

EGALITARIAN VS. HIERARCHICAL

The defining characteristics of this dimension are:

- How society is structured
- How power is allocated or earned
- Tolerance for social mobility
- How organizations are structured and run
- The amount of responsibility and control employees are given

Summary:

In societies in which hierarchy doesn't play an important role, such as Canada or Australia, anyone can grow up to be the president of a multimillion dollar business. It's not just a fairy tale told by mothers to their children or a fantasy people read in books. Indeed, American culture is full of rags-to-riches success stories, and a favorite American past-time is to recount tales about individuals who overcame meager beginnings to attain great power and wealth-Abraham Lincoln, Henry Ford, Bill Gates, to name a few.

However, in hierarchical cultures, such as India and China, individuals believe a person's social ranking is fixed at birth and is unlikely to change. These societies have a different set of heroes and stories that become embedded in their folklore and their psyche. They believe that people should "know their place" and not only make the best of it, but dignify their position by being most accepting of their rank.

Hierarchical societies show great deference and respect to power and authority. They believe in overt manifestations of wealth and power, whereas more egalitarian societies will often intentionally try to blur the power distinction. For example, a plumber coming to repair a faucet in a Dutch household will expect to be invited to sit with the owner-of-the-house and have a cup of tea before he embarks on any work. This is an indication that individuals are viewed as equals regardless of the work they do. Contrast that to household help in Indonesia who are confined to the "wet kitchen" and would never dream of even entering the home itself.

If you are going to a more Egalitarian society

- People care more about getting to know you in an informal or spontaneous manner than they care about rules of protocol and etiquette.
- Plan to be more inclusive in your management and decision making style.
- Be aware that you cannot evaluate an individual's rank or importance based on appearance, demeanor, privileges or status symbols. These external manifestations of status may be absent and are often regarded as pretentious.
- Empower and reward employees for demonstrating initiative and responsibility.
- Don't expect deferential or special privileges based on your position in society or the workplace.

If you are going to a more Hierarchical society

- Whether you are managing a corporate team or a household staff, you will need to give clear, explicit directions regarding duties, deadlines, and so on.
- As a manager or employer, you will be expected to demonstrate a more authoritarian, distant, paternalistic leadership style.
- Be aware that people from different socio-economic backgrounds or different levels of the organization might feel uncomfortable being invited to the same social or business function.
- Show the appropriate level of deference and respect, through language and behavior, to the more senior members of society and the organization.
- Expect to encounter more bureaucracy in organizations and government agencies.

INDIVIDUAL VS. GROUP FOCUS

The defining characteristics of this dimension are:

- The relative importance of individual rights vs. the greater good of the group or society
- The source of an individual's identity and loyalties
- The value of individual contributions vs. teamwork in accomplishing and rewarding business goals
- The roles and responsibilities of individuals to other family members
- Appropriate levels of assertion and self-promotion within a society

Summary:

If you really want to see how cultures think, examine their heroes and their stories. The archetype of the American superhero is Superman. He acts independently, disregards the accepted way of doing things, and saves people with his super-human strength. And what does he do when he's low on energy or overly stressed? He goes off to his icy retreat where he's totally isolated. He derives strength by sequestering himself. The Lone Ranger, the one good guy who defeats all the bad guys in American westerns, also reinforces the culture's attitudes toward the importance of the individual.

Individual Focus

- Don't expect to rely on the group to provide answers. An individual's importance and self-worth are determined by his or her ability to think and work independently.
- Try to be accepting of the fact that people live and work more independently. This may mean that they do not rely on building trusting relationships or networks of loyal contacts to fulfill their personal or professional roles and responsibilities.
- As an employer or manager, provide employees with sufficient opportunities for independent problem solving. Individuals will respond well to being given the autonomy, independence and flexibility to get the job done.
- Be aware that it is culturally appropriate for employees to identify opportunities to demonstrate their abilities and "make their mark." In meetings and presentations, individuals will strive to distinguish themselves. Presentations tend to be dynamic and interactive.
- Remember that individual expression is encouraged and will be demonstrated in people's appearance, behavior and the way they decorate their homes and offices.

Group Focus

- Individuals feel a strong sense of responsibility for other family members. Family needs will take precedence over professional obligations.
- People value their role as a family or team member and identify themselves first as part of a group, then as an individual. They may be uncomfortable if the focus is placed too much on them.
- Remember that individuals do not take sole credit for accomplishments, even when credit is primarily due to one person. Instead, employees are rewarded in groups. Do not single people to answer questions, provide ideas or complete a project.
- Promotions will draw heavily on seniority and experience—not performance and achievement.
- Decision making may be a slow process, as many individuals across the hierarchy will need to be consulted. However, once consensus is reached, implementation is usually quite rapid.

TRANSACTIONAL VS. RELATIONSHIP FOCUS

The defining characteristics of this dimension are:

- What constitutes a relationship and the expectations placed on a relationship
- Whether trust is deemed critical to building social or business relationships
- What takes precedence in making a business decision: the people involved or other more objective business criteria?
- The pace and degree of ritualized formality involved in building new relationships
- The appropriateness of mixing business and pleasure, or professional and personal lives

Summary:

Trust is a major component of this dimension. In Transactional based cultures, such as Sweden and the U.S., associations develop quickly, and may last for only a short period of time. Neighbors who see each other socially every day might not stay in touch at all if one of them moves to another city. Social relationships may be superficial, with people sharing few of their private feelings. By contrast, in Interpersonal Relationship cultures people develop friendships slowly, but they're built atop a framework that transcends time and place. These relationships tend to endure even if one friend moves to another city or country. Likewise, friendships are likely to be multidimensional. For example, in the U.S. people are discouraged from doing business with friends and family, whereas in Interpersonal Relationship cultures, such as Italy, friendship is the best criteria for a business relationship.

Transactional Based Society

- Avoid engaging in too much small talk or asking personal questions in business situations. Your colleagues or prospective partners will probably want to get straight to business.
- While people may appear superficially open and friendly, don't be offended if they don't seem interested in developing a closer friendship.
- Relationships can be very transient; don't be surprised if former mentors, colleagues, or even friends fail to stay in touch once they (or you) have moved on.
- Communication style that is direct, concise and unemotional will be most effective in this environment.
- Social invitations may be more casual and haphazard. The suggestion that you "get together" is probably nothing more than a well-intentioned gesture that may not be followed up on.

Interpersonal (Relationship) Based Society

- The process of relationship building will probably be more formal and ritualized, and it will take longer. Don't try to circumvent these approaches or hurry along the relationship-building process.
- While relationships may take longer to build, once established, the expectation is that they will last over time and distance.
- Be prepared at social or business functions to be asked questions that might seem quite personal in nature. Your hosts are not being deliberately intrusive, but want to get a better sense of "the whole person."
- Accept that personal trust may take precedence over price, speed and the reputation of a competitor.
- Be aware that there may be no stigma to working alongside family members, and what is considered to be "nepotism" in your culture may be openly accepted.

DIRECT VS. INDIRECT COMMUNICATION

The defining characteristics of this dimension are:

- The relative importance of verbal vs. non-verbal communication modes
- The relative importance of factual information vs. background and context in conveying information
- The preferred mode of communication for relaying information
- The preferred degree of directness and subtlety of the language that's used
- The relative need to "save face" and maintain harmony through appropriate use of communication modes

Summary:

Imagine the frustration of a pressured American executive trying to succinctly convey a straightforward task to a Spanish colleague. Kept on the phone for an hour being asked questions that appear to the American to be irrelevant to the task, he can inadvertently appear to be rude because he cannot understand the colleague's need for context. Imagine then, the American's total astonishment when, at the end of the conversation, the Spaniard asks when he's going to get a briefing on the project. The Spaniard, on the other hand, turns to his colleagues at the conclusion of the phone call and complains that it's so difficult to understand Americans who call requesting help without describing the project.

Direct Communication societies

- Be polite, but say what you mean and mean what you say. People prefer directness and authenticity in communications.
- Be aware that while it is rude to interrupt someone, silence is uncomfortable. Participants in a meeting, for example, will talk in sequence, usually acknowledging and continuing the point the previous speaker made.
- Information should be meted out on an "as-needed" basis only. It should be presented, orally or visually, with clarity and brevity.
- Meetings are typically a forum for exchanging information, assigning tasks or making decisions. It is not usually necessary to build consensus for team members to accept and implement a decision.
- Do not be surprised if people offer direct praise, criticism or feedback—even in a public forum like a meeting or presentation.

Indirect Communication Societies

- Non-verbal gestures are as important as the explicit verbal message in conveying meaning and the emotion that accompanies it.
- The use of silence in a meeting in some cultures indicates respectful consideration for what you have said. Do not feel compelled to jump in and fill the silence.
- Eloquence in verbal communication and meticulous preparation of written or visual communication forms are highly valued in indirect communication societies.
- Never challenge, criticize—or even lavish praise—on an individual in a group setting. In many Asian cultures it is important to realize that individual loss of face is shameful for the recipient and anyone who witnesses the exchange. Maintaining a harmonious environment should be a primary consideration in all interactions and exchanges.
- Expect to have to provide a great deal of background information and context before your business partners will feel comfortable making a decision.

FLUID VS. CONTROLLED TIME

The defining characteristics of this dimension are:

- The degree to which people feel that they can control time
- The relative importance of relationships vs. schedules
- Attitudes towards timekeeping and punctuality
- Comfort level with short range vs. longer term planning
- The feasibility / appropriateness of assigning set times for social functions or business meetings to start and finish

Summary:

Not surprisingly, the concept of time ranges from having almost no material value (fluid time) to being the most important commodity you own (controlled time). Controlled-time cultures, such as Northern Europe and North America, view time as something that is finite; an entity that can-and must-be controlled lest it be wasted and used up. Activities must be carefully scheduled to fit within a limited number of hours, and individuals must continually select and prioritize those activities. These cultures so value time that they are often encouraged to take courses on time management, a concept which would be unfathomable to someone from a Fluid time culture.

Fluid time Society

- Accept that people feel that time is out of their control. This sometimes provides a justification for lateness, delayed deadlines, and so on.
- Involve all parties in planning projects and establishing deadlines. That way you will not be perceived as imposing unrealistic time frames, and you are more likely to get a responsive approach to bringing projects in on time.
- Often, Fluid Time cultures are also highly relationship-oriented; if you neglect "people needs" and relationship building in favor of keeping a schedule, you may meet resistance in accomplishing your goals.
- Plans are often fluid, changing frequently and often at the last minute.
- Fluid Time cultures often strive for balance in professional and personal lives. They may not share the same sense of urgency or ambition about completing business projects, sourcing new business, or personal career advancement.

Controlled Time Society

- Time is considered to be a manageable commodity within the individual's control. Being late or disorganized is considered rude and/or unprofessional.
- Time management is a highly valued skill in a Controlled Time culture.
- Do not be offended if invitations to social functions state an ending time as well as a start time. Similarly, expect to be interrupted if your contributions in a meeting are too long and wordy. And understand that sometimes a meeting is wrapped up before everyone has the opportunity to fully express their views.
- It may be inappropriate to "drop in" to visit a neighbor or meet with your boss unannounced. People prefer to be consulted beforehand so they can schedule your visit in a time efficient manner and be prepared for your visit.
- Plan to arrive at business meetings or social engagements on time. If you are running late, call to advise people and apologize on arrival.

CHANGE TOLERANCE: EXTERNAL VS. INTERNAL CONTROL

The defining characteristics of this dimension are:

- Openness to change and innovation
- Willingness to take risks
- The degree to which people feel they control their environment and destiny—or the degree to which they feel their environment and destiny control them
- The preference for rules and structure
- The degree to which organizational practices encourage and reward initiative and risk taking, and allow failure

Summary:

Cultures that are external control based strive to maintain the status quo, and look at new opportunities as creating problems. Leaders are expected to be champions of tradition who promise a return to the good old days. On the other hand, societies that are high in change tolerance expect transitions to take place constantly, and view it as part of the natural order. They see it as necessary and accept it as such-like evolution. Leaders are expected to be change agents; they're looked to as being the visionaries of change and the helpers who will direct its course. Think about the American political environment where even conservatives running for public office talk about the need for change

External Control society

- Don't expect your proposed changes to be readily embraced. Allow for additional time to develop understanding, acceptance, and implementation of the new initiative.
- Expect to witness a fatalistic approach to life and work. If people in your host country do not feel they are fully in control over their destiny or the environment, they may be less willing to take risks, show initiative or embrace new ideas.
- Make local nationals feel included and consulted in the decision-making, planning and implementation process for any new initiative. Be prepared to listen and learn what works well for them in their environment.
- Employees are less likely to take charge of their own career management, and will probably assume that their career advancement is more contingent on connections, seniority, and length of tenure with the company than job performance.
- Staff—whether it is in your household or in your office—will respond best to explicit rules, guidelines and instructions. They will expect a lot of direction.

Internal Control Society

- People will embrace new products, systems or initiatives enthusiastically and "run with them." Try to be flexible and open in your approach to new initiatives.
- Accept that new business plans may be implemented quickly, without the amount of detailed planning you may be used to. Also recognize that there will probably be more stigma attached to failing to take risks than there is to taking risks and failing.
- Your employees will prefer for you to provide general guidelines and resources, then allow them the autonomy and flexibility to execute the task.
- Expect higher job and geographical mobility and consequently less personal loyalty to one's employer. There will be a strong emphasis on self-managing one's career.
- Recognize that your host country nationals fully expect to control most aspects of their individual destiny and environment. This often leads to a highly dynamic, disciplined, structured approach to work and life.

MOTIVATION & WORK LIFE BALANCE: STATUS VS. BALANCE

The defining characteristics of this dimension are:

- The relative importance and value attached to professional vs. personal lives
- The presence or absence of government-sponsored initiatives relating to family welfare benefits
- The source of an individual's identity and self-esteem
- Tolerance for blurring the lines between professional and personal lives
- How status and success are defined by a society

Summary:

In Status Motivated environments, professional achievement define an individual's sense of identity, self-worth, and status in the world. Hard work and personal achievement leads to a sense of well-being. Status and recognition are obtained by personal accomplishment and a job well done. People are valued for their measurable contributions. High Status Motivation cultures are goal oriented, measuring people's values against their abilities to achieve those goals. Performance objectives are clearly defined and on-the-job performance is measured against these objectives for bonuses, promotions, retention, or recruitment for participation in special projects.

Status Motivated Society

- Recognize that to succeed in this environment, you will be expected to make sacrifices in the form of longer work hours, shorter vacation allowances and possibly frequent travel or moves.
- Be aware that people will discuss business anytime, anywhere with anyone.
- Recognize that people will use professional identity and achievements to evaluate others, and to provide a frame of reference for relating to others.
- Whether in a new social or business situation, always be assertive and introduce yourself. Self-promotion is an acceptable part of the business culture in this competitive environment. Always carry business cards.
- Expect people from different social backgrounds to work and socialize comfortably together. Rather than family background or connections, individuals will be evaluated—and define themselves—based on professional or personal accomplishments.

Balance Motivated Society

- Recognize that employees will value their personal time, take longer vacation allowances, and will be reluctant to work late or on weekends.
- Small talk at business or social functions will cover every aspect of an individual's life and interests—and not focus exclusively on professional matters.
- Employees may have a strong work ethic and work hard, but they are more likely to work on a prescribed basis, not working beyond prescribed duties or hours.
- Recognize that attempts to network, to generate business leads, or to talk about work in general at social functions is considered inappropriate.
- Employees will be less willing to relocate for their jobs. Family obligations will take precedence over professional loyalties or advancement.

FORMAL VS. INFORMAL

The defining characteristics of this dimension are:

- The importance of appearance and demeanor as an indicator of status
- The importance of protocol and etiquette
- The appropriate use of titles, surnames and honorifics
- The appropriateness of discussing personal matters at work
- Appropriate ways of meeting people, building relationships and entertaining

Summary:

Status, rank and power exist in every society. However, they are evidenced and displayed in very different ways. In formal cultures, the size and location of offices in a business setting, the quality of dress and accoutrements, the use of titles and the type of car you drive are extremely important. All of these symbols are cues to others about your rank in the world. In formal cultures, the use of titles is critical. The formal style influences into written and oral communication, as well as working in teams. Maintaining face is important, and people avoid openly criticizing others, regardless of status.

In more informal cultures, the visible trappings of authority are obscure. Indeed, it can be very difficult for a newcomer to make sense of the situation. A CEO, for example, may sit in an open cubicle alongside other employees, dress as casually as they do and drive a practical, family car. But make no mistake there is a level of deference and acknowledgement of status in informal cultures as well. Subtle gestures can take on great meaning, and business titles imply all the same levels of authority as they do in a formal culture.

If you are going to a more Formal society

- Check with a trusted employee, local national or expat cultural mentor about rules of protocol and etiquette surrounding social and business entertaining and gift giving.
- Learn to address people by appropriate use of surnames, honorifics and the formal version of "you" in the local language.
- Be careful not to be overly friendly with subordinates or household staff. This will not endear you to them but rather confuse them and introduce ambiguity into the relationship.
- As a manager or employer, you will be expected to live in a manner that befits your status—and you will enhance your credibility by doing so. The clothes you wear, your demeanor, where you live, and your employment of household staff will all reflect your status.
- Do not ask personal questions in a social or business setting unless you have developed a close relationship with someone. Do not use social functions to network!

If you are going to a more Informal society

- Invitations to a social or business function might be vague and unspecific. Check with a colleague, local national or fellow expat if in doubt about specifics such as appropriate time to arrive and leave, dress code and gift giving.
- Don't be surprised or offended if people address you by your first name—or even abbreviate it without your permission.
- Ostentatious displays of wealth or status may be considered pretentious and arrogant.
- Recognize that lines may be blurred—lines between socio-economic groups, lines between personal and professional lives and status in the organizational hierarchy.