

# International Business Training Center

## presents



Trompenaars Cultural Dimensions-2



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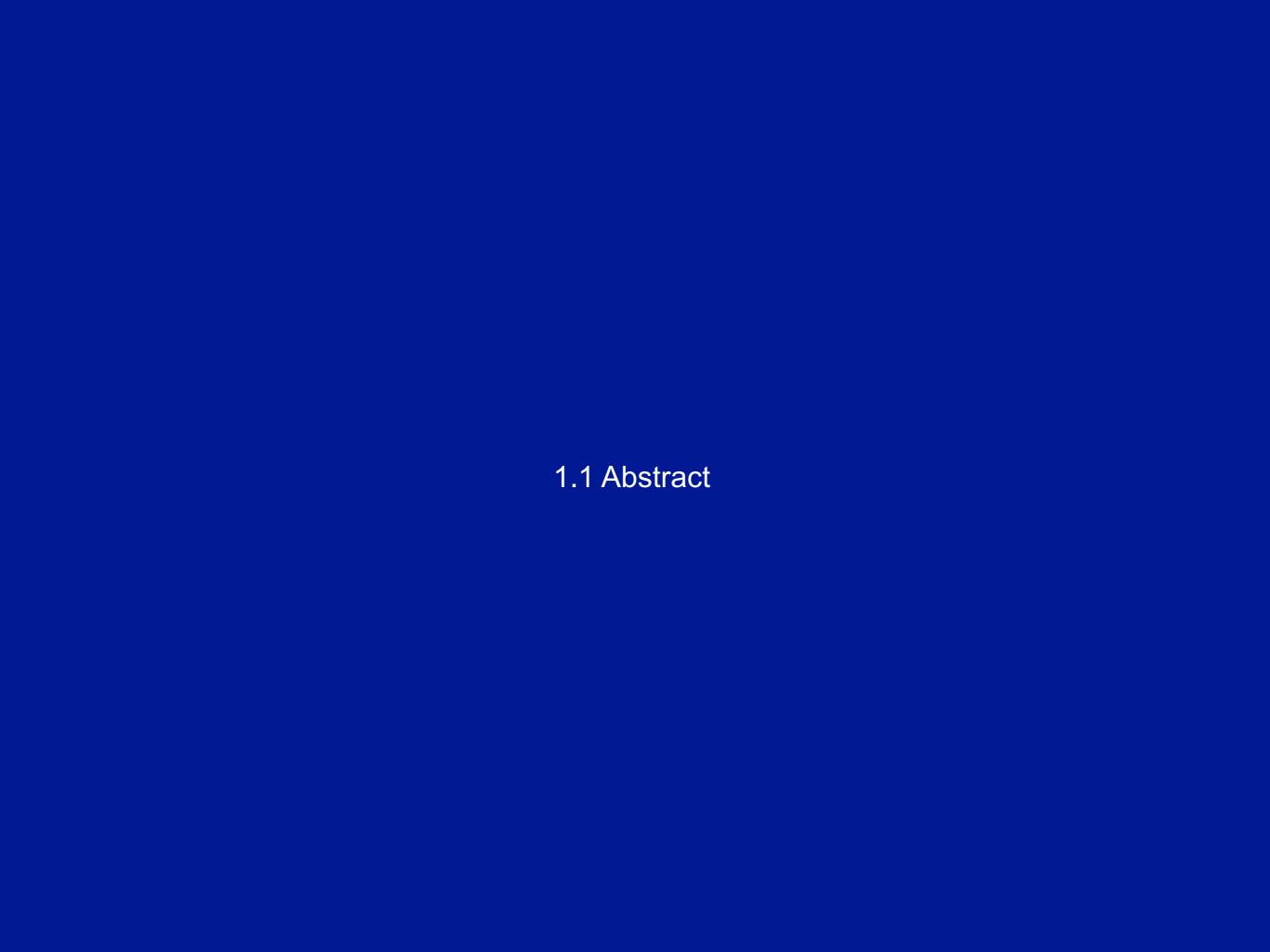
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1. Trompenaars Cultural Dimensions-2



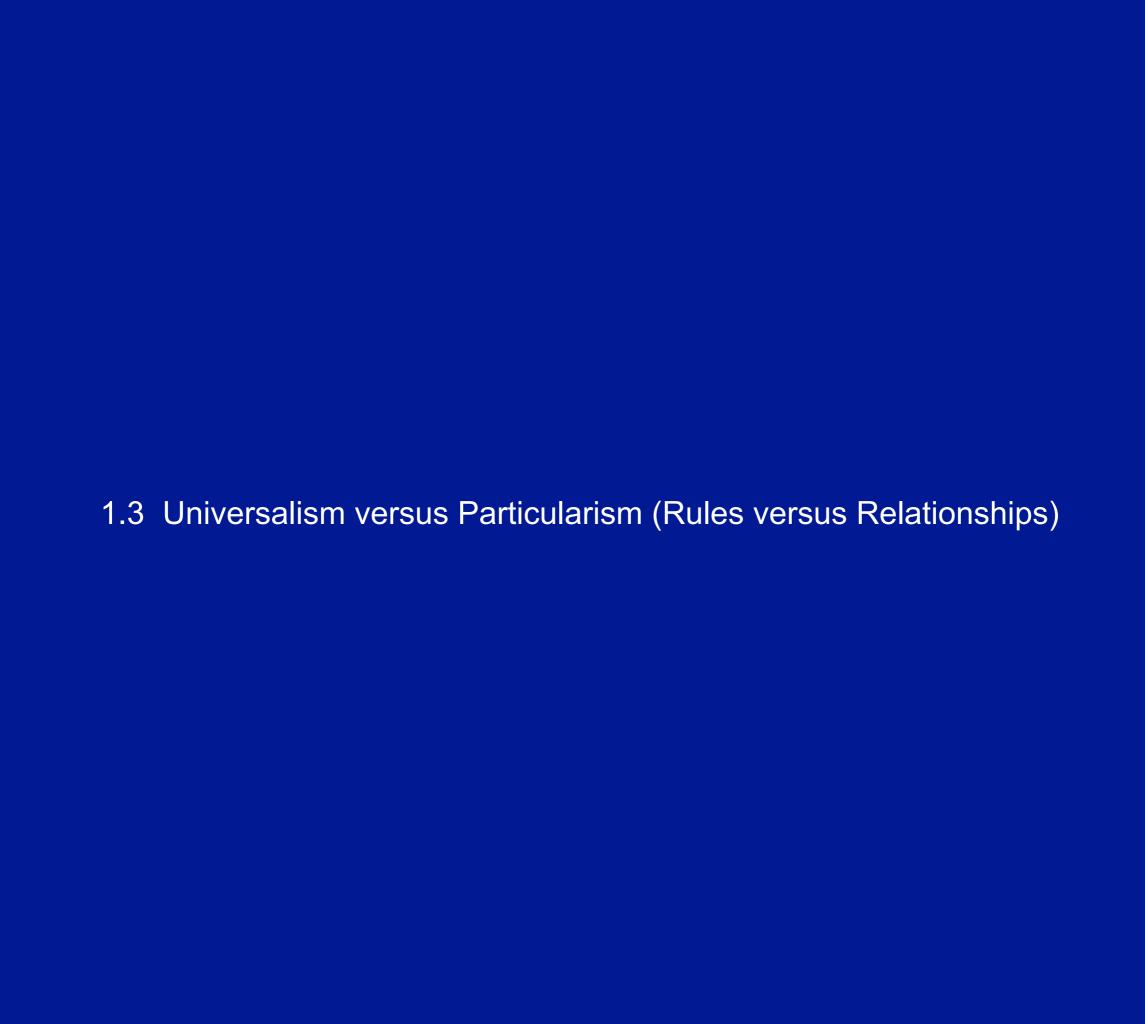
### **Abstract**

- The objective of the research was to find out the "natural" cultural attitudes directly derived from the fundamental attitudes of Romanian culture of students in management before their enrolment, using the Trompenaars' and Hampden-Turner's matrix centred on seven cultural dimensions, expressed as couples of opposing attitudinal dispositions.
- The results of the research seem to confirm the initial hypothesis, namely that the exposure to different aspects of education in a business university could alter the fundamental cultural orientation of people.



### Introduction

- Trompenaars and Hampden-Turner have identified seven cultural dimensions, expressed as couples of opposing attitudinal dispositions that can be identified in each culture.
- The main five concern the first of their three criteria (relationships with other people):
  - 1. universalism versus particularism;
  - 2. individualism versus communitarianism;
  - 3. neutral versus emotional;
  - 4. specific versus diffuse;
  - 5. achievement versus ascription.
  - 6. sequential time versus synchronous time, arises from the specific conceptions about the passage of time, and the last one,
  - 7. internal direction versus outer direction, concerns the understanding of the specific relation of people with their natural environment (Trompenaars & Hampden-Turner, 1997, pp. 8-10).



- According to Trompenaars, in universalistic cultures people generally adhere to the standards which are universally agreed and relations between them are prescribed by laws, rules, general values and obligations.
- Always rules come before personal relationships.
- ! In particularist cultures, on the other hand, personal relationships come always before universal rules and laws, and individuals' behaviour is determined by the particular obligations to the people they know in person.
- Typical universalist cultures are Swizerland, U.S.A. and Canada; typical particularist cultures are Russia, China, India.

- In an universalist culture:
  - 1. Focus is more on rules than relationships;
  - 2. Legal contracts are readily drawn up;
  - 3. A trustworthy person is the one who honours their word or contract;
  - 4. There is only one truth or reality, that which has been agreed to.
  - 5. A deal is a deal.
  - Typical universalist cultures are Switzerland, USA and Canada.

- In a particular culture:
  - 1. Focus is more on relationships than on rules
  - 2. Legal contracts are readily modified;
  - 3. A trustworthy person is the one who honours changing mutualities;
  - 4. There are several perspectives on reality relative to each participant;
  - 5. Relationships evolve.
  - Typical particularist culture are Russia, China and India.

(Trompenaars & Hampden-Turner, 1997, pp. 29-48)

#### The test we used for our students is the following dilemma:

"Six months after the ABC mining company had signed a long-term contract with a foreign buyer to buy bauxite in 10 annual installments, the world price of bauxite collapsed. Instead of paying \$4 a tone below world market price, the buyer now faced the prospect of paying \$3 above. The buyer faxed ABC to say it wished to renegotiate the contract. The final words of the fax read: "You cannot expect us as your new partner to carry alone the now ruinous expense of these contract terms."

- ABC negotiators had a heated discussion about this situation. Several views were offered:
- Answer 1:
  - A contract is a contract. It means precisely what its terms say. If the world price had risen we would not be crying, nor should they.
  - What partnership are they talking about? We had a deal. We bargained. We won. End of story.



This answer is a full universalist answer.

- Answer 2:
  - A contract symbolizes the underlying relationship.
  - It is an honest statement of original intent.
  - Where circumstances transform the mutual spirit of that contract, then terms must be renegotiated to preserve the relationship.



This answer is a full particularist answer.

- Answer 3:
  - A contact symbolizes the underlying relationship.
  - It is an honest statement of original intent.
  - But such rigid terms are too brittle to withstand turbulent environments.
  - Only tacit forms of mutuality have the flexibility to survive.



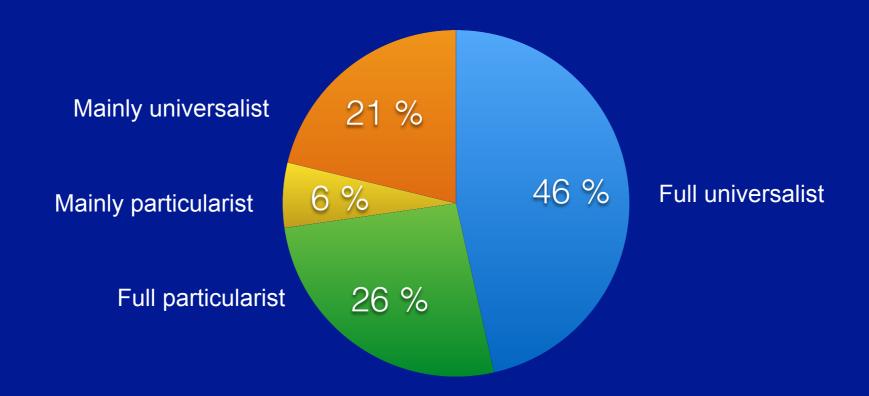
This answer is a particularist answer doubled by an universal orientation.

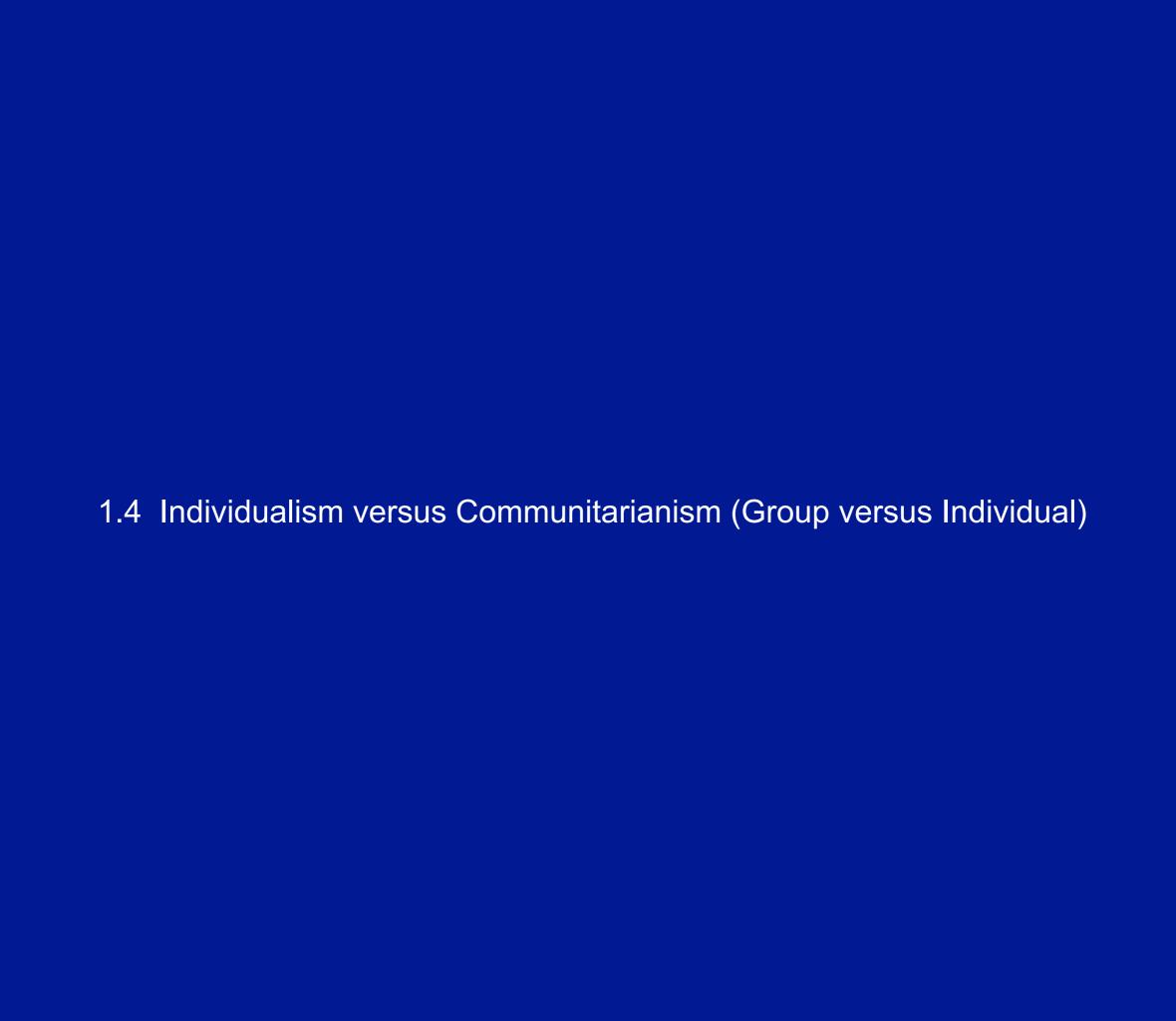
#### • Answer 4:

- A contract is a contract. It means precisely what the terms say.
- If the world price had risen we would not be crying, nor should they.
- We would, however, consider a second contract whose terms would help offset their losses."



This answer is a universalist answer but recognizing the importance of particular relations.





#### Individualist cultures:

- ! In individualist cultures, the person is believed to be more important than the group.
- ! People cherish personal freedom and initiative, individual decision and responsibility and reward personal achievement: everyone must make his own decisions and take care of himself.
- Typical individualist culture are believed to be USA, Israel, Canada, Romania.

- Communitarian cultures:
  - ! In communitarian cultures, the group is considered to be more important than the individual, because, in exchange for individual's loyalty, provides him with safety and help when needed.
  - ! Belonging to a group is cherished more than personal freedom and independence.
  - Communitarian cultures are Egypt, Mexico and India.

- Individualist cultures:
  - praise and reward is given to individual performance
  - people have enough initiative and autonomy to make their own decisions
  - peoples' needs come before those of organizations
  - people are allowed to be creative and learn from their mistakes.

- Communitarian cultures:
  - praise and reward is given to group performance
  - individual performance is not praised publicly
  - decision is rather collective
  - personal favouritism is avoided

(Trompenaars & Hampden-Turner, 1997, pp. 50-68).

The test we used for our students is the following dilemma: "Several managers were discussing whether close cooperation or fierce competition was the most salient mark of the successful enterprise. What is your response?"

#### • Statement 1:

- Competition is the supreme value of any successful economy or company.
- Attempts by major parties to co-operate usually end in collusion against one or more of them.



This answer is a radical individualist answer.

#### • Statement 2:

 Competition is the supreme value of any successful economy or company, because this involves serving customers better than our rivals, so assuring the public interest.



This answer affirms competitive individualism, but reconciles it with communitarian cooperation.

#### • Statement 3:

 Cooperation among stakeholders is the supreme value because this shared aim makes companies fiercely competitive towards outsiders, thereby fulfilling personal interests.

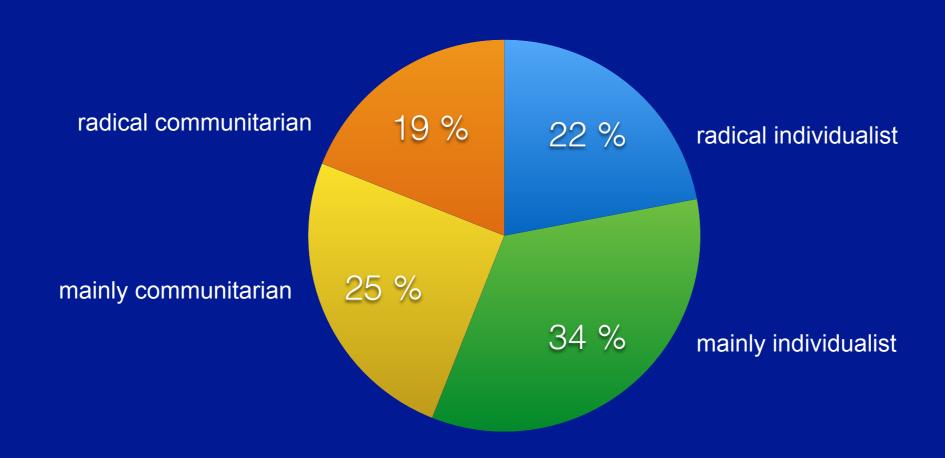


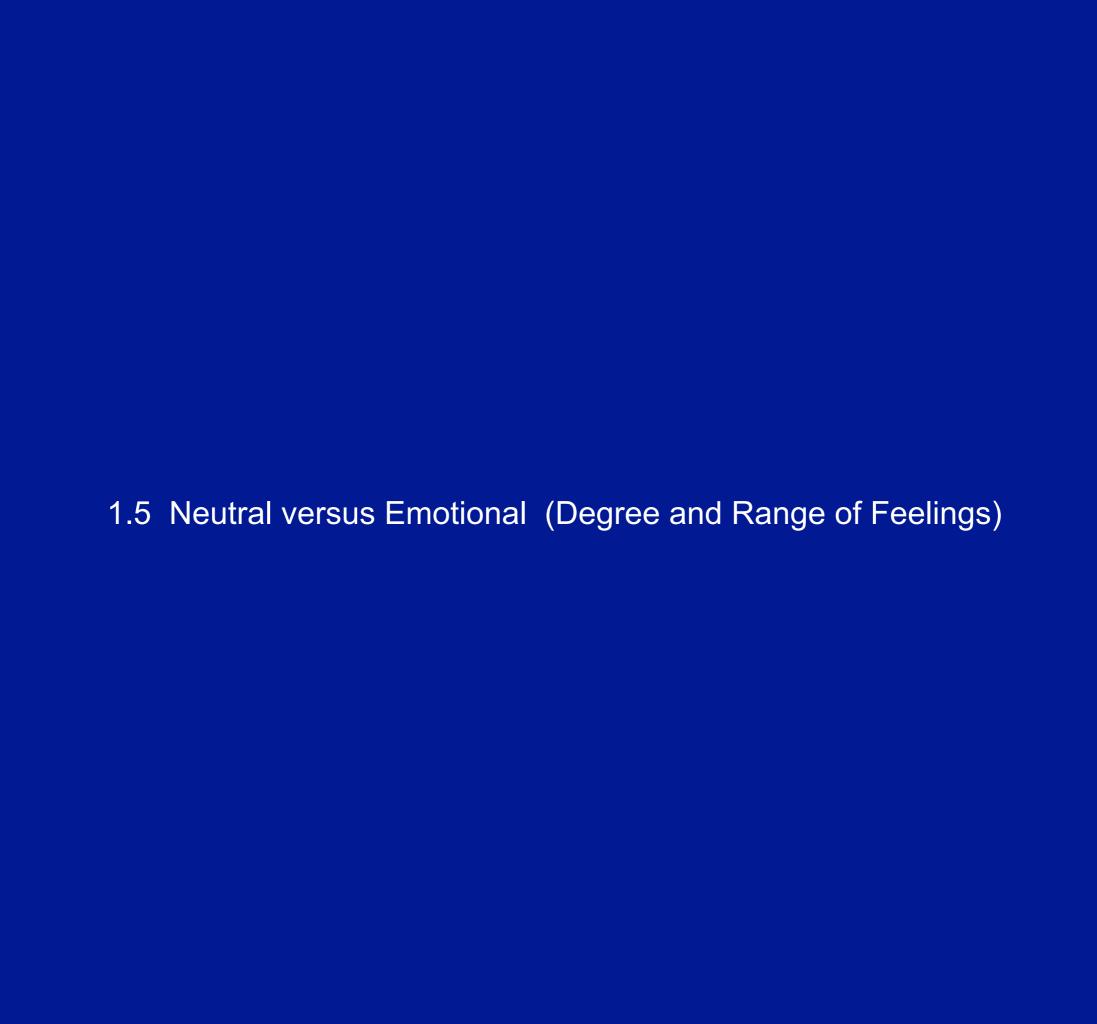
This answer asserts the preeminence of the group, but also allows the existence of competing individuals.

- Statement 4:
  - Cooperation among stakeholders is the supreme value.
  - Personal rivalry and competing for self- advancement are seriously disruptive of effective operations.



This answer is a radical communitarian answer.





#### Neutral cultures:

- People believe that they must always control their emotions, let their actions to be influenced by reason rather than sentiment and do not let others know what they are feeling.
- Here, people are expected to
  - manage their emotions rigorously
  - do not let body language to convey emotions;
  - do not let feelings interfere in professional relations
  - watch and interpret carefully other people's emotional reactions.
  - Neutral cultures are Sweden, The Netherlands, Finland and Germany.

#### • Emotional cultures:

- People are allowed to express spontaneously their feelings at work, and let them influence (at least partially) their decisions.
- They are expected to
  - open up emotionally to others
  - use emotional means to communicate to each other
  - use body language effectively
  - manage conflicts before they became personal.
  - Emotional cultures are Poland, Italy, France and Spain.

(Trompenaars & Hampden-Turner, 1997, pp. 77-78).

The test we used for our students is the following dilemma: 
"In a meeting you feel very insulted because your business counterpart tells you that your proposal is insane. What is your response?

#### • Answer 1:

• I will not show that they have hurt/insulted me, because that would be seen as a sign of weakness and would make me more vulnerable in the future.



This answer is a radical option for neutral orientation.

#### • Answer 2:

- I will not show that I am hurt because that would spoil our relationship.
- This will allow me later to tell the counterpart how much I was hurt by their comment so they might learn from it.
- I rather show my emotions when they have more chance to improve our business relationship.



This answer starts from the neutral point of view, but acknowledges the importance of emotions for a good future relationship.

## Neutral versus Emotional (Degree and Range of Feelings))

#### • Answer 3:

- I will show clearly that I am insulted so that my counterpart gets the message.
- I believe the clarity of my message will allow me to be able to control even greater emotional upset in the future.



This answer represents an affective orientation, aimed at bringing under control future affective interactions.

## Neutral versus Emotional (Degree and Range of Feelings)

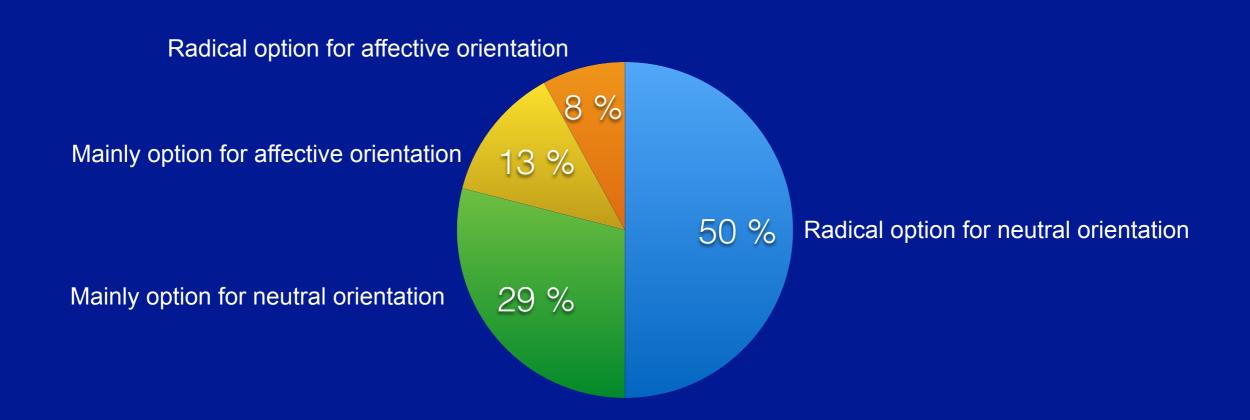
#### • Answer 4:

- I will show clearly that I am insulted so that my counterpart gets the message.
- If business partners cannot behave themselves properly they have to bear the consequences.



This answer is a radical option for the affective orientation.

## Neutral versus Emotional (Degree and Range of Feelings)



#### • Specific cultures:

- People think that their lives are a sum of parts that is best to remain separate, so the professional and personal aspects must be kept distinct, whereas interactions between people must be very well-defined.
- Keeping personal relations with others separate from professional relations means that people believe that they can very well work together without necessarily having a good personal relationship.
- Specific cultures are USA, Switzerland, Germany, Scandinavian countries, and The Netherlands.

#### Diffusely oriented cultures:

- People are more holistic, viewing the various aspects of their lives as parts that derive their meaning from the perspective of the whole, each element being related to all others, because those relationships are believed to be more important than individual elements.
- Here, peoples' personal and professional lives overlap, while they believe that having good personal connections with their business partners is an essential condition for success in this field.
- There is no clear limit between relations in the workplace and other types of social relations.
- Typical diffuse cultures are Argentina, Spain, Russia, India and China.

(Trompenaars & Hampden-Turner, 1997, pp. 99- 100).

The test we used for our students is the following dilemma:

A group of managers and financial analysts were arguing about whether profitability or ongoing stakeholder relationships, most especially between company and customers, formed the best way of monitoring organizational effectiveness.

#### • Position 1:

- Feedback within close customer relationships is the most timely advice about corporate effectiveness. Its inclusivity.
- Profits measure what is taken out of a relationship, not what is staked or contributed.



This answer is an option for diffuse orientation.

#### • Position 2:

- Feedback within close customer relationships is the most timely advice about corporate effectiveness.
- Because customers generate the funds used to pay profits, the quality of these relationships anticipates profitability.



This answer is a compromise between the two, based on a diffuse point of departure.

#### • Position 3:

 Profitability or shareholder value is the prime criterion of corporate effectiveness, because it distils in one precise and unambiguous measure the vitality and value of all activities by other stakeholders.



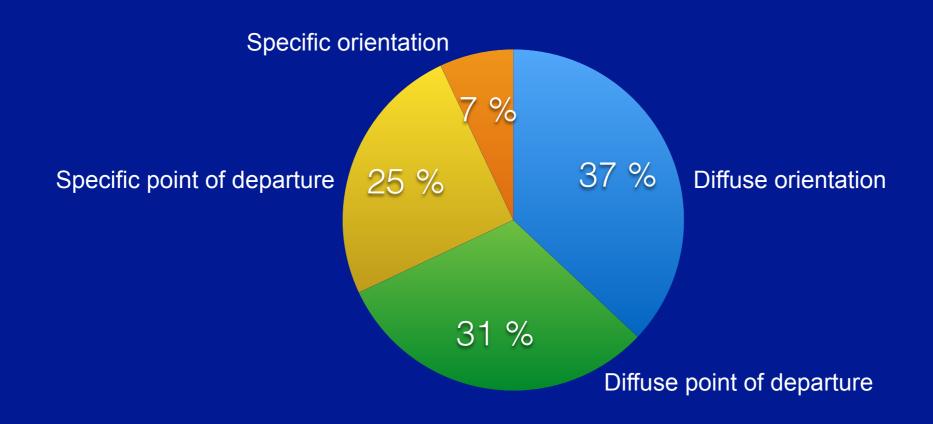
This answer is a compromise between the two, based on a specific point of departure.

#### • Position 4:

 Profitability or shareholder value is the prime criterion of corporate effectiveness, because it proclaims in one precise and unambiguous measure that labour works for capital and business exists to enrich individual owners



This answer is an option for specific orientation.





#### Achievement-oriented cultures:

- In an achievement-oriented culture, peoples' worth is evaluated on the basis of their actions and performances, and derive their social and professional status from what they have accomplished, so achieved status must be proven time and again.
- People tend to recognize, value, and reward good performance appropriately, and use titles only when relevant.
- Typical achievement cultures are USA, Canada, Australia and Scandinavian countries,

- Ascribed-oriented cultures:
- In a culture where status is ascribed, people derive it from birth, age, gender or wealth.
- Here status is not based on what a person did or does, but on who that person is.
- Since here people believe that you should be valued for who you are, titles and credentials matter the most, so they tend to use titles frequently, and to show respect to people with formal authority.
- Typical ascription cultures are France, Italy, and Japan.

(Trompenaars & Hampden-Turner, 1997, pp. 117-118).

The test we used for our students is the following dilemma:

There are different grounds for according status to employees, based on what people have succeeded in doing or on what qualities are attributed to them by the social system.

#### • Statement 1:

- Status should lie in the permanent attributes of employees, i.e. their education, seniority, age, position and the level of responsibility ascribed.
- Status should not change according to occasion or just because of recent successes.
- It reflects intrinsic worth, not the latest forays.



This answer is a radical option for ascribed status.

#### • Statement 2:

- Status should lie in the permanent attributes of employees, i.e. their education, seniority, age, position and the level of responsibility ascribed.
- Such status tends to be self-fulfilling, with achievement and leadership resulting from what the corporation values in you and expects of you.



This answer represents the belief that socially ascribed status will lead to achievement and success.

#### • Statement 3:

- Status is a matter of what the employee has actually achieved, his or her track record.
- Yet over time this deserved reputation becomes a permanent attribute, allowing success to be renewed and enabling even more achievement to occur.



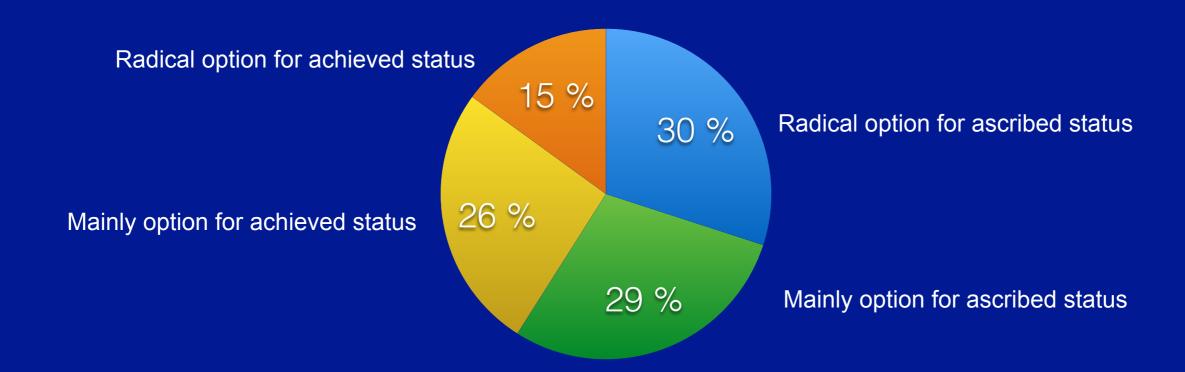
This answer represents the belief that achieved status will lead to social ascription.

#### • Statement 4:

- Achievement or success is the only legitimate source of status in business.
- The more recent the achievement, the better and more relevant it is to current challenges.
- Achievement gets its significance from the humble nature of the individual's birth and background, and from beating the odds."



This answer is a radical option for achieved status.



#### • Sequential time cultures:

- People tend to understand the structure of time as being sequential, inflexible and to assign different importance to past, present and future.
- For them, the order of events happening is important, the value of time is high ("time is money") and the value of punctuality, planning, and respecting a schedule is accordingly high.
- Typical sequential-time cultures are: Germany, the U.K., and the U.S.A.

- Synchronic time cultures:
  - People see the past, present, and future as interlocked periods so they tend to work on several projects at once, and view plans and commitments as flexible, because they think time itself is a flexible frame.
  - Typical synchronous-time cultures include Japan, Argentina, and Mexico

(Trompenaars & Hampden-Turner, 1997, pp. 119-138).

The test we used for our students is the following dilemma:

Some managers are arguing about the best ways of improving cycle time and getting products to market when they are needed.

- View 1:
  - It is crucial to speed up operations and shorten time to market.
  - Time is money.
  - Enemies of tighter schedules and faster deliveries are too much talking and relating to each other.



This answer is a radical option for sequential orientation.

- View 2:
  - It is crucial to speed up operations and shorten time to market.
  - The faster jobs are done the sooner you can "pass the baton" to colleagues/customers in the relay race.



This answer represents an option for sequential orientation, but connects it to synchronic managed processes.

#### • View 3:

- Just-in-time synchronization of processes and with customers is the key to shorter cycle times.
- The more processes overlap and run simultaneously the more time saved.



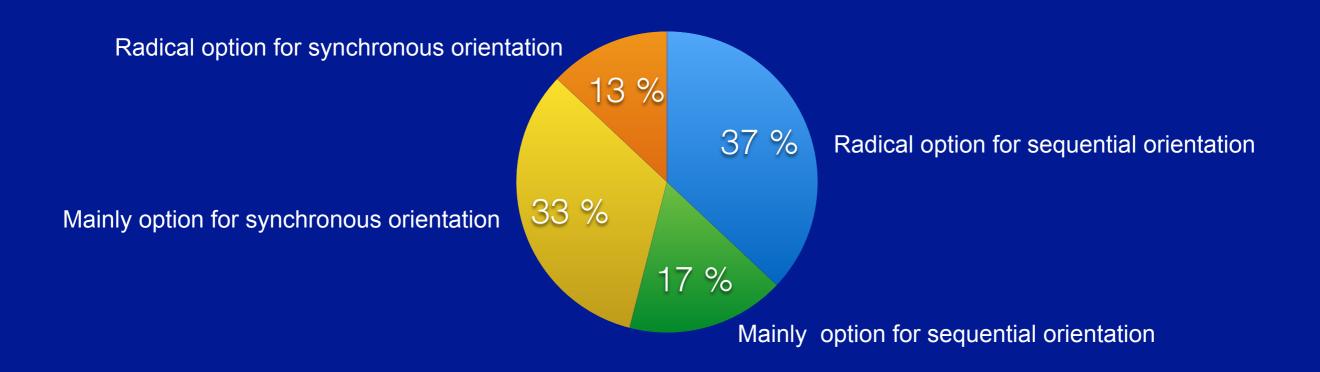
This answer represents an option for synchronous orientation, but connects it to high-speed sequential managed processes.

#### • View 4:

- Just-in-time synchronization of processes and with customers is the key to shorter cycle times.
- Doing things faster results in exhaustion and rushed work



This answer is a radical option for synchronous orientation.



#### Inner-directed cultures:

- Here we talk about the degree to which people believe they control their environment, or are controlled by it.
- In an inner-directed culture, people think of nature as a complex mechanism that is immense, but can be controlled if they have the right expertise ("knowledge is power").
- I They believe that humans can and have the right to dominate nature, if they make the effort.
- This way of thinking however, refers not only to natural environment, but also to the social one, namely the way how individuals work with teams and within organizations.
- The way we treat other people will be the same as the way we treat nature.

#### Outer-directed cultures:

- People have an organic (as opposed to the previous mechanistic one) view of nature.
- ! It is again a holistic perspective, where man is viewed as only one of nature's forces and should therefore live in harmony with the others and the environment.
- People therefore believe that they must rather adapt themselves to external circumstances and have to work together with their environment to achieve goals.
- In the context of their relation with the social environment, such as in the workplace or in relationships, they should focus their actions on others, and avoid conflict where possible

(Trompenaars & Hampden-Turner, 1997, pp. 141-154).

The test we used for our students is the following dilemma:

"Several senior strategists were discussing whether strategy should be devised at the top of the corporation and "cascaded down" to be implemented locally, or emerge from the grassroots and successful interfaces with customers.

#### • View 1:

- No one dealing with customers is without a strategy of sorts.
- Our task is to find out which of these strategies work, which don't and why.
- Devising our own strategy in the abstract and imposing it downwards only spreads confusion.



This answer is a radical option for an outer-directed strategy/orientation.

- View 2:
  - No one dealing with customers is without a strategy of sorts.
  - Our task is to find out which of these strategies work and then create a master strategy from proven successful initiatives by commending and combining the best.



This answer represents an option for outer-directed orientation, but connects it to inner-directed strategy.

- View 3:
  - To be a leader is to be the chief devisor of strategy.
  - Using all the experience, information and intelligence we can mobilize, we devise an innovative strategy and cascade it down to be vigorously implemented.



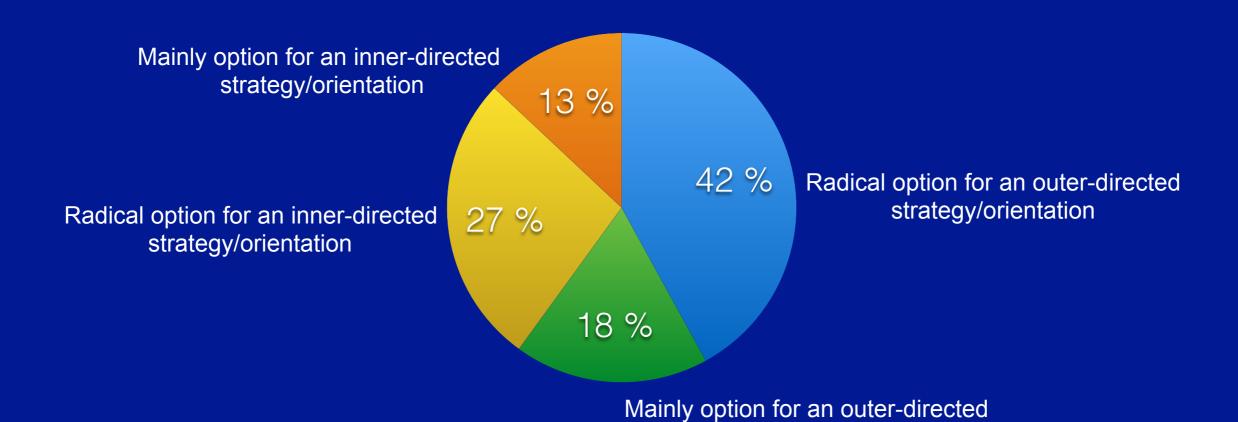
This answer is a radical option for an internal-directed strategy/orientation.

#### • View 4:

- To be a leader is to be the chief devisor of strategy.
- Using all the experience, information and intelligence we can mobilize, we create a broad thrust, leaving it to subordinates to fit these to customer needs.



This answer represents an option for internal-directed orientation, but connects it to an outer-directed strategy.



strategy/orientation



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