce employee knowledge hiding and in turn enhance individual creativity. With our research, we aim to investigate how individual cultural intelligence can moderate the relationship between individual knowledge hiding and individual creativity. To test our hypotheses we use experimental data.

Thus, our study contributes to the knowledge of the relationship between knowledge hiding and creativity in culturally diverse environments. First, by exploring cross-level interaction between individual knowledge hiding and team creativity in a culturally diverse environment, we add to
previous single-level (i.e., individual) research on the relationship between knowledge hiding and creativity. Second, we aim to answer the call to identify a moderator of knowledge hiding (Connelly, et al., 2012) by introducing cultural intelligence to the knowledge hiding-creativity relationship. Using a social exchange and social categorization viewpoints we revealed how individual knowledge hiding fuelled by individual’s cultural intelligence, turns in higher individual creativity. Our research shows how knowledge hiding interacts with cultural intelligence to enhance individual creativity.

Knowledge hiding and creativity
Although a traditional psychology-based approach to creativity has focused predominantly on the individual characteristics (Mackinnon, 1965), scholars have increasingly recognized that social context is a critical building block for the creative process (Amabile, et al., 1996; Ford, 1996; Madjar, 2005; Perry-Smith, 2006). As a result, a number of social characteristics that influence creativity have been recognized in recent years, and the one of the key elements of creativity are social interactions (Perry-Smith & Shalley, 2003). Therefore, individual creativity and creative ideas are often the result of a social process (Perry-Smith & Shalley, 2003) in which individuals are collaborating, sharing ideas, and knowledge with others (Chua, Morris, & Mor, 2012; Perry-Smith, 2006; Unsworth, Wall, & Carter, 2005).

Building on this notion, scholars suggested that the social exchange relationship between co-workers is a valuable source for creativity while it triggers knowledge sharing among them (Wang & Noe, 2010). When co-workers share their knowledge it is more likely that will enhance the creative problem-solving capacity of individuals (Carmeli, Gelbard, & Reiter-Palmon, 2013) and that will in turn assist the employee’s own idea generation (Paulus, Larey, & Dzindolet, 2001). Nevertheless, recent research (Connelly, et al., 2012; Černe, et al., 2014) suggests it is not sufficient to examine only prosocial or positive knowledge-sharing behaviour of employees, since not all employees are motivated to share their knowledge. For a richer understanding of social exchange relationships we need to shed a light also on knowledge-hiding behaviour. Connelly and colleagues (2012, p. 67) explain that knowledge hiding “is not simply the absence of sharing; rather, knowledge hiding is the intentional attempt to withhold or conceal knowledge that has been requested by another individual.” And like other counter-productive work behaviour, it is rarely self-reported and has unanticipated consequences that organizations and managers need to address.

Knowledge hiding involves three related behaviours: playing dumb, evasive hiding and rationalized hiding (Connelly, et al., 2012). Playing dumb occurs when an individual is pretending that he or she does not know the specific information that was requested by a knowledge seeker. Rationalized hiding involves an accurate explanation from the knowledge hider why the he or she is hiding information. Evasive hiding occurs when an individual is pretending that he or she will disclose information with to the knowledge seeker even though he or she intends to conceal it. As Connelly et al. (2012) summarized, knowledge hiding consists of varying levels of employee deception which are triggered when an individual makes a specific request for
knowledge to another person. Taken all together, intentionally hiding knowledge is more likely to be a threat to beneficial outcomes (Connelly, et al., 2012). For example, a recent multilevel field study of 240 employees nested into 34 groups (each with its own supervisor) from Černe and colleagues (2014) has revealed a negative relationship between knowledge hiding and creativity. Furthermore, an experimental study using 132 undergraduate students within the same research has shown that this is because of the negative reciprocal mechanism of distrust loop. When employee A intentionally hides knowledge from employee B and since knowledge hiding is intentional behaviour, B is aware that it occurred. This will result in a reciprocal distrust loop that inhibits the creativity of the initial knowledge hider (employee A). These studies indicate that knowledge hiding can decrease individual creativity through the reciprocal mechanism of distrust between employees.

The focus of the present paper is to examine the relationship between knowledge hiding and creativity in a diverse cultural environment. We predict that knowledge hiding will be directly related to individual and team creativity in a diverse cultural environment, while deception in knowledge hiding is highly constrained by the culture of the individual (Seiter, Bruschke, & Bai, 2002). Research from Chow (Chow, Deng, & Ho, 2000; Chow, Harrison, McKinnon, & Wu, 1999) revealed that Chinese participants see sharing information with other colleagues as personally disadvantageous compared with participants from Anglo-American culture. Moreover Chow and colleagues (2000) has found that compared with Anglo-American participants, individuals from a Chinese cultural background are less likely to share their knowledge with someone that they considered an “out-group” member. Therefore, based on social exchange theory (Blau, 1964) we argue that employees in a culturally diverse work environment will hide knowledge from culturally diverse colleagues, while individuals will categorize themselves by cultural similarities and differences within groups (Hogg & Terry, 2000). This, in turn, will inhibit individual and team creativity. We go even further by highlighting the importance of individual knowledge hiding on team creativity.

We propose that individual knowledge hiding may also inhibit team creativity. Although team creativity is more than just the average of individual creativity (Gong, Kim, Zhu, & Lee, 2013), it also like individual creativity involves social interactions and social exchange between individual employees (Liao, Liu, & Loi, 2010; Perry-Smith & Shalley, 2003). Knowledge exchange with fellow team members it highly important for team creativity while knowledge sharing may enhance creative solutions or generation of new ides in team (Amabile, 1988; Richter, Hirst, van Knippenberg, & Baer, 2012). As such, individual knowledge hiding enables other team members to channel new knowledge toward producing new ideas and solution, and therefore inhibits team creativity. Consequently, we predict that individual knowledge hiding would be related also on team creativity. Thus:

Hypothesis 1: Individual knowledge hiding is negatively related to individual creativity.

Hypothesis 2: Individual knowledge hiding is negatively related to team creativity.
The moderating role of individual cultural intelligence

Drawing on social categorization theory (Tajfel & Turner, 1979), we propose that when employees in a culturally diverse environment are highly cultural intelligent, that will result in reducing individual social categorization and knowledge hiding, and in turn enhances individual creativity. According to the diversity literature, when cultural diversity increases in the work environment, a social categorization process emerges (Richard, Barnett, Dwyer, & Chadwick, 2004), thus individuals start to compare themselves based on similarities and differences between other team members to reduce uncertainty (Tajfel & Turner, 1986; Van Knippenberg, De Dreu, & Homan, 2004). We broadly define cultural diversity as differences in visible characteristics such as ethnicity, race, and by national culture (Chua, 2012 In press; Cox, 1994). It follows that culturally diverse environments motivates employees to generate new subgroups in the work environment based on cultural dissimilarities between similar in-group members and dissimilar out-group members (Van Knippenberg & Schippers, 2007). Scholars have identified that social categorization has a negative effect on individual work performance (Pelled, et al., 1999), group processes (Guillaume, Dawson, Woods, Sacramento, & West, 2013), and interactions in the diverse work group such as sharing and elaborating creative ideas (Van Knippenberg, et al., 2004), while individuals tend to favor similar colleagues more that dissimilar colleagues (Williams & O’Reilly, 1998). Similarly, Makela and colleagues (Makela, Kalla, & Piekkari, 2007) discovered that dissimilarities based on national-cultural background and different language background decrease knowledge sharing within multinational corporations. As a result, the social categorization process into in- and out-groups can increase knowledge hiding and have negative consequences on individual creativity (Erez et al., 2013; Milliken, Bartel, & Kurtzberg, 2003).

We propose that cultural intelligence can reduce the categorization process and in turn enhance the social exchange pattern between the knowledge hider and seeker who are from different cultural backgrounds, where cultural intelligence is defined as the individual ability to deal effectively with situations characterized by culturally diverse settings and with people from a diverse culturally environment (Earley & Ang, 2003; Li, Mobley, & Kelly, 2013). Earley and Ang (2003) conceptualized cultural intelligence as a multidimensional construct, consisting of metacognitive, cognitive, motivational, and behavioural complementary dimensions or capabilities. We predict that each of these cultural intelligence dimensions can reduce the individual tendency to categorize colleagues from different cultural backgrounds as out-group members, thus decrease knowledge hiding while enhancing social exchange between them and in turn increasing individual creativity.

Metacognitive dimension cultural intelligence reflects mental consciousness and awareness of culturally diverse situations during intercultural interactions. Relevant individual capabilities include planning for upcoming intercultural situations, monitoring during intercultural interactions, and revising mental models of the past intercultural situation (Ang, Van Dyne, & Koh, 2006). In particular, these capabilities allow individuals to “adjust to new cultural
environments and develop more appropriate heuristics and rules for social interactions in new cultural situations” (Erez, et al., 2013, p. 335). When individuals have high metacognitive cultural intelligence, it is more likely that will decrease negative aspects of social categorization processes in diverse teams (Rockstuhl & Ng, 2008), while metacognitive cultural intelligence helps individuals to create a fusion culture in the work environment and blend diverse cultural values into one culture (Crotty & Brett, 2012). If employees have common culture, they perceive themselves more as in-group members rather than out-group members, and that will trigger knowledge sharing among them and decrease knowledge hiding behaviour.

Cognitive cultural intelligence as a second dimension is likely to be similarly useful in decreasing the social categorization processes (Rockstuhl & Ng, 2008) and knowledge hiding behavior, while it reflects the knowledge that individuals have of other cultures. This includes knowledge about different aspects of foreign culture such as norms, practices, conventions, language, religious beliefs, and economic, legal, and social systems (Erez, et al., 2013; Triandis, 1994). The possession of such knowledge helps individuals to anticipate and understand similarities and differences among themselves and colleagues from different cultural background (Ng, Van Dyne, & Ang, 2009). Thus, individuals with high cognitive cultural intelligence understand key similarities with out-group members and therefore overcome prejudices based on superficial cultural characteristics and in turn collaborate and effectively share knowledge with out-group members (Ang & Van Dyne, 2008; Michailova & Hutchings, 2006).

Third dimension motivational cultural intelligence is defined as individual intrinsic willingness, energy, and direct attention to learn about and deal with challenges of cross-cultural interactions (Ang & Van Dyne, 2008). Employees with high motivational cultural intelligence experience enjoy and have more confidence while interacting with individuals from different cultures. Therefore, individuals with high motivational cultural intelligence interact more with colleagues from different cultural background (Li, et al., 2013). As Rockstuhl and Ng (2008, p. 206) explain these individuals “are less likely to maintain a strong in-group-out-group distinction when interacting with different ethnic members in the group.” They go even further by suggesting that employees with a high motivational cultural intelligence may look for opportunities to interact with out-group members. It follows that individuals with high motivational cultural intelligence will interact more with out-group members and thus the social categorization process and knowledge hiding behavior of individuals will decrease. Behaviour cultural intelligence as a fourth dimension refers to using appropriate verbal and nonverbal behaviour (e.g., words, tones, gestures, facial expressions) when interacting with people from culturally diverse environments (Gudykunst, Ting-Toomey, & Chua, 1988; Ng, et al., 2009). With appropriate verbal and nonverbal behaviour individuals may be more easily accepted by out-group members while interacting with them (Lin, Chen, & Song, 2012). Thus, behavioural cultural intelligence can decrease interaction only with in-group members and also enhance interaction with dissimilar out-group members.
Consequently, we predict that cultural intelligence may enhance the pattern of social exchange between knowledge hiders and seekers who are from different cultural environments and therefore have a moderating effect on the knowledge hiding - creativity relationship. When employees are highly culturally intelligent, it is more likely that that will decrease the social categorization process. In turn, the social exchange between culturally diverse colleagues will be enhanced, decreasing individual knowledge hiding behaviour and triggering individual creativity. Empirical evidence has demonstrated that cultural intelligence can lessen the social categorization process (Rockstuhl & Ng, 2008) and enhance patterns of social exchange through knowledge sharing among colleagues (Chen & Lin, 2013). As mentioned before, recent research (Černe, et al., 2014; Liao, et al., 2010) has emphasized that the social exchange between colleagues and the leader-member exchange has a crucial role in the stimulation of individual creativity. Therefore, taken altogether, with respect to the relationship between knowledge hiding and creativity, our basic premise is that individual cultural intelligence may help to override the social categorization process and result in a more positive social exchange pattern and thus less individual knowledge hiding, which in turn will increase individual creativity. We therefore hypothesize:

Hypothesis 3: Individual cultural intelligence moderates the relationship between individual knowledge hiding and individual creativity. The higher the cultural intelligence, the less negative the relationship.

Methods
To test these hypotheses, we conducted an experimental study among international students
in an elective course at a Slovenian university. We need to control for the task in order to capture individuals’ knowledge hiding behaviour and to use multiple experts to rate the individual and team creative outcomes, therefore we conducted an experimental study. The goal of our experimental study was to test the proposed relationships between knowledge hiding and creativity (individual and team) in a culturally diverse environment. We thus independently manipulated individuals’ knowledge hiding in order to capture the effect of underreporting this undesirable behaviour, and used participants’ perceptions of cultural intelligence as a moderator.

Sample, Design, and Procedures
The sample consisted of 104 international undergraduate (83%) and graduate students (16%) who attended an elective course. The age of the participants ranged from 18 years to 33 years, and the mean age was 22.4 years (SD = 2.88). There were 61% females with average work experience in positions such as student or summer jobs of 2.7 years (SD = 2.26). The majority of the participants were from Slovenia (31%) and the remaining students were from Germany (10%), Turkey (7%), Macedonia (7%), Spain (6%), China (5%), France (5%), Canada (4%), Poland (4%), Serbia (3%), South Korea (3%), and Ukraine (3%). The minority individuals were from other countries including Albania, Austria, Belgium, Bulgaria, Finland, Iran, Italy, Kazakhstan, Latvia, Lithuania, Nigeria, Portugal, and Sweden. As the cultural backgrounds of participants in this experimental study were quite diverse, we can say that we had an international sample. Therefore, the sample justifies our main goal to analyse the relationship between knowledge hiding and creativity in a culturally diverse environment. The experiment employed a two-by-one (i.e., two conditions of knowledge hiding, low/high), between-subjects factorial design. This experiment had already been tested by Černe et al. (2014), yet the students were asked to form groups of four or five, rather than dyads. Previous research examined knowledge hiding within dyadic interactions, but we were interested in determining whether or not individuals’ knowledge hiding has the same influence on individual and team creativity. Therefore, we asked students to form groups of four or five.

The participants were then randomly assigned to two different conditions (low/high knowledge hiding). We informed them that we were interested in studying how people solve business problems. Then we randomly assigned the roles of the company’s marketing managers (i.e., sales channels, motto development, promotion, strategy, and advertising) to the students. The experiment began by presenting a marketing scenario in which the students had to successfully develop a new idea and release a new product into the market. The scenario consisted of two stages (15 min each). We started experiment by introducing our manipulation of knowledge hiding.

Knowledge-hiding manipulation
To ensure that participants in the low and high knowledge hiding conditions would experience different levels of knowledge hiding, we gave the students special instructions about knowledge hiding (i.e., a sign that said “Hide Your Knowledge and Information” was written on the instruction sheet). We randomly provided
instructions about knowledge hiding to participants within each group. Therefore teams could consist of five, four, three, two, one, or no knowledge hiders. Accordingly, we provided the participants with different pieces of information about their team colleagues’ tasks. For example, the sales channels designer had information about the motto development manager (i.e., explanations of what this particular domain is supposed to mean and what goals the individual fulfilling that role might be expected to achieve): A motto development manager should come up with at least three various mottos/slogans that would be as creative as possible. Our company would market our product in commercials or any promotional materials using these slogans. A slogan is a motto, a short line that is easy on the ears and is easy to remember. It usually expresses the purpose or an idea of a product.

On the other hand, the promotion manager had information about the sales channel manager, for example:

Sales channels manager should consider options, through which sales channels we can market our product and choose the best and also some more unconventional ones. What are sales channels? For example, internet (in all forms and shapes), phone sales, sales representatives, our own stores, door-to-door sales, or anything else you come up with.

We assessed knowledge hiding after the participants finished their tasks. The participants were asked to complete the 11-item knowledge hiding questionnaire with Connelly et al.’ (2012) scale ($\alpha = .94$). These responses about knowledge hiding served as manipulation checks. At this point, we need to emphasize the fact that each participant had to produce specific creative solutions as an individual in the first stage of the experiment and with the team in the second stage of the experiment. Each individual’s and team’s creative ideas were assessed by two independent ratters (i.e., experts in the field of creativity) on a scale from 1 (not at all creative) to 7 (very creative). The independent ratters first assessed students based on their individual creative ideas, which were produced in the first stage of the experiment. The two raters’ reliability (ICC2 = .67) and agreement (single item rwg = .66) for individual creativity were within conventional guidelines (LeBreton & Senter, 2008). In the second stage of the experiment, the participants needed to present their new idea as a team. Based on teams’ creative ideas, the independent raters also assessed team creativity. The two raters’ reliability (ICC2 = .77) and agreement (single item rwg = .78) for team creativity were also within conventional guidelines. We then averaged their individual ratings into a measure of individual creativity and team ratings into a measure of the team creativity.
After completing both individuals’ and teams’ creative solutions for the proposed business problem, participants reported on their cultural intelligence using the scale developed by Ang and Van Dyne (2008), which included all 20 items on a 7-point scale ($\alpha = .89$). This served to rate participants’ cultural intelligence, our moderating variable. To test the manipulation checks and to test our hypotheses, we used ANOVA and ANCOVA, which are a standard procedure for analysing experimental data that enables comparisons between different conditions and controlling for some variable. Thus, we controlled for the assigned roles of the company’s marketing managers (i.e., sales channels, motto development, promotion, strategy, and advertising). And we also controlled for performance climate while Černe et al. (2014) found that that perceived performance climate moderates the relationship between knowledge hiding and creativity.

Results

Table 1 provides descriptive statistics for all variables analysed in this study. Means and standard deviations for each condition are displayed in Table 1. We used an ANOVA to conduct a manipulation check, and we used ANCOVA to test our hypotheses. First, in terms of the manipulation check, as expected, the ANOVA showed that the main effect of the knowledge hiding manipulation on self-reported knowledge hiding ($F[1,102] = 27.83, p < .000$) is statistically significant.

Turning to individual creativity as the dependent variable, the ANCOVA revealed a significant relationship between knowledge hiding and individual creativity ($F[1,24] = 30.74, p < .000$) in a culturally diverse environment. Means and standard deviations for each condition (low knowledge hiding and high knowledge hiding) are displayed for individual and team creativity in Table 2. Thus, consistent with Hypothesis 1, knowledge hiding significantly related to individual creativity. We then produced another ANCOVA to sparely test whether individual knowledge hiding is associated with team creativity.

Table 1: Means, standard deviations, and correlations

<table>
<thead>
<tr>
<th>Variable</th>
<th>Mean</th>
<th>s.d.</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Individual Creativity</td>
<td>4.12</td>
<td>1.55</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>

Table 2: Means and Standard Deviations by Condition

<table>
<thead>
<tr>
<th>Condition</th>
<th>Individual Creativity</th>
<th>Team Creativity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low Individual Knowledge hiding ($n = 49$)</td>
<td>3.43 (.15)</td>
<td>4.05 (.25)</td>
</tr>
<tr>
<td>High Individual Knowledge hiding ($n = 55$)</td>
<td>4.74 (.13)</td>
<td>4.52 (.22)</td>
</tr>
</tbody>
</table>

*Standard deviations are in parentheses*
creativity in a cultural diverse environment. The results of the ANCOVA revealed that Hypothesis 2 is marginally significant, while knowledge hiding somewhat affected team creativity with a probability of 93% \((F[1,24] = 3.62)\). To test whether cultural intelligence moderates the relationship between individual knowledge hiding and individual creativity, we also used ANCOVA procedures. The ANCOVA revealed that cultural intelligence moderates the relationship between individual knowledge hiding and individual creativity \((F[18,24] = 2.49, p < .05, \text{Figure 2})\). Therefore, the results supported Hypothesis 3. This main effect of cultural intelligence on the relationship between knowledge hiding and creativity is less negative, as we hypothesized. On the other hand, when individuals have low cultural intelligence, the relationship between knowledge hiding and creativity will be more negative.

**Discussion**

We have drawn on social exchange theory (Blau, 1964) and social categorization theory (Tajfel & Turner, 1979) to argue that when an individual decides to hide his or her knowledge from culturally diverse colleagues, it will impede not only the individual’s creativity but also the team’s creativity. The results from this experiment provide support for our hypothesis and suggest a relationship between knowledge hiding and creativity (both individual and team). On the
other hand, the study demonstrated that the relationship between individual knowledge hiding and individual creativity in a culturally diverse environment is less negative when it is moderated by individual cultural intelligence. The association between individual knowledge hiding and individual creativity was even more negative when individuals had low cultural intelligence.

Theoretical Contributions

This study makes several central contributions for theory and research to the creativity literature. The first theoretical contribution to the creativity literature is a novel perspective on the relationship between knowledge hiding and creativity in a culturally-diverse environment. Research on organizational creativity emphasizes the importance of social interactions between individuals (Perry-Smith & Shalley, 2003), especially knowledge sharing (Perry-Smith, 2006) in stimulating individual creativity (Amabile, 1983; Zhou, Hirst, & Shipton, 2012). However limited attention has thus far been devoted to examining how individual engagement in knowledge hiding behaviours might be a potential threat to individual and team creativity in a culturally-diverse environment. These results complement Černe et al.’s (2014) research by highlighting the knowledge hiding mechanism, which is related to the diminished creativity of the initial knowledge hider. At the same time, our research takes a step forward by demonstrating that diverse environment plays an important role in triggering the influences of individual knowledge-hiding on individual and team creativity. We show that knowledge hiding is negatively related to individual and team creativity in a culturally diverse environment. This process is based on social exchange theory (Blau, 1964) and the social categorization process (Turner, 1985) that will emerge because of a culturally-diverse environment.

Our second contribution is related to the examination of the relationship between individual knowledge hiding and team creativity. Černe et al. (2014) have explored the relationship between knowledge hiding and creativity on the dyadic level, examining the relationship between knowledge hider’s knowledge hiding and the same person’s creativity via a reciprocal distrust loop. Hence, this research departs from the common scholars’ focus on studying creativity only at a single level (Gong, et al., 2013). Therefore, based on theoretical developments in the recent research of Černe et al. (2014), we add to their study by showing that similar patterns of social exchange that can affect the relationships between knowledge hiding and creativity at the dyadic level can also be expected within teams/groups. We take research to the team level by drawing on different emergence patterns conceptualized in the multilevel theory (Kozlowski & Klein, 2001) and find similar detrimental effects of individual knowledge hiding on team creativity. The present research found support for our proposal, suggesting that individual knowledge hiding is also negatively related to team creativity.

Third, this research advances our understanding of the cross-cultural research on creativity by introducing the moderating role of cultural intelligence on the relationship between individual knowledge hiding and individual creativity. Our findings support that the relationship between knowledge hiding and creativity is contingent on a cultural setting and
individuals’ responses to it. Specifically, cultural intelligence represents an appropriate individuals’ capability that can decrease the negative social categorization process in culturally-diverse environments, help individuals to overcome the lack of a social exchange pattern between culturally diverse colleagues, and in turn enhance individual creativity. Our study adds to this line by supporting the positive effects of cultural intelligence on the relationship between knowledge hiding and individual creativity. The above mentioned relationship is less negative when individuals have high cultural intelligence. This evidence highlights the value of examining how knowledge hiding impacts creativity – not only for individuals, but also at the team level in a culturally diverse environment.

Limitations and Suggestions for Future Research

This research is subject to a number of potential limitations and therefore should be interpreted in light of them. Although the results of this study imply that cultural intelligence has a moderating effect on the relationship between individual knowledge hiding and creativity, the knowledge hiding-creativity relationship could also be dependent upon other factors. For example, the ability of cultural intelligence to change social exchange patterns between individuals—decreasing knowledge hiding and enhancing individual creativity—may also depend on individual trust or distrust between individuals, while recent research has found that knowledge hiding through trusting relationships among colleagues can influence creativity (Connelly, et al., 2012; Černe, et al., 2014). Furthermore, research exploring the negative relationship between knowledge hiding and creativity in a culturally-diverse work environment should also include dimensions of national culture such as power distance or collectivism, while cultural values may stimulate or hinder knowledge-hiding behaviour. For instance, in some cultures where highly value individualism they may portray knowledge hiding as positive individual behaviour more that cultures where they highly value collectivism.

Second, a potential limitation of our experimental study is the threat to the generalizability of findings. The sample in the experimental study was somewhat homogeneous, as we used student participants. According to Highhouse and Gillespie (2009) the use of the student sample is questionable only when the analysed behaviour is specific to one demographic or occupational group. However, the behaviours that we researched in this study, knowledge hiding, cultural intelligence, and creativity (individual and team), are not considered specific to one occupational group and may be relevant for all working groups, including student. Thus the student sample is reasonable for testing our hypotheses. Nevertheless, future studies should measure and research the proposed relationship in the working environment on employees, while it is necessary to examine the generalizability of our findings.

In addition, another limitation related to our study is the important unanswered questions about how knowledge hiding and its outcome on the dyadic social exchange patterns, and dyadic creativity between culturally diverse individuals. While knowledge in a working environment is best transferred in dyads (Hislop, 2002) the future research should also be even more specific and examine the relationship between knowledge hiding and creativity within the dyad
in a culturally diverse environment. This would improve comprehensive understanding of the connections between knowledge hiding and creativity in culturally diverse organizations.

**Practical Implications**

In today’s dynamic and uncertain work environments, organizations use employee creativity as a potential resource for organizational innovations (George, 2007; Shalley, et al., 2004). Our study demonstrates how cultural intelligence can influence the knowledge hiding-creativity relationship in the culturally diverse environment at the individual level by reducing the negative effects of knowledge hiding and enhancing individual creativity. Therefore for leaders and managers, our results suggest that employees with high cultural intelligence tend to be more valuable than their colleagues with low cultural intelligence, while it’s an individual ability for stimulating creative behaviour when faced with knowledge hiding in a culturally diverse environment.

The second practical implication of our findings may be useful for employees in culturally diverse organizations. To reduce knowledge hiding in culturally diverse work environments and enhance their creativity, employees may find it useful to begin to be aware of their cultural intelligence. In the meantime, employees with a low cultural intelligence should understand their potential and start to improve upon their own cultural intelligence by including formal education and training, cross-cultural coaching, concrete international experience, overseas work experience, and experiential learning as recent research suggests (Li, et al., 2013; Ng, et al., 2009). Conversely, a high cultural intelligence will help them remain less engaged in knowledge-hiding behaviour and will therefore trigger their own creative processes in a culturally-diverse environment.

**Conclusion**

As employees will continue to not be motivated to share their knowledge and will sometimes instead intentionally withhold it, scholars need a new, deeper understanding of what triggers individual knowledge hiding, its negative effects on employees, and how it can be mitigated in organizations. Our study helps to resolve individual knowledge hiding in a culturally diverse environment and provides empirical insights into the knowledge hiding – creativity (individual and team) relationship. We provide empirical and practical insights into the fact that individual cultural intelligence results mitigates negative consequences of individual knowledge hiding and hence acts as a salient contingency for triggering creativity.

**References**


Abstract

Purpose
Task conflict can increase group creativity because it triggers the group's engagement in deep task-relevant information exchanges and status quo reevaluation (DeDreu, 2006; Hülsheger, et al., 2009). Yet too much task conflict can lead to frustrated employees, lost sight of collective goals, and reduced capacity to perceive, process, and evaluate workplace information. The objective of this article is to explain and resolve the inconsistent relationship between task conflict and individual creativity in a culturally diverse environment. We propose that cultural intelligence can provide more in-depth insight into how task conflict in a culturally diverse environment is related to creativity. We go even further by proposing that the relationship between task conflict and creativity in multicultural collaboration will be more positive when employees have moderate levels of cultural intelligence. While highly cultural intelligence individual may start to avoid task conflict and negative evaluations of ideas, in turn it is likely that groupthink will emerge among team members (Janis, 1972).

Design
Drawing on social categorization theory, we propose that a cultural intelligence will moderate the relationship between task conflict and individual creativity, while individual cultural intelligence will shift the perspective of “we” against “them” to mutual “us,” and thus has a moderating effect on the relationship between task conflict and individual creativity. We conducted an experimental study among of 100 first- and second-year undergraduate international students at a Slovenian university. In order to control for the task in order to capture task conflict and to use multiple experts to rate the individual creative outcomes, we thus conducted an experimental study.

Findings
Our research identifies cultural intelligence as an important contingency that can strengthen the effects of task conflict on individual creativity in a culturally diverse environment. Furthermore, our research demonstrated that the relationship between task conflict and individual creativity in a culturally diverse environment is less negative when individual have a moderate level of cultural intelligence. If individuals had low or high cultural intelligence, the relationship between task conflict and creativity was more negative.

Research limitations/implications
Our research takes a step toward resolving the inconsistent relationship between task conflict and creativity in a culturally diverse environment. The primary contribution lies in introducing cultural intelligence as an important moderator of the relationship between task conflict and individual creativity.
Practical implications

The present research offers valuable practical insights for leaders and managers, while it suggests that employees with a moderate level of cultural intelligence tend to be more valuable than their colleagues with high or low cultural intelligence.

What is original/ what is the value of the paper?

Our research takes a step forward by demonstrating that a diverse environment plays an important role in triggering the influences of task conflict on individual creativity. Theory and research on organizational creativity emphasize that environmental factors are decisive for stimulating individual creativity (e.g., Amabile, 1983; Amabile, Conti, Coon, Lazenby, & Herron, 1996; Woodman, et al., 1993), yet to date limited attention has been devoted to a cultural diversity in the work environment. Second we show that social categorization processes (Tajfel & Turner, 1979; Turner, 1985), which will emerge because of a culturally-diverse environment and cause individuals to categorize themselves on in-group and out-group members, can in turn enhances individual creativity through task conflict. Therefore this study provides theoretical insights regarding the fact that a culturally diverse environment is as a salient contingency for decreasing individual creativity.

Keywords

Task Conflict, Creativity, Cultural Intelligence, Cultural diversity

Introduction

Given that competitive and uncertain environment in which many organizations are operating, practitioners and scholars have realized that creativity production of novel and useful ideas (Amabile, 1996), is crucial for organizational survival (Shalley, Gilson, & Blum, 2009; Shalley, Zhou, & Oldham, 2004). Furthermore, employees are more than ever force to interact and collaborate with culturally diverse individuals, while organizations are operating more globally (Shin, Kim, Lee, & Bian, 2012). Yet the creative potential of cultural diversity in the workplace often goes unrealized (Chua, Morris, & Mor, 2012). The value-in diversity argument (Williams & O'Reilly, 1998) suggests that cross-cultural interactions may stimulate team members to generate new ideas (Perry-Smith & Shalley, 2003) because individuals are exposed to different thinking styles, knowledge, and skills. The similarity attraction (Pfeffer, 1983) argument, on the other hand, proposes that a diverse environment provokes negative treatment (Shin, et al., 2012) such as conflict situations (Williams & O'Reilly, 1998) and thus inhibit individual creativity.

However, previous research (De Dreu, 2006; Farh, Lee, & Farh, 2010) has linked task conflict to creativity equivocally. There are three different types of conflict: relationship conflict regarding interpersonal relationships, process conflict in relation to the process, and task conflict (Jehn, 1995). Task conflict relates to the conversation and discussions on how to implement individual tasks. Research (De Dreu, 2006; Farh, et al., 2010) has shown that task conflict have more effect on creativity then emotional and process conflict. This is because task conflict provokes individuals to come to a greater degree of
information sharing, and to evaluate the current situation, which encourages creativity (Hülsheger, Anderson, & Salgado, 2009; Shalley & Gilson, 2004). Therefore, in this paper, we are going to limit ourselves to only task conflict. Task conflict can increase group creativity because it triggers the group’s engagement in deep task-relevant information exchanges and status quo reevaluation (De Dreu, 2006; Hülsheger, et al., 2009). Yet too much task conflict can lead to frustrated employees, lost sight of collective goals, and reduced capacity to perceive, process, and evaluate information that are crucial for creative work tasks.

The objective of this article is to explain and resolve the inconsistent relationship between task conflict and individual creativity in a culturally diverse environment. Drawing on social categorization theory (Tajfel & Turner, 1979), we posit that task conflict occurs between culturally diverse co-workers because individuals are used to categorizing themselves and others into in-group and out-group members based on cultural similarities and differences. If conflict can impede employee creativity, organizations and managers in culturally diverse working environments need to know how to mitigate task conflict in organizations (Farh, et al., 2010). We thus hypothesize that task conflict is related to individual creativity in a culturally diverse environment.

To advance theory, research, and practice, it is critical to know how to reduce the likelihood of task conflict in a culturally diverse environment. We propose that cultural intelligence can provide more in-depth insight into how task conflict in a culturally diverse environment is related to creativity. Cultural intelligence is defined as an individual’s capability of functioning effectively in a culturally diverse environment (Ang & Van Dyne, 2008), and it can reduce in-group/out-group perception. Furthermore organizational scholars have proposed that cultural intelligence is one of the highly relevant predictors of an affective performance outcome in a culturally diverse environment (Imai & Gelfand, 2010). Taking it all together, we propose that cultural intelligence has a moderating role in the relationship between task conflict and individual creativity. We go even further by proposing that the relationship between task conflict and creativity in multicultural collaboration will be more positive when employees have moderate levels of cultural intelligence. While highly cultural intelligence individual may start to avoid task conflict and negative evaluations of ideas, in turn it is likely that groupthink will emerge among team members (Janis, 1972). Rather than causing creative ideas, groupthink inhibits creativity, since individuals will not debate their own views. With our research, we aim to investigate how individual cultural intelligence can moderate the relationship between task conflict and individual creativity. To test our hypotheses we use experimental data.

Our research makes significant theoretical contributions to the creativity literature. First, by introducing a culturally-diversity work environment as an important but often neglected influence on creativity, we aim to contribute to the creativity literature. Our social categorization point of view reveals how a culturally-diverse environment leads to task conflict and hinders creativity. Second, we introduce the relatively new concept of cultural intelligence (Kim & Van Dyne, 2011) as an important moderator on the task conflict - creativity relationship in a culturally
diverse environment. Using social categorization viewpoints, we reveal how different levels (high, medium, low) of cultural intelligence are related differently to the relationship between task conflict and creativity. Our theoretical point of view and empirical findings explain that cultural intelligence is important for creativity when task conflict occurs in a culturally diverse work environment.

**Task conflict and creativity**

Following previous work (Amabile, 1996), we define creativity as the production of novel and useful ideas. Individual creativity cannot happen in a vacuum (Guilford, 1950) and as such, it is often the result of a social process (Perry-Smith, 2006; Perry-Smith & Shalley, 2003) in which individuals are sharing ideas and brainstorming solutions with others (Chua, et al., 2012). Therefore, the level of creativity is very much dependent on how and with whom individuals interact. Task conflict is negative interaction among individuals defined as “disagreement among group members about the content of the tasks being performed, including differences in viewpoints, ideas, and opinions” (Jehn, 1995, p. 258). As already noted, organizational scholars have long implied that task conflict can enhance creativity. Researchers have identified three different mechanisms through which conflict may stimulate creativity.

First according to minority dissent theory, task conflict can enhance creativity while it triggers the group’s engagement in deep task-relevant information exchanges, and challenging the status quo of creative ideas (Baron & Kenny, 1986; De Dreu, 2006; De Dreu & West, 2001; Hulsheger, et al., 2009). More precisely, when minority individuals in the work environment publicly oppose the majority, then the majority members are force to consider the ideas suggested by the minority (Nemeth, 1986). This is how minorities increase divergent thinking and creativity within a larger group (De Dreu & West, 2001). Second, in a work group where there is no conflict and members have total agreement, task groupthink can emerge (Janis, 1972). In contrast to conflict, groupthink can stifle creativity because individuals experiencing groupthink have a psychological drive for suppressing both dissent and the possibility of dissent in decision-making groups. Third, building on this notion, Kolb and Gildden (1986) suggested that managers could foster the legitimatization of conflict in order to use it as a creative force. In line with this logic, studies have shown that task conflict that results from the presence of different options stimulates work group originality (Dyne & Saavedra, 1996), complexity (Gruenfeld, 1995) and divergence (Nemeth, 1986).

Yet, a high level of task conflict decreases the creativity process while it reduces individual capacity to perceive, process, and evaluate information (De Dreu, 2006). When individuals perceive increasingly high levels of task conflict, they are more likely to feel stress, interpersonal tension, and distrust; therefore, they would avoid open-minded idea generation with colleagues. As a result, Kurtzberg and Amabile (2001) proposed that a moderate level of conflict can be the most beneficial for creativity. Recent research from Farh et al. (2010) demonstrated that task conflict has a curvilinear effect on team creativity such that creativity is highest at moderate conflict levels. More precisely, their research has shown that the curvilinear effect of task conflict
on team creativity is strongest in the early phase of the team life cycle.

Thus, it is considerably difficult to maintain moderate levels of task conflict in the work environment, because perceived conflict frequently changes. Employees are more likely to move to higher levels of conflict if they perceive small levels of task conflict (Kurtzberg & Amabile, 2001). Therefore, we are going to distinguish between those individuals who do or do not perceive task conflict in our study. As already mentioned, task conflict in the work environment can arise not only because of minority dissent but also because of workgroup diversity (Reiter-Palman, 2012). While the workforce is becoming increasingly culturally diverse (Cox, Lobel, & McLeod, 1991) and different types of diversity have different effects on the relationship between conflict and creativity, we are going to limit our research to cultural diversity.

Culturally diverse environment

The diversity theory distinguishes between surface-level and deep-level diversity (Harrison, Price, & Bell, 1998). Surface-level diversity is typically conceptualized as diversity among individuals based on easily noticeable characteristics such as age, gender, race, and ethnicity. In turn, deep-level diversity is associated with attributes that may not be immediately apparent such as personalities, beliefs, and values. The diversity literature has suggested that diversity among individuals can either increase their effectiveness (Cox, et al., 1991) or stimulate negative performance (Pelled, Eisenhardt, & Xin, 1999) through conflict, division, and dissolution (Chatman, 1991; Tajfel & Turner, 1979). Our focus in this paper is on cultural diversity. In line with Chua (2012), we broadly encompass cultural diversity as diversity based on ethnic or national cultures.

In a highly culturally diverse environment, employees are forced to interact with people from different cultural backgrounds and ethnicities in order to complete assignments. Of course, employees from different cultural identity groups have distinct worldviews (Alderfer & Smith, 1982), norms, values, goal priorities, and sociocultural heritages (Cox, 1994). Thus, in the line with value-in diversity argument (Williams & O'Reilley, 1998), we expect that individuals in culturally diverse interactions can be creative, since employees are exposed to new ideas and perspectives to address a given problem (Chua, 2012; Chua, et al., 2012). Indeed, a few studies have indicated that cultural diversity can enhance creativity (Chua, 2012; Chua, et al., 2012; Leung, Maddux, Galinsky, & Chiu, 2008; Maddux, Adam, & Galinsky, 2010; Stahl, Maznevski, Voigt, & Jonsen, 2010), and innovation (Østergaard, Timmermans, & Kristinsson, 2011) in the workplace. Also, multicultural experience can increase the likelihood of being creative (Leung & Chiu, 2010; Maddux & Galinsky, 2009). Yet studies (Hülsheger, et al., 2009; O'Reilly III, Williams, & Barsade, 1998; Paletz, Peng, Erez, & Maslach, 2004) have also shown that cultural diversity has moderate or even negative effects on individuals' creativity. For example, Curseu (2010) found that team diversity based on gender, age, or nationality was moderately but positively related to team creative performance. In contrast, McLeod, and colleagues’ (McLeod, Lobel, & Cox Jr, 1996) research has indicated that ethnic diversity hinders team creativity.
We propose that cooperation among individuals with different cultures can be negative for individuals and businesses alike, since the wrong perception of cultural differences reduces the interaction between individuals and thus their effectiveness in carrying out creative tasks. Empirical research from Paulus and colleagues (Paulus, Putman, Dugosh, Dzindolet, & Coskun, 2002) suggested that brainstorming in culturally diverse teams may lead to productivity loss due to the challenges of intercultural communication (Jackson, Joshi, & Erhardt, 2003). Furthermore, task conflict in culturally diverse environments most often occurs because of a lack of cultural awareness in expectations or misunderstood comments (Chua, et al., 2012). We therefore hypothesize the following:

Hypothesis 1. The task conflict is negatively related to individual creativity in a culturally diverse environment.

The Moderating Role of Cultural Intelligence

Cultural intelligence provides in-depth insight into the task conflict and creativity relationship in the cultural diverse environment. It is defined as a person’s capability to function effectively in culturally diverse contexts and consists of cognitive, metacognitive, motivational, and behavioral dimensions (Ang & Van Dyne, 2008). Thus based on social categorization we predict that cultural intelligence can transform task conflict, due to different cultural groups in an environment, into creative performances of the employees. The social categorization theory (Tajfel & Turner, 1979) proposes that individuals frequently classify themselves as in-group versus out-group by evaluating their workgroups based on salient characteristics such as ethnicity, nationality, and cultural background. Research based on social categorization theory has suggested that diverse workgroups are more likely to have greater conflict (Pelled, et al., 1999), and poorer performance (Pelled, 1996). Furthermore, social categorization can stimulate different behaviors such as stereotyping, positive in-group attitudes and cohesion, cooperation, empathy, collective behavior, and mutual influence (Hogg & Terry, 2000).

We propose that cultural intelligence can reduce the categorization process and in turn decrease task conflict among culturally diverse individuals, where cultural intelligence is defined as the individual ability to interact effectively with people from a diverse cultural environment (Earley & Ang, 2003; Li, Mobley, & Kelly, 2013). Earley and Ang (2003) conceptualized cultural intelligence as a multidimensional construct, consisting of four complementary individual capabilities: metacognitive, cognitive, motivational, and behavioral. We predict that each of these cultural intelligence dimensions can reduce the individual social categorization process on in-group and out-group member based on culturally diverse colleagues, thus decreasing task conflict while increasing individual creativity.

Metacognitive cultural intelligence refers to a mental process that includes planning, monitoring, and checking cultural assumptions and knowledge (Erez et al., 2013). Individuals with high metacognitive cultural intelligence are aware, during and after cross cultural interactions, of what the cultural preferences of their coworkers are (Ang et al., 2007). High awareness triggers individuals’ self-regulated mental processes that allow them to acquire and
understand knowledge (Flavell, 1979); therefore, it is less likely that they will apply stereotypes and false judgments based on cultural differences. Research has provided evidence that high metacognitive cultural intelligence increases interpersonal trust among culturally diverse couples (Rockstuhl & Ng, 2008) and effect-based trust (Chua, et al., 2012). More precisely, effect-based trust mediates the positive effect of metacognitive cultural intelligence on creative collaboration. When employees have high levels of metacognitive cultural intelligence, they have a better understanding of similarities, and higher trust can occur between them and their work partners.

According to social categorization theory, individual trust is associated more with in-group members than with out-group members (Tanis & Postmes, 2005). Thus, in the context of social categorization, individuals with higher metacognitive cultural intelligence will have more trusting relationships with colleagues regardless of their cultural backgrounds and therefore will be driven to create a new group with work partners from different cultural backgrounds. Since in-group members experience less conflict, it follows that metacognitive cultural intelligence may, through trust relationships, decrease or prevent the emergence of task conflicts and also enhance individual creativity.

Behavioral cultural intelligence refers to what individuals are doing while interacting with others. More precisely, it reflects the range of verbal and nonverbal capabilities that individuals possess and use when interacting with people from different cultures (Ang, et al., 2007). For example, a communication style that is appropriate in one cultural setting may be inappropriate in another and vice versa (Earley & Ang, 2003). Individuals with high behavioral cultural intelligence will adopt appropriate communications styles according to the cultural background of the communication partner. In turn, the communication partner will perceive more similarities with that individual and thus will perceive him or her more as an in-group member. As such, through using appropriate communications styles, behavioral cultural intelligence can eliminate categorization based on culturally differences and can therefore reduce task conflict in a culturally diverse environment.

Cognitive cultural intelligence reflects individual knowledge of norms, economic, legal, and sociolinguistic practices and cultural values acquired from education and personal experience (Ang & Van Dyne, 2008). Employees with high cognitive cultural intelligence understand similarities and differences across different cultures (Brislin, Worthley, & Macnab, 2006) and therefore can work more “efficiently and effectively within a specific domain” (Van Dyne et al., 2012, p. 302). It has been found that cultural judgment and decision making, which refer to the quality of decisions regarding intercultural interactions (Ang, et al., 2007) and higher interpersonal trust among individuals (Rockstuhl & Ng, 2008) are outcomes of cognitive cultural intelligence.

Furthermore, while interviewing global managers, Janssed and Cappellen (2008) found that cognitive cultural intelligence was relevant to their cross-cultural work. For example, as a global manager explains, ‘You need to know what is allowed and what is not’; further, ‘you
need to react differently, negotiate differently’ in a particular cultural environment” (Janssens & Cappellen, 2008, p. 365). Most of the managers emphasized that no matter where they operate, knowledge about business relationships; language; and managerial, negotiation, and communication styles is the most important for them. We argue that individuals high in cognitive cultural intelligence are less likely to form negative, stereotypical judgments based on cultural characteristics (Abreu, 2001), because they are aware of similarities and are prone to better cultural judgment and decision making. By not making stereotypical judgments and instead focusing on similarities with co-workers, the cognitively cultural individual will see all co-workers as in-group members, which will result in the decrease of task conflict.

Motivational cultural intelligence is defined as the capacity to direct attention and energy to learning and functioning in culturally diverse environments (Ng, Van Dyne, & Ang, 2009). Motivational cultural intelligence is conceptualized as based on intrinsic motivation and self-efficacy. Thus, individuals with high motivational cultural intelligence “are attracted to intercultural situations because they value the benefits of these interactions and are confident that they can cope with the inherent challenges of cultural differences” (Van Dyne, et al., 2012, p. 304). For example, Chen and colleagues (Chen, Kirkman, Kim, Farh, & Tangirala, 2010) found that cross-cultural motivation or motivational cultural intelligence was more positively related to work adjustment and that a work adjustment was more likely to mediate the positive relationship between cross-cultural motivation and job performance. Also, individuals high in motivational cultural intelligence have more directed intentions and energy, because they are intrinsically motivated.

Employees with high motivational cultural intelligence have a strong desire to communicate and interact with people from different cultural backgrounds (Earley & Ang, 2003). We propose that employees’ desire to communicate and interact would lead to less distinction between in-group and out-group among employees (Reynolds & Oakes, 2000) and would also increase the likelihood for employees to create new in- groups. Such interaction and communication stimulate a group’s psychological sense of safety, which allows individuals to exchange sensitive information, propose extreme solutions, and reduce conflict (Mayer, Davis, & Schoorman, 1995). Scholars have long maintained that communication and psychological safety play a critical role in creative performance (Shalley & Gilson, 2004; Shalley, et al., 2004; Woodman, Sawyer, & Griffin, 1993) This is why we propose that high motivational cultural intelligence can, through intrinsic motivation, communication, and psychological safety, reduce or eliminate categorization and task conflicts in culturally diverse workplaces and can therefore stimulate creativity. Each dimension of cultural intelligence can differently reduce the individual’s perception of “us” against “them”. Yet we predict that social categorization based on culturally diversity will decrease only when dimensions of cultural intelligence work together as one. We therefore hypothesize the following:

Hypothesis 2a. Individual cultural intelligence has a moderating effect on the relationship between task conflict and individual creativity.
In turn, we expect that high levels of cultural intelligence will have a negative effect on the relationship between task conflict and creativity. We argue that employees can, due to high levels of cultural intelligence and perceptions of themselves as a group, start avoiding conflict. In their efforts to avoid conflict, they will start to think as a group (Janis, 1972). Groupthink inhibits creativity since individuals will not debate different thoughts and opinions. As Zhou and George (2003, p. 560) suggested, “Idea evaluation can become a superficial process in which employees attempt to maintain interpersonal harmony at all costs and offer no real critical assessments to improve ideas.” Groupthink can therefore result in low-quality ideas because some constructive criticism is needed for good creative ideas or for the creative improvement of ideas (George & Zhou, 2002; Vosburg, 1998). Thus, we predict that moderate levels of cultural intelligence will enhance the impact of task conflict on creativity and therefore hypostasize:

**Hypothesis 2b:** A moderate level of cultural intelligence is the least negative related to the relationship between task conflict and individual creativity.

**Methods**

To test these hypotheses, we conducted an experimental study among first- and second-year undergraduate international students at a Slovenian university. In order to control for the task in order to capture task conflict and to use multiple experts to rate the individual creative outcomes, we thus conducted an experimental study. The main goal of our experimental study was to test the proposed relationships between task conflict and individual creativity in a culturally diverse environment. Therefore we independently manipulated individuals’ task conflict in order to capture the effect of underreporting this undesirable behavior, and used participants’ perceptions of cultural intelligence as a moderator.

**Sample, Design, and Procedures**

We collected data by conducting an experiment with 100 undergraduate international students who attended an elective course. Participation
was voluntary, and the students were assured anonymity. There were 48% females with average of prior cross-cultural interactions of 5.5 (SD = 0.99). The majority of the participants were from Europe and the remaining students were from Africa (4%), South Korea (4%), and Peru (4%), and Russia (2%). The participants from Europe from other countries were including Slovenia (30%), France (14%), Macedonia(8%), Spain (7%), Germany(7%), Turkey(6%), Austria (4%), from Slovakia (3%), Finland(3%), Albania (2%), Czech Republic(2%), Lithuania(2%), and one participates from countries Bulgaria, Croatia, Norway, Serbia, Sweden, and Ukraine. While the cultural backgrounds of participants in this experimental study were quite diverse, we can say that we had an international sample. This justifies our main goal to analyze the relationship between task conflict and creativity in a culturally diverse environment. The experiment employed a two-by-one (i.e., two conditions of task conflict, low/high), between-subjects factorial design.

First the participants were randomly assigned into two conditions: low task conflict and high task conflict. We introduced the study by explaining that we were interested in their creativity process and told them that they would be involved in creative tasks. Participants were randomly assigned to groups of four and given the Marshmallow Challenge. Created by Tom Wujec (1995), this is a well-known experiment for creativity in which teams must build the tallest free-standing structure out of 20 sticks of spaghetti, one yard of tape, one yard of string, and one marshmallow. The marshmallow needs to be on top. There were 25 groups in the study, and their task was to complete the challenge in 18 minutes.

**Task conflict manipulation**

To ensure that participants in the low and high task conflict conditions would experience different levels of task conflict, we gave the students special instructions with different pieces of information about their team task. We introduced our manipulations of task conflict by manipulating the mental set as per De Dreu and Nijstad (2008). Each team received specific instructions. In the control condition (low task conflict), we gave to each team 20 sticks of spaghetti, one yard of tape, one yard of string, and one marshmallow, and they had to read the following instructions:

The goal of this task is to make the tallest freestanding and creative building. You can break the spaghetti and use as much tape and string as you want. On the top of the building, you need to put the entire marshmallow, and you cannot hold the structure when the time runs out. We encourage you to cooperate and exchange thoughts and creative ideas between colleagues.

In addition, these instructions were also repeated by the teacher. Conversely, in the experimental condition (high task conflict), we gave each team member different colors (red, blue, yellow, white) of 20 spaghetti sticks, one yard of tape, one yard of string, and one marshmallow. Different colored items were used in the experiment because we expected that this would increase task conflict and help us identify the source of ideas (Paulus & Yang, 2000). The team had 80 spaghetti sticks, four yards of tape, string, and marshmallows, all in different colors. Yet each team could use only 20 spaghetti sticks, one yard of tape and string, and one marshmallow. We induced a mental set for task conflict conditions by using the following instructions:
The team goal of this task challenge is to make the tallest freestanding and creative building. While building the structure, you can use only 20 spaghetti different colors, one color of tape, string, and marshmallow. You can break the spaghetti and use as much tape and string as you want. On the top of the building there needs to be the entire marshmallow, and you cannot hold on to the structure when the time runs out. Your individual goal is to convince your teammate to use as much as possible items of your color in the structure. The winner of this challenge is individual who had the most items of his color in the structure. We encourage you to compete with others and think of others as your opponent.

After participants finished their tasks, we assessed the perceived task conflict. The participants were asked to complete the 4-item questionnaire developed by Jehn (1995) scale (α = .85). Answers could be given on 7-point scales (“Please rate the level of conflict that you perceive in your team during the task as 1 = not at all, to 7 = always”). These responses about task conflict served as manipulation checks. We measured individual creativity by counting the number by using independent raters (i.e., experts in the field of creativity) who assessed them on a scale from 1 (not at all creative) to 7 (very creative). The two raters achieved good reliability (ICC1. 87, p < .00), and agreement (average deviation .86), which is within conventional guidelines (LeBreton & Senter, 2008). We averaged their ratings into a measure of the individual creativity of each participant.

Ang and Van Dyne’s (2008) 20-item cultural intelligence questionnaire was used to measure individual cultural intelligence (α = .77). This consists of four items for metacognitive cultural intelligence, six items for cognitive cultural intelligence, five items for motivational cultural intelligence, and five items for behavioral cultural intelligence. We asked participants to self-report cultural intelligence items on a 7-point scale (“Please rate the level of yours cultural intelligence 1 = strongly disagree, 7 = strongly agree”). This served to rate participants’ cultural intelligence, our moderating variable. To test the manipulation checks and our hypotheses, we used analysis of variance (ANOVA), which is a standard procedure for analyzing experimental data that enables comparisons between different conditions.

Results

Table 1 provides descriptive statistics for all variables analyzed in this study. We tested our manipulation check and hypotheses by ANOVA. First, in terms of the manipulation check, ANOVA revealed the main effect of the task conflict manipulation on self-reported task conflict (F[1,98] = 5.26, p < .05) is statistically significant. These results indicate support for the validity of the interventions.

Turning to individual creativity as the dependent variable, the ANOVA revealed a non-significant relationship between task conflict and individual creativity (F[1,94] = 0.01, ns) in a culturally diverse environment. It follows that Hypothesis 1 is not confirmed, as task conflict is not associated with individual creativity. To test whether cultural intelligence moderates the relationship between task conflict and individual creativity, we also conducted ANOVA procedures. Means and standard deviations for each condition (high/low task conflict and high/
medium/low cultural intelligence) are displayed for individual creativity in Table 2. The ANOVA revealed that cultural intelligence moderates the relationship between task conflict and individual creativity (F[2,94] = 7.53, p < .001; Figure 2). This moderating effect of cultural intelligence on the relationship between task conflict and individual creativity is shown in Figure 2. A visual inspection of the simple slopes (Figure 2) indicates that when individual have moderate level of cultural intelligence, the relationship between task conflict and individual creativity is less negative. On the other hand, when individual have high or low cultural intelligence, the relationship between task conflict and creativity will be more negative. These results provide support for the Hypothesis 2b, that moderate levels of cultural intelligence will strengthen the relationship between task conflict and individual creativity.

Table 1: Means, standard deviations, and correlations b (n=100)

<table>
<thead>
<tr>
<th>Variable</th>
<th>Mean</th>
<th>s.d.</th>
<th>1</th>
<th>2</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Individual Creativity</td>
<td>4.30</td>
<td>1.88</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 Task conflict</td>
<td>2.40</td>
<td>.90</td>
<td>-.04</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 Cultural intelligence</td>
<td>4.76</td>
<td>.56</td>
<td>.23*</td>
<td>-.01</td>
<td>1</td>
</tr>
</tbody>
</table>

*b Coefficient alphas are on the diagonal in parentheses. 
*p<.05, ** p<.01

Table 2: Means and Standard Deviations by Condition b (n=100)

<table>
<thead>
<tr>
<th>Condition</th>
<th>Creativity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low Task conflict low Cultural intelligence</td>
<td>2.73 (1.63)</td>
</tr>
<tr>
<td>(n = 13)</td>
<td></td>
</tr>
<tr>
<td>Low Task conflict medium Cultural intelligence</td>
<td>4.15 (2.18)</td>
</tr>
<tr>
<td>(n = 16)</td>
<td></td>
</tr>
<tr>
<td>Low Task conflict high Cultural intelligence</td>
<td>5.19 (2.05)</td>
</tr>
<tr>
<td>(n = 23)</td>
<td></td>
</tr>
<tr>
<td>High Task conflict low Cultural intelligence</td>
<td>4.40 (1.27)</td>
</tr>
<tr>
<td>(n = 15)</td>
<td></td>
</tr>
<tr>
<td>High Task conflict medium Cultural intelligence</td>
<td>4.60 (.96)</td>
</tr>
<tr>
<td>(n = 14)</td>
<td></td>
</tr>
<tr>
<td>High Task conflict high Cultural intelligence</td>
<td>4.11 (1.94)</td>
</tr>
<tr>
<td>(n = 19)</td>
<td></td>
</tr>
</tbody>
</table>

*n=100. 
*bStandard deviations are in parentheses
Based on social categorization, we have theorized that task conflict (Tajfel & Turner, 1979) in a culturally diverse environment emerges because individuals categorize themselves as in-group or out-group members, which impedes the individual’s creativity. The results of the experimental study revealed that task conflict is not related to individual creativity in a culturally diverse environment. Furthermore, we have argued that a moderate level of individual cultural intelligence while interacting with co-workers from different cultural backgrounds can reduce individual tendencies to view work partners from cultural backgrounds as out-group members, thereby decreasing task conflict and enhancing individual creativity. Our research demonstrated that the relationship between task conflict and individual creativity in a culturally diverse environment is less negative when individual have a moderate level of cultural intelligence. If individuals had low or high cultural intelligence, the relationship between task conflict and creativity was more negative. Our findings offer meaningful theoretical contributions to the literature on creativity and cultural intelligence.

**Theoretical Contributions**

Our research takes a step toward resolving the inconsistent relationship between task conflict and creativity in a culturally diverse environment. The primary contribution lies in introducing cultural intelligence as an important moderator of the relationship between task conflict and individual creativity. Although it has been has been recognized that task conflict on the one hand can stimulate creativity (De Dreu & West,
2001; Hülsheger et al., 2009; McLeod et al., 1997), yet on the other hand it can also decreases creativity by reducing an individual’s capacity to perceive and evaluate valuable information for creative processes (De Dreu, 2006). Our study demonstrate that cultural intelligence represents an appropriate individuals’ capability that can decrease the negative social categorization process in culturally-diverse environments, helps individuals overcome task conflicts, and in turn triggers individual creativity. In identifying cultural intelligence as one of the key building blocks that may decrease task conflict and in turn enhance individual creativity, our theoretical and empirical findings represent a departure from traditional approaches in examining the task conflict-creativity relationship. As the conflict literature suggests, these results supports that task conflict may have positive effect on individual creativity in a culturally diverse environment, yet we add that is the case only when individual possess a moderate level of cultural intelligence.

The second theoretical contribution to the creativity literature is in the examination of individual creativity in a culturally diverse environment. Our research takes a step forward by demonstrating that a diverse environment plays an important role in triggering the influences of task conflict on individual creativity. Theory and research on organizational creativity emphasize that environmental factors are decisive for stimulating individual creativity (e.g., Amabile, 1983; Amabile, Conti, Coon, Lazenby, & Herron, 1996; Woodman, et al., 1993), yet to date limited attention has been devoted to a cultural diversity in the work environment. The assumption has been that cultural diversity can stimulate individual creativity by exposing individuals to disparate knowledge, information, ideas, and perspectives (Chua, 2012; Chua et al., 2012; Pelled et al., 1999). Thus, cultural diversity in the work environment can diminish creativity due to misunderstandings or a lack of communication among culturally diverse individuals. We show that social categorization processes (Tajfel & Turner, 1979; Turner, 1985), which will emerge because of a culturally-diverse environment and cause individuals to categorize themselves on in-group and out-group members, can in turn enhances individual creativity through task conflict. Therefore this study provides theoretical insights regarding the fact that a culturally diverse environment is as a salient contingency for decreasing individual creativity. Furthermore by introducing cultural intelligence as a possible moderator in culturally diverse environments, we answer the recent call to more deeply investigate antecedents and barriers to effective intercultural creative work (Chua et al., 2012).

Our third noteworthy contribution is related to nonsignificant relationship between task conflict and individual creativity in a culturally diverse environment. Farh et al. (2010) research demonstrated that task conflict had a curvilinear effect on team creativity such that creativity was highest at moderate conflict level. Our research departs from their focus on studying the team task conflict-creativity relationship, as we study this relationship at the individual level. However, we add to their study by showing that task conflict in a culturally diverse environment is not directly related to individual creativity, and therefore task conflict may also have a curvilinear effect on individual creativity in a culturally diverse environment. This evidence
highlights the value of examining how task conflict is related to individual creativity and a salient effect of a culturally diverse environment.

Limitations and Suggestions for Future Research

The results from our study are subject to a number of limitations and suggestions for directions for future research. The first limitation in our study is threat to the generalizability of the findings due to our sample. The latter concern is because the participants in the experiment were a student sample. Thus, the potential for using the student sample is in doubt when the analyzed behavior is specific to one demographic or occupational group (Highhouse & Gillespie, 2009). While the behaviors we researched cultural intelligence, task conflict, and creativity are not specific to one occupational group and can be relevant for all groups, the student sample is still reasonable for testing our hypotheses. However, we do suggest that future research in work environments is necessary to examine the generalizability of our findings.

The second limitation is that by focusing on cultural intelligence, we limited our study to a limited factor. We have emphasized how cultural intelligence is related to the relationship between task conflict and individual creativity, but there are also other factors that may influence this relationship. For example, research findings associated cultural intelligence with constructs such as emotional intelligence, cognitive ability, and openness to experiences that have been also associated with creativity (Amabile, Hadley, & Kramer, 2002; Baer & Oldham, 2006; Zhou & George, 2003). Furthermore, our suggestion is that future studies could also include possible mediators between cultural intelligence and the relationship between task conflict and creativity, such as knowledge hiding behavior (Černe, Nerstad, Dysvik, & Škerlavaj, 2014). To get the whole picture, future studies should explore a more complex model.

In addition, a potential limitation of our study is that cultural intelligence was measured solely based on participants' self-reporting. However, individuals who perform low on given dimensions of cultural intelligence usually lack awareness of this (Kruger & Dunning, 1999). This is why we propose that future research should also include observation reports of cultural intelligence by leaders or colleagues. We have also restricted our observation to individuals’ perceptions of task conflict and cultural intelligence. Future research may expand our focus by observing a dyadic, team, or leader (subordinate interaction) to demonstrate the influence of a particularly relevant high-power other.

Practical Implications

In today’s uncertain and diverse work environments, organizations use employee creativity as a potential resource for organizational innovations (George, 2007; Shalley, et al., 2004). Our study demonstrates how a moderate level of individual cultural intelligence can influence the task conflict-creativity relationship in the culturally diverse environment at the individual level by reducing task conflict and enhancing individual creativity. Therefore the present research offers valuable practical insights for both leaders and employees. Thus, for leaders and managers, our results suggest that employees with a moderate level of cultural intelligence tend to be more
valuable than their colleagues with high or low cultural intelligence, as this is an individual ability to stimulate individual creative process when faced with task conflict and when interacting with culturally diverse colleagues.

While scholars have argued that employees can improve their cultural intelligence by training (Earley & Peterson, 2004; Erez, et al., 2013), employees need to start to build all dimensions of cultural intelligence to be aware, to increase their knowledge of other cultures, to behave appropriately, and to be highly motivated for intercultural collaboration. Thus, the second practical implication of our study may be useful for employees in culturally diverse organizations. Employees with a low cultural intelligence should understand their potential and start to improve upon their own cultural intelligence, which will help them, turn task conflict with culturally diverse colleagues into their own creativity.

**Conclusion**

Our research identifies cultural intelligence as an important contingency that can strengthen the effects of task conflict on individual creativity in a culturally diverse environment. With this study, we try to resolve the mystery of whether task conflict and cultural diversity in work environments are beneficial to individual creativity. Our research indicates that if individual have a moderate level of cultural intelligence, she or he can turn group task conflicts into her or his individual creativity in a culturally diverse environment. On the other hand, the relationship between task conflict and individual creativity will be more negative if individuals have high or low cultural intelligence.

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Abstract
A Vietnamese consulting company, trained in the USA, uses its corporate culture approach in a first contact with a potential Japanese client. Through lack of experience in the consulting business, ignorance of Japanese management style and use of the Western corporate culture, the Vietnamese company fails to understand what the Japanese delegation is looking for and what the aim of the first meeting is.

The Vietnamese, sticking to the ‘efficient’ Western approach that they got trained in, are unable to adapt to the Japanese environment of their potential clients. Though one would expect that they would reverse to a more ‘Asian’ relationship-oriented approach, the Vietnamese come over as very consistent and confident in their acquired consulting style. Their corporate culture trumps the national culture.

Purpose:
The impact of corporate culture on international negotiations.

Design:
Case study.

Findings:
The article shows how corporate culture trumps national culture and leads to failure.

Research limitations/implications:
One case

Practical implications:
Encourage research on the impact of corporate culture on national cultures in negotiations.

What is original/ what is the value of the paper?
New topic, but work in progress.

Keywords:
Vietnam, Japan, corporate culture, national culture.
Introduction

Organisational culture does not just appear. It is the result of choices and decisions made by the founders, communicated to staff and reinforced by management: what kind of people are recruited, who is promoted and what for, how is a critical incident handled, who gets resources and power, who are the role models and how are newcomers socialized, etc. According to Schein (1985), culture is “a pattern of shared basic assumptions that the group learned as it solved its problems of external adaptation and internal integration, that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way you perceive, think, and feel in relation to those problems.” Finally, the resulting culture is the accumulated shared learning from shared history.

Organisations do not form spontaneously or accidentally. The process of culture formation is the process of creating a small group: a single person (founder) has an idea. The founder brings in one or more people and creates the core group. They share the vision and believe in the risk. The founding group acts in concert, raises money, work space etc. Others are brought in and a history is begun. The culture beginnings and the impact of the founders as leaders spring from three sources: the beliefs, values, and assumptions of founders; the learning experiences of group members; new beliefs, values, and assumptions are brought in by new members, but the impact of the founder is the most important. New members are socialized in the culture of the organization, inspired by the model role and charisma of the leader.

The founders belong to a societal culture, a country with important environmental influences: political, economic, social, technological, environmental and legal. These influences create attitudes, assumptions and values; this culture creates the environment in which an organization is founded and reflects it. As a results, one can say that a Japanese organization will show traits that can be identified as ‘Japanese”, reflecting the values that are highly regarded in Japanese society.

The case begs the question of the influence of corporate culture, as compared to national or societal culture. Prevailing research claims that strong corporate cultures improve firm performance by facilitating internal behavioral consistency. Sørensen (2002) analyzed the effect of strong corporate cultures on the variability of firm performance. He found that this relationship depends on how strong cultures affect organizational learning in response to internal and external change. He found that in relatively stable environments, strong-culture firms have more reliable (less variable) performance. In volatile environments, however, the reliability benefits of strong cultures disappear.

In the case we will analyse here, the leader of a Vietnamese company is meeting representatives of a Japanese company. Different culture are thus interacting: Vietnamese culture, the Vietnamese company culture, Japanese culture and the Japanese company culture.

Japanese culture has been widely studied and is probably more familiar to business people that the Vietnamese culture. So, let’s look at Vietnam and its culture.
Vietnam, the Socialist Republic of Vietnam, with a population of more than 90 million people, is a communist state transitioning from a centrally-planned economy since 1986. Economic modernization led to Vietnam joining the World Trade Organization in January 2007. The economy is export-oriented, with a GDP growing at 5% in 2013, the slowest rate of growth since 1999. In 2013, exports increased by more than 12%, year-on-year. Population living below the poverty line represent 11.3% (2012 est.) of the population (US 15.1% in 2010 est.). Vietnamese are big savers: they save 38.4% of GDP (2013 est. compared to 13.5% in the US). From a war-torn, exhausted economy, Vietnam turned into a player in the world market: it is the second biggest rice exporter since early 1990s, the second only to Brazil in tons of coffee exported. The top manufacturing sectors are food processing, cigarettes and tobacco, textiles, chemicals, and electrical goods; tourism is also experiencing rapid growth.

According to a forecast by the PricewaterhouseCoopers in 2008, Vietnam may be the fastest growing of emerging economies by 2025, with a potential annual growth rate of about 10% in real dollar terms, which would increase the size of the economy to 70% of the size of the UK economy by 2050. It might go even faster, as the same article mentioned that China was to overtake the US by 2025, and The Financial Times (30 April 2014) recently stated that China is “poised to pass US as world’s leading economic power this year”.

However, Vietnam’s weaknesses include low capital accumulation, the absence of rule of law, ineffective legal enforcement and desperately poor competitive capacity. Foreign Direct Investment (FDI) is extremely important in Vietnamese economy. The country is competitive in its ability to attract FDI with an average rate of 8.3% of GDP into manufacturing, retail and technology, among others, as well as in recent years banks, property and infrastructure. The FDI originated mainly from Japan, South-Korea and Singapore.

Japan is Vietnam’s largest foreign investor and third largest trade partner, with bilateral trade reaching highly lucrative figures in 2013. With relatively cheap labor and growth markets, Vietnam currently ranks second in ASEAN in terms of attracting Japanese investors. “Until recently, many Japanese manufacturers were looking to China, but it is more and more difficult because the currency is strong and wage costs are rising rapidly,” says Mr. Hirokazu Yamaoka, JETRO (Japan External Trade Organization) Vietnam’s chief representative, in an interview with the Financial Times (2012). “There are also political issues between Japan and China.”

The American Chamber of Commerce in Vietnam calculated that the Japanese FDI to China dropped from $13.5 billion in 2012 to $6.5 billion in 2013, and the FDI to Thailand dropped from $7 billion in 2011 to $2.5 billion in 2013, while the FDI to Vietnam increases from $169 million in 2010 to $4.453 billion in 2013. The strong links between Japan and Vietnam are also due to the fact that Japan is the single biggest donor country to Vietnam. Their ODA (Official Development Assistance) pledge to Vietnam is 3 times higher than the second biggest donor, South Korea.

According to Dung Pham, Vietnamese culture has been deeply affected by Confucianism,
introduced from China during a thousand years of Chinese rule. It has four basic components: allegiance to the family and country, reputation, love of learning and respect for others. In the GLOBE Study, China and Vietnam should be culturally similar and fall into their Confucian cluster, with typically high power distance and high collectivism (Ronen & Shenkar 1985), conservatism and hierarchy (Schwarz 1999). “Vietnam’s overall business ideology is very similar to China’s, while being very different from those of France and the U.S.” (Ralston et al. 2009). Indeed, Vietnam and China have much in common from the historical, business ideology, and socio-cultural perspectives. They have had close historical ties and their economic ties continue to be strong today. However, in their study on upward influence ethics, Ralson et al. (2009) found that “A common Western perception of Vietnamese being similar to Chinese because of their shared socio-cultural and business ideology heritages appears to be flawed.” In addition to culture, the roles that trust, corruption level and hierarchical rigidity play appear to be relevant in terms of determining the influence on ethics preferences of a workforce.

Let's now move to our case. The case explains how a consulting company in Vietnam was contacted by a Japanese company before investing in Vietnam and approached the meeting in such a way that they failed to convince the Japanese delegation. The story of what happened is told by the Vietnamese CEO of the Consulting Group (CG).

“CG is a leading worldwide network of independent, high quality accounting and consulting firms, which helps to meet the business and financial needs of organisations and individuals with an international outlook. The Vietnamese branch, with a local branch in Hanoi, is now owned by local people and operating independently from the headquarters. The company claims to have ‘a westernized style of doing business’ – determined, dynamic, and speedy. The company also uses English as its official language. Its main clients include companies with foreign direct investments and non-governmental organizations.

In April 2012, CG received an email from an unknown Japanese company, saying they learned about CG through the recommendation of a third party and that they wanted to talk to a consultant like CG before making investments in Vietnam. Needless to say, CG’s managing director was very glad to receive the email from a potential Japanese partner. He asked the secretary to email back; and the two sides soon agreed that they would meet at CG’s office at the end of April.

On the day of the appointment, two Japanese men visited CG and, to the surprise of CG, they were just a ‘low-rank’ technical manager and a young interpreter who would soon prove not to have much knowledge of the topics of the conversation. During the meeting with CG’s Vietnamese CEO, the two Japanese men often turned to talk to each other in Japanese, ignoring the host, which vexed CG’s CEO. The Vietnamese side felt even more annoyed when the Japanese negotiators tended to focus on very specific or trivial issues, instead of general principles. They kept asking questions like, “What’s the weather today and tomorrow like?” “How will this pattern of weather usually end?” “Does the Vietnamese government have to face...
tax evasion, and how much do they lose every year from tax evasion?” etc.

After three hours of talking about what to the Vietnamese were very ‘trivial’ things, the Japanese suggested another meeting. CG’s CEO and managers felt very frustrated– they thought it had been a waste of time. However, they said they welcomed the suggestion and hoped to meet again soon. CG then sent a couple of emails asking about the time and place for the next meeting, but the Japanese did not reply in a clear and direct way; instead they sent back an email using very indirect and hard-to-understand language.

A few weeks after the meeting, thinking that the talk led to no result at all, CG sent a price quotation to the Japanese company, charging a small fee for what they called a ‘consulting fee’. There was no reply to the email, and after that the Japanese kept silent. No more contact was established, nor was there any contract. CG’s CEO and managers knew they had lost a potential partner, but more importantly, they were badly impressed by the first Japanese they met. Everything they thought of Japanese people before was completely wrong: the Japanese were not at all humble, polite, and intelligent. In fact, they found them arrogant, impolite, and very bad at language."

One way to analyse the case is to use the etic approaches such as Hofstede.

We can then interpret the Japanese behaviour on the basis of the high scores for Power Distance, for collectivism and for Uncertainty Avoidance. The Japanese delegates are low level employees because the power is centralized and the company does not send the CEO. They speak Japanese between them in order to support each other. The company sends a delegation out because they don’t want to take risks with the unknown Vietnamese company, they don’t make decisions, but they wait for the boss’s decision.

However, we need to look at the Japanese perspective on the case and this analysis. Takashi Kawatani of the Diversity management Institute in Japan was kind enough to send me his comments. According to Kawatani, the purpose of the initial visit to an unknown Vietnamese company is nothing but credibility assessment from standard Japanese business practice. Japanese junior staff won’t have broad strategic business perspectives, so it can’t be helped. Sometimes they use “manager” title in English to be regarded importantly overseas, but reality is they have no staff and won’t be called manager on the Japanese side of their name card. The initial meeting will be just a fact finding, credibility assessment trip. “Laying a foundation for the future” will come a few steps later after they have decided to choose the consultancy partner. Little to do with long term vision at this stage. Pure business. Reality is junior – mid level managers are the engines of Jap organizations. They work really hard to convince senior-top leaders with tons of data and business case, and then wait for official approval.

To the Vietnamese comment: “Japanese are arrogant, impolite”, X replies that “it’s difficult to imagine CG managers will think like this even if they are westernized unless they grew up, spent good part of their work life in the west.” On the other hand, Japanese analyze risks intensely. If Japanese are risk avoiders, Japan has come to
where she is now. They are FRUSTRATED by the absence of risk-taking spirits among Asians! They are not avoiding risks, but collecting different kinds of information because they have to feed to and convince many more stakeholders that are waiting in Japan than in many other countries, which is how Jap organizes business and teams: the very reason for their high quality and enduring products.

Now let’s look at the culture and management style of CG. Consulting Group People Development (London) offers training to newcomers, such as soft skills training including “New manager”, “Senior manager” and “New Partner” programmes, technical skills training for IFRS (IFRS helpdesk) and tax, Performance and Development Framework which sets out the skills and behaviours professionals need to demonstrate to ensure excellence. They claim to have ‘a westernized style of doing business’ – determined, dynamic, and speedy. The company also uses English as its official language. The Vietnamese, sticking to this ‘efficient’ Western approach that they got trained in, are unable to adapt to the Japanese environment of their potential clients. Though one would expect that they would ‘do their homework’ and find out how to approach a Japanese delegation, reverse to a more ‘Asian’ relationship-building approach, the Vietnamese come over as very consistent and confident in their acquired consulting style. Their corporate culture trumps the national culture.

The Japanese delegation clearly is composed of rather low-level employees who have been sent over to ‘test the waters’. They have to observe the office and the people they meet, and report on what has happened. They have not been sent to discuss the different issues linked to an investment in Vietnam. There would have to be several exchanges, visits, and a lot of time for the Japanese to make a decision.

The Vietnamese seem not to be aware of the ‘essence’ of the corporate culture they have acquired from the Western headquarters. Consequently, they are not able to change it and to adapt to the context. The remaining question is: When does corporate culture trump societal culture?

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Abstract

Purpose

The strategy is dynamic, however the cross-cultural polyphonic dynamics were ignored, with dire consequences. Our purpose is to explore how the organisation tries to make sense of the happening through storytelling and how the leadership practices may change due to the learning from the experience. By storytelling we mean the dynamic interplay between grander narratives of the past and more emergent living stories of participants. Living story is ontological in its Being-in-the-world, its aliveness primordially in lived-life from birth to death. In this case it is the birth to life threatening death of a merger. Grander narrative (Lyotard, 1968) requires living story to be a proper “imitation of an action that is complete in itself, as a whole of some magnitude... Now a whole is that which has beginning, middle, and end” the definition of coherent narrative (Aristotle, 350 BCE: 1450b: 25, p. 233).

Design

We present a dialogic performance of the cross-cultural dynamics of a merger. The context is a two-year old merger. The merger was strategically a good decision that takes into the consideration that the market is highly competitive with a decreasing number of customers and many competitors. The industry is therefore characterised by a high degree of mergers and acquisitions. Despite the strategic advantages the idea of the merger was not equally attractive to both of the organisations. They had a history of being competitors with a good deal of hostility. One of the main tasks for the new manager was to begin a new strategy process to develop the company and to build bridge between the two companies. He aimed at developing a shared strategy that all members of the organisation could identify with. In order to make the strategy of new company shared, he involved all members in a social construction process, giving room to the voices of both of the organisations. Despite this practice and at a certain point, a whole department decided over the weekend collectively to leave the company and join a competitor. This came as a shock to the company leaders and gave birth to retrospective narratives about the happening. We are studying how diverse living stories are emerging and developing. At the same time the retrospective narratives of the past are coming into conflict with the living story ways of constructing and reconstructing the organising and leadership practices of the company.

Findings

We found that the happening strengthend the multivoiced process as the groups from the two organisation became closer, found more...
directionality, and shared identity. However, they ignored the impact of power relations. There were signs of strong disagreements and an upcoming crises, but these signs were not taken seriously. Learning to understand power relations has become a major issue to the manager. After the split, the fights in the living story arena are continuing and has now expanded as the customers are beginning to take part in the storytelling. The web of living stories keeps expanding as the conflict escalates. The manager is thus struggling to restore trust and image through a centripetial narrative internally and externally to the company.

**Research limitations/implications**

The research implications are that it is the dynamic relation between centripetal (focusing) narratives and centrifugal (expanding living story webs) that can be traced in the ongoing process. Shotter (2012: 2) says that a profound conceptual shift is needed to a process approach that engage as well "a shift from living out or lives in inter-action with the others and othernesses in our surroundings to living within intra-actions with them; a shift from living in a world of already made things to a world of things-in-their-making; from as being only 'in' certain things (organisms) to things having their life only 'within their reactions' to the flowing processes occurring around them." The limitations of the study are it is about a single merger, and we do not intend to generalize beyond that. At the same time, it is the study of the lived experiences in the moment of event-ness of Being-in-the-world that has the specificity to unravel interesting mysteries. For us the mystery is the relation of the heteroglossic forces that Bakhtin’s polyphony approach allows us to study.

**Practical implications**

Our Bakhtin analysis has these practical implications. First, the grander narrative its monologic the manager created in the internal and external community, was incapable of bridding the polyphony of devices, the proliferation of ever more living stories, expanding the web of differences (Bakhtin, 1984). Gadamer (1975: 367) makes the point that "to conduct a dialogue requires first of all that the partners do not talk at cross purposes." The living story web expanded in ways that so may cross purpose proliferated, no single monologic narrative would contain the storm.

**What is original/ what is the value of the paper?**

We look at the polyphonic manner of living story (Bakhtin, 1981:60) in the context of merger gond array. The merger becomes thoroughly dialogized, until the grander narrative is initiated to corral the excessive heteroglossia (ibid.: 273). Jorgensen (2007) stressed that power separates otherwise dialogic relationships that can still deal with critical issues. In short, the value of the paper is in showing how such an ideal did not materialize.

**Keywords**

Storytelling, grand narrative, Bakhtin, polyphonic.
Theoretical Framework

In this article, we approach cross-cultural merger strategy by applying the storytelling approach combined with Heideggerian life-world ontology. We draw on Bakhtinian dialogue and on Shotter’s entanglement between dialogicality and sociomateriality (Shotter 2011) as a framework for understanding “world-making” across cultures.

Life-world is understood as being-in-the-world (Heidegger 2008). The notion addresses the inseparable structures between “being” and “world”. We are already in the world through a bodily, practical engagement with the world before we make the world an object of our reflections. This world is the world that we already share with others as we are in it as Being-with-one-another. This world is shared as a cultural world. In our practical engagement, we learn to know it as a world with which we are familiar and within which we feel at home and can dwell. In this bodily engagement, we achieve a practical, cultural sense of the familiarity and the meaningfulness of this world.

Interpretation completes the meaning production by defining, differentiating and conceptualizing meanings (Heidegger 2008). Meanings are thus identified, organized and structured. It is through these processes of organizing meanings in terms of similarities and differences that we develop our worldview and construct cultural boundaries and identities such as: I, me, you, them, and us.

Interpretation is not only a fulfilment of practical understanding. As the reflected understanding becomes part of our historical, cultural background, it is also a fore-structure and a fore-conception of understanding (Heidegger 2008). In one way, it helps bring about a pre-understanding, a sort of familiarity that enable us to act meaningfully in the new, emerging situation. In another way, it is a prejudice (Gadamer 2005) that may distort our understanding of our experience. The relational, dynamical constructions of culture and identity may become static and stereotyped if the prejudiced fore-structure and for-conception are dominating the understanding.

Heidegger thus distinguishes between interpretation and understanding. Whereas understanding addresses the being-in-the-world as a primordial bodily, practical engagement with the world, interpretation is a reflected understanding. In this reflection, our worldview emerges as an organization of the world based upon the bodily sensed similarities and differences. They become objects of cognitive distinctions and categorizations in our consciousness and may clothe and distort the more primordial Being-one’s-Self (Heidegger 2008: 167).

By storytelling, we mean the dynamic interplay between grander narratives of the past and more emergent living stories of participants, as well as challenging antenarratives. Living story is ontological in its Being-in-the-world, its aliveness primordially in lived-life from birth to death. In this case it is the birth to life threatening death of a
merger. Grander narrative (Lyotard, 1968) requires living story to be a proper "imitation of an action that is complete in itself, as a whole of some magnitude... Now a whole is that which has beginning, middle, and end" the definition of coherent narrative (Aristotle, 350 BCE: 1450b: 25, p. 233).

Stories are treated as living stories from birth to death. It is situated in the life-world, in its being-in-the-world (Boje 2014a: 6, Boje 2014b: 1). Living stories are life-world stories as they are told in the here and now moment and are stories about things, self, others, events and the world as we live the world and as we live our understanding (Gadamer 2005). They are in an open-ended process of becoming throughout life often without beginning or end.

Telling, listening to and interpreting stories in the moment of life are dialogical engagements between storytellers. Dialogues are an existential condition of human life:

"Life by its very nature is dialogic. To live means to participate in dialogue: to ask questions, to heed, to respond, to agree, and so forth. In this dialogue a person participates wholly and throughout his whole life: with his eyes, lips, hands, soul, spirit, with his whole body and deeds. He invests his entire self in discourse, and this discourse enters into the dialogic fabric of human life, into the world symposium." (Bakhtin 1984: 293).

Living stories thus provides access to different life-worlds and enables living stories to merge: "Every thought and every life merges in the open-ended dialogue" (Bakhtin 1984: 293). Due to this merger, living stories become multivoiced stories. The voices are those involved in the dialogue in the present here and now as well as the internalized voices from the past. Based upon expectations to the other's future reactions to an utterance, the dialogue also draws on voices from the future. The voices utter worldviews through language used in different social, cultural and historical context. Thus utterances are heteroglossic (Bakhtin 1986: 428), meaning “another’s language in another’s speech” (Bakhtin 1981: 324). Polyphonic, heteroglossic dialogues allow living stories of life-worlds to merge culturally, socially and historically and produce new multivoiced living stories. New storytellers may access the storytelling arena and others may leave it. Thereby, the web of living stories (Boje 2014b: 13) expands and changes.

The relations between voices are discussed by Bakhtin in terms of centripetal and centrifugal forces in the life of language and culture (Bakhtin 1981). Whereas centripetal forces are related to centralization and unification, and involve homogenizing and hierarchizing influence, centrifugal forces are decentralizing processes that open up the door for other alternative worldviews uttering questions, doubts, criticism, counter-arguments and different interpretations. Centrifugal forces allow diversity, dissensus and heterogeneity and polyphonic truth to come into play in the "great dialogue" where all voices participates with equal rights (Bakhtin 1984: 71). Centripetal forces may instead lead to monologue. A monologue voice is someone who knows and possesses the truth, who closes down alternative worldviews, who makes the other an object of own consciousness and who denies the other equal rights and responsibilities. "A firm monologic voice presupposes firm social support; presupposes a we – it makes no
difference whether this “we” is acknowledge or not” (Bakhtin 1984: 281).

The centripetal monologue closes down the living story process trying only to tell one story. Therefore centripetal monologue can be related to the narrative (Boje 2014a). In the literature, narratives are referred to as grand narrative, master narratives and as BME narratives. The BME narrative is a structured story of events with a beginning, middle and end such as the strategy of a company. The narrative can also be understood as the collective, institutional memory of an organization (Boje 2014a: xix). As a collective memory, the narrative is the shared retrospective story of the past and relates to Heidegger’s notions of fore-structure, fore-conception and categorization.

This fore-structure encompasses the definitions and prejudices that clothe the I and the other and have form-shaping force (Bakhtin 1984: 280). Being a collective memory that is stuck-in-the-past, the narrative is neglecting the subjective experience of remembering (Linda, Adorisio & Boje 2014: 2), silencing the living stories, limiting what gets told by organizations (Boje 2014a: 3) and distorting the people’s living stories (Boje 2014a: xix). The narrative is related to the voices of “they” who only know the general situation” (Heidegger 2008: 346).

Whereas the centripetal narratives are retrospective sensemaking of the past, the antenarratives are prospective sensemaking of the future. They are bets on the future arriving (Boje 2014a: 10); those many possible paths and directions in which an organization and people may move. These bets on the future connect the narratives of the past with the living stories of the present. The centrifugal forces open up the storytelling for new possible futures, whereas the centripetal forces fuse the many possibilities into just one antenarrative bet on the future. At that point, a new narrative emerges.

The dynamic relations among centripetal, retrospective narratives, centrifugal living stories of the moment of life, and the challenging prospective antenarratives are in the core of the strategy process. Understanding organizations and strategy from a life-world perspective implies a fundamental paradigmatic shift away from a “being” to a “becoming” perspective. The "being" perspective is rooted in a substance ontology emphasizing the properties, attributes and characteristics of individuals, things and organizations. Adopting the “becoming” perspective entails a shift from the assumption of a “ready made” world to ongoing “world-making” (Nayak, Chia 2011: 282). The world is complex, messy, unknown and ceaselessly changing, and in this passage of moving on, new possibilities are unfolding. The strategy process is a matter of wayfinding, sensemaking and coping in this messy world (Chia, Holt 2009) from birth to potential death. The strategy-making is the process of retrospectively making sense of the past and proactively of the arriving future, thereby creating new possibilities and shaping future.

Retrospectively, we can draw on our background history, culture and practices when reacting in new messy situations spontaneously or unthinkingly. Thus history and culture becomes an integrated part of strategizing and organizing: “…strategy-making must be construed as a collective, culturally shaped accomplishment attained through historically and culturally
transmitted social practices and involving dispositions, propensities and tendencies” (Chia, MacKay 2007: 236). Centripetal forces are necessary in order to make sure that the organization does not move in a multitude of different directions due to centrifugal voices in the dynamic meshwork. The centrifugal voices are reactions to and sensemaking of events of daily living and part of our moment-to-moment lives. Thus, messiness is continually produced in the complexities of daily living. Centripetal forces are striving to achieve some kind of cultural order in this messiness. Centripetal cultural forces serve to produce a common cultural ground for present behavior and for future activities. (Morson, Emerson 1990). Thereby, they establish centripetal narratives as collective memories that integrate the organization as opposed to centrifugal dissolution.

In this theoretical framework for understanding cross-cultural merger strategy, we have so far accounted for storytelling as dialogical relations between centripetal retrospective narratives, centrifugal living stories, and challenging antenarratives. However, Heidegger addresses a practical engagement not only with human beings but also with things as beings. The materiality of the world is an important part of strategy world-making.

We are thereby approaching a performative framework of the entanglement of dialogicality and sociomateriality in performing practices (Shotter 2011). Dialogicality is understood in the Bakhtinian sense whereas sociomateriality is used according to Barad (Barad 2007). Sociomateriality addresses the mutual enactment of meanings and materiality in the material-discursive practices of everyday life. Following Barad and Bakhtin, Shotter points at a more primordial structure than a cognitive, mental engagement with the world. This more primordial engagement is a bodily engagement based upon a “direct material engagement with the world” (Shotter 2011: 2).

The bodily material engagement with the world is much in line with Heidegger’s being in the world and “ready-to-hand” structure (Heidegger 2008: 98). The ready-to-hand structure concerns the useful and therefore meaningful interconnectedness of equipment such as tools, materials, natural products and even nature. What we perceive is thus not the entities with respect to their properties, characteristics and attributes (the “present-at-hand”), but the relational meaningfulness of the entities as they are used in a meaningful connection to each other. We are participant parts of creating this meaningfulness, as we are being-in-the-world as Being-with-one-another (Heidegger 2008: 158).

The material-discursive practices do not occur as an inter-action but as an intra-action that connects our internal movements of feelings with the world of events. By being in the world through this bodily engagement, we find “events happening to us and within us – as a movement of feeling that comes […] – that we ourselves have not initiated” (Shotter 2011: 4). Thus, the internal processes of our body entangle with the processes of the material world in an inseparable structure of intra-actions. The movement of feelings arises as part of what Shotter expresses as “our outgoing exploratory activities and their incoming results” (Shotter 2011: 10). Understanding the movement of feelings as part of our primordial material engagement with the world relates to Heidegger’s Being-attuned
We are in the world by moods prior to cognition, and we are attending to the world from this inner state-of-mind.

Those movements of feelings that relate us to our surroundings are the base structure of defining similarities and differences in new ways. They are vague almost unnoticed signs of thoughts of directions, of new ways of relating to our surroundings, of new ways of understandings of differences and similarities, and thereby of new ways of configuring the world (Shotter 2011). An unfinalized world of endless possibilities is thus constantly unfolded in the here and now moment of life. In this sense, matter are not stable things or stable entities, but “a doing” (Barad 2007: 151) that is constantly shaped, reshaped and materialized through our responsive intra-actions and flow of activity. Through the intra-actions, we are thus “participating parts” (Shotter 2011: 2) of the world of things-in-the-making.

This material-discursive intra-action is entangled with dialogue in which we are participant parts. The vague feelings and signs of thoughts are expressed through the dialogical chain of spontaneous.

Merging cross-cultural life-worlds thus reaches the more primordial engagement with the world through heteroglossic dialogues and sociomaterial intra-actions. The movement from bewilderment caused by the loss of the familiarity of the known cultural world to feeling at home in a new emerging cultural world is a movement of feelings. The feelings are signs that we sense of new possible ways of understanding similarities and differences, making boundaries and relations between entities dynamical and open-ended. This forms the base for the emergence of a world-in-the-making. Similarities and differences are continuously reconstructed in the moment of life. Thereby cultural boundaries and perception of cross-cultural differences are dynamically created in the moment of life; open for changes.

We are thus participant parts of this cultural world-in-its-making. We participate as being-in-the-world as being-together-with-others. The sociomaterial construction of the world is entangled with heteroglossic dialogues. Through the heteroglossic dialogues, polyphonic living stories of life-worlds merge and emerge: “Every thought and every life merges in the open-ended dialogue” (Bakhtin 1984: 293). Both culture and identity constructions are dynamically changing as part of sociomaterial, dialogical world-making. As Ingold phrases it: “The coming-into-being of the person is part and parcel of the process of the coming-into-being of the world” (Nayak, Chia 2011: 283). Cross-cultural life-worlds merge and emerge due to the heteroglossia of performed languages.

Merging across cultures is a dance between centripetal narratives, centrifugal living stories, and challenging antenarratives of the future. Both centripetal and centrifugal forces are needed to merge life-worlds on the move towards an arriving future. Centripetal, retrospective and moody narratives may, however, distort the understanding of events that happens on the move and impact on how we make sense of the arriving future and the choices we take on different bets on the future:

“while we are a part of the passage of space-time-materiality we can make near future and near past changes that […] alter the passage of
events, because we are in attunement with different events and making choices about different bets on the future” (Boje 2014a: 14).

The Case
The context is a six-year old merger within the agricultural business. It is a non-profit association that is owned by its customers. The company consists of three “houses”, each located in three different cities within the same region: Beta City, Delta City, and Alpha City. Beta City and Delta City belongs to the same organization. The merger takes place with Alpha City. The merger was strategically a good decision that takes into the consideration that the market is highly competitive with a decreasing number of customers and many competitors. The industry is therefore characterized by a high degree of mergers and acquisitions. Despite the strategic advantages, the idea of the merger was not equally attractive to both of the organizations. They had a history of being competitors with a good deal of hostility between employees, customers and owners. Merging the two organizations implied clashes between different identities, values and meanings: “We have always talked about them in Beta City; that we really did not like them. But no one really explained why […]. Suddenly we were told that we should merge. It felt a little like marrying our worst enemy”. Lily, Alpha City, team leader.

The conflicting, critical voices were raised openly as many employees and customers left the company to join the competitors. This tendency continued for some years in the aftermath of the merger and significantly weakened the performance of the company.

The years following the merger were very challenging due to ongoing disagreements, conflicts and disputes. In two and a half year, the organization thus experienced four different CEOs and a board of directors who discussed their disagreements in the public media. A drop in customer and employee satisfaction reflected the lack of trust in the company and the management. Not surprisingly, this development resulted in a growing deficit from 2008 to 2009.

This was the situation when the present CEO was hired in 2010 to turn around the company. According to his stories, the previous management was not prepared for the challenges related to the integration phase, meaning that little or no efforts were made to connect the different voices. The previous management did not address the negative construction of the other in the process of identity and culture formation. Neither did they initiate discussions on the future organization and strategic development of the merger. In fact, they ceased to act, hoping that time would help the process of integration. In order to avoid exacerbating the negative constructions, the management decided to maintain the original organizational structure of three separate houses.

One of the main tasks for the new CEO was to begin a new strategy process to develop the company and to build bridge between the two companies. He aimed at developing a shared strategy that all members of the organization could identify with. In order to make the strategy of new company shared, he involved all members in a social construction process, giving room to the voices of both of the organizations. Despite this practice and at a certain point, a
whole department in Alpha City decided over the weekend collectively to leave the company and join a competitor. This came as a shock to the company leaders and gave birth to storytelling sensemaking about the happening.

**Dialogical performance of the strategy**

The new CEO thus decided to facilitate a multi-participatory, bottom up strategy process, involving all employees and managers in the organization and also a large number of customers and owners. Separately and simultaneously, he facilitated a multi-participatory strategy process for the board of directors. The purpose of the strategy was two folded. First of all, the new strategy should create new bets on possible arriving futures and frame how the company could work to make attractive futures more potential. Secondly, it should help integrate the organizations by creating more directionality about the future development.

The process was initiated by a process of formulating the strategy. The members of the organization were asked to identify strategic issues which then became building blocks of the strategy. In the implementation process, the CEO developed a project organization and established a project group for each strategic issue. All members of the organization could volunteer to participate in the strategic activities next to their operative tasks. Almost half of the organization volunteered; thus commitment was high.

In the strategic groups, the strategy continues to be developed and changed through their polyphonic living stories. Antenarratives are worked out and presented as business proposals. If accepted, they become institutionalized narratives until they are challenged by new antenarratives and discussed again in the strategy groups. The strategy is kept dynamic and alive in these multivoiced processes, hardly without interferences of the CEO:

“The strategic groups run their own life right now. More or less. [The CEO] is actually not part of our strategy group. Once in a while, he is informed about the things that we work on. And only if he thinks that something is way out, then he interferes.” Jill, Delta City, employee.

The strategy process is described by one of the employees as an “ongoing journey.” Every year, the CEO invites the organization to participate in an evaluation of the strategy work. During those strategy days, the participants make sense of the emerging strategy, retrospectively and prospectively:

“We work with it all the time. Every year, we evaluate it; what we are doing, where we are heading, what we need to focus on…” Lily, Alpha City, team leader.

**Overlooking cross-cultural, polyphonic processes**

This strategy process initiates simultaneous, ongoing intertwined dynamics of culture, strategizing and organizing. The organization had to be changed to enable the strategy process and its dynamical interplay between strategy formulation, ongoing strategic group work activities, and strategy evaluation days. During these activities, the participants were therefore mingled across Beta City, Delta City and Alpha City in different groups. Thereby the multivoiced strategy process was facilitated. At
the same time, strategizing also initiated an ongoing organizing process for performing practices in new ways.

Mingling across cultures was a way of disturbing the fixed cultural boundaries between the local organizations and give rise to more polyphonic, centrifugal living stories at the expense of the centripetal cultural forces of each organization. By organizing the strategy process as a cross-cultural involvement, the CEO assumed that the strategy would make sense to the members as they had all taken part in the making of it. He was consciously and explicitly aware of the social construction processes. He also assumed that it would further a cross-cultural integration between the organizations and path the way for a commitment to the strategy and identification with the company as one organization.

The dialogical performance of the strategy process could not prevent the upcoming crisis and the breakdown of relations with the department in Alpha City. Retrospectively the organization tries to make sense of this shocking event, as they never expected it to happen. After all, the strategy was facilitated as a process of social and cultural interaction between voices from both organizations. One of the dominating retrospective narratives concerns the cross-cultural hatred and antagonism. According to this narrative, the strategy process was a success as it did integrate the remaining organization of Alpha City, Delta City and Beta City, but it could not bridge across the resistance of those employees, customers and owners who were against the merger from the beginning off.

This retrospective cross-cultural narrative is rooted in perceived fixed cross-cultural boundaries between the two organizations and is used to explain the line of causality between the world as it was and the world which it became. Throughout the course of events, it has functioned as a dominating narrative for making sense of the resistance against the merger strategy. The narrative does not capture the cultural dynamics involved in the merging process. The conflicting interplay between centripetal narratives and centrifugal living stories and the heteroglossic process was overlooked.

**Complex cross cultural dynamics**

The fixed cross-cultural narrative mentioned above only grasp the cross-cultural dynamics between the two organizations. However, the process of organizing and strategizing towards a new arriving future is also a cultural change process that complicates the cultural dynamics of the merger. The CEO phrases this change as a movement away from a “family culture” towards a “business culture”. He explains this process as a reaction towards the changing institutional environment including the cessation of government subsidiaries to the agricultural associations in 2003, an increasing level of salaries in general at that time, and the growing complexity and business orientation of agricultural farmers. All of this changed the premises for running a business. According to the CEO, the employees were not used to think business oriented as regard the use of time, earnings, and invoicing. Thus, together with others in the organization, the CEO envisions a change towards a more “business oriented culture”. This cultural change process is therefore not an open-ended process as assumed in a “becoming” perspective. It
achieves its directionality from the vision of what a “business culture” is as a contrast to a “family culture”, and thereby it resembles a “being” perspective.

Even though the two cultural processes are intertwined, the analytical distinction is useful as it challenges the cross-cultural narrative as regard the way it retrospectively makes sense of the breakdown of relations. The resistance may not only be caused by historical cross-cultural hatred and antagonism but may also be due to critical voices against the future cultural development of the company. The critical voices represent alternative prospective antenarratives of the future.

In this manner, we are approaching the complex dynamics and conflicting interplay between centripetal cultural narratives, centrifugal livings stories through which culture changes, and challenging antenarratives of the cultural becoming of the organization. This interplay is part of the dynamics between culture and strategy in the merger process; and a part of the breakdown of relations.

**Strategy as a centripetal and centrifugal dance**

Even though the strategy is spoken about as an open, involving and dynamic process, centripetal process are at stake both in the making of the strategy and in its use as an institutional frame for the development of the company.

The strategy process is based upon the leadership philosophy of the CEO according to which participation creates commitment, ownership, identity and accountability. Participation is a way of internalizing the strategy, making it meaningful, and thereby integrating the participants in the same social construction of reality. This is the centripetal, cultural force of a multivoiced involvement.

Secondly, the strategy is to create a shared multivoiced directionality towards future. This indicates a search for consensus on and commitment to an agreed upon strategic direction. The search for consensus and multi-participation arise, however a dilemma. At the one hand, the CEO has a clear depiction of the cultural changes and strategic development, the company needs to go through in order to survive. At the other hand, this worldview cannot be imposed upon the strategy, if the multi-participation should be trustworthy. Acknowledging his position as a significant other, he chooses not to participate directly in the activities of formulating the strategy but leave the process to be facilitated by external consultants. Thereby, he is able to create a trustworthy narrative that the strategy process is owned by the employees. “It is your process, you made the strategy” is a widely accepted narrative:

“I would say, that the strategy and the things we have; that is not something somebody has made. That we have made on our own. It is something we all participate in.” John, Delta City, employee.

“We all joined the strategy process, also those who chose to leave the company. They participated just as actively in it as anybody else. [...] It is properly the greatest success of interconnectedness; that we all take responsibility. We know what is in the strategy.
We know what to do to make it work”. Giles, Alpha City, employee

Even though his withdrawal makes the strategy process more centrifugal, it is still a dance with the centripetal forces. Being a significant other and participating in the living stories of everyday life, his voice would be listened to carefully by all members of the organization. The multivoiced, heteroglossic process indirectly carried his voice in the strategy process. This minimized his risk of a result pointing in a much different direction than his own. In this way, all members of the organization are part of co-authoring the strategy process.

Being accepted by the organization, the strategy becomes an institutionalized BME narrative. As such it is a powerful mechanism for guiding and legitimizing the expected behavior and for framing the discourses in the organization. Used in this way, the strategy works as a centripetal force that frames the living stories in the company. Dissensus is accepted within this framed direction for the development of the company. At these directional premises, the strategy process is open for more centrifugal processes in the strategic groups. These premises leave it to discussion whether the dialogues are performed as truly great dialogues or more as democratic consensus seeking monologues.

Severe critical discussions of the strategic direction are centripetally closed by the CEO: “If they themselves have been part of making the strategy, then they can also subject to it.” This centripetal use of power is legitimized by the grander and widely accepted narrative that the multi-participatory strategy process is owned by the members of the organization.

This is a leadership dance between consensus and dissensus, between centripetal closing narratives, centrifugal opening living stories, and centrifugally challenging new antenarratives. It does create problems as it turns out that the grander narrative of the strategy is incapable of bridging the polyphony of living stories in the dynamic implementation of the strategy.

Culture and identity clashes and the loss of merging living stories

The challenge of bridging the polyphony of living stories is tied to the difference between a fixed conceptualized narrative language and the richness of dynamic, polyphonic meanings in real life languages. Real life language are languages of cultural forms of life: “...to imagine a language means to imagine a form of life.”(Wittgenstein 2010 § 19). Meanings of words are woven into their activities of their forms of life: “the meaning of a word is its use in the language” (Wittgenstein 2010 § 43). Real life languages are thus quite different from a conceptualized language that resembles what Bakhtin refers to as: “the clichéd language of […] literature textbooks” (Bakhtin 2004: 23); a theoretical and depersonalized language.

The process of formulating and conceptualizing the strategy has resulted in a strategic language detached from the dynamic language of living stories. It has become more abstract and impersonal as the richness of polyphonic meanings is reduced. The use of strategic and business oriented concepts such as “performance based engagement” reflects the change toward the business oriented culture. It
is a focal point of the strategy and relates to behavior. Being detached from the real life languages of the cultural forms of life, the empty concepts of the strategy are subjected to prejudiced and contesting interpretations. The different cultural forms of life in the organizations give birth to different ways of practicing and doing “performance based engagement”. Thus the fixed conceptualized language of the strategy cannot bridge the polyphonic dissensus of dynamic meanings.

Cultural prejudices can turn dissensus into cultural conflicts between competing understandings and worldviews. Such a cultural prejudiced conflict developed in the company in relation to the core of the strategy. The unfolding of “performance based engagement” became part of tense discourses all over the organization. How should this strategic concept materialize in performing practices? During these discourses, new concepts such as “sales”, “customer centric”, and “performance management” appeared and were also subjected to discussions

In the attempt of making sense of the breakdown of the relations, the organizational members try to understand the significance of those discursive conflicts. Their retrospective, narrative sensemaking reflects perceived differences across meaningfulness, values and identities of performing activities and of organizing relations. They picture a combat between at the one hand the worldview of the department and at the other hand the worldview of the CEO and those fragments of the organization that committed to the strategy. The discursive conflicts address both the cultural change towards a business culture and the merging of cross-cultural organizations.

One type of narrative relates to the perceived clash of identities: “They said they were not salesmen but consultants. When I started to talk about sales, my head was almost chopped off. We almost had to find a synonym to sales”, the CEO. “There is a lot of talk about the change from counselling a farmer to counselling an enterprise”, Giles, Alpha City, employee. The shift of identity also involves the farmers as customers and owners: “Some of them thought, it was a waste of money [the strategy process]. Many of those, who were employed in Alpha City, were also married to the customers. And some of the customers had a lot of focus on the cost and the usefulness of the process, stating “we are after all just an association of farmers””. Lily, team leader, Alpha City.

These narratives indicate how both the strategy process and its focus on “performance based engagement” conflicts with the identity constructions of the employees and the customers and owners. These identity constructions collide with the cultural movement: “We move from being an association to becoming a business”. The CEO. Accordingly, the critical voices against the strategy and the merger can be related to identity conflicts.

The lack of identification shines through in a farewell letter written by one of the resigning employee. Using the repeated phrase: “It is not OK…”, the employee addresses several managerial decisions that conflict with his values and opinions. The letter reflects conflicting values and a lack of identification with the course of development in the organization: “My decision
The combination of views, values and identity are solely made to put pressure on the management to realize that the present course of development does not lead to a better consultancy service to the customers, neither in Alpha City, nor anywhere else in the company.” The letter and the narratives of the CEO express conflicting views on consultancy service and customer relationship. The CEO relates these conflicts to the shift from a family culture to a business culture. Consequently, the legitimization of the worldview is not accepted as it conflicts with the strategic course of the company.

Besides values and identity, the perceived loss of the familiarity of an already known, cultural world is also addressed in the retrospective narratives: “For 20-30 years, people around had known each other quite well. They were used to draw on their shared experiences and history. They had tight relations. It felt like beginning from the beginning off again. The intimacy was lost.” Lily, Alpha City, team leader. She has been part of the process all the way, as she has worked together with them for 20 years in the same department. She was the only person left behind, when they left the organization. The change from “they” to “it” reflects her identification with the loss of familiarity and inticimy. They were familiar with their own way of organizing relations and behavior for the sake of themselves and the customers. The merger strategy challenged this practical sense of usefulness and meaningfulness in their performing practices and relations.

These perceived differences of identity, values and meaningfulness are all retrospective narratives that gradually developed through the sensemaking of the breakdown. The grander BME narrative of the strategic conception of the future development was incapable of bridging the differences. It was contested by the cultural counter-narrative of the department. The polyphonic strategy groups were assumed to bridge the differences but apparently only few from the department participated due to their lack of identification with and commitment to the cultural and strategic direction. Their resistance became a centripetal narrative of a counter-culture whereas the remaining part of the organization in Alpha City committed to the strategy:

“We had no strategy. At that time each department took care of its own work. We did what we thought would be most useful, to optimize our own achievements”. Giles, Alpha City, employee.

“We needed something in common. It functions really well both for the employees and the managers. It gives us a sense of direction.” Lily, Alpha City, team leader.

“It could be that some of them did not agree on the direction and had difficulties in subjecting themselves to it. […] We had very strong cultures both in Alpha City, Delta City and Beta City. It has been difficult to mingle the cultures and to agree on the direction and the actions we should do.” Lily, Alpha City, team leader.

Gradually, the critical voices of the department were viewed as an expression of a negative, complaining culture: “A lot of people here were getting tired of their negative attitude towards everything.” Lily, Alpha City, team leader. Reflecting on the course of events, the CEO
realized that he ended up paying much less attention to their voices. Thus the centripetal narratives and the ceased communication minimalize the exchange of living stories. Heteroglossic merging across different life-worlds is disrupted and the pathway for the breakdown is prepared.

**Towards a performative dialogical, sociomaterial understanding of merging cultural life-worlds**

The storytelling of the cross-cultural merger illustrates the complexity of the interplay between the centripetal, cultural narratives, the centrifugal living stories, and the challenging antenarratives of the arriving future. In the following discussion, we unfold three significant challenges of the interplay. Following Boje, Shotter and Barad, we thereafter propose the interconnection between dialogicality and sociomateriality as a promising framework for understanding the interplay in cross-cultural merger strategies.

One major challenge is the centripetal circle of a fore-structured understanding. The centripetal circle is initiated when understanding is detached from the bodily, reflexive engagement with the world. The circle cognitively reproduces and reinforces the fore-structured narratives. The reproduction of the fore-structured understanding reflects an interpreting process that is not any longer rooted in a sensitive, embodied and self-reflexive disclosing engagement with the world. The understanding of the actual experience of events becomes distorted by the prejudiced narratives of the past. Thus the centripetal circle of the cultural dynamics tends to reinforce static perceptions of boundaries, such as “us-them” categorizations.

Moreover, a locked fore-structured understanding of the world may be reproduced in the perception of the arriving future, resulting in a linear prejudiced antenarrative. The strength of the centripetal forces in such fore-structured narratives draws a veil over the emergence of something new. The fore-structured understanding is constituted by static categorizations of similarities and differences producing fixed boundaries and relations between entities. Thus perceived cultural differences and identity constructions become static and devastating to the open-ended becoming of the world and the disclosure of new antenarrative possibilities. The field of possibilities is thus reduced to the development of sameness. In the case, this is illustrated by the fixed constructions of identities and cultural borders between the department and the rest of the organization.

Another major challenge is related to the conceptualized approach applied in the strategy process which is rooted in the assumption of a representational language. This linguistic approach furthers the disconnecting to the life-world of living stories.

Making sense of the world by using a conceptual language implies an understanding of the world at the distance. The unfolding of strategic concepts by referring to new concepts resembles a conceptual, cognitive design of the world using concepts as building blocks. Examples are concepts such as “performance based engagement”, “customer centric”, “business culture”, “performance management”, “sales”, and “key account management”. Trying to understand the meaning and values of these concepts simply by putting thoughts in
expression becomes a mental construction of the world. World is made an object of the constitution of the mind. However, a shared understanding across life-worlds cannot be reached through a subject-object interaction; it needs to be rooted in the performing language: "They agree in the language they use. This is not an agreement in opinions but in forms of life" (Wittgenstein 2010 § 241). The interaction produces socially constructed narratives of an already existing world but fails to root this construction in the real life language of performing living stories. It fails to communicate through the heteroglossic performing language embedded in sociomaterial activity.

This challenge shines through in the case. Agreements in opinions about the implementation of the strategy were reached in the interplay between the strategic groups and the top management. Agreements in opinions on the content of a conceptualized strategy do not bridge the differences of values, identities, and meaningfulness of performing practices. It is only a conceptualized bridge across life-worlds. Consequently, practices and behavior did not change in the department despite the strategic agreements in opinions.

A third challenge is the question of controlling or balancing the interplay between the centripetal, retrospective narratives and the centrifugal living stories. This question addresses whether world-making is produced through a monologue, perhaps concealed as a democratic monologue, or through a real centrifugal dialogue. At the one hand, the CEO consciously thinks in terms of social construction: “In fact, the world is constructed by the employees themselves. It does not help that I think I have another construction. If their construction of the world is like that, then I have to relate to it and try to understand why it is constructed like that.” At the other hand, he also works consciously with the construction of narratives in his leadership practices. In this quotation, he refers to the dominating narrative in the department: “The narrative that our company would never succeed… I have worked hard on changing that narrative. And I must say, exactly at that point, we have tried to get a grip on them.” He continues to speak about wrong and correct narratives, about identifying the owners of the narratives, about working on the narratives in order to change them, and about controlling the narratives.

The control of narratives is a struggle to restore trust and image internally and externally to the company. The collective resignation of a whole department created a shock wave to all stakeholders and was breaking news in the local media. Living stories of why it happened and why it was not foreseen expanded. Trust and image was severely damaged as the management, the strategy, and the company were subjected to open discussions in media and everywhere in the local society. Customers started to desert the company. Living stories were thus expanding, threatening to end up in the centrifugal dissolution of the company. The narrative, the CEO had created during his first two years of management, was contested for its trustworthiness and therefore incapable of bridling the polyphony of living stories in expanding webs. Restoring trust and image was improved as the remaining employees in favor of the cross-cultural merger strategy raised their voices in the living stories, expressing their support to the management and the strategy.
Constructing the world by creating centripetal narratives in social interaction appears to some extent to be based upon centripetal, democratic monologue, only embracing those polyphonic voices who commit to the narrative. It cannot embrace and it cannot bridle the polyphonic voices of divergent living stories. To control the construction of narratives is to use narratives and language as leadership tools for internalizing a cultural shared worldview in the company and its future development without reaching out for the dissensus of centrifugal diverging living stories. Gradually, the CEO realizes: “I did not listen enough.” Thus, the centripetal narratives cannot bridge the differences between identities, values and meaningfulness.

To understand the process of merging life-worlds, we need to address the centrifugal, performing, living stories and to shift from “interaction” to “intra-action”. Thereby, we are moving into the performative understanding of world-making.

This performative understanding of dialogicality and sociomateriality enlightens the sensemaking of the breakdown of relations in the cross-cultural merger even further in two ways. Firstly, it throws light upon the commitment of some employees in Alpha City to the strategy despite the cross-cultural differences and lack of trust. Secondly, it provides further understanding to the resistance of the department.

In the case, one of the ways of approaching “performance based engagement” is by beginning to position the customer in the center of the organization; this refers to the concept “customer centric”:

“It is detrimental to the customer if the cattle consultant says to the farmer: “You should increase the number of cows and then grow corn on your fields, because that is the best forage for cattle”, and the crop consultant says: “You can’t do that. The soil is not usable for corn. You have to grow grass”. And then the economy consultant says: “No, you can’t increase the number of cows. There is not enough money to finance that. And it will just increase the costs elsewhere”. They have to attend the customer meeting together and discuss an integrated solution with the customer, so that the customer does not have to talk with the consultants separately. Relational consultancy is vital to the customer experience. Today we are better at performing this.” The CEO.

The idea of working relationally was resisted by the department but positively received by the other employees in Alpha City since the present way of organizing and performing activities produced many internal conflicts and problems. In order to control damage after the exit of the whole department, the remaining employees in Alpha City and the houses in Delta City and Beta City had to support Alpha City in coping with the tasks and customers who started to leave the company. To cope, they began cooperating about the customers, thereby learning new ways of relating to the surroundings:

“Because we counsel at the level of an enterprise and not at the level of a single man – then we get into the corners to the benefit of the customer. It is the customer who should benefit from us working closer together. We have discovered he did not get the whole benefit when we worked separately. That we have
realized now that we work together across our different disciplines.” Giles, Alpha City, employee.

The practical understanding of relational consultancy emerges as the participants use their specialized knowledge, skills, practices and equipment in new relations which turns out to be usable and meaningful to the customer, the colleagues and the company in new ways. Through dialogical and material-discursive practices, the consultants and customers produce knowledge on new useful and meaningful relations between equipment such as crop, cattle, money and between useful relations of the specialized skills and practices. The boundaries of similarities and differences are constituted in new ways, making relations dynamic and new possible solutions to the business problems of the customer emerge. Thus, they become participating parts of the world of things-in-their-making in the living moment: “It is in the living moments between people, in practice, that utterly new possibilities can be created, and people “live out” solutions to their problems” (Shotter, Katz 1999: 81).

As part of the organizing and strategizing processes and as part of coping in new challenging situations, the employees begin to work more relationally across borders. With some employees, a growing sense of shared identity and directionality starts to emerge according to this conversation:

John: “At that time [before the new CEO], we did not feel that we were one big family. But his way of approaching this made us feel more like being employed in ONE organization. It was a long journey because we had to get used to it but both the social and professional cooperation is much different today.” John, Delta City, employee.

Jill: “It has become much better, but to begin with, I think we all were frustrated, because we were used to manage our own little house. And there was a feeling of… did we dare share with the others? Or would they play games with us? That has disappeared today.” Jill, Delta City, employee.

This feeling of belongingness also starts to shine through in the storytelling in Alpha City.

By dwelling in the world, moving around, exploring and performing, and by experiencing the movements of feelings, we may sense the emergence of “something” and follow those vague signals of directionality that may lead to new possible cultural configurations of the world. However, to a large extent, this depends on the mood of those movements of feelings. Anxiety may disrupt our dwelling in the world and thereby our noticing of the vague signals. The mood manifests in how we are and how we are faring and may even make us turn away (Heidegger 2008: 173).

According to Heidegger, the feeling of anxiety arises when we fail to find the world meaningful, no longer feel at home in it, and sense the possibility of a world without us. This state of mind is reflected in the letter written by the resigned employee. The use of the words: “afraid, fear, uncertainty, frustration, powerlessness, unsafe” exhibits feelings related to anxiety. The words are related to managerial decisions such as dismissals of employees, expensive courses, pressure on performance and earnings, and the doubt if disagreements may lead to dismissal. The letter manifests how
at least this employee is internally attuned towards events that happened to him and within him. Through this letter, we get a glimpse of a dialogical, sociomaterial intra-action with the world that differs from the employees who commit to the strategy. The anxious feelings may have increased through the years due to the many critical events that happened in the aftermath of the merger and due to the trend in the market: the deficits, the untrustworthy figures, four CEOs within 2\(\frac{1}{2}\) years, the cost savings, the dismissals, the declining number of customers and tasks, the steady decline of earnings and the pressure on performance through new performance management systems.

The attunement is reflected in the retrospective narrative manifested in the letter and reproduced in the prospective sensemaking of the future. The anxious mood reinforces the centripetal cultural narratives as regard defending their cultural known world including already existing performing practices, values and identities. They struggled against a cultural process towards a future in which they could not see themselves and which increased their level of anxiety. Therefore they continued to repeat their antenarrative of a doomed company. Thus the attunement impacts on the course of the cross-cultural merger.

Consequently, the movements of feelings are a critical part of the interplay between centripetal narratives, centrifugal living stories, and the challenging antenarratives of becoming future. The movements of feelings arise in the intra-actions between performing, living stories and signalize possible new futures. However, the moods caused by past events are integrative parts of centripetal narratives. As such, the centripetal moody narratives may distort the understanding of those vague signals. The moody attunement is a critical and primordial obstacle for merging life-worlds.

The analysis based upon the performing framework of materialized performing living stories thus pinpoints attuning of moods through which we relate to events and merging performing practices as primordial structures of merging across different life worlds.

**Findings and Research Implications**

We found that the happening strengthened the multivoiced process as the groups from the two organizations became closer, found more directionality, and shared identity. There were signs of strong disagreements and an upcoming crisis but these signs were not taken seriously. These signs were largely misunderstood due to the centripetal cultural narratives distorting the understanding. They overlooked the significance of the movement of feelings in the moving from bewilderment to feeling at home in a new emerging cultural world. After the split, the fights in the living story arena are continuing and expanding as the customers are beginning to take part in the storytelling. The web of living stories keeps expanding as the conflict escalates. The manager is thus struggling to restore trust and image through a centripetal narrative internally and externally to the company.

The research implications are that it is the dynamic relation between centripetal (focusing) narratives and centrifugal (expanding) living stories that can be traced in the ongoing process. Shotter says that a profound conceptual shift is need to a process approach...
that entails as well "a shift from living out our lives in inter-action with the others and othernesses in our surroundings to living within intra-actions with them; a shift from living in a world of already made things to a world of things-in-their-making; from life as being only ‘in’ certain things (organisms) to things having their life only ‘within their relations’ to the flowing processes occurring around them" (Shotter 2011: 2) The limitations of the study are that it is about a single merger, and we do not intend to generalize beyond that. At the same time, it is the study of the lived experiences in the moment of event-ness of Being-in-the-world that has the specificity to unravel interesting mysteries. For us the mystery is the relation of the heteroglossic forces that Bakhtin's polyphony approach allows us to study.

Our Bakhtin analysis has these practical implications. First, the grander narrative, the manager created in the internal and external community, was incapable of bridling the polyphony of devices, the proliferation of ever more living stories, expanding the web of differences (Bakhtin 1984). Gadamer (1975: 367) makes the point that "to conduct a dialogue requires first of all that the partners do not talk at cross purposes." The living story web expanded in ways that so may cross purpose proliferated; no single monologic narrative would contain the storm. Secondly, the dialogical relationships entangled with the sociomaterial intra-actions within which we are related to our surroundings through the movements of feelings. Merging cross-cultural life-worlds occurs through the heteroglossia of performing, living stories.

The entanglement of heteroglossic dialogues, sociomaterial discourses, and the attuned movement of feelings forms a base structure of the merging processes across different life-worlds. Neglecting this base structure is part of the process of the breakdown of the relations and why the ideal of dialogical relationship did not materialize in a whole department in the organization. The moods of the movement of feelings impact on the way we are and how we are faring from bewilderment to feeling at home in new emerging situations. Our attunement with events heavily impacts on our sensing of possible futures and choice of path to follow. The department chose another path to follow.

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<tr>
<th>First name</th>
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<th>E-mail</th>
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<tbody>
<tr>
<td>Gregory</td>
<td>Allen</td>
<td><a href="mailto:g.allen@bolton.ac.uk">g.allen@bolton.ac.uk</a></td>
</tr>
<tr>
<td>Roger</td>
<td>Bell</td>
<td><a href="mailto:roger.bell@esade.edu">roger.bell@esade.edu</a></td>
</tr>
<tr>
<td>Sabina</td>
<td>Bogilovič</td>
<td><a href="mailto:sabina.bogilovic@gmail.com">sabina.bogilovic@gmail.com</a></td>
</tr>
<tr>
<td>Johan</td>
<td>Brugmans</td>
<td><a href="mailto:johan.brugmans@home.nl">johan.brugmans@home.nl</a></td>
</tr>
<tr>
<td>Xiaozhe</td>
<td>Cai</td>
<td><a href="mailto:sherryxiaozhe@hotmail.com">sherryxiaozhe@hotmail.com</a></td>
</tr>
<tr>
<td>Chiara</td>
<td>Cannavale</td>
<td><a href="mailto:chiara.cannavale@gmail.com">chiara.cannavale@gmail.com</a></td>
</tr>
<tr>
<td>Marie-Thérèse</td>
<td>Claes</td>
<td><a href="mailto:mtclaes@gmail.com">mtclaes@gmail.com</a></td>
</tr>
<tr>
<td>Daniel</td>
<td>Dauber</td>
<td><a href="mailto:D.Dauber@warwick.ac.uk">D.Dauber@warwick.ac.uk</a></td>
</tr>
<tr>
<td>Gerhard</td>
<td>Fink</td>
<td><a href="mailto:iaccm.fink@gmail.com">iaccm.fink@gmail.com</a></td>
</tr>
<tr>
<td>Thomas</td>
<td>Greenaway</td>
<td><a href="mailto:T.Greenaway@warwick.ac.uk">T.Greenaway@warwick.ac.uk</a></td>
</tr>
<tr>
<td>Abderrahman</td>
<td>Hassi</td>
<td><a href="mailto:A.Hassi@aui.ma">A.Hassi@aui.ma</a></td>
</tr>
<tr>
<td>Kim</td>
<td>Kyoung-Mi</td>
<td><a href="mailto:Kyoungmi.Kim@warwick.ac.uk">Kyoungmi.Kim@warwick.ac.uk</a></td>
</tr>
<tr>
<td>Jens</td>
<td>Maesse</td>
<td><a href="mailto:J.Maesse@warwick.ac.uk">J.Maesse@warwick.ac.uk</a></td>
</tr>
<tr>
<td>Slawomir</td>
<td>Magala</td>
<td><a href="mailto:smagala@rsm.nl">smagala@rsm.nl</a></td>
</tr>
<tr>
<td>Fabrizio</td>
<td>Maimone</td>
<td><a href="mailto:f.maimone@lumsa.it">f.maimone@lumsa.it</a></td>
</tr>
<tr>
<td>Vanja</td>
<td>Malobabič</td>
<td><a href="mailto:vanja.malobabic@gmail.com">vanja.malobabic@gmail.com</a></td>
</tr>
<tr>
<td>Piet</td>
<td>Moonen</td>
<td><a href="mailto:pjjmoonen@yahoo.com">pjjmoonen@yahoo.com</a></td>
</tr>
<tr>
<td>Dana</td>
<td>Ott</td>
<td><a href="mailto:d.ott@auckland.ac.nz">d.ott@auckland.ac.nz</a></td>
</tr>
<tr>
<td>Rasheed</td>
<td>Oyedoji</td>
<td><a href="mailto:richieadeoyedji@yahoo.co.uk">richieadeoyedji@yahoo.co.uk</a></td>
</tr>
<tr>
<td>Christian</td>
<td>Perry</td>
<td><a href="mailto:cperrell.phd@ivey.ca">cperrell.phd@ivey.ca</a></td>
</tr>
<tr>
<td>Rezvan</td>
<td>Rashidipourfard</td>
<td><a href="mailto:R.Rashidipourfard@warwick.ac.uk">R.Rashidipourfard@warwick.ac.uk</a></td>
</tr>
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<td>Wiebke</td>
<td>Roehrs</td>
<td><a href="mailto:wiebke.roehrs@gmail.com">wiebke.roehrs@gmail.com</a></td>
</tr>
<tr>
<td>Grace Ann</td>
<td>Rosile</td>
<td><a href="mailto:garosile@nmsu.edu">garosile@nmsu.edu</a></td>
</tr>
<tr>
<td>Lauren</td>
<td>Schrock</td>
<td><a href="mailto:phd13ls@mail.wbs.ac.uk">phd13ls@mail.wbs.ac.uk</a></td>
</tr>
<tr>
<td>Marita</td>
<td>Svane</td>
<td><a href="mailto:msvane@business.aau.dk">msvane@business.aau.dk</a></td>
</tr>
<tr>
<td>Huijuan</td>
<td>XUE</td>
<td><a href="mailto:H.Xue@warwick.ac.uk">H.Xue@warwick.ac.uk</a></td>
</tr>
<tr>
<td>Yunxia</td>
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<td><a href="mailto:yzhu@business.uq.edu.au">yzhu@business.uq.edu.au</a></td>
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