Globalization Competencies
Intercultural Management

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Faculty of Mathematics and Economics University Ulm

polymundo - Consultancy for Globalization
Content

1. Globalization and Culture?! 
2. Culture – What is that? 
3. Intercultural Management!
Forms of Globalization

- Economy
- Technique
- Ecology
- Politics
- Environment
- Environmental Consciousness
- Environmental Crisis
- World Production
- World Trade
- World Market
- World Communication
- World Information
- World Standards
- World Politics
- World Society
- World Culture
Definition Globalization

"Globalization is the continuous interlinking process of different worldwide happening occurrences in the fields of economy, technique, politics, culture and social aspects of nations with interlinked inter-dependencies and consequences."

Stehr, C. (2003), p. 47
Multi-dimensional Process

The cultural Process?

Cultural Homogenization? → World Culture?

Cultural Heterogenization?

Clash of Civilizations?

Cultural Glocalisation

Global Homogenization  Local Heterogenization

Glocalisation

„Think globally, act Locally“

Summary

Forms of Globalization!
Cultural Form of Globalization!
Global Heterogenization
Local Homogenization

(Cultural) Glocalisation!
Content

1. Globalization and Culture?!
2. Culture – What is that?
3. Intercultural Management!
Culture - Definition (I)

„Culture is communication and communication is culture.“

Hall, E. (1990), p. 186
Culture – Definition (II)

“Culture is the collective programming of the human mind that distinguishes the members of one human group from those of another. Culture in this sense is a system of collectively held values.”

Hofstede, G. (2004), p. 2
Culture - Definition (III)

„Culture is a shared system of meanings. It dictates what we pay attention to, how we act and what we value. Culture organizes such values into what Geert Hofstede calls „mental programs“.“

Culture as a collective System

- Enables individuals and groups to deal with each other and the outside world
- Shared Values, Beliefs, Norms, Assumptions and Perception
- Transmitted by Rituals, Behavior, Symbols, Communication, Artifacts, Art and Technology

→ Cultural Standards
Culture – Values and Practices

Outer rings are the visible signs of culture

Inner rings are the hidden feelings of culture

www.managingchange.co

Individual and Culture

Culture Shock

Based on Oberg, K. (1960) and Gullahorn, J. T./Gullahorn, J. E. (1963)
Summary

Values, Norms, Beliefs, Assumptions, Perception, Rituals, Symbols, Behavior and Communication, Artifacts, Art, Technology
Content

1. Globalization and Culture?!
2. Culture - What is that?
3. Intercultural Management!
Why Intercultural Management?

Globalization

Ecology

Technique

Politics

Politics / Law

Economy

Social

Culture

International Management

“Think globally, act Locally”
External Factors

Worst Case Example

In 1969, Coca-Cola proudly assigned one of its toughest and most successful U.S. managers to France to deal with its newly acquired distribution system. He spoke no French, had never visited France and took pride in the fact that he would “Americanize” the French market. Eighteen months later, he was reassigned home. It was not that his ideas were wrong or badly implemented, but that his lack of cultural awareness got in the way of his effectiveness.
Intercultural Management Skills

- Understand: Nature of Culture, its Influence on Behavior (in the Workplace)
- Knowledge: about specific Cultures
- Recognizing: Differences Between Cultures
- Implementation of structures
## Intercultural Competencies

<table>
<thead>
<tr>
<th>Cognitive</th>
<th>Affective</th>
<th>Conativ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Knowledge:</td>
<td>Social Skills:</td>
<td>Implementing:</td>
</tr>
<tr>
<td>- Countries</td>
<td>- Sympathy</td>
<td>- Communication</td>
</tr>
<tr>
<td>- Culture</td>
<td>- Empathy</td>
<td>- Language</td>
</tr>
<tr>
<td>- Cultural</td>
<td>- Tolerance</td>
<td>- Behavior</td>
</tr>
<tr>
<td>Systems</td>
<td>- Open Minded</td>
<td></td>
</tr>
</tbody>
</table>
How to measure Culture?
How to compare Cultures?

Based on Barmeyer, Ch. (2000)
Cultural Dimensions

Cultural Standards

Cultural Dimensions (Values and Behavior)

Extreme 1 – Extreme 2
Three Concepts

◆ 4-D-Concept from Hall

◆ 5-D-Concept from Hofstede

◆ 7-D-Concept from Trompenaars
4 Dimensions - Hall

- Context-Orientation
- Space-Orientation
- Time-Orientation
- Message
## Context-Orientation

<table>
<thead>
<tr>
<th>Low-Context</th>
<th>High-Context</th>
</tr>
</thead>
<tbody>
<tr>
<td>Messages/Information are explicit, direct and unambiguous</td>
<td>message is part of the context / indirect Information</td>
</tr>
<tr>
<td>Values: Individualism</td>
<td>Values: Group Sense</td>
</tr>
<tr>
<td>Direct verbal interaction less nonverbal expressions</td>
<td>Indirect verbal interaction more nonverbal expressions</td>
</tr>
</tbody>
</table>
High-Context vs. Low-Context

www.genderwork.com
High-/Low-Context Cultures

High-Context vs. Low Context

To give an idea of where different cultures fall on the context scale, diversity specialists often organize them in a loose linear format like the one below.

www.genderwork.com
5 Dimensions - Hofstede

- Power Distance
- Individualism vs. Collectivism
- Masculinity vs. Femininity
- Uncertainty Avoidance
- Long Term vs. Short Term Orientierung
Power Distance

Power distance focuses on the degree of equality or inequality between people in the country or society.
# High/Low Power Distance

<table>
<thead>
<tr>
<th></th>
<th>Low PDI</th>
<th>High PD</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Value</strong></td>
<td>People’s Equally</td>
<td>Respect for Status</td>
</tr>
<tr>
<td><strong>Inequality</strong></td>
<td>Minimized</td>
<td>Needed</td>
</tr>
<tr>
<td><strong>Key Element</strong></td>
<td>Decentralization</td>
<td>Centralization</td>
</tr>
<tr>
<td><strong>rights</strong></td>
<td>Equal</td>
<td>Power holders entitled to Privileges</td>
</tr>
<tr>
<td><strong>powerful people</strong></td>
<td>Try to look less powerful</td>
<td>Try to look as powerful as possible</td>
</tr>
<tr>
<td><strong>older people</strong></td>
<td>Not respected</td>
<td>Respected</td>
</tr>
</tbody>
</table>

PD - Index

Uncertainty Avoidance

Uncertainty Avoidance focuses on the level of Avoidance or Tolerance for Uncertainty and Ambiguity within the Society.
# High vs. Low UA

<table>
<thead>
<tr>
<th>Value</th>
<th>High UA</th>
<th>Low UA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exploration</td>
<td>Certainty</td>
<td>Exploration</td>
</tr>
<tr>
<td>Distinction</td>
<td>True or False</td>
<td>Urgent or Not</td>
</tr>
<tr>
<td>Key Element</td>
<td>What is different is dangerous</td>
<td>What is different causes curiosity</td>
</tr>
</tbody>
</table>

UA - Index

Long vs. Short Term Orientation

Time-Orientation focuses on the degree the Society embraces long- or short-term devotion to traditional or forward thinking Values.
## Long/Short Term Orientation

<table>
<thead>
<tr>
<th></th>
<th>Long Term</th>
<th>Short Term</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Value</strong></td>
<td>Long Term Benefits</td>
<td>Saving Face</td>
</tr>
<tr>
<td><strong>Distinction</strong></td>
<td>Serve Goals</td>
<td>Proper or Not</td>
</tr>
<tr>
<td><strong>Key Element</strong></td>
<td>Tradition and History</td>
<td>Quick Results are expected</td>
</tr>
</tbody>
</table>
LTO - Index

7 Dimensions - Trompenaars

- Universalism vs. Particularism
- Individualism vs. Collectivism
- Neutral vs. Emotional
- Defuse vs. Specific
- Achievement vs. Ascription
- Human-Time Relationship
- Human-Nature Relationship
Individualism vs. Collectivism

This Dimension focuses on the Degree the Society reinforces Individual or collective Achievement and interpersonal Relationships.
**Individualism and Collectivism**

<table>
<thead>
<tr>
<th>Value</th>
<th>Individualism</th>
<th>Collectivism</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>Individual Freedom</td>
<td>Group Harmony</td>
</tr>
<tr>
<td>Distinction</td>
<td>Me/Others</td>
<td>In/Out Group</td>
</tr>
<tr>
<td>Key Element</td>
<td>The Task is important</td>
<td>Relationships is important</td>
</tr>
</tbody>
</table>

# IDV – Index?

<table>
<thead>
<tr>
<th>Country</th>
<th>Culture</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA</td>
<td>Individualism</td>
</tr>
<tr>
<td>Canada</td>
<td>Individualism</td>
</tr>
<tr>
<td>Great Britain</td>
<td>Individualism</td>
</tr>
<tr>
<td>Germany</td>
<td>Individualism</td>
</tr>
<tr>
<td>Mexico</td>
<td>Collectivism</td>
</tr>
<tr>
<td>Brazil</td>
<td>Collectivism</td>
</tr>
<tr>
<td>Indonesia</td>
<td>Collectivism</td>
</tr>
</tbody>
</table>

Cultural Dimensions – Critique?

- Qualitative insights rather than Quantitative Data

- Useful in Understanding of different Cultures, Situations and Relationships
Summary

Intercultural Competencies
Intercultural Management
Cultural Dimension (Hall, Hofstede, Trompenaars)

Orientation
Summary

1. Globalization and Culture?!
2. Culture – What is it?
3. Intercultural Management!
Thank you very much for your attention
Sources (I)


Sources (I)