





Executive Summary

Employing Hofstede's model as our basis of analysis on Singapore, Hong Kong, Japan and France, it was found that the countries had the following:

| | Singapore  | Hong Kong  | Japan  | France  |
|----------------------------------|--|--|--|---|
| Power Distance | High | High | Moderately High | High |
| Uncertainty Avoidance | Low | Low | High | High |
| Individualism vs Collectivism | Low | Low | Moderately Low | High |
| Masculinity vs Femininity | Moderately Low | Moderately High | High | Moderately Low |
| Long-term vs Short-term | Moderately Low | High | High | N/A |

The findings above have enabled the group to analyse and compare the expectations of the respective countries on their Management in terms of planning, leading, organising, staffing and controlling. We realised the intricacy that the cultural dimensions posed to the way Management run their operations, but most importantly, this project helped us realise the importance of understanding cultural values in international management.

1. Introduction

With globalisation, the world gets smaller each day. People, with distinct backgrounds, are coming together to achieve common goals. One example would be the European Union (E.U.). Although globalisation has “merged” people, their cultures are not so readily integrated. This could prove detrimental to the common good of globalisation.

As defined by Hodgetts and Luthans (1997), culture is the acquired knowledge that helps to generate and make sense of social behaviour. Today’s managers must understand and be able to handle situations arising from cultural differences in order to steer their teams toward the desired direction. It will also aid in the execution of managerial functions of leading, planning, controlling, staffing and organising with greater effectiveness.



This assignment is an analysis on the implications arising from cultural differences (on an organisational basis) that poses an effect on the expectations of various nationalities on management.



1.1 Cultural Models

There are two main cultural models that are helpful in analysing the cultural differences amongst the chosen nationalities. The first is Hofstede's model of cultural dimensions, and the second is Trompenaars' parameters for cultural differences.

1.2 Hofstede's Model

Hofstede researched four of these dimensions and the fifth was a collaboration with Bond. The five dimensions are: Power Distance; Uncertainty Avoidance; Individualism versus Collectivism; Masculinity versus Femininity; Long-term versus Short-term Orientations.

These five dimensions help to compare across cultures:

| | |
|--|---|
| Power Distance | The desirability or undesirability of inequality |
| Uncertainty Avoidance | The extent of tolerance towards ambiguous situations or uncertainties |
| Individualism vs. Collectivism | The cultural emphasis on individuality as oppose to cultural emphasis as a community and vice versa |
| Masculinity vs. Femininity | The dominant values of being assertive, competitive, having power, etc. as oppose to being cooperative, having equal opportunities, warmth, etc. and vice versa |
| Long-term vs. Short-term Orientations | Orientations in terms of persistency and respect for tradition as oppose to rapid fulfillment and vice versa |

1.2.1 Strengths And Limitations Of Hofstede's Model

| Strengths | Limitations |
|---|---|
| <ul style="list-style-type: none">• As homogeneity is prevalent in the organisation (IBM), it is safe to say that the only difference between staff of different nationality is their culture. Hence, it makes comparisons of cultural values possible.• The dimensions, like an oil rig drill, tap quite in-depth into cultural values.• The dimensions also hold high relevance to issues faced by the international manager, hence this model is very practical.• Other researches on cultural values were done based on this model and the findings were quite similar. Hence, it can be said that this model has been “tried and proven”. | <ul style="list-style-type: none">• Organisation only recruit and retain employees with value systems that are more or less congruent to its culture, hence findings on values may be influenced by the IBM's organisational culture.• Research was done more than a decade ago. This implies that the findings may have changed a little and the cultural values that hold true back then may not be as valid today.• There might exist overlapping connotations of the dimensions and hence when researching culture of a country with little or no data on that country, it is difficult to say which aspects of the dimensions one is looking at. |

Source: Adapted from Mead, 1999 and Mendenhall, Punnett and Ricks, 1995

1.2.2 Justification Of Using Hofstede's Model

The group has opted the use of Hofstede's model over Trompenaars' as we were convinced that it has strong cases in the cultural-values comparison studies. It also relates to national and global business culture.

The following are some reasons as to why Trompenaars' model was not chosen:

- The model provides parameters for analysing cultural differences but it does not allow comparisons across cultures.
- This model is not as stringent as the Hofstede's model in terms of homogeneity of informants, also they are not clearly defined. This will lead to inaccurate findings and the lack of depth.
- There are more parameters to analyse. This will lead to more restrictive word count problems. To counter this obstacle, all parameters can be analysed but at the expense of the depth of report content.
- Does not really provide a strong link to national and business culture.

2. Research Methodology

2.1 Objectives Of Study

The aim of this study is to identify and compare the different cultural backgrounds of France, Hong Kong, Japan and Singapore. This study also attempt to compare and contrasts the expectations of different nationalities toward leading, planning, organising staffing and controlling.



2.2 Approach To Study

2.2.1 Credit List.

| Task | Done By |
|---|---------|
| Executive Summary | |
| Introduction | |
| Research Methodology | |
| Overview of Hofstede's Model | |
| Cultural differences | |
| <ul style="list-style-type: none"> • France | |
| <ul style="list-style-type: none"> • Hong Kong | |
| <ul style="list-style-type: none"> • Japan | |
| <ul style="list-style-type: none"> • Singapore | |
| Management tasks | |
| Leading: | |
| <ul style="list-style-type: none"> • France | |
| <ul style="list-style-type: none"> • Hong Kong | |
| <ul style="list-style-type: none"> • Japan | |
| <ul style="list-style-type: none"> • Singapore | |
| Overall compilation of leading | |
| Planning: | |
| <ul style="list-style-type: none"> • France | |
| <ul style="list-style-type: none"> • Hong Kong | |
| <ul style="list-style-type: none"> • Japan | |
| <ul style="list-style-type: none"> • Singapore | |
| Overall compilation of planning | |
| Organising: | |
| <ul style="list-style-type: none"> • France | |
| <ul style="list-style-type: none"> • Hong Kong | |
| <ul style="list-style-type: none"> • Japan | |
| <ul style="list-style-type: none"> • Singapore | |
| Overall compilation of Organising | |
| Staffing: | |
| <ul style="list-style-type: none"> • France | |
| <ul style="list-style-type: none"> • Hong Kong | |
| <ul style="list-style-type: none"> • Japan | |
| <ul style="list-style-type: none"> • Singapore | |
| Overall compilation of staffing | |
| Controlling: | |
| <ul style="list-style-type: none"> • France | |
| <ul style="list-style-type: none"> • Hong Kong | |
| <ul style="list-style-type: none"> • Japan | |

| | |
|------------------------------------|--|
| • Singapore | |
| Overall compilation of Controlling | |
| Conclusion | |
| Final editing | |
| Compiling | |
| Printing and designing | |

2.2.2 Secondary Research

Secondary sources were exhausted from the following areas:

| | |
|---|--|
| Singapore Institute of Management library | Reference books, Journals, management articles. |
| National Libraries | Magazines, reference books, cultural guidebooks. |
| Newspapers | Straits times articles |
| Internet websites | Articles |

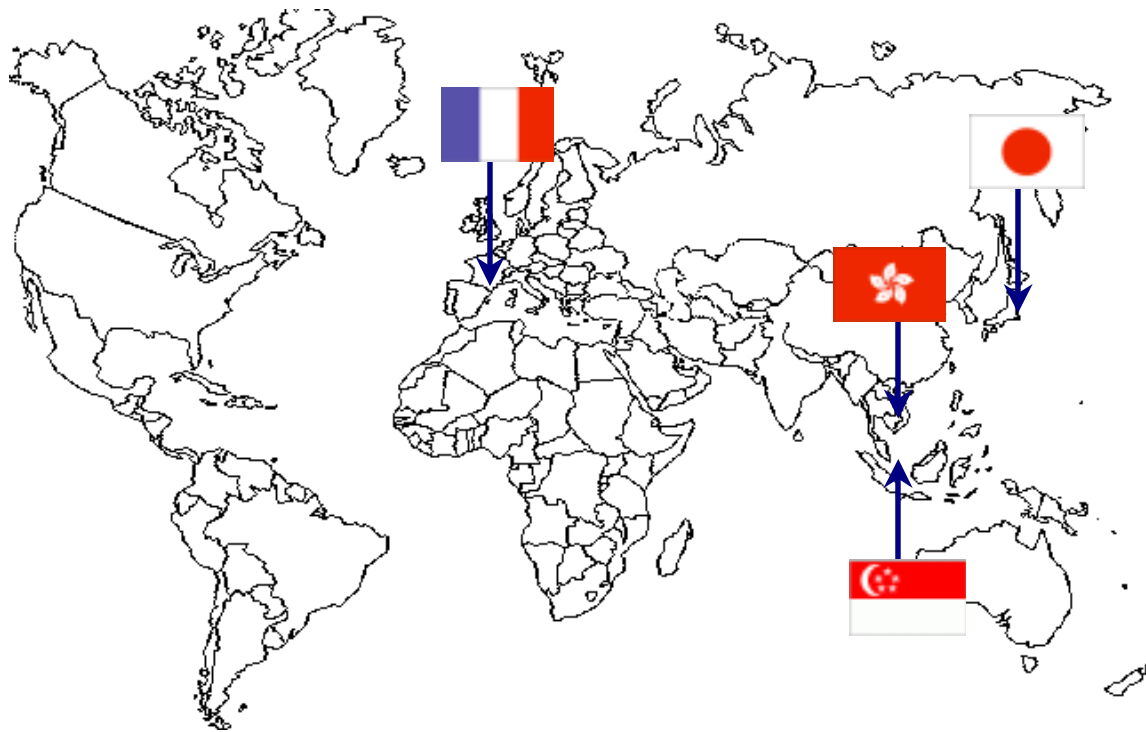
2.2.3 Primary Research

In addition to the secondary data, we have conducted telephone interviews with foreign affairs officers from the Ministry of Foreign Affairs. Interviews were also conducted with employees from multinational corporations to gain deeper understanding to the dynamics of multicultural working style. (Please refer to Appendix A for interview guide and name list).



2.2.4 Validity And Reliability Of Data

| Type Of Sources | Validity | Reliability |
|--|---|---|
| Management Textbooks Example: Cullen, J.B, 1999, <i>Multinational Management: A Strategic Approach</i> , South Western-College Publishing, Cincinnati | Moderately valid as some textbooks are published 10 years ago and information may have become out dated. | Highly reliable because theories and models have been tested again and again. |
| Newspapers Example: The Business Times | Highly valid as their research are up-to-the-minute. | Highly reliable because local newspaper are very strict on the correctness of the data. |
| The Internet Example: Drake, W., and Associates, 1997, Hofstede Dimensions In Japan/US Relationships, http://www.culturebank.com/jpn047.html , Downloaded 12 January 2001. | Highly valid as their research are up-to-the-minute and information can be posted instantaneously | Low reliability as there is chances of information posted on the internet may not be true. |
| Observation | Highly valid as information is gathered immediately. | Low reliability as there is chances of the observer including his own views into the data. |
| Culture Reference Books Example: Craig, J.M, 1997, <i>Culture Shock: A Guide To Customs And Etiquette</i> : Singapore, Times Books International, Singapore | Moderately valid as some of the books are published 10 years ago and information may have become out dated. | Highly reliable because theories and models have been tested again and again. |
| Journal Example: Journal Of Asia-Pacific Business | Highly valid as their research are up-to-the-minute | Moderately reliable as there is chances of the author including his own views into the reports. |
| Magazine Example: Today's Manager | Highly valid as their research are up-to-the-minute | Moderately reliable as there is chances of the author including his own views into the reports. |
| Interview | Highly valid as information is gathered immediately. | Low reliability as there is chances of interviewer bias. |

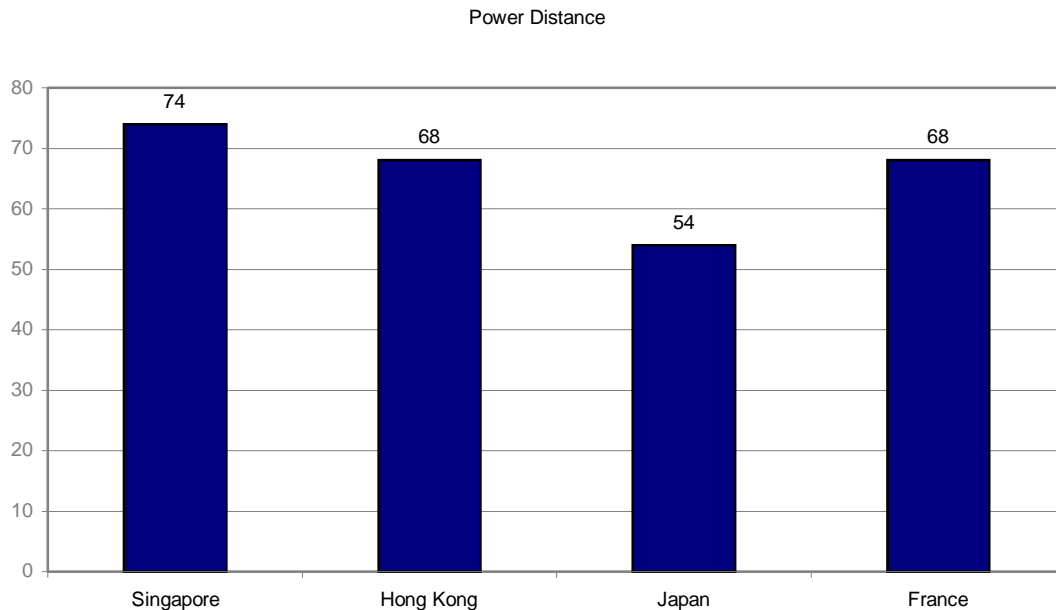


| Hofstede's Dimension / Country | Singapore | Hong Kong | Japan | France |
|--------------------------------|-----------|-----------|-------|--------|
| Power Distance | 74 | 68 | 54 | 68 |
| Uncertainty Avoidance | 8 | 29 | 92 | 86 |
| Individualism | 20 | 25 | 46 | 71 |
| Masculinity | 48 | 57 | 95 | 43 |
| Long Term Orientation | 48 | 96 | 80 | n/a |

Table 1: Percentile Ranks For Hofstede's Cultural Dimensions For Selected Countries By Cultural Cluster (100=Highest; 50=Middle)

Source: Hofstede, 1997

3. Power Distance



Power distance refers to the degree to which “power differences are accepted and sanctioned by society” (Mendenhall, Punnett and Ricks, pg293). It is a fact that people are unequal when it comes to issues of power and control. What differs significantly is how large or small these “psychological distances” are maintained at different organisational levels (<http://www.culturebank.com/jpn047.html>).

Singapore’s high power distance may be justified by Singaporeans’ upbringing. Through family upbringing and education, Singaporeans have been inculcated to obey and respect others of higher authority. This behaviour has been extended to how they behave in organisations. The high index can also be explained by the mass employment of civil servants. Government agencies have tall organisational structure with clear hierarchal job roles and since “power is overwhelmingly in the hands of one political party” (Cunha, 1994, pg 9) and how they run things, it also influences how local companies are structured.

According to Aston measures (Hickson,1997,Pg339),, Hong Kong scored twenty-seven percent higher in centralisation as compared to Western countries. Centralised decision-making without consulting subordinates and minimal questioning of higher authority has been found to be existent in Chinese cultures thus supporting high power distance (Chow, 2000).

The Japanese operates in a hierarchical system and strict obedience and respect of upper level is observed (Hodgetts and Luthans, 2000). The seniority system is a classic of the Japanese management (Shelley, 1993) (Please refer to table 2). One example is that “their salary increases with age and years of service irrespective of performance” (Shelley, 1993). Hence, Japan should be regarded as having high power distance.

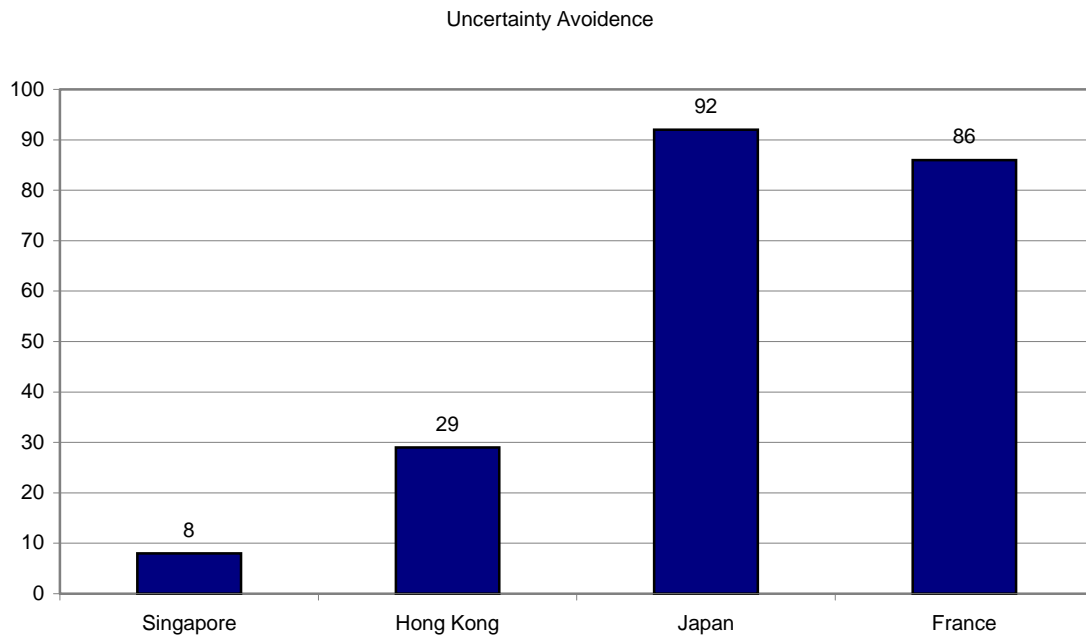
| Attribute | Effect | Source of vitality | Difficulties |
|-------------------------|--|---|--|
| Seniority System | <ul style="list-style-type: none"> ❖ Gradual promotion ❖ Equitable system of promotion ❖ Job rotation | <ul style="list-style-type: none"> ❖ Long-term incentive ❖ Boosts collective morale ❖ Sense of belonging | <ul style="list-style-type: none"> ❖ ‘Tepid’ management ❖ Promotion of low ability persons to management ❖ Elite morale low |

Table 2: The classical model of Japanese management

Source: Adapted from Hickson, 1997

Having a strong political regime of centralised authority (Wellford and Prescott, 1996), France is said to be high in power distance. This is evidently seen in French managers who see themselves as benevolent decision makers (Mead, 1998), and not expect their decisions to be challenged. Employees in turn work accordingly to what has been assigned. The long traditional hierarchical rigidity and individual respect for authority has influenced lower management to accept incongruity in status and power within organisations.

4. Uncertainty Avoidance



“Uncertainty Avoidance measures the extent to which a culture programs its members to feel either uncomfortable or comfortable in unstructured situations” (Phatak, 1997,p.156). Countries high in uncertainty avoidance like Japan and France, have higher needs for security, strong beliefs in experts and their knowledge, lower labour turnover and more written rules (Hodgetts and Luthans, 2000).

Japanese companies have traditionally harnessed lifetime employment (Please refer to table 3) practices in response to uncertainty avoiding tendencies (Griffin and Pustay, 1999). A Japanese employee is prepared to offer himself in exchange for lifelong employment, a guaranteed livelihood (Kamioka, 1993). Companies use provision of welfare benefits like company car, accommodation and birthday celebrations for workers to secure loyalty and reinforce life-employment (Shelley, 1993). These will give a sense of security to employees hence reduce uncertainties.

| Attribute | Effect | Source of vitality | Difficulties |
|----------------------------|---|---|---|
| Lifetime Employment | <ul style="list-style-type: none"> ❖ Stable tenure ❖ Job rotation ❖ Simultaneous recruitment ❖ Future abilities unknown ❖ Internal promotion | <ul style="list-style-type: none"> ❖ All in the same boat ❖ Can devote self to work ❖ Whole person contributes ❖ Sense of belonging | <ul style="list-style-type: none"> ❖ Low job mobility ❖ Small incentives to develop self and to perform well ❖ No right of dismissal |

Table 3: The classical model of Japanese management

Source: Adapted from Hickson, 1997

France's high uncertainty avoidance reflects the strong dislike French have towards uncertainties. The French make decisions after careful, quantitative analysis (Mendenhall et al, 1995). They welcome clear rules and regulations, hence a more systematic approach are preferred. However "while innovation is encouraged, this can only take place within the strict regulatory rules" (Welford and Prescott, 1996, pg 337).

In the early 80's, Hofstede's study rated Singapore's uncertainty avoidance index at 8. Evidently, Singaporeans display a high degree of tolerance for ambiguity. Moreover, the government has constantly been creating an environment to help aspiring entrepreneurs to start up their businesses. One of their key challenges is to "build a vibrant entrepreneurial culture in Singapore which thrives in creativity, nimbleness and good business sense" (Speech, Dr Tony Tan, February 3, 1999)

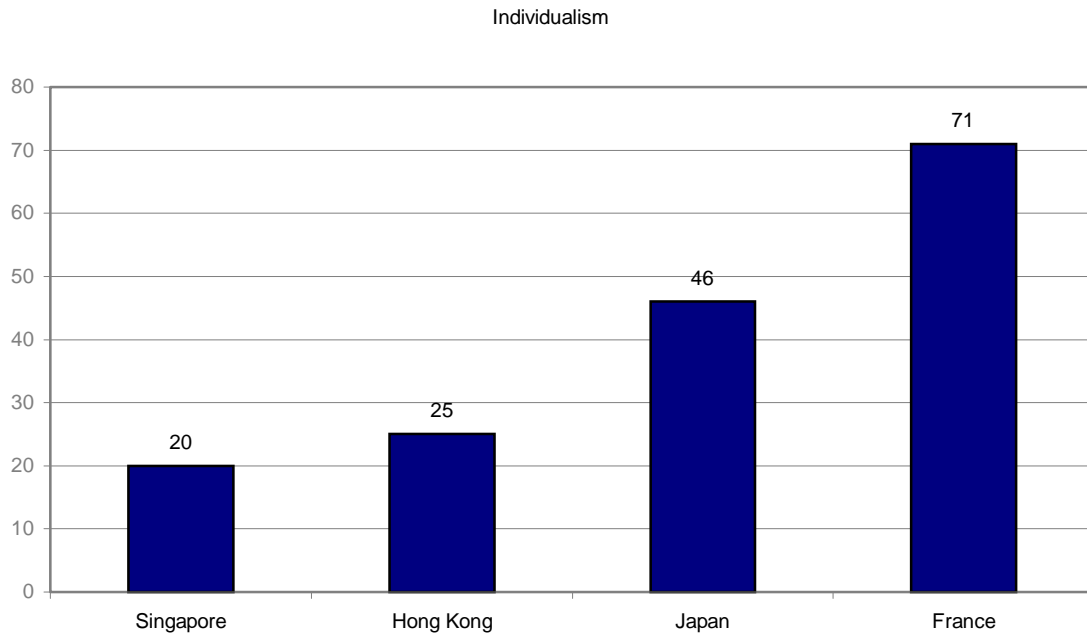
As for Hong Kong, a recent study in last year contradicts Hofstede's initial findings and are summarised below. (Please refer to Appendix B for full table)

| Variables | Hong Kong |
|-------------------------------------|-----------|
| Uncertainty Avoidance | |
| ▪ Job security | ▪ 4.04 |
| ▪ Desire for change | ▪ 3.42 |
| ▪ Taking initiative | ▪ 3.95 |
| ▪ Following policies and procedures | ▪ 4.01 |
| ▪ Job Descriptions and Job Duties | ▪ 3.68 |
| ▪ Long-term employment | ▪ 4.13 |

Table 4: Comparison of sample means
Source: Adapted and modified from Chow, 2000

The sample mean for Hong Kong's uncertainty column is above 4. What concerns them are job security, following rules and long-term employment. "This indicated that employees were less apt to reduce risk by attempting to order and structure things by imposing rules and regulations to bring order" (Chow, 2000, p34). Another possibility for the contradicted findings could be due to the influence of the Chinese Government on Hong Kongers ever since their re-unification in 1997.

5. Individualism



“Individualism is a concern for yourself as an individual as opposed to concern for the priorities and rules of the group to which you belong” (Hoecklin, 1995, pg35). Individualist cultures stress on individual achievements and rights, as people are valued based on their own achievements and status (Cullen, 1999).

Singapore is geared towards a collectivistic culture. Its government stresses the concept of communitarianism where it is the belief that collective interests should be placed above individual ones (Business Times, 25-26 December 1993). This is especially important, as she does not possess any natural resources. Sustenance is relied on neighbouring countries hence Singaporeans see the importance of standing united therefore exhibiting low individualism.

Hong Kong, being an Asian country has Confucianism inculcated into their society. The basic Confucius tenets of respect for superiors and parents, duty to family, loyalty to friends, humility, sincerity and courtesy are often applied in their daily working activities (Whitehill, 1991).

Japan reflects a moderately collectivistic culture. “Total commitment and identification to the group is a treasured cultural value” (Whitehill, 1991, p52). Supporting statistics as shown in Table 5 shows of this paradigm.

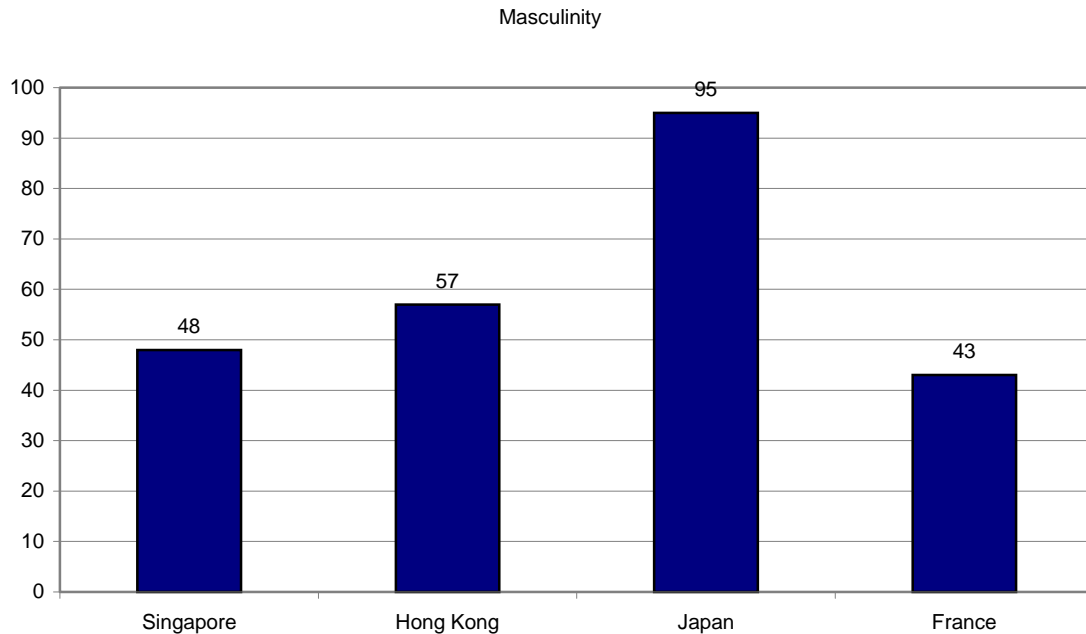
| American | | Japanese | |
|----------|----------------|----------|-------------------------|
| 1. | Competition | 1. | Group harmony |
| 2. | Innovation | 2. | Long-term relationship |
| 3. | Quality | 3. | Quality |
| 4. | Informality | 4. | Customer satisfaction |
| 5. | Technology | 5. | Conservative |
| 6. | Openness | 6. | Employees |
| 7. | Creativity | 7. | High morale |
| 8. | Customer needs | 8. | Concern for individual |
| 9. | Empowerment | 9. | Non-gambling |
| 10. | Profit | 10. | Contribution to society |

Table 5: Corporate Cultural Values
Sources: Adapted and Modified from Elashmawi, 1993

However due to the influx of western culture, a new generation of employees evolved in recent times, known as shinjinrui (new human being). This causes them to be less moral and more calculative (Mead, 1998), a sign of steering towards individualism.

France rates relatively high on individualism, as “ individuality remains an essential ingredient of French values”(Taylor, 1990, pg 55). They tend to focus on individuals and their immediate family interests. “Trust does not come easily to the French”, suspicions arise quite readily amongst colleagues and they tend to be watchful (Hoecklin, 1995).

6. Masculinity vs. Femininity



Masculinity pertains to societies in which assertiveness, material success, achievement etc are the key values whereas femininity takes on the view of modesty, caring and are concerned with the quality of life (Hofstede, 1997).

Japan, being highest on masculinity, places great importance on earnings, recognition, advancement and challenge (Hodgetts and Luthans, 2000). This causes status to be their key determinant in their organisational structure and functioning (Whitehill, 1991). They live in order to work and compete amongst colleagues (Funakawa, 1997).

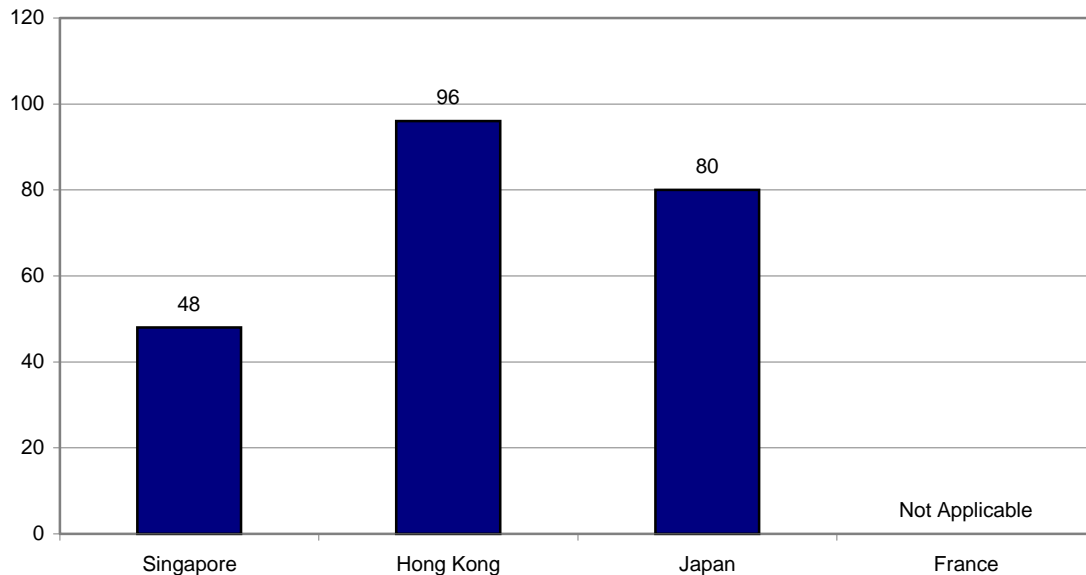
Most Hong Kongers place a higher emphasis on wealth and recognition (Hinkelman, 1994). On the other hand, there is an increasing trend of women entering into the workforce however the males still dominate the working arena. This inclination towards the masculine society could have been due to the fact that the British Colony whose masculine index is relatively high in ranking previously ruled Hong Kong.

Singapore is inclined towards the feminine society. The gender roles are less sharply distinguished as noted " women have become an essential component in the Singapore workforce" (NTUC News, December 15, 2000). No doubt Singaporeans are swaying towards a feminist culture, the dominant values of success and money are still prioritise. Recent statistics have shown that Singaporeans had made good progress in terms of their income and lifestyles (The Straits Time, February 21, 2001).

In low masculinity countries, people work relatively shorter hours, take more vacations and are generally more relaxed in their pace (Cullen, 1999). The French are well known for their “ wining and dining” and in a local article, it was reported that France has introduced a statutory maximum of just 35 working hours (Today’s Manager, Dec 2000-Jan 2001). This is suffice to say that a low rating of 43 on the Index is relatively accurate.

7. Confucian Dynamism

Long Term Orientation



“Confucian dynamism refers to long –term versus short-term orientation in life”

(Hofstede, 1997, p.164). It indicates the extent to which a society exhibits a pragmatic future-oriented perspective rather than a short-term point of view.

<http://www.afs.srg/efil/old-activities/dimjan98.htm>

Amongst the countries above, Hong Kong and Singapore possess relatively high long-term oriented cultures. This can be explained by the doctrine of Confucianism that has never ceased to exert vital influence on the Chinese way of life (Sheh, 2001).

Hong Kong does not ignore financial objectives but rather prioritise growth and long-term paybacks (Cullen, 1999). The Chinese’s deep-rooted traditions and cultural attitudes, especially Confucian-based ones, have influenced the way they work. For example, the importance of building “Guan Xi” (relations/closed connections). Building good social relationships enhances long-term profits and growth. These practices of “Qing” (the value of relationship) has cement a sense of loyalty and obtain long-term commitment from employees (Foong, 1999).

However, Singapore is less long-term orientated than Hong Kong. Reason being “the modern Singaporeans are adopting western ways and adapting them to suit their traditional Asian values” (Craig, 1997, pg 49) and this have led them to become “more liberal in attitude less rooted in ideas of antiquity” (Murray and Perera, 1996, pg 245)

Eastern cultures believe in a three steps forward and two steps back strategy may be better to ‘feel the stones under the water’ (Foong, 1999). However, the younger workforce today want to “make it” fast. They are less willing to make small steps and much less to persevere towards success.

A study by Smith and Misumi (Hickson,1997) showed that the game plan of retaining market share and growth in size is Japanese’s strategy in assuring its long-term survival. Japanese set their plans ahead as a sign of their long-term perspective (Hickson, 1997). (Please refer to Appendix C)

France’s index on this dimension was not surveyed but they are most likely to rank low. Being a highly individualistic country, the French are more likely to look after their short-term benefits rather than company’s long-term profitability. This may be justified by the fact that French value traditions and have moderate orientation towards change (Mark, 1999).





8. Planning

Planning is the process of setting goals and deciding how best to achieve them. It is also the process of allocating and arranging human and other resources so plans can be carried out successfully (Bartol, Martin, Tein and Matthews, 1998). Planning also attempts to reduce uncertainty (Hofstede, 1984), hence



countries that are low in uncertainty avoidance like Singapore and Hong Kong see corporate plans as guidelines, believing that the fewer the number of rules the better and approve of risk taking (<http://www.andrews.edu/~tidwell/bsad560/Hofstede.html>).

Having low uncertainty avoidance means that Hong Kong is prepared to take risks, so short-term planning will be practiced as they look into short-term gains. This is true in Hong Kong's financial industry. In such low uncertainty avoidance cultures, less structuring of activities and less written rules are practiced (Brock, Barry and Thomas, 2000).

Singapore have high long-term orientation hence is likely to engage in long term planning. As Singapore have no natural resources, she have to have foresight and plan ahead to be able to compete with her neighbours who are rich in natural resources.





As both countries are also relatively low on individualism, and high on power distance, decisions are mainly centralised. Hong Kong, having a paternalistic culture, will find decision-making usually concentrated at top management. "Paternalism is the policy or practice of treating and governing people in a fatherly manner, especially by providing for their needs without giving them rights or responsibilities" (The Sunday Times, 4 February 2001, pg 34). No one will challenge the owners' decisions and will accept it. They just let the owners do the decision-making and planning (Hickson, 1997).

Countries that have strong uncertainty avoidance, such as Japan and France feel that it is important to follow corporate plans, have more formal rules and prefer minimal risk. (<http://www.andrews.edu/~tidwell/bsad560/Hofstede.html>). France is inclined towards short-term planning and operational basis rather than strategic to curb uncertainties (Schneider and Barsoux, 1997).

The design of French organisation reinforces the isolationist behaviour (Mendenhall et al, 1995) thus French managers are expected to do planning on their own most of the time. Should the manager attempt to engage in a more participative planning, he would probably not be seen as a leader.

Long-term planning is one of Japan's distinguishing qualities (Hickson, 1997). One of its attributors could be high uncertainty avoidance. This explains the presence of long-term employment and use of stringent rules. Since these are favoured, long-term planning is required. High uncertainty avoidance cultures will use substantial resource investments in planning (Brock et al, 2000). For example, "a Japanese multinational enterprise will consist of a large headquarters facilitating comprehensive, long-term, top-down planning." (Brock et al, 2000, p694). Employees who want long-term employment will also wish for their companies to do long-term planning so as to provide such staff with security.

8.1 Summarised Cultures' Perception On Planning

| | Singapore  | Hong Kong  | Japan  | France  |
|--------------------------|---|---|--|--|
| Strategies Issues | Risk tolerant | Risk tolerant | Risk Adverse | Risk Adverse |
| Time Horizon | Long Term | Short-range | Long Term | Short-range |



9. *Leading*

“Leading is the process of influencing people to direct their efforts towards achievement of some particular goals” (Hodgetts and Luthans, 2000, pg 363).



Employees in high power distance countries like France, Singapore and Hong Kong will expect authoritarian leadership and tend to be submissive to authority. “French are critical of orders but willing to accept big power difference” (Hickson, 1997, pg 108)

However, French are not robbed of their right to air their opinions. Being “active communicators” (Hall, 1995), French has a habit of expressing their opinions (Morrison and Conaway, 1997), but they are quite willing to ‘let the boss decide’ what to do. Thus French leaders set orders, but also create opportunities for suggestions. “Japanese too when viewed on the surface appeared authoritarian but bosses work hand in glove with employees in problem-solving” (Bloom, Calori and Woot, 1997, pg 54).

This sets the path for paternalistic leadership that may be more preferred as it carries the motto “ work hard and the company will take care of you” (Hodgetts and Luthans, 2000). This motto will help reduce uncertainty, in the form of security. It also justifies the role of a leader, in a relatively feminine culture, to safeguard employees’ well-being (Schneider and Barsoux, 1997). Feminine culture emphasize on promoting quality of life and the use of paternalistic leadership complements the situation as this style couples strict control with employees’ welfare. This applies to France and Singapore who are femininity inclined and leisure loving.

The French, being highly individualistic would be motivated best with intrinsic rewards. As French are seldom willing to sacrifice the enjoyment of life out of dedication to work (Harris and Moran, 1991), the notion of competition would be a flop but the offer of

vacations would effectively motivate. Therefore, French managers are expected to use a relatively flexible leadership style that uses the “carrot” and not the “cane”.

In collectivist societies like Singapore, Japan and Hong Kong, employees tend to be more emotionally dependent upon one another and group decisions are made and they are motivated and rewarded as a team rather than individuals.

9.1 Summarised Cultures' Perception On Leading

| | Singapore  | Hong Kong  | Japan  | France  |
|-------------------------|--|--|---|---|
| Leadership Style | Paternalistic | Paternalistic | Paternalistic | Paternalistic |
| Motivation | Social | Social | Security | Social |
| Rewards | Group | Group | Group | Individual |





10. Organising

"Organising is determining what tasks are to be done, who is to do them, how the tasks are to be done, who reports to whom, and where decisions are to be made" (Robbins, Bergman and Stagg, 1997, pp8)



With Singapore and Hong Kong identified as having high power distance and low uncertainty avoidance. There is no clear line drawn as to what type of structure the management should adopt, however, the most preferred structure would be that of a personnel bureaucratic structure (Mead, 1998). Since the concept of 'my staff is my family' (Hickson, 1997, p334) is evident in Hong Kong and Singaporean culture, the employees would expect the management to employ a personnel bureaucracy approach.





Having Singapore and Hong Kong under the influence of Confucius teachings on Chinese cultures where the head of the family is always the dominant core, both Singapore and Hong Kong are more willing to accept inequality in positions, ranks and status. Thus, it is often seen that organisation is normally hierarchical in relationships. Such relationships if taken for granted by the management will often lead to organisational ineffectiveness (Mead, 1998).

Japan and France are both high in power distance and uncertainty avoidance. Under such a combination of dimensions, it is expected of the management to implement a full bureaucratic structure, which requires the organisation to be more centralised in decision-making and having a greater emphasis on the rules and regulations to govern behaviours of employees so as to reduce uncertainties (Mead, 1998).

French organisations take on a more rigid structure than other countries in Europe. "The organisation represents a 'pyramid of people' (formalised and centralised)" (Schneider and Barsoux, 1997, pg 83).

Traditionally, France is a culture with high Uncertainty Avoidance, hence organisations tend to emphasize strongly on rules and regulations. This reinforces the already rigid structure and might impede work progress. However, things started to be different in recent times as Schneider and Barsoux (1997) discovered. The French are now getting things done by circumventing hierarchies and rules. Informal relationships and personal networking are fast gaining popularity in getting things done in France nowadays.

This system, known as “Systeme D”, gives the French’s bureaucratic model its flexibility. (Please refer to Appendix D)

| 10.1 Summarised Cultures’ Perception On Organising | | | | |
|---|---|---|---|--|
| | Singapore  | Hong Kong  | Japan  | France  |
| Centralisation/Decentralisation | Centralisation | Centralisation | Centralisation | Centralisation |
| Degree of Formalisation | Moderately Formalised | Moderately Formalised | High Formalisation | High Formalisation |
| | Personnel Bureaucracy | | Full Bureaucracy | |
| | High Power Distance and Low Uncertainty Avoidance | | High Power Distance and High Uncertainty Avoidance | |



11. Controlling

“Controlling is the process of regulating organizational activities so actual performance conforms to expected organizational standards and goals” (Bartol et al, 1998, Pg 526).



France and Japan scoring high in power distance and uncertainty avoidance tend to take on a full bureaucracy structure (Please refer to table 6). This implies the employment of a narrower span of control (Bartol et al, 1999) by managers.

| | Low power distance | High Power Distance |
|----------------------------|---|--|
| Low uncertainty Avoidance | Preferred design: Adhocracy Representative country: Great Britain | Preferred design: Family bureaucracy Representative country: China, Hong Kong |
| High uncertainty Avoidance | Preferred design: Professional Bureaucracy Representative country: Germany | Preferred design: Full Bureaucracy Representative country: France |

Table 6: National Culture and preferred Organisational Designs
Source: Adapted and Modified from Cullen, 1999

French derives control from the hierarchy (Schneider and Barsoux, 1997). With tighter supervision, employees have the luxury of referring ambiguities to their managers. The latter are expected to use bureaucratic control through work procedures and guidelines to run the workplace (Cullen, 1999).





Studies have shown that “most Japanese organisations favour cultural control over bureaucratic control mechanisms” (Cullen, 1999, p. 351). They are operating more in consensus bureaucracy where control is done by cultural mechanism through sharing

information and values. This builds on supporting their basic national cultural value, self-discipline.

Similarly scoring high in power distance but low in uncertainty avoidance, Singaporeans and Hong Kongers tend to see their organisation as traditional families (Hoecklin, 1995) operating under family bureaucracy. In Hong Kong, the effect of Confucianism has developed a hierarchical working environment in which employees see their boss as a ruler and a father (Hinkelman, 1994).

In both countries, employees view themselves more as a part of a family unit than an individual, clan control that capitalises on peoples' need to belong to a group (Aldag and Stearns, 1991) would also be effective. Hence a combination of bureaucratic and clan control (please refer to Appendix E for characteristics) would be expected of management in both the countries. Working along such continuum, employees enjoy the flexibility to exercise their discretions while being conformed to parameters stipulated by management.

11.1 Summarised Cultures' Perception On Controlling

| | Singapore  | Hong Kong  | Japan  | France  |
|------------------------------|--|--|---|---|
| Organizational Design | Family Bureaucracy | Family Bureaucracy | Full Bureaucracy but incline towards Consensus Bureaucracy | Full Bureaucracy |
| Type of control | On a continuum of bureaucratic and clan control | On a continuum of bureaucratic and clan control | Bureaucratic control however incline towards cultural control | Bureaucratic control |



12. Staffing

Staffing is the process of attracting and selecting individuals for positions facilitating organisational goal achievement (Bartol et al, 1996). It includes recruitment and selection, training and development and compensation and performance appraisal. (Griffin and Pustay, 1999)



In the internationalisation of business and rapid technological changes, organisations have increased the need to be competitive. To maximise the already tight labour market in Singapore, Hong Kong and Japan, the organisations should be able to recognise that people prefer to work for organisations that are able to make decisions based on what is best for the group and in a warm and friendly environment.

When hiring, employees in collectivistic nation such as Singapore, Hong Kong and Japan it is important to note that managers prefer employees who can work as a team and be loyal to the group. The ability to work cooperatively is highly valued. Also employees in the collectivist culture value authority and seniority, they would expect their management to hire personnel who have assertive-authority and who is of a respectable age to lead them.

In France, employees will be recruited based on how creative and productive they can be on individual performance. French values knowledge and individual performance capabilities (Harris and Moran, 1991). In addition, being high in power distance French employers are therefore expected to recruit staff that are willing to accept disparities in their salaries and benefits that their job and status differences (Cullen, 1999).

Japan, Hong Kong and Singapore value group harmony, achievement and the important of relationships. Hence, employees going for training would expect that the related training would be able to help them improve themselves and make themselves a valuable asset to the organisation. They do expect management to send them for trainings.





French being individualistic, trainings for the employees should cater for their individual achievement and needs. Training should focus on practical information that can be directly applied to specific objectives. Results should be measurable and achieved in short terms (Elashmawi and Harris, 1993).

With Hong Kong and Japan having masculine culture, employees would expect management to provide them with the opportunities for promotions, recognition and rewards. However their promotions and salary scale are often measured by seniority rather than their competencies.

Having a feminist culture, the French would expect management to place more emphasis on quality of life for staff rather than physical success, promotions or monetary rewards. The statutory law of a maximum of 35 hrs of work per week (Today's Manager, Dec 2000-Jan 2001) for French workers has reinforced the notion of ensuring employees welfare.

Singapore dwells between masculine and feminine culture, values harmony and monetary rewards. They expect their management to provide them with a conducive and friendly environment to work in but at the same time an opportunity for career advancements. Rewards for employees should be based more on improving the quality of life of employees and better monetary terms.

12.1 Summarised Cultures' Perception On Staffing

| | Singapore  | Hong Kong  | Japan  | France  |
|---|--|--|---|---|
| Recruitment and Selection | Team-oriented | Team-oriented | Team-oriented | Individual performance |
| Training and Development | Group discussion and sharing | Group discussion and sharing | Group discussion and sharing | Individual achievement and needs |
| Compensation and Performance Appraisal | Seniority and Competency | Seniority | Seniority | Competency |

13. Conclusion

Emergence of 'inter-marriages' of companies across cultures has indicated the need for international managers to change the way they carry out their duties. Cultural differences are inevitable and should be treated sensitively. Hofstede looked into this aspect and reported his findings. However, these findings should be taken with a pinch of salt as culture does not stand still. What was apparent in the 70s and 80s may not be so today. There may be new things for the international manager to discover and learn. On the other hand, Hofstede's findings act as a stepping-stone for managers to explore and understand the roots of cultural differences before they embark on international issues.



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