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**Bachelor Thesis** 

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# Management culture in comparison - East vs. West

The cases of Bulgaria and Germany

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#### **Abstract:**

There are many factors influencing management practices. This study focuses on one particular - culture. It examines the relationship between culture on one hand, and management practices and employees' attitude on the other. Furthermore it aims at evaluating culture as a factor in international business relationships. For that purpose this thesis concentrates on a comparison between the East - represented by Bulgaria, and the West - represented by Germany. By means of a qualitative and a quantitaive research the management practices in the two countries have been compared. The findings of the study show significant differences between Bulgaria and Germany and aim at contributing to the already existing researches in cross-cultural management.

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#### 1.Introduction

#### 1.1 Background

Most people expect that going to a foreign country is an experience bringing a new different perspective about the surrounding world. These expectations are based not only on the sights of the place but also on the "meeting" with another culture. In most of the cases one has already built a certain vision in his mind about its representatives. Sayings such as: "Germans are extremely cold", "French people are supercilious", "People living on the Balkans are warm and hospitable" etc, have appeared over the time and spread around the world. Going to another country on a vacation and experiencing some difficulties because local people don't exactly have the same way of thinking is one thing. However, what happens when one has to work together with these same people who perceive the surrounding world so differently? Are these differences of importance on the work place? In our fast developing world of globalization companies are expanding and entering foreign markets all the time, thus becoming part of international business and management. Consequently culture collusions are more and more to appear. Many scholars have conducted various studies in the field of crosscultural management and different national cultures have been included in them. However, there are not many researches about countries such as Bulgaria. The country is one of the latest members of the European Union and it is yet to enter more adequately the world of international business. This study seeks to compare the Bulgarian management practices to the German ones and thus to contribute to the already existing researches in cross-cultural management. It focuses on the matter how national culture affects management practices and employees' attitude. In this respect both countries are expected to show more differences than similarities considering their national cultures significantly differ from one another.

#### 1.2 Research question

Furthermore this thesis seeks to answer the following research question: *In what way do Bulgarian managers see national culture as a factor for doing business with foreign countries?* In order to provide an answer two sub-questions are formulated: 1. To what extend does national culture influence business relations? 2. Do Bulgarian mangers take culture into consideration when choosing foreign business partners?

#### 1.3 Research goals

For this research several goals have been set:

1) Find out in which aspects national culture affects management

- 2) Reflect on cultural differences of Bulgaria and Germany
- 3) Try to build a framework (profile) of the Bulgarian management culture and the German one (on the basis of the questionnaire)
- 4) To define which differences will be the most problematic ones for a Bulgarian-German cooperation

#### 1.4 Structure of the thesis

In order to analyze the connection between national culture and management a theoretical framework needs to be established first. This is done in chapter two where first a definition of culture is searched for. Furthermore it is being examined how cultural values influence the meanings that members of different societies attribute to work, whereas the appropriate unit of analysis is the society or cultural group, not the individual person (Schwartz, 1999). Later on in this chapter the cultural dimensions developed by Hofstede (2001) and Trompenaars (2005) are going to be used for further development of the theoretical framework. By means of these dimensions Bulgaria and Germany are going to be compared. In order to give a more clear and detailed vision of the two cultures the work of Chavdarova (2004) and Franken (2005) are also going to be included. The thesis then proceeds with chapter 3 where the methodology choice is being discussed. For this paper a two-case-study is selected comparison between Bulgaria and Germany. Furthermore the choice of particularly these two cultures is going to be discussed. The research design chosen for the study is the conduction of a questionnaire which is going to be filled out by Bulgarian and German employees. For this purpose Hofstede's questionnaire is going to be applied. It is going to serve for the validation of the differences between the two cultures and thus also the theoretical concepts are going to be measured. In addition to that some open questions interviews are going to be conducted. Chapter 4 focuses on the gathered data which is going to be submitted for consideration and analyze and the results are going to be interpreted. The concluding chapter is where the research question is answered. It will be then argued how national culture is seen as a factor when it comes to international cooperation. What is the potential for a Bulgarian-German joint work - is a matter which is also discussed here. Furthermore the fulfillment of the research goals is going to be reviewed. In the final sixth chapter some limits of the study are going to be discussed as well as possible threats to its validity.

#### 2. Literature

#### 2.1 National culture

The word culture comes from the Latin cultura and means growing, cultivation. Today one of the meanings of culture refers to the attitudes and behavior characteristic of a particular social group (Oxford dictionaries). Nevertheless culture and culture influences are concepts which neither anthropology nor management has defined consistently (Adler, Doktor & Redding, 1986, p. 298). However one way to look at this term is to see it as an observable aspect of human behavior, manifest in social interaction and tangible objects like organizations, but resting on symbolic frameworks, mental programs, and conceptual distinctions in people's minds. Moreover the term cognitive maps can be used. Logically each culture has its own different cognitive maps. Consequently the effect on management practices is also various. (Adler, Doktor & Redding, 1986, p. 299).

Trompenaars & Hampden-Turner (2005), as well as Hofstede (2001), use the onion metaphor when regarding culture:

"Culture comes in layers, like an onion. To understand it you have to unpeel it layer by layer." (Trompenaars & Hampden-Turner, 2005, p. 6)

Furthermore they (2005) define it as "...the way in which a group of people solves problems and reconciles dilemmas". One of the many scholars who have researched culture is Kluckhohn (1961, pp 86) who states the following:

Culture consists in patterned ways of thinking, feeling and reacting, acquired and transmitted mainly by symbols, constituting the distinctive achievements of human groups, including their embodiments in artifacts; the essential core of culture consists of traditional (i.e. historically derived and selected) ideas and especially their attached values.

Hofstede (2001) refers to culture as: ...the collective programming of the mind that distinguishes the members of one group or category of people from another.

As already mentioned there are many definitions of culture. They differ from each other and at the same time are alike. All of the above represented definitions refer culture more or less as features, ideas and/or actions that are typical for a certain group of people and at the same time make it distinguishing from other ones. Since culture has so many layers it is difficult to fix on just one definition that describes it fully. However defined, it influences people's values, attitudes and behaviors, which in turn collectively define their culture. Culture

influences organizations through societal structures such as laws and political systems and also through the values, attitudes, behavior, goals, and preferences of participants (clients, employees, and especially managers) (Adler, Doktor & Redding, 1986, p. 299-300). One of the scientists who have studied the connection between national cultures and organizations is Hofstede. He did that in terms of cultural values - which explains behavior on societal level - by developing a number of cultural dimensions. These dimensions then are used to measure cultural values in a quantitative way and also cultural distance (Gerhard, Neyer, Koelling, 2006-7). Beside the fact that Hofstede described culture by means of values another reason for using his research in this thesis is the fact that he has developed a validated questionnaire. As already mentioned it is going to be used in chapter 4.

#### 2.2 Hofstede's dimensions

In order to come one step closer to clarifying the connection culture-management I am going to use the dimensions of Hofstede (2001) which he describes in his book "Culture's consequences: Comparing Values, Behaviors, Institutions and Organizations across nations". By means of these dimensions the similarities and the differences of the Bulgarian and the German culture are going to be made more perspicuous.

On the basis of a large research project - the IBM study - referring to differences in national culture among matched samples of business employees covering 50 countries, in 1980 Hofstede developed four dimensions and in 2001 added a fifth one. In the root of each of them stands a basic problem typical for every society. However, every culture has different approaches for coping with them.

The first one is Power distance and it concerns the problem of human inequality. The power distance between a boss B and a subordinate S in a hierarchy is the difference between the extent to which B can determine the behavior of S and the extent to which S can determine the behavior of B (Hofstede, 2001, p. 83). In cultures where its index is high subordinates and superiors think of themselves as unequal. There is a strict hierarchy and centralization of power, and subordinates are being specifically told what to do. Superiors on the other hand enjoy some privileges and are the ones who are supposed to establish a contact with the subordinates. In comparison to that in cultures characterized by low power distance subordinates and superior consider themselves rather equal. The hierarchy is flatter and not strictly established, and is accepted only as auxiliary instrument. Superiors in these kind of

cultures are not given any special privileges or rights. Superiors are also easier to access for subordinates ( Hoecklin, 1996).

The next dimension is uncertainty avoidance. It refers to the different ways in which societies react to uncertainty. There are differences between traditional and modern societies as well as among modern societies. Ways of coping with uncertainty are shaped by the cultural heritages of societies, and are transmitted and strengthened by institutions like the family, the school and the state. Furthermore they are reflected in the collective values of the members of a certain society. Since their roots are non-rational they may bring around collective behavior in a particular society which can be perceived as "aberrant" and "incomprehensible" by other societies (Hofstede, 2001). Cultures with high level of uncertainty avoidance try to avoid ambiguous situations creating more rules or avoiding deviant ideas and behavior for example. They also tend to have a life time job in comparison to societies with low index of uncertainty avoidance where high job mobility is more common (Hoecklin, 1996).

Another dimension on which cultures differ is "the relationship between the individual and the collectivity". This relationship is not only about ways of living together but also refers to societal norms. "It therefore affects both people's mental programming and the structure and functioning of many institutions aside from the family: educational, religious, political, and utilitarian" (Hofstede, 2001, p. 210). In societies with a high level of individualism the individual interests have priority over those of the group whereas by cultures with a law individualism index it is the other way around (Hoecklin, 1996).

The next dimension - Masculinity and Femininity - concerns the distribution of gender roles in societies. It is generally accepted that men must be more concentrated on economic and professional achievements and women on the other hand on taking care of children (Hofstede, 2001). Consequently in cultures where the level of masculinity is high man and women have strictly defined roles in the society. In feminine cultures on the other hand there is no such rigid distinction and men can be nurses and women can drive trucks, for example.

The last of Hofstede's dimensions is Long- versus Short-Term Orientation. This one is independent of the other four and was developed later in the Chinese Value Survey (CVS) (Hofstede, 2001). Thrift and perseverance are the values referred to long term orientation. On the other hand respect for tradition, fulfilling social obligations, and protection one's "face" concern short term orientation (Hoecklin, 1996).

#### 2.3 Critique

Nevertheless Hofstede has been also strongly criticized. A research made by Baskerville (2003) points out a few weak points in Hofstede's work. It shows that his dimensions are not that widely used in the social sciences of sociology and anthropology due to the following reasons: the theoretical frame of Hofstede's research, the equation of nation states with cultures, the use of matrices, and the adherence to the importance of observation by participant observers. Furthermore the relationship of Hofstede's dimensions to other national data is discussed as a weak point and questions their validity.

The first aspect concerns the fact that Hofstede's theory is based on George Murdock's methodology. This methodology is a rather universal one that according to Rokkan (1996) does not take into consideration the interaction among societies and because of this can only be valid if they are isolated from each other. Consequently Hofstede's approach has similar statistical and logical difficulties like Murdock. However, the Dutch scientist was concentrating on cross-cultural studies in business research and not sociology and anthropology. He was trying to unify national characteristics in one variable while analyzing organizational or business behavior - which is the main difference between fields of business & commerce and sociology & anthropology research.

Another point of critique of Hofstede's research is the fact that he uses nation states as equivalent of cultures. This approach is not always appropriate since in the Middle East, for example, 35 different cultures in 14 nations can be identified. Furthermore Baskervilles points out that every study regarding cross-cultural comparisons needs to take into consideration two problems: classifications and definitions on the one hand and the problem of sampling and the units of comparison on the other. The author claims that Hofstede did not handle these two problems adequately. Furthermore Hofstede refers to cultural and societal norms as interchangeable notions. This is in contrast with ethnographic studies since they find one or many societies in one nation state. Nevertheless Hofstede's reply to the critique that nations are not a suitable unit of a culture study states that "they are usually the only kinds of units available for comparison" (Baskerville, 2002, p.8).

The next strongly criticized aspect of Hofstede's research is the quantification of culture on the basis of numeric dimensions and matrices. Hofstede included such indices and for that he received a strong critique because the balance between such attributes has a dynamic nature. A further point of critique is the status of the observer outside the culture. Here the position of understanding-from-within versus measuring-from-without is discussed. Hofstede accomplished his research by means of questionnaires - measuring-from-without- for which his methodology was criticized.

In addition to the already mentioned criticisms comes the questionable validity of Hofstede's indexes. The Dutch scientist compares each of his cultural dimensions to seven other national measurements: GNP, economic growth, latitude, population size, population growth, population density and organization size. For example, power distance is closely connected to educational and occupational indexes and part of its variance (58%) can be predicted from national wealth, population size and latitude. In conclusion Baskerville (2003) argues that Hofstede's dimensions can defined as socio-economical and cultural ones.

Another critic of Hofstede is McSweeney. He examines five assumptions on whose basis Hofstede concluded:

"The only thing that can account for systematic and consistent differences between national groups within such a homogenous multinational population is nationality itself...Comparing IBM subsidiaries therefore shows national culture with unusual clarity". (McSweeney, 2002, p. 95)

The first assumption states that the culture which every participant in the survey carries consists of three non-interacting cultures: the "organizational", the "occupational", and the "national". Since the participants in the IBM study are part of the "same" organization and were matched by Hofstede on an occupational basis this means that they share the same organizational and occupational culture. The Dutch scientist draws the conclusion that the found differences are from national character. The second assumption has two versions depending on the definition of national culture. The first definition relies on national uniformity - he is presupposing that what he has actually found by means of his research. Furthermore this means that every individual in a certain state would have the same national culture. Consequently the responses of the survey participants within each country should score no big differences. However, this was not the case. Therefore Hofstede came up with a second definition - an average tendency is the average tendency. He claims that "an average tendency based on questionnaire responses from some employees in a single organization is also the national average tendency". (McSweeney, 2002, p. 102). The next assumption states that national culture is what defines questionnaire responses. Hence, Hofstede states that the

differences that resulted from his survey were only due to differences between national cultures. Factors such as race, religion and first language were not taken into consideration. The fourth assumption refers to the way Hofstede offers to identify national culture - by response difference analysis. He makes that assumption after he presumes that response differences in his survey are caused by national values (assumption 3). Although assumption three can be a premise for assumption 4 this doesn't mean that it is also sufficient. This fourth assumption furthermore addresses the question whether Hofstede has correctly identified his five dimensions. The fifth assumption of the Dutch scientist states that national culture us situationally non-specific. Consequently the results from his research are not work-place specific and do not concern only the company - IBM - where the survey took place but whole national cultures (McSweeney, 2002).

McSweeney (2002) argues there are weak points in all of Hofstede's assumptions and that they are incorrect. Consequently they lead to false empirical descriptions despite the amount of used data and statistical manipulation. McSweeney (2002) further states that the Dutch scientist did not manage to characterize culture fully and his work is too restricted. Hofstede simply assumes national uniformity and fails to examine and show the variety and richness of national practices and institutions since he limits culture to state borders.

In 2001 Hofstede was invited to write a response to McSweeney's critique. The Dutch scientist argues that the re-written and updated edition of his 1980 book itself gives answers to a great part of McSweeney's critique. In his reply he states that even if surveys are not a suitable way to measure cultural differences, there are also not supposed to be the only way. Hofstede was criticized for using nations as units to study culture. He agrees but adds that still they are only possibility for comparison. The next point of critique to which the researcher responds is that his study cannot give information about entire national cultures because it took place in subsidiaries of one company. Hofstede argues that his IBM set includes extremely well matched samples for a huge number of countries and indeed measures differences between national cultures. To the accusation that IBM data are old and for that reason obsolete he answers that recent replications haven't indicated any loss of validity. At last he welcomes everybody who thinks that five dimensions are not enough, to propose more which, however, have to fill the following conditions: be statistically and conceptually independent from his five dimensions and be validated by correlations with conceptually related external measures. (Hofstede, 2002).

Despite critiques towards Hofstede's research, he has proposed one of the most well-known concepts about culture and his questionnaire is validated. He manages to respond to the critique in a proper way and continue being the founder of a validated research measuring cultural differences among nations.

There are also other scholars who have developed cultural dimensions. However, since this study is limited by time and length only Hofstede's set of dimensions (2001) is represented and is going to be used in this thesis.

#### 2.4 Cross-cultural management and international cooperation

Despite the fact that cross-cultural management has not been clearly defined, many scientists refer to it as a concept that concerns "procedures and policies relating to the management of workforces with different cultural backgrounds" on one hand, and "moderating the impact of cultural differences on the execution of management tasks" on the other (Soderberg, A.-M. & Holden, N., 2002, p. 103). Two of the scholars who have perhaps contributed the most with their approaches to the understanding of culture and management are Adler and Hofstede. They have the strongest influence in one particular branch of international management namely human resource management. Furthermore Adler (1991) is the one who has managed to evolve a definition of cross cultural management:

"Cross-cultural management studies the behavior of people in organizations around the world and trains people to work in organizations with employee and client populations. It describes organizational behavior within countries and cultures; compares organizational behavior across cultures and countries: and perhaps, most importantly, seeks to understand and improve the interaction of co-workers, clients, suppliers, and alliance partners from different countries and cultures. Cross cultural management thus expands the scope of domestic management to encompass the international and multicultural spheres". (Soderberg, A.-M. & Holden, N., 2002, p. 104)

In this paper the relationship culture-management is going to be researched in the area of cross-cultural management. Moreover culture will be regarded as an independent variable and management - as a dependent one. The influence of culture on management can be seen in the behavior and practices of managers and employees as well as in the relationship manger-employee. Referring to culture in this particular matter gives us the opportunity to set two perspectives: a macro one - it investigates the relationship between culture and organization structure - and a micro one - it focuses on the similarities and differences in managers'

attitudes of different cultures. (Smircich, 1983). Regarding the influence of culture on management it can be negative - seen as a barrier - or positive - a resource for positive learning. Cultural differences are more often seen as a fountain of conflicts and misunderstandings. When operating internationally it seems inevitable even for the experienced managers to avoid misjudgment and communications mistakes as far as cultural relationships with different stakeholders are concerned. Some of the authors who are upholders of the barrier concept are Hall and Hoecklin. The first one argues that a perfect economic relationship can sometimes be simply ruined by cultural differences. Hoecklin believes that this kind of differences can lead to business failures and unwanted expenses. Some cultural differences that might lead to these unwanted effects are shown in Table 1. Nevertheless some scholars see a positive connection between culture and management. Schneider and Barsoux state: "treating diversity as a resource rather than e threat that is essential for responding to the demands of a global market economy, for reaping the full benefits of cross-border alliances, and for enhancing organizational learning" (Soderberg, A.-M. & Holden, N., 2002, p. 105). Furthermore some scientists also believe that cultural differences when handled right can turn into a competitive advantage. Consequently the understanding of cross-cultural management considers not only to the fact that cultural differences exit, but more over to how these differences are perceived and interpreted by the representatives of different cultures. Generally every person grows up within one particular culture and it is only normal that there are certain misunderstandings when coming across a representative of another culture (Gerhard, Neyer, Koelling, 2006-7). In this paper the "meeting" of the East - represented by Bulgaria - and the West - represented by Germany - is going to be researched. For a start, the following perspectives are going to be examined: Bulgaria and the West, and Germany and the East.

#### 2.5 Bulgaria vs. other countries

As a result of the different perceptions surprises and sources of tension can always arise. However, what is important is, is to be able to learn something from the conflict situations - the process of mutual learning. In order to find out which practices are sources of tension and surprise and what is significant for the process of mutual learning the study made by Chavdarova et. al (2004) is going to be used and the Bulgarian and Western culture point of view are going to be discussed.

#### 2.5.1. Bulgaria and the West

For Bulgarian business people one of the biggest surprises is perhaps the organization and type of work that the Western people demonstrate - pragmatism and a minimum level of bureaucracy. A Bulgarian manager points out (in a survey made in Bulgaria) that it comes like a shock to him how western managers and employees work under an orderly system and everybody knows exactly what to do, when to write a report and when to send it. Everything functions harmoniously in comparison to Bulgaria where documents can often be lost or people tend to interfere with each other's tasks. Another surprising truth about Western culture is the ability of the managers to make their employees do their jobs without using strong measures. Furthermore each person has his/her own assignment and bears personal responsibility for it and "we" does not exist in this regard. In comparison not everyone in Bulgaria is aware of his rights or his duties. What amazes and at the same time raises admiration in Bulgarians as far as Western culture is concerned is the fact that Western people respect law and obey rules. Moreover this is especially in force when it comes to labor legislation - nobody works without a contract. However, having in mind the latter, imagine kind of shock it is to find out that Western people can also be bribed. This comes as an unpleasant surprise to some of the Bulgarian managers.

If we take a look at things from the Western point of view we are going to find that they are the ones who are much more often surprised. To them everything that differs from their perceptions come as a shock and they often tend to explain these differences with the socialist past of Bulgaria. However, the biggest surprise of the Bulgarian culture is perhaps the complicated and slow bureaucracy. It is also pointed out as the main reason for corruption.

Obviously there are differences and surprises in perceptions of both the Bulgarian and Western culture. But is there a chance for a mutual learning? When asked Bulgarian mangers point out the following business rules that they believe need to be learned: business behavior and the culture of documentation and reliability with regard to how duties and tasks are executed. Regarding the first one a Bulgarian managers states that in this country one should learn how to behave himself/herself at meetings. This includes clothing, manners, the ability to direct a conversation in a desirable direction, to know when to remain serious and when to tell a joke to break the ice. As far as the second rule is concerned some Bulgarians already realize that keeping immaculate documentation and writing reports from meetings is an important part of business correspondence and a premise for success. The last rule refers to

the lack of organization that Bulgarians demonstrate in regard to execution of duties such as obligation to the state or to customers, for instance (Chavdarova et. all, 2004).

On the other hand here is what foreign managers indicate as some of the areas in Bulgaria that need to be changed: attitudes towards the client and products marketing. General advice coming from a foreign manager says that one of the most important premises to be successful in Bulgaria is to appoint your own man and thus show how exactly things need to be done. Bulgarians lack the ability to sell themselves and consequently the products of the company. This is one of the weakest points in Bulgarian business that needs serious work in order to be improved. If all of the shortcomings of the Bulgarian culture can be generalized in a few sentences, it would be the following statement of a foreign manager:

"A capitalist attitude [is missing]. The capitalist attitude is that I'm responsible for the success or the failure of this business. Admittedly you may not have total control, there're maybe regulations where there can be a lot of other influences, but don't pass that responsibility on somebody else. They'll learn to deal with it." (Chavdarova, p. 112, 2004)

The process of mutual learning of course also includes rules that the Western business people need to learn in order to be successful in Bulgaria. From a Bulgarian point of view adaptation comes as one of the most important conditions. Westerners have to be able to adapt themselves to the reality of the country. However, the manager expressing that opinion adds that Bulgarians should also learn what adaptation is and how to realize it because they have more work to do especially where it concerns their way of thinking. Furthermore another Bulgarian manager recommends that foreigners should learn that emotions are sometimes part of business and not always an obstacle. To be able to view things from wider perspective would also be a valuable skill for Westerners.

From a Western point view there are two important things to be learned from Bulgarians: to relax and really enjoy your position as a boss, for instance, and being creative and reacting appropriately to new and fast-changing situations. Westerners really admire the ability of the Bulgarians to work but at the same time to enjoy their free time and have fun without being stressed all the time and loosing their sleep. (Chavdarova et. all, 2004)

#### 2.5.2 Germany and the East

It has been discussed above how the Bulgarian culture assumes the Western one. Consequently the "meeting" of Germany and the East should also be considered and analyzed. As a basis the research of Franken (2005) is going to used.

Again possible sources of tension and misunderstanding are going to be examined first. One of the main problems for German culture is that Easterners lack using their own initiative, they often improvise when this is not necessary - Germans really appreciate when things are well planned and structured. Furthermore as a premise the fact that Eastern people don't really appreciate criticism when it comes from a German manager is pointed out. They take it too personally and hence the communication is impeded for a long time. Next Franken (2005) brings out the lack of foreign language knowledge by eastern culture. Another possible source of tension could be the lack of feedback from Eastern side and the limited information transparency - sometimes employees hide information and don't pass it forward.

As already mentioned many of the weak points in the Eastern culture's business practices come from its socialist past according to Westerners. One of them is the typical so called "wesense". Because of the low economic status people are used to survive in groups (family, for instance). This sense of solidarity is transferred to the workplace, too. As a result employees often cover each others mistakes, for example. Furthermore the avoidance of open confrontation is also typical for the Eastern culture. For example, when someone is not content with his boss he/she would rather discuss that with his colleagues than going to the manager. This on the other hand leads to tension und strained atmosphere. Regarding criticism - this is not very well accepted as already mentioned. After being criticized by their German manager employees feel embarrassed and demotivated. Moreover the dispute resolution abilities of Eastern culture representatives are not well developed - they experience difficulties in expressing and defending their opinion. An explanation for the lack of their own initiative can also be found in Communism - at that time the decisions were made from "above", which is probably the reason for dependence in the way of thinking and acting. A cause for complaints from German managers are the low level of work ethics and untrustworthiness. What comes as a real surprise is the importance of "informal networks" and personal connections. If you want to run a successful business in the east you need connections and friends who work "above". Work dinners and presents are also very well appreciated. Something very important that should not be underestimated regarding Eastern culture is strong sense of national pride. It unifies them and they protect each other even if someone is wrong. So German managers should be careful in that area.

As in the case of Bulgaria and the West, Germans also differ in their way of thinking in comparison to the East. Yet again the question is: Is there a way for mutual learning and benefit? The cultural diversity has in fact also positive sides. As starters the Eastern culture

capability to improvise and act intuitively can often be of an advantage since Germans are rather men of structure and plans. As already mention it seems that the Eastern culture has a brighter perspective and reacts better in unexpected situations. It is no accident that Easterners are defined as educated and talented in many aspects. Furthermore the hard years of transformation have made them flexible and adaptive. One thing that seems always to impress foreigners is the warmness and the hospitability of the Eastern culture. Easterners are really good hosts and treat their guests with kindly. Once one has made friends with them he/she can rely on that for a life time.

In order for German managers to build a successful joint business with the Eastern culture they need to be prepared to some extent for this "meeting". Franken (2005) puts forward a training course consisting of five steps. This would help so that a German manager can be prepared before going to an Eastern country and so differences in perceptions don't come as that big of a shock. First of all one should learn a little bit more about the target country: history, traditions, customs, holidays, specific characteristics etc. As second step emotional training is suggested, whereas discussions about the typical behavior patterns are discussed. The third one is more related to practice by means of role play, simulations and bi-cultural workshops. It is also important to learn a little bit of the local language. Step fourth concerns more the professional management competence. In this part knowledge about law, taxes, market situation is being built up. Furthermore it also focuses on peculiarities in the Eastern employees' behavior and how this is going to reflect on management practices. The last step refers to social competence. Moreover typical problems from the Eastern everyday life are discussed. The second part of this step concentrates on communication and intercourse with people (Franken, 2005).

In table 1 some of the more important differences between Bulgaria and Germany are generalized.

Considering all of the above it can be concluded that there are in fact many differences in the perceptions and management practices of the Bulgarian and Western culture on the one hand and Germany and the Eastern culture on the other hand. By means of the given examples it becomes clear how differences in the way of thinking could possible lead to misunderstandings, inefficiency and delay of the work process. It is important to realize that working with another culture is a new experience which has its surprises and moments of tension. Nevertheless one should learn to accept these differences and adapt himself/herself. The researches of Chavdarova (2004) and Franken (2005) illustrate that there is not only a

geographical division of nations but also a cultural one such as that between the East and the West. It is the usual practice that single countries situated in the east perceive states located on the western - and the other way around - as one culture. What here of a great significance is, is the fact that both Chavdarova (2004) and Franken (2005) have come to similar conclusions from their experience and researches comparing accordingly Bulgaria and the West and Germany and the East. However, despite the generally held view about the East and the West, there are some differences referring to each particular country and its culture. As already mentioned in this paper Bulgaria and Germany are going to be regarded as representatives of as follows the East and the West with its own characteristics.

In the table below some common criteria from the studies of Chavdarova (2004) and Franken (2005) are generalized. Furthermore some of them are related to Hofstede's dimensions. For example personal responsibility vs. group responsibility can be connected to Individualism vs. Collectivism. Respect for law and rules could be regarded to Uncertainty avoidance. However, Bulgarians, who have a higher index on the Uncertainty avoidance scale, are the ones that tend not to obey rules and laws. In addition to that Germans are the ones who don't like improvisations which is in contradiction with the lower result on the Uncertainty avoidance dimension. An explanation for the sharp reaction of Bulgarians to critique might be the high Power distance index typical for the culture.

Table 1

Criteria	Bulgaria	Germany	Comparison with Hofstede's dimensions
Organization type of work	high and complicated bureaucracy	pragmatism, much less bureaucracy	
Personal responsibility vs. group responsibility	Employees tend to avoid personal responsibility;	High level of personal responsibility	Individualism
Respect for law and rules	Employees often do not obey to rules and laws	High respect for rules and laws	Uncertainty avoidance
Ability to adapt to fast changing conditions and being creative	Bulgarians are more creative but sometimes tend to go extremes with improvisations	Germans are not fond of improvisations	Uncertainty avoidance
Information transparency	low	high	
Critique	Employees react sensibly to critique	Employees believe it is an important part of the work process	Power distance
"Informal networks"	A significant part of doing business	Something unknown for the business world	

### 3. Methodology

In this chapter the concept of this thesis is going to be explained and the methodological choices are going to be discussed.

#### 3.1 Conceptualization

This thesis seeks to analyze the connection of the relationship between the dependent variable management and the independent one culture. In this way it will be established to what extend national culture is a crucial factor when it comes to international cooperation and international teams working together successfully. For this study the cases of Bulgaria and Germany were selected. By means of a quantitative research and Hofstede's dimensions the management cultures of these two countries are going to be compared. As indicators the results from Hofstede's research and this of my own are going to be applied. Hofstede's questionnaire was selected over others because in my opinion it serves at best the objectives of this thesis and will help most effectively to accomplish them. I consider that its questions are very well structured and make it easy for people to answer them. In addition to this my idea - similar to that of Hofstede - is to conduct my research in an international company where the branch offices in Bulgaria and Germany are going to be analyzed. Then the results of my study are going to be compared with the ones of Hofstede's research. Furthermore a second part of this study is going to be realized. It consists of open questions which look for employees' attitude toward international cooperation and cooperation with Bulgaria and Germany in particular.

#### 3.2 Methodological Choices

As a research strategy for this bachelor thesis the case study was chosen. Case study is defined as " a strategy for doing research which involves an empirical investigation of a particular contemporary phenomenon within its real life context using multiple sources of evidence" (Saunders et. all, 2008, p. 145-146). This kind of strategy contributes for better understanding of the context of the research and the processes. In addition to that a combination of data collection methods is going to be used: on the one hand an (semi-structured) interview - "discussion between two or more people" (Saunders et. all, 2009, p. 318) is used as a qualitative instrument for gathering data, on the other hand the questionnaire - "all techniques of data collection in which each person is asked to respond to the same set of questions in a predetermined order" (Saunders et. all, 2008, 360) is used as a quantitative instrument. Furthermore a multiple case study strategy (over one case study strategy) was selected for the methodology of this study (Saunders et. all, 2008). In this thesis

the cases of Bulgaria and Germany are going to be researched as representatives of the East and the West. This choice was based on the assumption that the two countries considerably differ from one another. Another reason for choosing these countries is that there has not been a great deal of research studying these two countries with respect to cultural differences influencing management.

Since I personally come from Bulgaria and for the last few years I have lived in Germany, I believe I can say that I am already familiar with the concept of cultural collusion. I believe that this is going to be a good start point for me. The Bulgarian and the German culture differ considerably from each other - this is according to my observations from the everyday life. So I regard it as interesting to find out how these differences show themselves and influence behavior and practices on the work place.

Further choices were made with regard to the the companies where the research was conducted. For the first part of the study similar to Hofstede a big international (car rental) company was chosen. Twenty participants took part filling out the questionnaire. The second part of the research, a semi-structured interview was carried out at a smaller Bulgarian company which is associated with other enterprises in Romania and Cyprus with common activities. The interview was conducted with five managers.

#### 4. Data and analysis

In this chapter the results regarding Bulgaria and Germany from Hofstede's research are going to be introduced. The scores of the two cultures and their meaning are going to be discussed. After that they will be compared with the results from the inquiry that I have made. Finally some conclusions are going to be made and the corroboration of the hypotheses is going to be argued.

#### 4.1 Results from Hofstede's research

Country	PDI	UAI	IDV	MAS	LTO
Bulgaria	70	85	30	40	
Germany	35	65	67	66	31

Source: Hofstede Cultural Surveys

#### 4.1.1 Power Distance

Regarding this first dimension Bulgaria's index is twice that of Germany. This means that the power distance between managers and employees is significantly higher compared to Germany. In addition to that there is a clear distinction between manager and subordinates - everybody has his or her place and functions according to their place in the hierarchy. The boss has the power to decide and bears the responsibility, hence he also has the pleasure of enjoying some privileges. In Germany on the other hand the relationship between the boss and the subordinates has another aspect. There is no such firm division between managers and employees and people consider themselves rather equal.

#### 4.1.2 Uncertainty Avoidance

As far as the next dimension is concerned the results of both countries are relatively closer in value. However, it seems that Bulgarian culture tends more to avoid uncertainty. Furthermore according to this index Bulgarians prefer to stay longer with a certain company and have the security that they will be able to keep their job as long as they want to. Germans on the other hand seem to be more flexible in this relation compared to Bulgarians. Consequently the change of job is perhaps less stressful for representatives of the German culture compared to those of the Bulgarian culture.

#### 4.1.3 Individualism vs. Collectivism

On the topic of Individualism vs. Collectivism there is again a big difference in the indexes of the two countries - Germany's score is more than two times higher than that of Bulgaria. On the basis of that it can be concluded that the individual as such and his opinion are much more valued in Germany, whereas in Bulgaria the group and its views are appreciated to a greater extend. Furthermore Bulgarians feel safer being part of a certain group and being able to say "we" rather than "I". I believe this has also to do with the bearing of personal responsibility which is gladly avoided in Bulgaria.

#### 4.1.4 Masculinity vs. Femininity

The next dimension is Masculinity vs. Femininity. According to the results the Bulgarian culture can be characterized as a feminine one. In comparison to that Germany has a much higher score on this dimension and can be assigned rather to masculine cultures. Considering these results Bulgarians do not make such a firm differentiation between men and women jobs. In Germany on the other hand gender distinctions are stronger.

#### 4.1.5 Long- vs. Short-Term orientation

Regarding the last dimension only Germany has a score on that one. According to this the German culture is rather a short-term oriented one. That means that respect for tradition and social obligation fulfillment are typical for the German culture.

#### 4.2 Results from personal research

My personal research consists of two parts. The first one is based on Hofstede's questionnaire. The second one is composed of open questions interviews whose purpose is to find out what kind of attitude to international cooperation the Bulgarian and the German cultures have. As a start the results from the inquiry are going to be presented dimension by dimension. Then the opinions of the employees regarding a possible joint work between Bulgaria and Germany are going to be offered.

#### 4.2.1 Results from the questionnaire

Country	PDI	$U\!AI$	IDV	MAS
Bulgaria	53	19	45	78

#### 4.2.1.1 Power distance

The result that Bulgaria scores on this dimension differs to some extend from the one of Hofstede's research. My research shows that the power distance between boss and subordinates is lower. This assumes also a more unstrained work atmosphere and more communication between manager and employees. The result is also closer to that of Germany.

#### 4.2.1.2 Uncertainty avoidance

Regarding this dimension the index of the Bulgarian culture deviates significantly considering Hofstede's research. According to my inquiry Bulgaria is a country with a really low index of uncertainty avoidance. What is even more surprising is the fact that the Bulgarian results in that dimension are much lower compared to Germany which has the lower index in Hofstede's research.

#### 4.2.1.3 Individualism vs. Collectivism

As far as Individualism vs. Collectivism is concerned Bulgaria is also moving in Germany's direction. Hofstede's research shows that the Bulgarian culture can be characterized by a relatively low level of individualism compared to Germany whose score is - as already mentioned - more than twice as much. According to my results Bulgaria has a little bit more individualistic culture coming one step closer to the German culture.

#### 4.2.1.4 Masculinity vs. Femininity

Bulgaria's score on this dimension reminds the situation with Uncertainty avoidance. Hofstede's research place the Bulgarian culture rather by the feminine cultures. However, my results show that Bulgaria can be defined much more as a masculine culture - with a score even higher than this for Germany.

#### 4.2.2 Results from the open questions interviews

In order to find out what the general attitude of Bulgarian employees to cooperation with Germany is, another inquiry in another company was carried out. The following questions were asked in order to help to find out what the employees' opinions are: Is the company you work for an international one? If yes, with which countries does it cooperate and work jointly and why? If not, would your company go internationally? In that case with which countries do you think it would be best to cooperate? Would you consider a possible cooperation with Germany and why (not)?

As already stated the company where the inquiry was conducted is Bulgarian, but it is associated with other enterprises in Romania and Cyprus, with common activities. When asked why there is a corporation with these particular countries the participants in the research give similar answers. The company operates mostly with Romania for two reasons. First of all, the market sector the company operates in is very well-developed and successful there (the main activity is trade with construction equipment). Second of all, Romania is also close to Bulgaria, which facilitates the business processes. The firm also works together with suppliers from all over Europe and parts of Asia. To the question: "Is Romania the best cooperation partner for the company only because of its close geographical location or maybe also because the two countries are culturally close?" All of the employees are unanimous that culture similarities or differences were not the decisive factor. Here is what one of the participants say about possible cooperation with other countries and in particular with Germany:

"The company strategy is to develop its activities in other countries like Macedonia and Serbia. Plans for expanding in Germany are not included, for now. I think the competition there would be very strong in my opinion".

Here once again countries which are geographically close to Bulgaria are pointed out as possible business partners. However, the reason for that is again not the possible cultural closeness.

Another employee expresses the following opinion:

"A joint business with Germany would be possible. The crucial factor in that matter would be the finding of common benefit for both of the countries as far as the prices of goods and sales are concerned. All the same our company works jointly with many suppliers from all over Europe. For that reason I believe that such a cooperation would be successful and beneficial despite the different standards and cultures of Bulgaria and Germany".

Here in forefront the economic benefit is pointed out. Its importance stands in the basis of a possible cooperation. All of the other differences such as cultural ones can be surmounted if there is a bilateral use of the joint work.

Another participant in the inquiry is of this opinion:

"I consider there is a possibility for a joint work between Bulgaria and Germany. It is true that the two countries have different "business rules" but nevertheless there are also general standards for doing a successful business and they are the ones that should be followed. After

all in the sphere in which we operate business is business - people act professionally and attempt to find a way to smooth the differences".

This statement shows a certain awareness of the fact that culture affects business in some way. However, this employee also supports the thesis that cultural differences not the decisive factor for a possible cooperation are.

The next answer continues this line of thoughts and is a little bit more specific regarding what kind of people Germans are:

"People in Germany are much more closed and conservative, they are just different and not like us. However, I think that we could find a way for joint work. Let's not forget that Germany itself is an "international" country so to say because many people with foreign background live there. For that reason I think that a Bulgarian-German cooperation is possible. Furthermore our different approach and point of view can be a winning just because they differ".

Here the personal idea of the cultural differences between Bulgaria and Germany is explained in more details. It is not underestimated but at the same time this is the next employee who believes that the existence of cultural difference will not be a serious obstacle for cooperation.

The last participant states the following:

"I think that Bulgarians and Germans considerably differ from each other as cultures and I suppose that there might appear certain some disagreements when it comes to joint work. However, we live in a fast developing world of globalization and we should learn to smooth differences and cooperate not only with people that have similar mentality and culture as ours. In my opinion whatever distinctions there can be between our understanding of doing business and this of the Germans, there can be overcome".

Considering the statements of the participants in the inquiry a few conclusions can be drawn. Most of them realize that there are cultural differences which could influence possible business cooperation. However, the employees also believe that culture is not the crucial factor for joint work but the mutual economic and financial benefit. The majority of them are of the opinion that the common interest is the most important priority and everything else can be smoothed out. As already mentioned the company has experience as far as international cooperation is concerned - a joint business with Romania and partially Cyprus as well as many suppliers from all over Europe. This is perhaps the main reason for the confident position of the employees - they are experienced in working with other cultures.

In order to draw some more general conclusions the results from both parts of the research need to be put together. The outcomes of the inquiry based on Hofstede's questionnaire as well as these of the interviews with open questions clearly give a hint that the Bulgarian culture and the German one do not have much in common. However, the Bulgarian company participating in the first part of the research is branch office of a German one. It proves that a joint work between the cultures is in fact possible. Furthermore the results from the questionnaire showed that the dimension indexes of Bulgaria are closer to this of Germany compared to Hofstede's research which could be influenced by the joint work of the two cultures in this company. In addition to that the statements of the employees from the second firm have clearly showed readiness and hopefulness regarding possible business relations and cooperation with Germany.

The outcomes from the inquiry and the interviews with open questions show that Bulgarians consider themselves as a flexible culture able to adapt itself to new conditions and partners. Despite the cultural differences there is a will for joint work and as they say - if there is a will, there is a way.

#### 5. Conclusion

In this chapter an answer to the research question is going to be given. Furthermore the main findings of this bachelor paper are going to be discussed and generalized.

In the introduction I have put one main research question and two sub-questions. By means of the studies of Franken (2005) and Chavdarova et. (2004) many cultural differences affecting business relationships between East and the West, and respectively between Bulgaria and Germany as their representatives, have been revealed. This has been confirmed by the results of Hofstede's study and partially by mine. However, the results from my research are a little bit contradictive compared to these of Hofstede. There is a common trend by all of the dimensions - their indexes are always more or less closer to these of Germany in Hofstede's research. A possible explanation can be found in the fact that the inquiry was made at a branch office of an international company whose head office is in Germany. Since the Bulgarian brunch office is established by Germans and directly supervised by the head office it is only logical that a common organizational policy and standards should be established. Furthermore the results show that the Bulgarian employees working for this company could be influenced to some extend by the German culture. The joint work of the two countries has perhaps led to a process of an adjustment. This on the other hand has changed some of the attitudes of the Bulgarian employees. The more and more spreading globalization probably also has played a role in this change. Today's world is a fast developing place which bring people to think in a new more standardized way. Nowadays people learn, read and travel more. This enriches them and brightens their horizon which on the other hand helps them to except differences more easily. National culture is an influential factor at work and in general. However, at present time people tend to feel themselves also as citizen of Europe or of the world, for example.

Germany and Bulgaria are both members of the European Union where common standards in many aspects are being aimed. It is only natural that the two cultures have developed some general understandings regarding international cooperation and joint work. This is also perhaps another reason why the results from my inquiry showed such a big difference compared to Hofstede's research.

All of the above stated can give answer to the first sub-question - To what extend does national culture have an influence on business relations? - On the basis of the gathered

information and results from studies it can be concluded that national culture has a significant influence on business.

The second sub-question is closely related to the second part of my study. Taking into consideration its results national cultural is an important factor, however, not the decisive one. Culture has a great meaning ascendancy over people's perceptions. Nevertheless it could not be a restraint for international cooperation and joint business. Bulgarian managers seem convinced that culture cannot be a premise for successful business relationships. According to my study Bulgarian managers take culture into consideration in most of the cases when choosing foreign business partners - this gives an answer to the second sub-question.

The answers of the two sub-questions should lead to this of the maim research question - In what way do Bulgarian managers see national culture as a factor for doing business with foreign countries? It can be concluded that Bulgarian mangers see national culture as a sources of differences. However, it is not a premise which cannnot be overcome. Cultural differences are a factor in business relationships but not one that can stop certain business development.

Cross-cultural management, international cooperation, organizational culture etc. are terms whose presence in the world of business is more and more included. In our fast developing world where national state boundaries are not what they used to be and technology make communication and traveling all over the world easy and accessible the international collaboration gains more meaning everyday.

#### 6. Discussion

In this part of my bachelor thesis I am going to discuss the limits of my study and the possible threats to its validity. As starters the original idea of the study was to compare a Bulgarian and a German branch office of an international company and for the second part a German representative was also supposed to be included. However, due to unknown reasons for participation from German side the research was limited to the Bulgarian results and attitude toward business partnership with Germany. Due to time limits one company for each part of the study was included. Especially for the second part of the research the participation of more companies would give more reliable results. At time times I felt that the answers of the interview participants could have been influenced by other factors and thus not being representative enough.

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## **Appendix 1: Hofstede's questionnaire**

# **Questions**

### **A** questions

A1 Are you:

- 1. Male (married)
- 2. Male (unmarried)
- 3. Female (married)
- 4. Female (unmarried)

A2 How long have you been employed by this company?

- 1. Less that one year
- 2. One year or longer, but less than three years
- 3. Three years or longer, but less than seven years
- 4. Seven years or longer but less, but less than fifteen years
- 5. Fifteen years or longer

A5 - A18 About you goals:

People differ in what is important to them in a job. In this section, we have listed a number of factors which people might want in their work. We are asking you to indicate how important each of these is to you.

In complementing the following section, try to think of those factors which would be important to you in an ideal job; disregard the extend to which they are contained in your present job.

PLEASE NOTE: Although you may consider many of the factors listed as important, you should use the rating "of utmost" importance only for those items which are of the most importance to you. With regard to each item, you will be answering the general question:

#### "HOW IMPORTANT IS IT TO YOU..."

(Choose one answer for each line across)

How important is it to you to:

		of utmost importance to me	very important	of moderate importance	of little importance	of very little importance or no importance
A5	Have challenging work to do - work from which you can get a personal sense of accomplishment?	1	2	3	4	5

# How important is it to you to:

		of utmost importance to me	very important	of moderate importance	of little importance	of very little importance or no importance
A6	Live in an area desirable to you and your family?	1	2	3	4	5
A7	Have an opportunity for high earnings?	1	2	3	4	5
A8	Work with people who cooperate well with one another?	1	2	3	4	5
A9	Have training opportunities (to improve your skills or to learn new skills)?	1	2	3	4	5
A10	Have good fringe benefits?	1	2	3	4	5
A11	Get the recognition you deserve when you do a good job?	1	2	3	4	5
A12	Have good physical working conditions (good ventilation and lighting, adequate work space, etc.)	1	2	3	4	5
A13	Have considerable freedom to adapt your own approach to the job?	1	2	3	4	5

How important is it to you to:

		of utmost importance to me	very important	of moderate importance	of little importance	of very little importance or no importance
A14	Have the security that you will be able to work for your company as long as you want to?	1	2	3	4	5
A15	Have an opportunity for advancement to higher level jobs?	1	2	3	4	5
A16	Have a good working relationship with your manager?	1	2	3	4	5
A17	Fully use your skills and abilities on the job?	1	2	3	4	5
A18	Have a job which leaves you sufficient time for your personal or family life?	1	2	3	4	5

## A19-A32. About the satisfaction of your goals:

In the preceding questions, we asked you what you want in a job. Now, as compared to what you want, how satisfied are you at present with:

		very satisfied	satisfied	neither satisfied nor dissatisfied	dissatisfied	very dissatisfied
A19	The challenge of the work you do - the extent to which you can get a personal sense of accomplishment from it?	1	2	3	4	5
A20	The extent to which you live in an area desirable to you and your family?	1	2	3	4	5
A21	Your opportunity for high earning in this company?	1	2	3	4	5
A22	The extent to which people you work with cooperate with one another?	1	2	3	4	5
A23	Your trainings opportunities (to improve your skills or to learn new skills)?	1	2	3	4	5
A24	Your fringe benefits?	1	2	3	4	5
A25	The recognition you get when you do a good job?	1	2	3	4	5
A26	Your physical working conditions (good ventilation and lighting, adequate work space, etc.)?	1	2	3	4	5

		very satisfied	satisfied	neither satisfied nor dissatisfied	dissatisfied	very dissatisfied
A27	The freedom you have to adapt your own approach to the job?	1	2	3	4	5
A28	Your security that you will be able to work for your company as long as you wan to?	1	2	3	4	5
A29	Your opportunity for advancement to higher level jobs?	1	2	3	4	5
A30	Your working relationship with your immediate manager?	1	2	3	4	5
A31	The extent to which you use your skills and abilities on your job?	1	2	3	4	5
A32	The extent to which your job leaves you sufficient time for your personal or family life?	1	2	3	4	5

A37 How often do you feel nervous or tense at work?

- I always feel this way
   Usually
- 3. Sometimes
- 4. Seldom
- 5. I never feel this way

A43 How long do you think you will continue working for this company?

- 1. Two years at the most
- 2. From two to five years
- 3. More than five years (but I probably will leave before I retire)
- 4. Until I retire

A48 If an employee did take a complaint to higher management, do you think he would suffer later on for doing this (such as getting a smaller salary increase, or getting the less desirable jobs in the department, etc.) ?

- 1. Yes, the employee would definitely suffer later on for taking a complaint to higher management
- 2. Yes, probably
- 3. No, probably not
- 4. No, the employee would definitely not suffer later on for taking a complaint to higher management

A52 How often would you say your immediate manager is concerned about helping you get ahead?

- 1. Always
- 2. Usually
- 3. Sometimes
- 4. Seldom
- 5. Never

The descriptions below apply to four different types of managers. First, please read through these descriptions:

Manager 1	Usually makes his/her decisions promptly and communicates them to
	his/her subordinates clearly and firmly. Expects them to carry out the
	decisions loyally and without raising difficulties.

Manager 2 Usually makes his/her decisions promptly, but, before going ahead, tries to explain them fully to his/her subordinates. Gives them the reasons for the decisions and answers whatever questions they may have.

Manager 3 Usually consults with his/her subordinates before he/she reaches his/her decisions. Listens to their advice, considers it, and then announces his/her decisions. He/she then expects all to work loyally to implement it whether or not it is in accordance with the advice they gave.

Manager 4 Usually calls a meeting of his/her subordinates when there is an important decision to be made. Puts the problem before the group and invites discussion. Accepts the majority viewpoint as the decision. (However, if there is not consensus, he/she usually make the decision himself/herself)

A54 Now for the above types of manager, please mark the one which you would prefer to work under.

- 1. Manager 1
- 2. Manager 2
- 3. Manager 3
- 4. Manager 4

A55 And, to which one of the above four types of managers would you say your own manager most closely corresponds?

- 1. Manager 1
- 2. Manager 2
- 3. Manager 3
- 4. Manager 4
- 5. He does not correspond closely to any of them

A56 How many years of formal school education did you complete?

1. 10 years or less

6. 15 years

2. 11 years

7. 16 years

3. 12 years

8. 17 years

4. 13 years

9. More than 17 years

5. 14 years

A57 How old are you?

1. Under 20

5. 35-39

2. 20-24

6. 40-49

20-24
 25-29

7. 50-59

4. 30-34

8. 60 or over

A58 Considering everything, how would you rate your overall satisfaction in this company at the present time:

- 1. I am completely satisfied
- 2. Very satisfied
- 3. Satisfied
- 4. Neither satisfied nor dissatisfied
- 5. Dissatisfied
- 6. Very dissatisfied
- 7. I am completely dissatisfied

#### **B** Questions

B9 If you had a choice of promotion to either a managerial or a specialist position and these jobs were at the same salary level, which would appeal to you most?

- 1. I would have a strong preference for being a specialist
- 2. I would have some preference for being a specialist
- 3. It does not make any difference
- 4. I would have some preference for being a manger
- 5. I would have a strong preference for being a manager

B24 All in all, what is your personal feeling about working for a company which is primarily foreign-owned?

- 1. All in all, I prefer it this way
- 2. It makes no difference to me one way or the other
- 3. I would prefer that it was not this way

B25 Suppose you quit this company. Do you think you would be able to get another job in your line of work at about the same income?

- 1. Yes, definitely
- 2. Yes, probably
- 3. No, probably not
- 4. No, definitely not

B39 How often would you say your immediate manager insists that rules and procedures are followed?

- 1. Always
- 2. Usually
- 3. Sometimes
- 4. Seldom
- 5. Never

B44 How do you feel or think you would feel about working for a manager who is from a country other than your own?

- 1. In general, I would prefer to work for a manager of my own nationality
- 2. Nationality would make no difference to me
- 3. In general, I would prefer to work for a manager of a different nationality

How frequently, in your experience, do the following problems occur?

		very frequently	frequently	sometimes	seldom	very seldom
B46	Employees being afraid to express disagreement with their managers	1	2	3	4	5
B47	Being unclear on what your duties and responsibilities are	1	2	3	4	5
B49	People above you getting involved in details of your job which should be left to you	1	2	3	4	5
B51	Some groups of employees looking down upon other groups of employees	1	2	3	4	5

## B52-B61. About general beliefs:

Listed below are a number of statement. These statement are not about the company as such, but rather about general issues in industry. Please indicate the extend to which you personally agree or disagree with each of these statements (mark one for each line across).

		strongly agree	agree	undecided	disagree	strongly disagree
B52	A corporation should have a major responsibility for the health and welfare of its employees and their immediate families	1	2	3	4	5
B53	Having interesting work to do is just as important to most people as having high earnings	1	2	3	4	5
B54	Competition among employees usually does more harm than good	1	2	3	4	5
B55	Employees loose respect for a manager who asks them for their advice before he makes a final decision	1	2	3	4	5
B56	Employees should participate more in the decisions made by managers	1	2	3	4	5
B57	Decisions made by individuals are usually of higher quality than decisions made by groups	1	2	3	4	5

		Strongly agree	agree	undecided	disagree	strongly disagree
B58	A corporation should do as much as it can to help solve society's problems (poverty, discrimination, pollution, etc)	1	2	3	4	5
B59	Staying with one company for a long time is usually the best way to get ahead in business	1	2	3	4	5
B60	Company rules should not be broken - even when the employee thinks it is in company's best interests	1	2	3	4	5
B61	Most employees prefer to avoid responsibility, have little ambition, and want security above all	1	2	3	4	5

# **C** Questions

C1-C8. About your goals:

How important is it to you to:

	·	of utmost importance	very important	of moderate importance	of little importance	of very little importance
C1	Have the security that you will not be transferred to a less desirable job?	1	2	3	4	5

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# How important is it to you to:

		of utmost importance	very important	of moderate importance	of little importance	of very little importance
C2	Work in a department which is run efficiently?	1	2	3	4	5
C3	Have a job which allows you to make a real contribution to the success of your company?	1	2	3	4	5
C4	Work in a company which is regarded in your country as successful?	1	2	3	4	5
C5	Work in a company which stands in the forefront of modern technology?	1	2	3	4	5
C6	Work in congenial and friendly atmosphere?	1	2	3	4	5
C7	Keep up-to-date with the technical developments relating to your work?	1	2	3	4	5
C8	Have a job on which there is a great deal of day- to-day learning?	1	2	3	4	5

C9-C19. About general beliefs:

		strongly agree	agree	undecided	disagree	strongly disagree
C9	A good manager gives his employees detailed and complete instructions as to the way they should do their jobs: His does not give them merely general directions and depends on them to work out the details	1	2	3	4	5
C10	Most companies have a genuine interest in the welfare of their employees	1	2	3	4	5
C11	In general, the better managers in a company are those who have been with the company the longest time	1	2	3	4	5
C12	There are few qualities in a man more admirable than dedication and loyalty to his company	1	2	3	4	5
C13	Most employees have an inherent dislike of work and will avoid it if they can	1	2	3	4	5

		strongly agree	agree	undecided	disagree	Strongly disagree
C14	Most employees want to make a real contribution to the success of their company	1	2	3	4	5
C15	For getting ahead, knowing influential people is usually more important than ability	1	2	3	4	5
C16	By and large, companies change their policies and practices much too often	1	2	3	4	5
C17	A large corporation is generally a more desirable place to work than a small company	1	2	3	4	5
C18	Even if an employee may feel he deserves a salary increase, he should not ask his manager for it	1	2	3	4	5
C19	The private life of an employee is properly a matter of direct concern to his company	1	2	3	4	5