International Journal of Cross Cultural Management

Editorial : Cross Cultural Management in the Age of Globalization

Published by:

$SAGE

http://www.sagepublications.com

Editorial
Cross Cultural Management in the Age of Globalization

Allan Bird

Northeastern University, Boston, USA

Tony Fang

Stockholm University School of Business, Sweden

Globalization is reshaping our modes of thinking and ways of behaving and fostering cultural change in societies. While some scholars (cf. Harrison, 2006; Harrison and Huntington, 2000) may argue over a 'clash of cultures', it seems just as relevant to focus on the ways in which cultures may learn from each other, even inspire each other where the beauty of cultural differences and cultural collisions is applauded (Fang, in press; Soderberg and Holden, 2002). At the same time, some scholars argue that a world culture (Lechner and Boli, 2005) or global culture (Arnett, 2002; Bird and Stevens, 2003) is emerging and that it threatens the existence of national cultures.

This special section on 'Cross Cultural Management in the Age of Globalization' aims at providing a forum to examine what globalization means for cross cultural management with a special focus on the evolution of our understanding of national culture and cultural change. We attempt to avoid a simplistic and sweeping 'either-or' debate over convergence vs. divergence. Instead, we give importance to understanding the paradoxical and evolving conceptualizations of cultures and their implications for cross cultural management theory and practice.

To put the discussion into perspective, it is useful to consider the changing trends in the cultural research pantheon. In the 19th century, Sir Francis Galton first introduced the problem of cultural group independence in his work on correlation. He noted that cultural groups could not be considered truly independent from one another because the processes of cultural transfusion created relationships that cannot be easily disentangled (Lindridge, 2005). Consequently, research came to focus on cultures *in toto* with few attempts to make substantive comparisons across cultures.

In the 1950s cultural change was already attracting scholarly attention, and 'cultural ecology', where culture is conceptualized as a phenomenon evolved in response to natural environment, emerged as a promising area of research in anthropology (Steward, 1955). In the 1970s cultural research underwent vigorous theoretical development in anthropology, with critics calling for 'thick description' of culture to be anchored in the context of social life (Geertz, 1973). Keesing (1974) distinguished between the ecological theory of culture (cultures seen as adaptive systems) and the ideational theory of culture (cultures seen as cognitive, structural and symbolic systems). At the same time, the call went out for efforts to tackle the complex phenomenon of culture by 'cutting . . . the culture concept down to size . . . [into] a narrowed, specialized, and . . . theoretically more powerful concept' (Geertz, 1973: 4).

In 1980 Geert Hofstede published *Culture's Consequences* and established a fundamental shift in how culture would be viewed, thereby ushering in an explosion of empirical investigations into cultural variation. Hofstede's impact was at least fourfold: 1) he successfully narrowed the concept of culture down into simple and measurable components by adopting nation-state/national culture as the basic unit of analysis; 2) he established cultural values as a central force in shaping managerial behavior; 3) he helped sharpen our awareness of cultural differences; and 4) his notion of cultural value frameworks was adopted by others involved in large scale studies, e.g. the GLOBE project (Chokar et al., 2007). The impact of Hofstede's paradigm is reflected in his second edition of *Culture's Consequences* (2001), which identified over 1900 studies based on the original volume.

With increasing globalization, however, Galton's problem emerged once again. When it is possible to listen to Portugese *fado* music while dining in a Cuban-Chinese fusion restaurant in New York City and discuss the impact of J-pop clothing styles on Paris couture fashion design, maybe it is time to stop, reflect and explore the ways we think about culture. Bird and Stevens (2003) suggested that in a global context it may be irrelevant to talk in terms of national cultures. While well known critiques exist concerning the use of nation-states as the basic unit of analysis (e.g. McSweeney, 2002; Soderberg and Holden, 2002), we intend to adopt a less radical stance here, preferring instead to consider more expansive conceptualizations of culture and its impact.

To better understand the workings of culture in today's borderless and wireless cross cultural management environment, Fang (2003, 2005–2006) introduced the Oriental philosophy of Yin Yang to cross cultural theory building and crafted an 'ocean' metaphor of culture as an alternative metaphor to Hofstede's 'onion' metaphor of culture. Culture is perceived as having a life of its own full of paradox and change in a dialectical movement. Based on the Yin Yang philosophy, Fang (2005–2006: 77–78) proposed that opposite values (symbolized, for example, as '+Vi' and '–Vi') can coexist within the same culture and society and argued that 'human beings, organizations, and cultures intrinsically embrace paradoxes for their sheer existence and healthy development'.

It seems that globalization has given rise to a paradoxical movement of cultures. On the one hand, emergent global cultures transcend national boundaries and cultures. On the other hand, the synchronizing power of the Internet and wireless digital technologies provide local companies and indigenous cultural values with unprecedented global exposure. Two broad constructs seem to have been driving the paradoxical movement of cultures: (1) *cultural ecology* with uniquely embedded local political institutions, climate, language, traditions and customs; and (2) *cultural learning* of values and practices as a consequence of cultural clashes in the marketplace and cyberspace of globalization, foreign direct investment (FDI), and

the Internet. Cultural ecology contributes to containing cultures, making them a special, idiosyncratic and unique phenomenon; whereas cultural learning contributes to opening cultures, pushing them towards a common, non-idiosyncratic and globally interwoven phenomenon. Moreover, cultural ecology is not without dynamic implications. Global warming matters: the current debates on ecological challenges in terms of global warming and sustainable human development are reshaping the way we value our management and our life in general. Cultural learning can also give rise to the renewed meanings of indigenous components in local ecological settings. As such, cultural ecology and cultural learning integrate with each other and coexist within each other to shape a dynamic identity of cultures.

With this idea in mind, we sought submissions for this special section that would push cross cultural management scholars to consider fresh ways of thinking about and studying the influence of culture on management in the age of globalization. The three articles in this section do just that. They depart from the most commonly accepted approaches used in studying culture in managerial contexts.

The first article by Tipton emphasizes change in national identities and cultures. It critiques the static typologies of culture advocated by Geert Hofstede and attaches importance to contextual and temporal factors in the study of national culture. It argues that because of the Internet and mobile phones, common interests, common meanings, common values and common culture can be created among people of different cultures. The article brings to light two considerations that have either been left unstudied or ignored. The first is that values, though important, represent just one aspect of culture. He notes that there are other aspects of culture, namely identity, that are also deserving of attention. The notion that culture is inextricably linked to individual identity has been acknowledged and closely studied (cf.

Erez and Earley, 1993). What has not been addressed is the linkage between culture and national identity. The second consideration he focuses on is how governments or political leaders are keen on, and capable of, engineering national cultures to a great extent even in the process of globalization. Tipton analyzes the development of national identity – linking it closely to national culture – in Germany, Japan and the United States and demonstrates that this was part of a conscious, concerted effort.

The possibility of engineering national identity or culture opens up a host of issues that global companies have tended to shy away from due to a belief that corporations should avoid, to the extent possible, disturbing the natural order of cultural systems. Growing out of the darker side of multinational business expansion in the immediate post-World War II period and extending into the 1970s, this view has remained dominant as we move forward in the 21st century. Tipton's article re-opens debate on this question. At the same time, it also draws attention to the likelihood that nation states are not passive participants in the globalization process, but rather may well be consciously engaged in ongoing efforts at shaping emergent national identities. If that is the case, global managers need to display greater awareness of, and sensitivity to, governmental visions and actions.

The second article, by Chevrier, continues with the political perspective. She argues that national culture is meaningful even in the global economic context. But national culture is defined not in terms of 'shared values' but in terms of 'national political culture'. Taking Switzerland as an example, Chevrier shows how people in a culturally heterogeneous society may achieve workable national norms by eliciting agreements cross-culturally but *intra*-nationally, thereby demonstrating how people should function within a multicultural society and within a multicultural organization. If nation-state is perceived as a large organization, Chevrier's argument, in a

sense, may be interpreted as lending support to Hofstede and colleagues' (Hofstede et al., 1990) observation that employees in multi-national organizations need not agree upon or change their values, they need only agree upon their work practices. In a similar fashion, citizens of a nation need not necessarily come to agreement on shared values, provided they can reach agreement on the 'citizenship practices' that will allow a pluralistic society to function smoothly. Chevrier's article reminds us of an important perspective of culture from anthropology, that is, seeing culture as a set of practices (Bourdieu, 1977). In an age of increasing globalization and anticipated clashes of culture the article inspires us to give importance to politically-driven practices by which managers in global firms can not only lead their multicultural units to more effective performance, but also engage local cultures and sub-cultures in efforts to foster a new type of citizenship behavior.

The third article by Van de Vliert, Einarsen, Euwema and Janssen invites us to return to the origins of anthropological perspectives of culture and recognize the consequences of ecology in shaping communal answers to fundamental questions of life and societal organizing. They argue that, though the economic system may be more globalized, the impact of the environment – particularly climate – cannot be ignored or marginalized. Environment makes a difference in thinking and behavior, and it cannot be escaped. The article implies that even in the age of globalization where borderless and wireless knowledge transfer and cultural learning are taking place, there is a chance that unique features of each nation-state and each national culture will remain due to the ecological limits to globalization. This view of culture and globalization opens up debates on how to design and implement strategies based on an understanding of the dynamic interplay between cultural ecology and cultural learning in globalization.

As a whole, the three selected articles both

remind us and also offer fresh perspectives of the contextual nature of culture. In doing so, they respond to a call for more sophisticated understandings of culture (Osland and Bird, 2000) that are generative of better theory-building and more appropriate to an age of globalization.

These articles also help to stimulate new questions, for example: Is the return to conceptualizing culture in terms of politics or practice and away from the overwhelming emphasis on values the only way out towards better understanding of cultural change in the increasingly pluralistic societies of the 21st century? Hong and colleagues (Hong et al., 2000) have argued that the rise of people who are 'frame switching' – shifting cultural filters and behaviors as they are crossing back and forth between two or more cultures – may also influence cultural change within cultures. It is reasonable to ask how they might relate to the sort of cultural development that Tipton and Chevrier both address. In a related vein, several authors have called for more attention to be devoted to cultural paradox (Fang, 2005–2006; Osland and Bird, 2000), that is, paradoxical values and behavioral orientations coexisting within one and the same culture. How might paradox and attempts to resolve it reflect and lead to cultural change?

The intent of this special section was not to answer old questions, but to ask new ones. To that end, the three articles herein represent a healthy start to a new conversation. We now ask you, the reader, to join in and carry the conversation forward.

References

Arnett, J.J. (2002) 'The psychology of globalization', *American Psychologist* 57(10): 774–783.

Bird, A. and Stevens, M.J. (2003) 'Toward an emergent global culture and the effects of globalization on obsolescing national cultures', *Journal of International Management* 9(4): 395–407.

Bourdieu, P. (1977) *Outline of a Theory of Practice*. Cambridge: Cambridge University Press.

Chokar, J.S., Brodbeck, F.C. and House, R.E. (2007) *Culture and Leadership Across the World: The GLOBE Book of In-depth Studies of 25 Societies*. Mahwah, NJ: Lawrence Earlbaum Associates.

Erez, M. and Earley, C. (1993) *Culture, Self-identity and Work*. New York: Oxford University Press.

Fang, T. (2003) 'A critique of Hofstede's fifth national culture dimension', *International Journal of Cross Cultural Management* 3(3): 347–368.

Fang, T. (2005–2006) 'From 'Onion' to 'Ocean': Paradox and Change in National Cultures', *International Studies of Management & Organization* 35(4): 71–90.

Fang, T. (in press) 'Asian Management Research Needs More Self-Confidence: Reflection on Hofstede (2007) and Beyond', *Asia Pacific Journal of Management*.

Geertz, C. (1973) *The Interpretation of Culture*. New York: Basic Books.

Harrison, L.E. (2006) *The Central Liberal Truth: How Politics Can Change a Culture and Save It from Itself*. New York: Oxford University Press.

Harrison, L.E. and Huntington, S.P. (2000) *Culture Matters: How Values Shape Human Progress*. New York: Basic Books.

Hofstede, G. (1980) *Culture's Consequences: International Differences in Work-Related Values*. Los Angeles, CA: Sage.

Hofstede, G. (2001) *Culture's Consequences: Comparing Values, Behaviors, Institutions and Organizations across Nations,* 2nd edn. Los Angeles, CA: Sage.

Hofstede, G., Neuijen, B., Ohayv, D.D. and Sanders, G. (1990) 'Measuring Organizational Cultures: A Qualitative and Quantitative Study Across Twenty Cases', *Administrative Science Quarterly* 35: 286–316.

Hong, Y.Y., Morris, M.W., Chiu, C.Y. and Benet-Martinez, V. (2000) 'Multicultural Minds: A Dynamic Constructivist Approach to Culture and Cognition', *American Psychologist* 55: 709–720.

Keesing, R.M. (1974) 'Theories of Culture', *Annual Review of Anthropology* 3: 73–97.

Lechner, F.J. and Boli, J. (2005) *World Culture: Origins and Consequences*. Malden, MA: Blackwell.

Lindridge, A. (2005) 'Galton's problem' In *The Blackwell encyclopedia of management*, Vol. IV

McSweeney, B. (2002). 'Hofstede's Model of National Cultural Differences and Their Consequences: A Triumph of Faith – A Failure of Analysis', *Human Relations* 55(1): 89–118.

Osland, J.S. and Bird, A. (2000) 'Beyond Sophisticated Stereotyping: Cross-cultural Sensemaking in Context', *Academy of Management Executive* 14: 1–12.

Soderberg, A.M. and Holden, N. (2002) 'Rethinking Cross Cultural Management in a Globalizing Business World', *International Journal of Cross Cultural Management* 2(1): 103–121.

Steward, J.H. (1955) *Theory of Culture Change: The Methodology of Multilinear Evolution*. Urbana, IL: University of Illinois Press.

ALLAN BIRD is in the College of Business Administration at Northeastern University, Boston, USA.
[email: a.bird@neu.edu]

TONY FANG is in the Stockholm University School of Business, Sweden.
[email: tony.fang@fek.su.se]