
Business Strategies Part II – Chapter 5

(Company)Culture

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- Global Governance -
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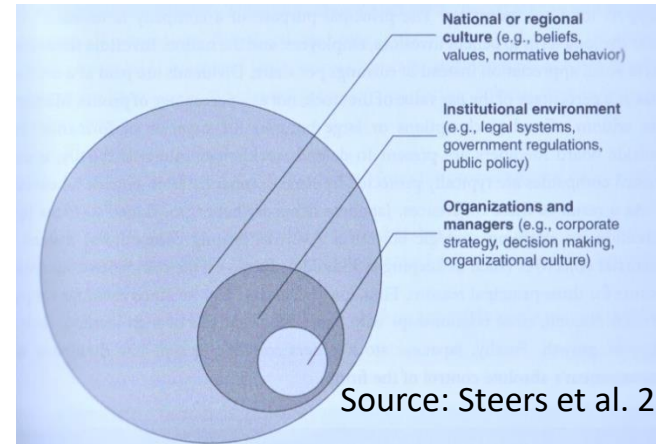
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5.1. Statements

- *“Organizational culture may either replicate or reject national culture values and norms.”* (Steers et al. 2013, p. 137)
- *“The business of international business is culture.”* (Hofstede)
- *“Water is the last thing a fish notices.”* (Lao Tzu)
- *“(Some) Managers seem to be more motivated by obtaining power than by achieving results.”* (Lassere 2012, p. 315)

Bkup: Organization of MNCs

**Different
environments for
a company**



Source: Steers et al. 2013, p.95

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5.2. Hofstede

Cultural dimension

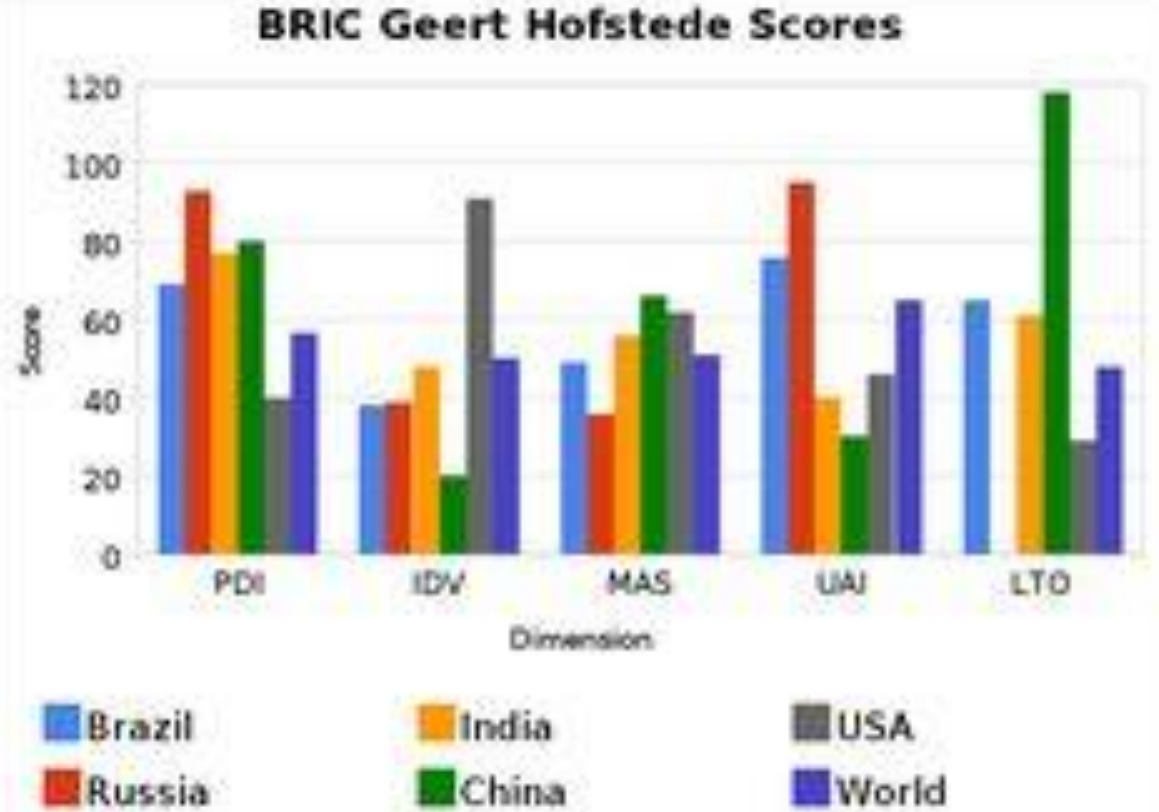
Power distance

Individualism and
collectivism

Masculinity-femininity

Uncertainty avoidance
(UAI)

Confucian dynamism



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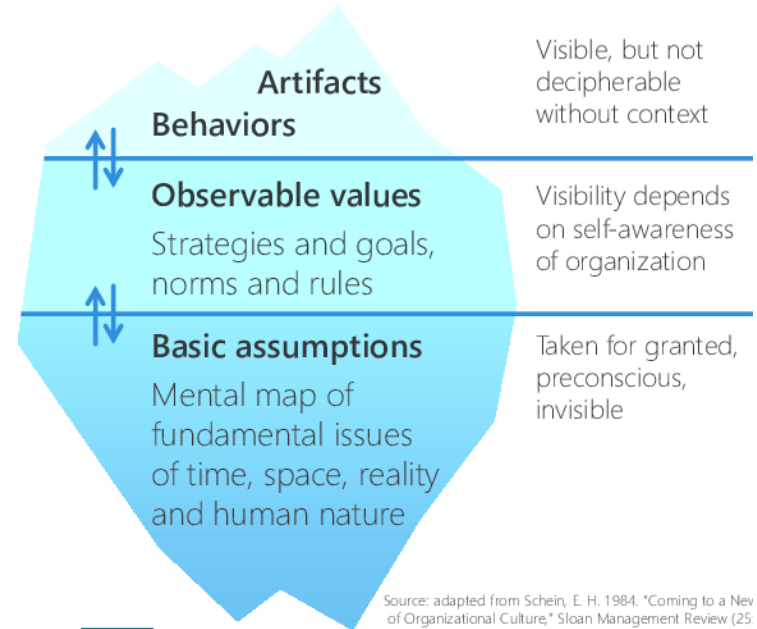
5.3. Theory jungle

Researchers: G. Hofstede; F. Trompenaars; E. T. Hall/ M. R. Hall; GLOBE-Group; E. H. Schein, F. R. F. R. Kluckhohn/ F. L. Strodbeck

Important items/ questions:

- Time: Polychronic vs. monochronic
- Individualistic vs. collectivistic
- Relationships vs. rules
- Hierarchy vs. egalitarianism
- What means “truth”?
- What means “performance”?

Discuss examples of company cultures



Ed Schein: <https://www.youtube.com/watch?v=6ZB3jJIGWuk>



5.4. Impacts of Cultural Differences I

**High context
cultures**



Cultures in which
non-verbal and situational
messages transport the
meaning.
Status of an individual is of
paramount importance in
determining relationships

vs.

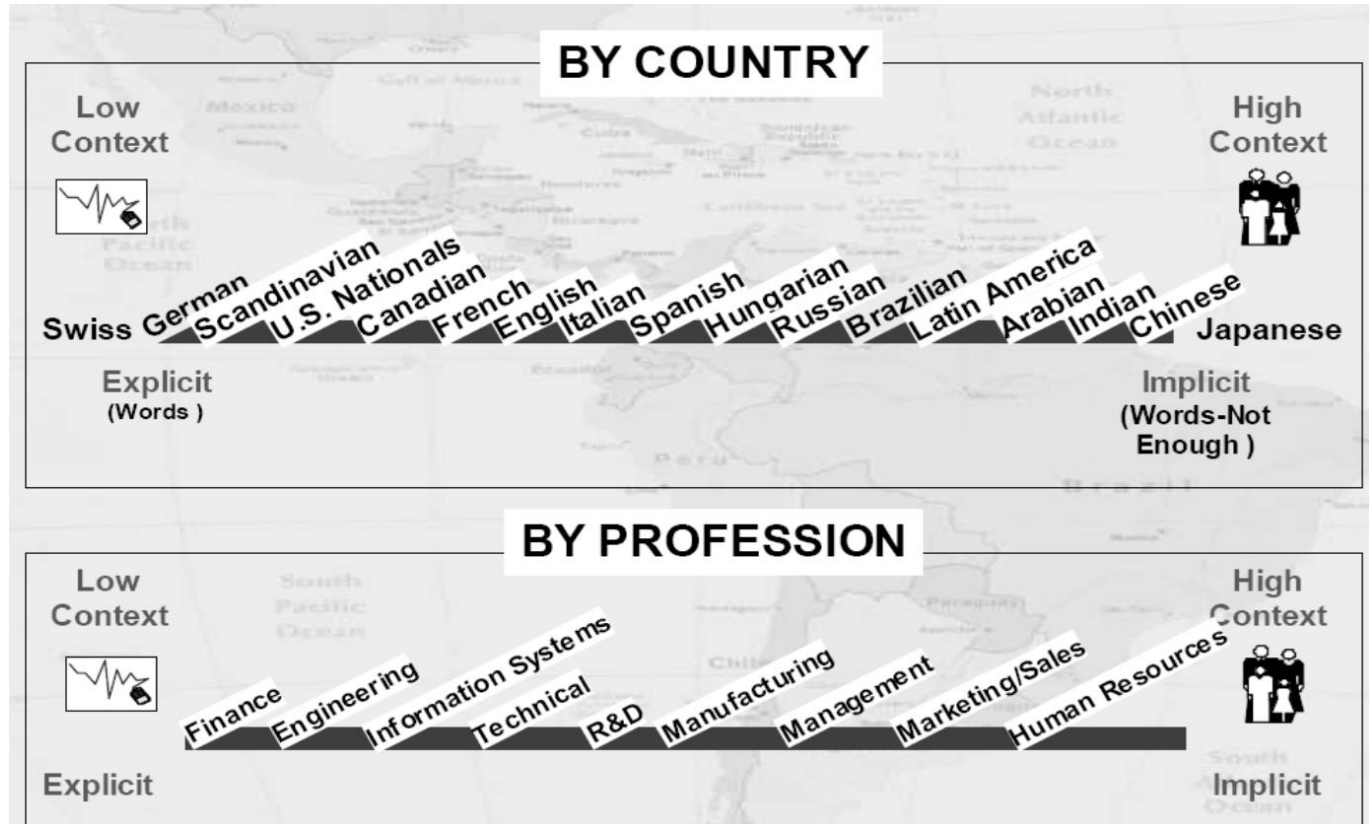
**Low context
cultures**



Cultures in which
words transport the meaning.
Non-verbal messages are less
important than spoken words.

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5.4. Impacts of Cultural Differences II



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5.4. Impacts of Cultural Differences III

➡ How should I negotiate?



➡ How should I treat working time issues?



➡ How should I motivate?



➡ What is accepted as “real” performance?



➡ How should I communicate?



➡ How is the issue of equal opportunities between genders?



a) Language

- Is it necessary to learn other foreign languages besides English?



- Learning a foreign language is a sign of respect.
- No “small talk” without basic language knowledge.
- Language transmits the culture.
- “Challenging” the team in English is okay, but leaders must show own engagement.
- Language teachers as teachers for national cultures.

5.5. Communication Skills I

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