

# **A Study of the Interaction Between National and Corporate Culture in a Selection of Irish Based Companies**

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A Study of the Interaction Between National and Corporate Culture in a  
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**Abstract**

This research studies the phenomenon of national and corporate culture. National culture is the culture the members of a country share and corporate culture is a subculture which members of an organisation share (Schein, 1992).

The objective of this research is to reveal if the employees within equivalent Irish and American companies share the same corporate and national culture and to ascertain if, within each company, there is a link between national culture and corporate culture.

The object of this study is achieved by replicating research which was conducted by Shing (1997) in Taiwan. Hypotheses and analytical tools developed by Shing are employed in the current study to allow comparison of results between Shing's study and the current study.

The methodology used, called for the measurement and comparison of national and corporate culture in two equivalent companies within the same industry. The two companies involved in this study are both located in Ireland and are of American and Irish origin. A sample of three hundred was selected and the response rate was 54%.

The findings from this research are: (1) The two companies involved had different corporate cultures, (2) They had the same national culture, (3) There was no link between national culture and corporate culture within either company, (4) The findings were not similar to those of Shing (1997).

The implication of these findings is that national and corporate culture are separate phenomena therefore corporate culture is not a response to national culture.

The results of this research are not reflected in the findings of Shing (1997), therefore they are context specific. The core recommendation for management is that, corporate culture should take account of national culture. This is because although employees recognise the espoused values of corporate culture (Schein, 1992), they are at the same time influenced by a much stronger force, their national culture.

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## **List of Abbreviations**

<b>(FDI)</b>	<b>Foreign Direct Investment</b>
<b>(IDA)</b>	<b>The Industrial Development Authority</b>
<b>(MNC)</b>	<b>Multinational Corporation</b>
<b>(SPSS)</b>	<b>Statistical Package for the Social Sciences</b>
<b>(EU)</b>	<b>European Union</b>
<b>(et al)</b>	<b>et alii</b>

## Statement of Authenticity

The undersigned, Kerry Larkin, hereby declares that the research presented in this dissertation is his own and has never been submitted for any degree in any other institution.

A handwritten signature in black ink that reads "Kerry Larkin". The signature is written in a cursive style with a large, sweeping underline that loops back under the name.

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# Chapter 1. Introduction

## **1.1 Background to the Research**

The purpose of this research is to reveal how corporate and national cultures meet and interact in an international context. In recent years there has been a high level of interest in the fields of corporate and national culture. Corporate culture was identified by Jacques (1952) and Harrison (1972) who both recognised it as an internal variable and later Peters and Waterman (1982) identified culture as a key to the success of an organisation.

National culture, the culture which one is socialised into from a early age through upbringing, religion, schooling and all the elements that make up a society, is deeply entrenched in the psyche of all peoples. Share and Tovey (2003) assert that no matter how hard someone from outside the nation tries to become Irish it is usually impossible for them to do so perfectly.

Many academics agree that a link exists between corporate and national cultures (Maznevski and Distefano 1995; Hofstede 1980; Schein 1985). Schein's (1985) model shows that national culture is part of corporate culture and according to this model there are three levels at which corporate culture is manifest.

1. (A) Artefacts
1. (B) Patterns of Behaviour
2. Beliefs and Values
3. Underlying Assumptions

The first two levels may be manipulated by management to create a corporate culture. The last of the levels, the deeper

underlying assumptions include (a) the human relationship to nature; (b) The nature of reality and truth; (c) the nature of human relationships; (d) the nature of human nature and (e) the nature of time and space. These basic assumptions reflect a wider national culture. They are carried by people and become part of what makes up each corporate culture. Schein (1992) concurs with this view and believes that it is *“unlikely for a corporate culture to subscribe to a drastically different set of beliefs and assumptions from that of the national culture, or beliefs and assumptions that are totally incongruent with the national culture”*.

## **1.2 Research Problem and Questions**

This research project specifically examines corporate and national culture within two multinational companies, one Irish and one American. The implication of using an Irish and American company is that the Irish company may be used as a control against which the findings in the American company can be compared. It would be expected that both companies, being in the same industry and operating under similar labour and economic conditions, would exhibit similar national and corporate cultures. All other factors being equal, if different results are found in both companies, then this will be evidence that each company is operating in accordance with the differing values inherent in each culture and not because of other variables which could influence the results.

### **The Research Problem is,**

What is the relationship, if any, between national and corporate culture in the organisations studied?

This study replicates work conducted in Taiwan by Shing (1997). Replication entailed the use of instruments and hypotheses which



had been previously developed and used in Shing's work . There are two types of replication, direct and systematic. Direct replication means conducting identical research and systematic replication means conducting similar research but not identical research (McBurney, 2001). This research project is a systematic replication and poses the following research questions in order to shed some light on the above mentioned problem.

### **Primary Research Questions**

1. Do two companies of differing nationalities within the same industry adhere to the same corporate culture ?
2. Do two companies of differing nationalities within the same industry adhere to the same national culture?
3. Does national culture influence corporate culture?

### **Secondary Research Question**

1. Will the results of this research in two companies operating in Ireland support the findings of Shing's study based on companies operating in Taiwan?

The replication of Shing's (1997) research would allow for:

- An understanding of the interaction between corporate and national cultures in an Irish context.
- A comparison of results to establish if the findings of the research are a once off phenomena or are globally applicable.

Shing's research took place in Taiwan and used a sample of indigenous companies and a sample of Japanese companies operating in Taiwan. That research explored the following question:

What is the relationship, if any, between corporate and national cultures in a multinational corporation?

**The results showed that:**

There was no difference in the corporate cultures between similar indigenous and foreign companies operating in Taiwan.

There was however a difference between the national cultures of indigenous companies and foreign companies operating in Taiwan.

There was no link between the national culture and corporate culture of indigenous companies in Taiwan.

There was a link between the national culture and corporate culture of foreign companies in Taiwan.

The results of the study by Shing (1997) found that national culture played the greater role within organisations and was a better determinant of organisation behaviour than corporate culture. It was proved in his research that national culture played a role in the corporate culture of foreign companies operating in Taiwan but had no bearing on the corporate culture of indigenous companies .

Shing asks on the results of his work, "whether similar findings would be found in companies based in countries other than Taiwan?" (Shing, 1997, p67). Application of this study in Ireland

should answer the aforementioned question and the use of the same instruments would allow comparison with this study and assessment of the cross-cultural generalisation of its findings.

### **1.3 Justification for Research**

Multinational corporations and particularly American corporations are important to Ireland's economic performance. This study aims to discover knowledge which will help multinational corporations to adapt to operating in Ireland. One of the major challenges facing a multinational corporation is to adapt to cultural diversity both in companies markets and also within their workforce (Vaghefi and Huellmantel 1998).

A multinational corporation can be defined as an entity dispersed in individual components, located in a number of autonomous political units (Van Maanen and Laurent 1993). The organisational sub units are often situated in very different environments and consequently are exposed to different cultures. Ouchi (1981) comments that multinational corporations are increasingly standardising operations by adopting shared values and beliefs corporation wide. As a consequence corporate policies are developed in the home country and therefore rely heavily on the national values of that country, even though its subsidiaries are geographically embedded in other countries and hence national cultures. The issue to be considered is the relative impact national culture has on the corporate culture of an American and Irish multinational corporation in Ireland.

Attracting multinational corporations and the subsequent foreign direct investment (FDI) to Ireland is a key component of Irish economic policy. The success which Ireland has had in attracting FDI has resulted

in the Irish economy being significantly more reliant on MNC investment than any other EU nation (Gunnigle et al, 2003).

In 2001 there were 1237 foreign multinational companies operating in Ireland (See Table 1). In 2002 multinational companies gave full time employment to 50.5% of the total Irish workforce (Forfás, 2002). These companies generate exports of €47 billion and direct expenditure in the Irish economy of €14 billion a year on payroll, materials and services. They also pay €1.9 billion in corporation tax in Ireland (IDA, 2004).

Of the foreign multinational companies in Ireland in 2004, 570 are American and employ almost 90,000 people and account for 65% of all foreign investment (American Chamber of Commerce, 2004). In 2001, 531 US companies were IDA supported, (See Table 1).

Table (1) Origin of IDA companies in Ireland

US	531
Germany	164
UK	162
Rest of Europe	275
Far East	54
Rest of World	51
Total	1,237

source IDA website: Forfás Employment Survey 2001.

<http://www.idaireland.com/news/showRelease.asp?storyid=149>

In order to maintain the economic benefits which FDI affords Ireland it is pertinent that MNC's continue to come and stay in Ireland. This study aims to help in the successful adaptation of multinational companies to operating in Ireland.

Of the many foreign multinationals in Ireland, an American company was used in this study because of the important role they play in the success of the Irish economy. Therefore the findings of this thesis are

not trivial but have significant implications for the management of Ireland's most important foreign investors.

The foreign branches of a multinational are often operating in national cultures different to that of the corporation home country, coming into contact with employees and customers who hold different basic underlying assumptions and values to their own. Different assumptions lead to different ways of seeing the same event (Sims and Gioia, 1986). For any business problem, people from different cultures will tend to have different views on:

- The problem.
- The approach for resolving it.
- The solution itself.

Lane and DiStefano (1992) assert that these differences will impact the organisation functioning and could result in:

- Lowered effectiveness.
- Lowered productivity.
- Poor labour management relations.

It is acknowledged that culture is not the only, nor the most potent force influencing behaviour. However it is so deep that its influence is pervasive and often unrecognised (Lane and DiStefano, 1995). In international management it is critical to understand this influence so that the differences do not inadvertently hinder performance (Adler, 1991).

This thesis will add to a field of knowledge by building on previous work. Martin and Frost (2001) have pointed out that there is no sense of cumulative building in the field of corporate culture research. This research will build on the work of Shing

(1997), and on his recommendations, assess whether his findings are replicated in an Irish context. Thus this study will add new insights to a body of knowledge already developed.

The justification for the research is thus threefold. First because, cultural understanding can aid the business performance of MNC's, second because the study is timely due to Irelands current economic reliance on these businesses. Finally this research is building and adding to a body of knowledge.

The findings will be beneficial to MNC's operating within and outside of Ireland and to Irish companies expanding overseas.

#### **1.4 Methodology**

This research project is attempting to make comparisons with a former study. The research paradigm adopted was quantitative because this research project is attempting to make comparisons with a former study. The main benefit of the quantitative approach is that it allows comparisons to be drawn between cases (Geertz, 1983), and was thus appropriate to this research.

A survey was used as the main tool to gather data. The survey type employed was the self completion questionnaire. Participants in this study were required to complete two questionnaires, the first related to national culture and the second related to corporate culture. A survey was deemed the most suitable method to gather data because it allowed for the collection of a large number of responses from a large number of respondents.

The methodology required that a comparison be made between an equivalent Irish multinational and an American multinational

company within the same industry. Thirty six companies were selected from an IDA database of companies. It was anticipated that four of these companies would participate in the research process. Six companies volunteered to participate, but of these, only two fulfilled the selection criteria and were of Irish and American origin and operating in the same industry. Thus, the two companies selected were eligible for participation in this study. The Irish company employed 300 employees and the American company employed 550 employees. The population from which a sample was drawn, was 850 employees.

The sample group from whom responses were solicited consisted of 150 employees in the Irish company and 150 employees in the American company. Using a combination of nonprobability methods, responses were received from 82 employees in the Irish company and 80 employees in the American company. The response rate was 53.3% in the Irish company and 54.6% in the American company.

Average scores for each respondent in both companies were computed and in this way two scales were created, these were a corporate and a national culture scale. Having devised scales statistical tests were then carried out upon them to answer the research hypotheses .

Both national and corporate cultures were compared using independent t-tests. A Pearson's r correlation test was then computed to ascertain if there was any relationship between national and corporate culture in each company

The results of the tests showed that

1. Corporate culture was significantly different in both companies

2. National culture was not significantly different in both companies
3. There was no correlation between national and corporate culture

### **Implications**

The results showed that national and corporate culture are independent phenomena which have no bearing over each other. The results bore no relation to the findings of Shing (1997), implying that there is not a general rule for understanding culture and that knowledge relating to corporate and national culture is context specific.

National culture is the culture which all of the respondents are members of since birth. However, corporate culture is a culture which the respondents have been members of for the duration of their time working in the companies studied. Therefore, cultural misunderstandings are likely if corporate culture does not incorporate elements of national culture. This is because national culture plays a larger role in the life of an employee than corporate culture and continues to have an influence over employees while at work. In this study, corporate culture was not a response of national culture, therefore the possibility of culture clash is heightened because corporate cultures exist in both companies which are not congruent with the existing national culture.

### **1.5 Instrumentation**

The theory underlying the instrument used to measure national culture comes from a comprehensive theory of cultural differences developed by Kluckhohn and Strodtbeck (1961) who make three



assumptions about human behaviour,

1. There is a limited number of common human problems from which all peoples at all times must find a solution.
2. While there is a variability in solutions to all problems, it is neither limitless nor random but is definitely variable within a range of possible solutions.
3. All alternatives to all solutions are present in all societies at all times but are differentially preferred.

According to the theory of Kluckhohn and Strodtbeck, national culture can be gauged through the measurement of six value orientations. A value orientation is a set of principles that comes from the evaluation of beliefs, feelings and intentions. These beliefs, feelings and intentions influence people in their everyday lives. The value orientations are:

1. Human Nature Orientation
2. Relationship to Nature
3. Time Orientation
4. Activity Orientation
5. Relationship Orientation
6. Relational Orientation and Space Orientation

Maznevski and DiStefano (1995) designed a questionnaire to measure national culture called The Cultural Perspectives Questionnaire. The questionnaire was used to measure national culture as defined in the theory of Kluckhohn and Strodtbeck.

In this thesis, the instrument used to measure corporate culture is called the Corporate Culture Survey. The survey was designed

by Glaser (1991) and is based on research carried out on 40 managers from companies in Americas Fortune 500 list.

The survey is based on the theory of Deal and Kennedey (1982). They proposed that the strength of corporate culture separates high performance companies from other companies and a measure of cultural strength can be ascertained by looking at corporate culture from four dimensions.

1. Values
2. Heroes and Heroines
3. Traditions and Rituals
4. Cultural Network

#### **1.6. Outline of Thesis**

Chapter one, provides information relating to the path of this thesis, it introduces important theoretical concepts and details the research background. Research justifications are made, methodological steps are outlined and the main findings and their implications are introduced.

Chapter two, details the relevant literature, it begins by defining national and corporate culture and then focuses on important theoretical concepts which have evolved about them. Significant findings from authors on the topic are highlighted and related to an Irish context. Finally various techniques for measuring national and corporate culture are illuminated and evaluated.

Chapter three, defines and explains the methodological steps taken in this thesis. The advantages and disadvantages of other methods are discussed. The chapter concludes by detailing the sampling methods and the instruments which have been used to

gather data.

In Chapter four, the statistical methods employed to analysis each hypothesis are documented.

Chapter five, gives the results of the statistical analysis and the levels of significance found.

The final chapter, chapter six, discusses the findings and what they indicate. Limitations of the study and recommendations for future research are then given. The chapter concludes with a summary of the findings.

### **1.7. Definition of Terms**

#### **Americas Fortune 500 list:**

List of the 500 largest companies in America.

#### **Constructivism:**

Constructivism is a philosophy of learning founded on the premise that, by reflecting on our experiences, we construct our own understanding of the world we live in. Each of us generates our own "rules" and "mental models," which we use to make sense of our experiences. Learning, therefore, is simply the process of adjusting our mental models to accommodate new experiences.

#### **Emic:**

Perspective: the "insider's" or "native's" interpretation of or "reasons" for his or her customs/beliefs. What things mean to the members of a society.

#### **Etic:**

Perspective: the external researcher's interpretation of the same

customs/beliefs. What things mean from an analytical, anthropological perspective.

### **Foreign Direct Investment (FDI):**

Foreign Direct Investment (FDI), is defined in the UN World Investment Report (1995) as being: "an investment involving a long term relationship and reflecting a lasting interest and control of a resident entity in one economy by an enterprise resident in another economy". In essence, FDI is categorised as occurring when capital is provided (either directly or indirectly) by an investor based in one country (the home economy) to an enterprise resident in another country (the host economy).

### **Forfás:**

Forfás, is the Irish national policy advisory board for enterprise, trade, science, technology and innovation.

### **Home Country:**

This is a term which refers to the origin of a multinational company. The home country of an American company is America.

### **Host Country:**

This is a term which refers to a foreign country in which a multinational company is operating. Ireland a the host country for many American Multinationals.

### **The Industrial Development Authority (IDA):**

The Industrial Development Authority is the Irish government agency responsible for the industrial development and investment of overseas companies into Ireland.

### **Multinational Corporation (MNC):**

A Multinational corporation is a company that has operation in at least two countries.

### **Relativism:**

Relativism is the philosophical position that all points of view are equally valid and that all truth is relative to the individual. This means that all moral positions, all religious systems, all art forms, all political movements, etc., are truths that are relative to the individual. Under the umbrella of relativism whole groups of perspectives are categorised.

### **Statistical Package for the Social Sciences (SPSS):**

SPSS (Statistical Package for the Social Sciences) is a data management and analysis product. It can perform a variety of data analysis and presentation functions, including statistical analyses and graphical presentation of data.

## **1.8. Conclusion**

This chapter has laid the foundations for this thesis. It introduced the research problem and specific questions which will be answered to shed light on that problem. The research is justified, methodological steps and instruments involved are given and the main findings are outlined. On these foundations, the thesis can proceed with a detailed description of the research in the following chapters.

## **Chapter 2. Literature Review**

### **2. Cultural Research**

The area of cultural research in organisations is not one free from controversy and debate and in the interest of eliminating bias this research paper considers and discusses these issues. There is little consensus on what the concept of culture means. Schneider (1987), illustrates the point and notes that culture is an amorphous topic which is difficult to “nail to the wall”, while Schein (1990) concurs and adds that there is further disagreement on how to measure culture.

There are many disagreements but the differences between cultures have never been in question, only the methods and parameters within which they are measured (Heidreich, 2002). Bercovici et al (2001), list seven contentious issues in the area of cultural research but conclude that organisational culture is an important lens useful in understanding the intricacies of organisational life. On that premiss this thesis has attempted to both answer important questions relating to the cultural phenomenon and to clarify the pertinent questions, what is culture? and, how is it measured?

This literature review starts with a review of the various definitions of culture both national and corporate. These definitions are then distilled until a suitable definition of those concepts is decided upon for use in this study. The next section discusses how corporate culture manifests itself, and the levels at which it exists, both tangible and intangible. The review then highlights the processes through which corporate culture evolves. Having identified corporate culture as a variable within an organisation the concept of two cultures existing side by side within an organisation is then highlighted.

The purpose of corporate culture and theory relating to the impact of

strong and weak corporate cultures is reviewed. This is followed by an examination of how various authors have identified how national culture impacts upon multinational organisations.

The review then focuses specifically on why American multinationals have traditionally imposed their values and culture upon their foreign subsidiaries. Ireland is a prime location for American subsidiaries, thus, current research regarding American corporate culture in Irish subsidiaries is illuminated.

Next, issues and topics relating to the measurement of culture are introduced. Methodology, perspectives and disagreements regarding the measurement of culture are discussed. Four frameworks for diagnosing national culture and three frameworks for diagnosing corporate culture are highlighted and evaluated.

This study analyses culture on two levels, therefore a section of the literature review is given to placing national and corporate culture within those levels before the literature review is concluded.

## **2.1. The Word Culture**

This section of the literature review details how the word culture has changed through history and concludes with a definition of culture as identified in this study.

Terry Eagleton (2000), in his detailed description of the word culture, accepts that culture is one of the two or three most complex words in the English language and that the word culture is etymologically derived from nature, one of its original meanings being 'husbandry' or the tending of natural growth. Culture at first denoted a purely material process and later had its meaning transposed to affairs of the spirit.

The word, in its semantic unfolding can be used as a measure of the progress of mankind from rural to urban existence. The word culture, today no longer solely describes the cultivation of soil but has been refined to describe the very fabric of a society and nation (Barthorpe, 2000).

### **2.1.1. Definitions of Culture**

The word culture originally meaning cultivation had entered into the English language by the year 1430. By the middle of the twentieth century other meanings for the word culture began to appear in dictionaries such as “the training, development and refinement of mind, tastes and manners”; this is now defined as “high culture” (Barthorpe, 2000).

“A state of intellectual artistic and social development of a group”, this is the definition given by the Penguin English Dictionary (2003). This modern definition of culture has been influenced by the academic fields of sociology and cultural anthropology and has replaced the old meaning, that of cultivating the land.

The British anthropologist Edward Tylor (1924) proposed the modern definition of culture as, “socially patterned human thought and behaviour”. He wrote, culture is “that complex whole which includes knowledge, belief, art, morals, law, custom, and any other capabilities and habits acquired by man as a member of society”.

Egalleton (2000) questions Tylor’s definition in that although labelled a whole, culture is actually treated as a list of elements. In effect, cultural traits were understood as representing one of a series of stages of mental and moral progress culminating in the rational society of industrialised England.



Although prejudices about non-western peoples exist, anthropologists have thoroughly repudiated the 19th century definition of culture as an expression of racialism and ethnocentrism, the practice of interpreting and judging other cultures by the values of one's own.

The anthropologist Franz Boas (1920) laid out the ground rules for the modern anthropological orientation of cultural relativism. This approach rests on four major postulates,

1. Cultural aspects of human behaviour are not biologically based or conditioned but are acquired solely through learning.
2. Cultural conditioning of behaviour is ultimately accomplished through habituation and thus acts through unconscious processes rather than rational deliberation.
3. All cultures are equally developed according to their own priorities and values; none is better, more advanced, or less primitive than any other.
4. Cultural traits cannot be classified or interpreted according to universal categories appropriate to "human nature". They assume meaning only within the context of coherently interrelated elements internal to the particular culture under consideration. (Boas, 1920).

Culture is a term used in confusing and contradictory ways. Scientists often try to find a definition for what culture is. Kroeber and Kluckhohn (1952) identified 164 such definitions for culture and as a result developed their own definition:

Culture consists of patterns, explicit and implicit of and for behaviour acquired and transmitted by symbols constituting the distinctive achievement of human groups, including their embodiment in artefacts; the essential core of culture consists of traditional ideas and especially their attached values; culture systems may, on the one hand, be considered as products of action, on the other hand as conditioning elements of future action. Culture is something that is shared by almost all members of some social group; that the older members of the group try to pass on to the younger members that shapes behaviour. (Kroeber and Kluckhohn, 1952)

Bodley (1992) prepared a simplified and shortened version of Kroeber and Kluckhohn's list which serves to indicate the diversity of the anthropological concept of culture.

### **2.1.2. Diverse Definitions of Culture:**

**Topical:** Culture consists of everything on a list of topics, or categories, such as social organisation, religion, or economy.

**Historical:** Culture is social heritage, or tradition, that is passed on to future generations.

**Behavioural:** Culture is shared, learned, human, behaviour, a way of life.

**Normative:** Culture is ideals, values, or rules for living.

**Functional:** Culture is the way humans solve problems of adapting to the environment or living together.

**Mental:** Culture is a complex of ideas or learned habits, that inhibit impulses and distinguish people from animals.

**Structural:** Culture consists of patterned and interrelated ideas, symbols, or behaviours.

**Symbolic:** Culture is based on arbitrarily assigned meanings that are shared by a society.

(Bodley, 1994)

Kroeber and Kluckhohn's (1952) definition of culture can be simplified further as comprising of what people think, what people do and the material people produce (Bodley, 1994).

In conclusion, Kroeber and Kluckhohn's distillation of 164 definitions of culture allows for a common understanding of culture and is the definition chosen by this study to represent what culture is for the members of a nation.

The following definition by Carrol (1982) contains all the main elements of culture as identified by Kroeber and Kluckhohn and gives a synopsis of those. Culture is,

- Something that is learned and shared by all or almost all members of some social group.
- Something that the older members of the group try to pass on to the younger members.

· Something (as in case of morals, laws and customs) that shapes behaviour, or structures one's perception of the world. (Carrol, 1982)

Culture is hugely significant to mankind because, without it society would be unable to communicate and co-operate, and confusion and disorder would result (Haralambos et al, 1990). According to Giddens (1989), without culture there would be no human society. This study recognises the importance of culture and uses Kroeber and Kluckhohn's (1952) robust definition of culture as the basis for defining national culture.

National culture is a broad concept which refers to, the culture of, a nation, region or ethnic group, social class or religion (Hofstede et al, 1980), while corporate culture refers only to the culture of a certain organisation (Conroy, 1999).

The terms corporate culture and organisation culture both refer to the same phenomena and are used interchangeably in this thesis. The following section defines those terms.

## **2.2. Defining Corporate Culture**

Over the past 20 years organisational culture has attracted significant attention from organisational studies literature. Some of the earliest references to organisational culture as an internal organisational variable are found in the literature of organisational development (Jacques, 1952; Harrison, 1972).

Organisational culture is the term used to comprise a set of "soft" behavioural variables which underlie internal organisation (Denison, 1990).

There is little agreement on more precise definitions of the term organisational culture (for example, Alvesson 1993; Deal and Kennedy 1983; Deshpandé and Webster 1989; Deshpandé, Farley and Webster 1993; Denison 1990; Hatch 1993; Homburg and Pflesser 2000; Kanter 1983; Schein, 1991 and Smircich 1983). Reflecting the lack of agreement, Ott (1989) compiled a list of 73 words and phrases used to define organisation culture from 58 different published sources. This divergence in definition reflects the lack of consensus that exists within the disciplines of anthropology, sociology and psychology regarding culture (Archer 1988), and the effects that these and other disciplinary and philosophical differences have on the variety of styles and purposes of organisational culture research (Smircich 1983; Deshpandé and Webster 1989).

To further the problem there have been many basic definitions of the concept which have done little to aid understanding (Wilson 2001). These definitions range from the “feeling in the organisation” (Tagiuri and Litwin, 1968) to the “rules of the game” (Van Maanen, 1976, 1979; Ritti and Funkhouser, 1982) to “how things are done around here” (Drennan, 1992). In contrast the following definitions of Schein (1991), Schneider (1988) and Kotter and Heskett (1992) are broader and provide greater clarity.

### **2.2.1. Three Definitions**

1. Organisational culture is a pattern of basic assumptions, invented, discovered or developed by a given group as it learns to cope with its problems of internal and external adaptation and internal integration - that has worked well enough to be considered valid and therefore, to be taught to new members as the correct way to perceive, think and relate to those problems (Schein, 1991, p.9).

2. Organisational culture refers to: (a) the values that lie beneath what the organisation rewards, supports and expects; (b) the norms that surround and/or underpin the policies practices and procedures of organisations; (c) the meaning incumbents share about what the norms and values of the organisation are (Schneider, 1988, p. 353).

3. Organisational culture at the deeper and less visible level refers to the values that are shared by the people in a group and that tend to persist over time even when the group membership changes. At the more visible level, culture represents the behaviour patterns or style of an organisation that new employees are automatically encouraged to follow by their fellow employees. Each level of culture has a tendency to influence the other (Kotter and Heskett, 1992, p.4.)

From these three definitions it is evident that considerable agreement does exist on the notion that organisational culture refers to a shared and learned realm of assumptions, values, beliefs, ideas and practices (Alvesson, 1993), a collective self-awareness within the organisation that provides norms for behaviour (Deshpandé and Webster, 1989). This perspective involves viewing organisations as social entities to which people belong, and in which they are socialised. It is also generally accepted that the constituent elements of organisational culture are not equally observable nor do they have equal effect (Alvesson 1993; Denison 1990; Homburg and Pflesser 2000; and Schein 1991).

Assumptions and values tend to be less readily visible but are more enduring than beliefs and behavioural norms. Indeed, shared assumptions and values tend to ground organisational beliefs and norms (Schein 1991).

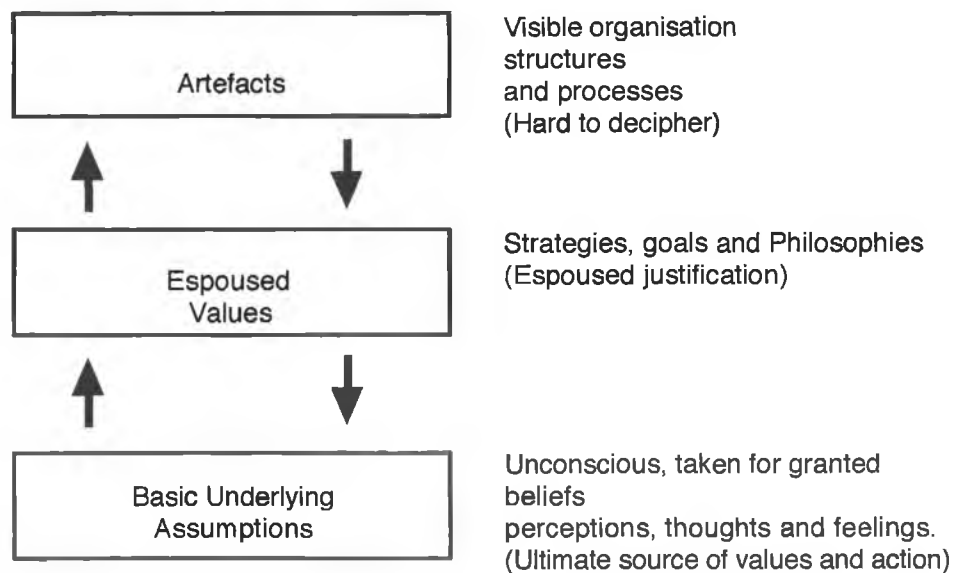
### 2.2.2. Levels of Corporate Culture

To clarify further the issue and understanding of corporate culture and associated terminology (ie, values, underlying assumptions, beliefs and norms) it is vital to examine the levels at which culture manifests itself within an organisation. Corporate culture can be analysed at several different levels. These levels are, artefacts, patterns of behaviour, values and beliefs and basic underlying assumptions.

### 2.2.3. Structure of Corporate Culture

According to Schein (1990) there are three levels of organisational culture, as depicted in Figure (1).

Figure(1) Schein's levels of Culture



Source: S. Cartwright and C. Cooper. 2000. The Handbook of Organizational Culture. London: John Wiley & Sons.

### **2.2.3.1. Level 1a - Artefacts**

Schein (1990) proposes that when one enters an organisation one observes and feels the organisations artefacts. Artefacts include everything from the physical layout, the dress code, the manner in which people address each other, the smell and feel of the place and its emotional intensity. It also includes permanent archival manifestations such as company records, products, statements of philosophy and annual reports.

Other phenomena are structure and technology, language (jargon, sayings and slogans), stories (myths, sagas and legends), ceremonies and celebrations, ritualistic and patterned conduct (norms and management practices)

### **2.2.3.2. Level 1b - Patterns of Behaviour**

Patterns of behaviour are behaviours which people exhibit and act out often without thinking. Management practices such as human resource practices, relations to clients and innovation practices, etc., are included in this level (Calori and Sarnin, 1991). Ott (1989) describes rites and rituals as being the mundane, systematic, stylised and programmed routines of daily organisational life.

Schein (1990) states that the problem with artefacts and patterns of behaviour is that they are easy to see but hard to decipher; for example if an organisation holds monthly award ceremonies, an outsider can see that this happens but it tells him nothing of its meaning to the members. Accordingly Sathe (1995) noted, artefacts are relatively “easy to see but hard to interpret without an understanding of the other levels”. The other two levels as identified by Schein (1990) are described next.



### 2.2.3.3. Level 2 - Values and Beliefs.

Values: "the central values that provide the day-to-day operating principles by which the members of the culture guide their behaviour." (Schein 1985, p 15). He states that values and beliefs give the reasons why people act as they do. This type of value is usually a value held by an important member, usually the founder of the group or organisation. As the value is used and proven in the daily work in the organisation, it transforms into a value shared by the group that guides the daily work and how the group perceives problems and solutions. Ott (1989) suggests that beliefs and values are so important to organisational culture that many organisational culture authors define them and the broader system of ethical or moral codes in which they are embedded, as the organisational culture.

Calori and Sarnin (1991) say of organisation culture that it is "a set of values" while Deal and Kennedy (1982; 1983) talk of the everyday life in the workplace being governed by shared values. Harris (1998) provides examples of organisational values; orientations towards teams, outcomes and details and cultural artefacts of structure, strategies and systems that shape employee behaviour.

These values can be more or less explicit, they can for example be stated in a company policy, or it can be that members of the group know that these are important values in this group. There is also the possibility that certain values can be what Schein calls "espoused values", which means that they do not reflect values that actually guide the behaviour in the group, but are only recognised as values that you should say that you believe in.

The two first levels represent an intercultural challenge to the observer because they typically only reveal a small portion of the assumptions the organisation culture is based on. A researcher may be able to

decipher one piece of the culture correctly but may have no basis for determining what else is going on and how important the first two levels are in the overall scheme of things. To fully understand the culture within an organisation one must understand the basic underlying assumptions upon which it is based.

#### **2.2.3.4. Level 3 - Basic Underlying Assumptions**

The most recent addition to cultural levels, as noted by Schein (1985), is defined as the fundamental beliefs, values and perceptions that “have become so taken for granted that one finds little variation within a cultural unit.”

Schein (1992) extends the definition further, calling basic underlying assumptions, those assumptions that people in the organisation make about how they should manage themselves in their internal and external environments. They are based on tried and tested techniques to complete tasks that have worked so well that people no longer even question them as the correct techniques. These assumptions may begin as values, but over time, they slowly become taken for granted and move out of the members consciousness into their pre consciousness. In other words it’s “the way we do things around here” (Schein 1992).

Harris (1998) refers to the assumptions as the interaction between an organisation and its environment contained in mental models which Day and Nedungadi (1994) assert managers embrace to make sense of their environment. Assumptions, Harris argues, are the most cerebral level of culture which determine the more explicit systems of meaning. Schein (1985) heavily influenced by Kluckhohn and Strodtbeck (1961) splits up basic assumptions into categories. Table (2) summarises these categories. These categories of basic assumptions include,

1. Assumptions about the environment
2. Assumptions about truth and time
3. Assumptions about reality and space
4. Assumptions about the nature of human nature

While Schein's model can be applied to both corporate and national cultures, Laurent (1986) has argued that corporate culture only influences the first two levels of general culture but will have little effect on the deepest level of culture, i.e., the underlying assumptions. If this is the case then multinational companies operating outside their own national culture will still be influenced by the deepest level of culture and the underlying assumptions of national culture will impact and play a role in the corporate culture they develop.

As in Schein's theory, this study assumes that organisation culture is comprised of both tangible and intangible elements. Corporate culture consists of artefacts, patterns of behaviour, values and beliefs. National culture is comprised of underlying assumptions and determines how people behave in their internal (Work) and their external environment (Society).

Whether or not underlying assumptions are present in corporate culture as proposed by Schein (1992) and rejected by Laurent (1986) is central to the research problem in this thesis. If underlying assumptions are an element of corporate culture then it would indicate that national culture was an influencing force in corporate culture.

Table (2) Basic Underlying Assumptions Around Which Cultural Paradigms Form

<b>The Organisation's Relationship to Its Environment</b>
Reflecting even more basic assumptions about the relationship of humanity to nature, one can assess whether the key members of the organisation view the relationship as one of dominance, submission, harmonising, finding an appropriate niche and so on.
<b>The Nature of Truth and Reality</b>
There are linguistic and behavioural rules that define what is real and what is not, what is "fact", how truth is ultimately to be determined and whether truth is revealed or discovered; basic concepts of time as linear or cyclical, monochronic and polychronic, basic concepts such as space as limited or infinite, property as communal or individual and so forth
<b>The Nature of Human Nature</b>
What does it mean to be "human" and what attributes are considered intrinsic or ultimate? Is human nature good, evil or neutral? Are human beings perfectable? Which is better, Theory X or Theory Y?
<b>The Nature of Human Activity</b>
What is the "right" thing for human beings to do, on the basis of the above assumptions about reality, the environment and human nature: to be active, passive, self development, fatalistic, or what? What is work and what is play?
<b>The Nature of Human Relationships</b>
What is considered to be the "right" way for people to relate to each other, to distribute power or love? Is life cooperative or competitive; individualistic or communal; based on traditional lineal authority, law or charisma, or what?

Source: Schein, E. H. 1984, 'Coming to a new awareness of organisational culture' Management Review, vol. 25, no. 2, p. 6.

### 2.3. The Creation of Corporate Culture

How critical incidents are dealt with in an organisation has a significant effect on the creation of corporate culture (Schein 1992). The reaction of group members to an emotionally charged incident and the outcomes from that incident will determine whether or not norms and beliefs become part of the culture or are rejected. If, for example, an attack is made upon a manager in an organisation by a worker, but later an apology is made to the manager by the worker, this may set the precedent, and the norm will become that challenges are not brought against the organisation management.

The leader also plays an important role in the creation of culture (Schein, 1992). When the group or organisation first forms there are usually dominant figures whose own beliefs, values and underlying assumptions provide a model for how to behave and how the organisation should function. The group then adopts these norms and values and drop those that do not function for them. This joint learning gradually creates an organisation culture.

Culture perpetuates and reproduces itself through the process of socialisation of new members into the group (Schein 1992). The socialisation phase begins during recruitment when the new member is introduced to the group's members and functioning. Although not all members of the group react the same to the socialisation process it does create an awareness of the organisation culture by emphasising key norms and beliefs.

#### **2.4. Competing Cultures**

The main concept behind the idea of organisation culture is that each organisation develops a specific cultural community. Corporate culture and national culture represent competing influential patterns because members of an organisation are also members of a national culture. It is assumed that the thinking and the behaviour of organisation members, is strongly influenced by the national culture and corporate culture. (Schein 1999, Kotter and Heskett, 1992).

The question of which influence is stronger, is central to the questions posed by this thesis. It is argued that management practices and management know-how are strongly influenced by national culture. From this viewpoint, corporate culture would solely be a reflex of the specific national culture. It is evident, for example, from studies of American and Japanese companies, that national culture provides the basis for the development of a corporate culture as a specific subculture

(Ouchi, 1981). On the other hand, the fact that great differences exist between corporate cultures within the same cultural context cannot be overlooked (Deal and Kennedy, 1982). Hence, both aspects are of extraordinary importance for the organisation. Without any proper knowledge of each other's cultural values, the potential for cultural clash in common multicultural business situations is not only quite high, but also the level of tension depends on the intensity of the contact between competing cultures (Elashmawi and Harris 1998, Melewar and Harrold 2000).

National cultural differences, which have a formative influence on corporate cultures in different parts of the world, gain essential importance in strategic management and affect economic life in the long run (Alder, 1991). Arguably, this is a common-sense insight. However, the identification, measurement and interpretation of these differences in cultural values and inherent priorities enables managers to better appreciate their relationships to economic performance (Tulenko 1999, Elashmawi and Harris 1998).

This thesis shall discover the extent to which the corporate culture of an Irish and an American company operating in Ireland are effected by the national culture held by their employees. With business becoming more and more international, research findings regarding national culture can become tools for strategic choices in corporate boardrooms, not only regarding decisions as to what to do in each country, but also as a means to transfer valuable insights regarding corporate cultures to subsidiaries in terms of controlling instruments (Franke, Hofstede and Bond, 1991).

## 2.5. The Importance of Corporate Culture in an Organisation

In the eighties, organisation culture was discovered by organisation researchers as a tool that could be used to control organisation.

Controlling the non rational elements of an organisation gave some organisations a competitive advantage over others when all other areas of competitive advantage had been seen to be addressed.

Organisational culture became a business phenomenon in the eighties triggered by four seminal books:

- Ouchi's (1981) Theory Z: How American Business Can Meet the Japanese Challenge
- Pascale and Athos's (1982) The Art of Japanese Management: Applications for American Executives
- Deal and Kennedy's (1982) Corporate Cultures: The Rites and Rituals of Corporate Life
- Peters and Waterman's (1982) In Search of Excellence: Lessons from America's Best Run Companies.

Indeed, interest was so high that these books were bestsellers, the last out selling all other non-fiction books for that year (Baker, 2002). It is clear that many authors view organisation culture as an important force within an organisation. Why this is, is addressed next.

### 2.5.1. Strong Culture and its Impact on the Organisation

Peters and Waterman (1982), Deal and Kennedy (1982) and Kotter and Heskett (1992), were among the first to suggest the hypothesis that the strength of organisation culture was an important variable for organisations, based on the idea that the organisation benefits from having highly motivated employees dedicated to common goals. Quantitative analysis has supported the argument that firms with strong corporate cultures outperform those with weak cultures (Kotter and Heskett 1992; Gordon and DiTomaso, 1992; Burt et al., 1994). Gordon and DiTomaso (1992) found among a sample of life insurance companies that cultural strength as a value was related to growth in premiums and assets. Kotter and Heskett (1992) noted that when compared to lesser performing firms, higher performing firms were characterised as having strong cultures, evident in the values they placed on employees, stakeholders and customers. Others such as Calori and Sarnin (1991), have linked a strong relationship between a firms growth over a short time with cultural homogeneity and intensity.

One of the main consequences of a strong corporate culture is that it creates behavioural consistency across individuals in a firm. The benefits of behavioural consistency for the employee due to culture are emphasised by Schein (1991), who states that organisational culture provides group members with:

- ◇ Meaning to their everyday lives
- ◇ Guidelines and rules for how to behave
- ◇ A reduction in anxiety associated with an unpredictable environment

The benefit for the organisation is control and is discussed in the following section.



## 2.5.2. Culture as a Control Mechanism

Through the participation of individuals in organisations, the identity of the individuals is reconstructed to fit into the norms and values prescribed by the organisation (Carr, 2000., Deetz, 1992., Fineman, 1999 and Kunda, 1992). All employees are functioning in a predictable manner as a response to culture, in this sense organisation culture is viewed by some as a control mechanism (O'Reilly, 1989; O'Reilly and Chatman, 1996). If employees lack a clear understanding of organisational goals, co-ordination will be difficult because employees are likely to take decisions that conflict with what is happening in other areas of the organisation (Cremer, 1993).

In the early 1980's corporate culture was discovered as a mechanism for control of the non rational elements of employees behaviour (Peters and Waterman ,1982; Deal and Kennedy, 1982; Ouchi, 1980,1981). According to this hypothesis, social elements of the organisation can be harmonised and brought under control by management who build a new culture by articulating a set of values and reinforcing them through business practices. Employees are then able to make sense of their environment and can find common ground with other employees through their joint identification with the organisation. Through a positive identification with the organisation and one another, employees develop a sense of corporate pride and will defend the organisation against anything which challenges it's values and therefore their own.

Alversson and Berg (1992) have linked commitment to this sense of collective identity. There are even more benefits according to Fineman (1999), who believes that individual codes of morals are replaced and the whole organisation begins to operate in ethical unison for the good of the co-operative whole. Commitment and ethical unison equate to an employee who is committed to the organisation and who will be discouraged from unproductive work behaviours because the

organisation's culture rules against them.

In this manner social order is constructed and maintained within the organisation because employees can make sense of their environment through the meanings defined and provided by the organisation (Weick, 1979).

### **2.5.3. The Disadvantages of a Strong Culture.**

Peters and Waterman (1982) suggested that there was a link between strong organisation culture and success which could be measured by the profits these companies made. Many of the companies which Peters and Waterman earmarked as successful have since collapsed bringing into question the benefits of a strong culture. Christensen (1997) identified that, the success of the firms earmarked by Peters and Waterman (1982) was due to their possession of strong corporate cultures, however it also proved to be their downfall. This was because it limited their ability to respond to new environmental requirements. Although culture can be seen as a means of enhancing internal integration and co-ordination and hence business success, another view of organisations recognises that culture is also important in mediating adaptation to the environment.

In relatively stable and predictable environments, strong culture organisations may exhibit more reliable performance than weak culture organisations. As long as the environment does not change greatly, they can refine and improve established competencies therefore keeping pace with change. However, in a study of more than two hundred companies, Kotter and Heskett (1992), found that strong culture organisations were less successful at responding to the environment and tended to be more arrogant than weak culture organisations. Denison and Neale, (1996) conducted a study in a slumping manufacturing business that had dominated its field for over a

hundred years and discovered that the very values that had made the company successful, were well suited to the organisations past, but not necessarily to an uncertain future.

Strong culture organisations are not suited to turbulent environments because, when environmental change is radical, successful adaptation cannot come through incremental improvements in organisation routines, but, must be dramatic and the organisation culture may act as a block against this (Henderson and Clark, 1990). March and Simon (1958) provide an example of how this may occur, noting that in strong culture organisations the main goals of the company become subordinated to those of the goals or sub goals of organisation culture, because employees do not want to change their behavioural norms.

Organisational learning is also affected by a strong culture. There is a risk in a strong culture organisation and, especially in an organisation with an inward focus, that the organisation will not learn from employees with contradictory beliefs to it's own. This is because the organisation does not tolerate heterogeneity. The inability of the organisation to learn from differing beliefs and the lack of variety within, may cause the organisation to become stagnant, because, as Denison (1984) noted, it will have limited its own ability to respond to changes in the environment.

Denison and Neal (1996) linked a companies tendency to ignore the customer and the competitive environment to a stagnant culture within. Prior research has shown that internally focused companies have lower growth rates (Denison et al, 2002).

Having noted the benefits and pitfalls of strong and weak cultures, Schein (1992) makes several recommendations regarding the requisites for organisational success that corporate culture must now take into account:

- The organisation must be proactive, not just reactive.
- The organisation must influence and manage the environment, not just adapt.
- The organisation must be pragmatic, not idealistic.
- The organisation must be future oriented, not predominantly present/past oriented.
- The organisation must embrace diversity, not uniformity.
- The organisation must be relationship oriented, not just task oriented.
- The organisation must embrace external connectivity, as well as promote internal integration.

Of these, embracing external connectivity, is the recommendation of most significance to this study. This is because this study will ascertain the extent to which the external environment (National Culture) plays a role in the internal environment (Corporate Culture) of the organisations studied.

Why and how national culture influences business culture and operations is highlighted in the following section.

## **2.6. Role of National Culture in Multinational Business**

The idea that national culture has an effect on multinational business was made popular by Hofstede (1980). He differentiated between the culture in an organisation and the culture outside of it, in that each were comprised of different values and were therefore different. The concept of national culture has been used to explain managerial differences across the world. These differences can be a source of difficulty to multinational business. Some authors have identified the differences in cultures of multinationals and the host countries they enter, as being responsible for the a lack of success for some joint ventures (Bartlett and Gashal 1989; Prahalad et al., 1994).

This study is researching the role of culture in two multinational companies. It is because of this, that issues relating to and explaining multinational business must be identified and discussed. The following pages aim to clarify an understanding of multinational business and the effect of culture upon it as identified by various authors on the topic.

The Multinational Company,

Multinational business is defined as any business involving two or more nations. By this definition the multinational company operates from at least two countries (Frayerweather, 1978).

Mouritsen (1995) has identified three types of multinational company.

#### 1. The Global Firm

This company operates from many geographic locations world-wide and can co-ordinate and integrate its interdependent operations world-wide. The central headquarters maintain tight control and co-ordination of world-wide activities.

#### 2. The Multidomestic Firm

The structure of this firm is far less centralised than the global firm. More control is given to the individual business units and the chief function of the central headquarters is the control and allocation of financial resources. As a result management in these subsidiaries have more autonomy in the implementation of policy and daily business affairs.

#### 3. The Exporting Firm

This type of firm only exports through its subsidiaries. The headquarters concentrates on production and the distribution of its products and uses the marketing and sales channels of other firms to sell its products.

Both of the companies involved in this research are global firms and therefore require controlling instruments to ensure that subsidiary operations are co-ordinated for the good of the whole.

Cultural differences challenge the idea that an organisation, and particularly a multinational organisation, can be run like a machine, and like a machine, if parts are changed, then the workings of the machine in turn change as expected. If this analogy is applied to an organisation, when an organisation sees positive change due to new policy in one of its branches, then this policy, when implemented organisation wide, should result in the same positive effects. This would be the case if it were not for the variable of culture. Culture is regarded as an unseen force which lies behind the tangible activities of an organisation. Johnson and Scholes (1993) called the influence of culture in an organisation the "cultural recipe", denoting, the influence of culture upon variables such as leadership, policy making, stories, myths and management systems. If culture is part of the 'recipe' of an organisation and is influential in everything an organisation does, then management cannot afford to ignore it.

Multinational businesses have brought modern managers face to face with the different cultures of many nations and multinationals concerned with the management of their personnel on an international scale, are transferring practices designed in their headquarters to their subsidiaries in the rest of the world. Dunning (1986) has suggested that multinationals expand into other countries because they believe that, due to their nationality of ownership, they possess some kind of competitive advantage over indigenous firms in the host country. If this is the case then it is likely that multinationals will transfer superior practices designed in their home countries to a host country to gain competitive advantage.

While national culture may create comparative advantages leading to the transfer of practices, disparity in the host countries national culture may act as a constraint (Hoftsed, 1980, 1993; Dufle, 1990). This may limit both the motivation and ability to adopt practices. In contrast the transfer of practices from a subsidiary to a home country may also be impeded by cultural misunderstanding in the home country (Edwards and Ferner, 2000). Thus, while work practices may be transferred they may also be adapted in the process. Home practices diffused to subsidiaries may retain features of home practices, but constraints in the host country can result in dysfunctional work practices or work practices with local characteristics (Hannon et al., 1995; Tayeb, 1998).

The influence of culture on both native and non-native managers effects their perception of what is happening inside and outside of the organisation. When a problem arises culture will influence how management react, act and, finally, prevent the same problem from reoccurring. If management want problems treated in a specific manner then all those involved in the problem and its solution must be influenced by the same culture in the same way. The company definition and procedures for dealing with problems may or may not be in tune with the employees own definition as defined by their national culture .

An example might be that if, in a particular culture it is customary practice not to arrive late for work but with the exception that this may not apply after some important national holidays. A foreign manager in this case may penalise a worker for his late arrival at work due to their lack of understanding of the external or national culture in which he is working.

These problems are magnified when an organisation is trying to implement organisation wide change with a disregard of culture. The importance of culture in the process of organisation change is well recognised (Scholes and Johnson, 1993, Sales and Write, 1985). The



organisations ability to implement and control organisation change is influenced by culture (Edwards and Ferner, 2002). Organisation change and strategy can be understood only by those who understand the organisation culture (Scholz, 1987). If the corporate culture of the organisation is a product of a multinationals home country then employees in the host country may not fully understand what is expected of them. Thompson (1993) believes that management must understand the culture of an organisation in order to implement change.

Management display the influence of culture in their work practices, how they set and prioritise objectives and resource them (Schein, 1986).

It is argued by Rosenzweig and Singh (1991) that a multinational with a global strategy must attempt to understand local cultures in the countries from which it is operating and localise strategy on that basis. However organisation culture often does not take account of national culture as Ronen (1986) writes that, organisation culture is organisation specific and does not incorporate elements of national culture. In the work of Hofstede (1980), the principle assumption is that cultural differences influence management's ability and willingness to operationalise certain management practices. A foreign manager in a multinational corporation may not be willing to take account of the national culture in a host country and a manager from the host country may not be willing to use work practices not customary in the host country. The potential for misunderstanding is obvious. Hegarty and Hoffman (1990) have found a significant link between cultural awareness, strategic planning and performance among organisations operating within three national cultures. The strategic implication for management is that organisation and national culture cannot be separated.

These are just some interpretations of how culture can be viewed as important to an organisation. To relate those ideas specifically to this work, the following section will pinpoint how national culture can affect



management and organisations through specific value orientations as identified in the main theory used in this research.

### **2.6.1 Managerial Implication of Kluckhohn and Strodtbeck's (1961) Theory.**

Kluckhohn and Strodtbeck (1961) described national culture in terms of six value orientations. The instrument used in this study to measure national culture generates a combined measurement of those value orientations for each respondent. Therefore national culture, for the purposes of this study, comprises the following value orientations.

1. Human Nature orientation
2. Relationship to Nature
3. Time Orientation
4. Activity Orientation
5. Relationship Orientation
6. Relational Orientation and Space Orientation

The value orientations of a group represent their shared common beliefs and values. If people are exposed to new values this will prompt an examination of their own guiding values and perhaps a rejection of the values of others from outside the group. The value orientations allow one to understand how a specific situation transpired from the abstract beliefs and values of a group or person. This allows management a mode of analysing a situation when two management practices from different cultures conflict. Managers can then separate cultural problems from those which are specifically business ones.

It is relevant that the value orientations are explained in this thesis because, they represent the basis upon which a value for national culture is generated for each respondent and each company in this study. The extent to which the value orientations are linked to corporate culture is a question analysed in this thesis.

The effects and importance of each of these value orientations on international management are described next, based on the work of Lane and DiStefano (1992).

#### 1. Relationship to Nature.

At one extreme people see themselves at the mercy of nature, or at the will of a larger being, life in this context is predetermined. This meaning finds its way into language through phrases such as "God Willing" in English and the expression "Inshallah" for the Muslim (Lane and DiStefano, 1992). A variation on this value orientation is harmony with nature. A farmer may build a road around a hill to preserve the countryside but a town engineer may level the hill because this creates a faster route. This town engineer is exhibiting the dominant American or western value of mastery over nature. If goals are set in a culture where subjugation to nature is the dominant value then goals are more likely to be vague. Goals represent a desire to control and a manager with a mastery orientation of nature is likely to set goals which are specific, unambiguous, and ambitious.

Lane and DiStefano (1992) state that French subsidiaries have a preference toward harmony with nature and consider a budgeting system an elegant tool but have no real belief in it. On the other hand American subsidiaries view nature as being a controllable force. In their research, Lane and Distefano (1992) found that Americans viewed budget systems as real, relevant and useful. They were confident in their ability to control events by using this tool. A budget system forced onto a subsidiary in a context where subjugation to nature is dominant,

may be a futile exercise. North American managers have reported such experiences with Indonesian managers.

Another example quoted by Lane and DiStefano, is of an Indian factory in which a snake was found in a managers office, leading to the closure of the plant for two months because the Hindus worship snakes. If this had been an American factory operating in India one can see the potential for conflict between management and staff.

## 2. Time Orientation.

There are ways that people are orientated toward time. They are either past, present or future orientated. If a problem arises then a past orientated manager will ask the question "How have others dealt with this problem in the past?". A present orientated manager will consider the immediate consequences and on the other hand a future orientated managers chief concern will be "What are the long term consequences of my choice?".

These orientations can affect planning. Managers with different orientations may plan in different ways. A manager who is past orientated may continually recreate past plans. Reward systems too may be influenced by these orientations. A manger whose time orientation is toward the present may try to reflect current realities through the reward system. The Japanese are traditionally viewed as being future orientated. Lane and DiStefano (1992) give an example of a Japanese manager who was sent to Brazil with a simple mission, to learn Portuguese and to get to know the people and to then worry about starting the business. The Japanese company did not expect to recoup their investment for many years, this is an example of future orientation.

Time is broken down into contrasting units in different cultures. North Americans break the hour into quarters whereas other cultures break the hour into five minute intervals. These differences are significant when related to business situations. Being five minutes late for a meeting in one culture may be acceptable but in another it may be viewed as rude and unprofessional.

### 3. Basic Nature of Human Beings.

Are humans inherently good or bad and are they changeable or unchangeable? Religious orientation has a large bearing on how managers and employees will answer these questions. A dominantly evil orientation is likely to contribute a tight control system based on an underlying suspicion of people. Managers with this orientation are also likely to keep very tight control of their employees and have an autocratic style of management. At the other end of the spectrum managers with a belief that humans are innately good are likely to prefer a laissez faire style of management or to practice participative management. Table (3) illustrates the managerial impact of this orientation.

Table (3) Value Orientations, Time

Issue	Variations		
	Evil	Neutral or Mixed	Good
Basic Human Nature			
Control Systems	Tight suspicion based	Moderate experienced based	Loose information based
Management style	Close supervision, autocratic	Moderate supervision, consultative	laissez-faire based
Organisation climate	Adversarial contractual		Collaborative informal

Source: Lane, H.W., DeStefano, J.J., 1992. *The Impact of Culture on Management*. International Management Behaviour. 2nd ed. USA: PWS-KENT. 35.

#### 4. Activity Orientation.

This orientation operates on a continuum from being to doing. The being orientation represents spontaneity, one acts one's feelings as they are experienced. The doing orientation represents those who are relentlessly trying to achieve and have a compulsive ambition to accomplish. The activity orientation affects how preoccupied people are with work and the extent to which work concerns pervade there lives. In a strongly doing orientated culture it is likely that work will be viewed as the central focus of life and the opposite would be true in a strongly being orientated culture.

In a doing orientated culture decisions are made pragmatically and reward systems are results based. In a being orientated culture decision making is based on emotions, rewards are feelings based and the concern for output and performance is variable. Table (4) illustrates the managerial impact of this orientation.

Table (4) Value Orientations, Activity

Issue	Variations		
	Being	Containing and Controlling	Doing
Basic Human Nature	Being	Containing and Controlling	Doing
Decision criteria	Emotional	Rational	Pragmatic
Reward Systems	Feelings-based	Logic Based	Results- Based
Concern for output	Spontaneous	Balanced objectives	Compulsive
Information and measurement systems	Vague feeling-based intuitive	Complex, qualitative broad	Simple operational, few indices

Source: Lane, H.W., DeStefano, J.J., 1992. *The Impact of Culture on Management*. International Management Behaviour. 2nd ed. USA: PWS-KENT. 35.

## 5. Relationships Among People.

How much responsibility do individuals have for the welfare of others?

This is the question posed by this orientation. Lane and Distefano (1995) assert that, in North America the dominant orientation is individualism, that is that one should take care of oneself and ones immediate family. The opposite to this is the group orientation.

According to this orientation ones allegiance and loyalty stretch out to extended family and all the members of ones group.

A further variation of this scale is hierarchical. In this variation ones orientation is group orientated however ones group has a position among other groups and is stable in this position over time. This may explain why the English are often considered stiff and formal by Americans and why the English consider Americans to be too familiar and informal.

One of the ways that these cultural differences can impact upon an organisation is on it's structure. In Individualistic cultures, the structure is informal and behaviour is flexible. In group orientated cultures the structure of the organisation is preoccupied with horizontal differentiation. Hierarchical structures are concerned with both vertical and horizontal differentiation.

## 6. Orientation to Space.

In some cultures the space which surrounds a person is viewed as private, the private orientation holds that space is for the occupants benefit. In contrast the public orientation sees space as available for anyone's use.

Managers operating in private orientation culture are more likely to find themselves communicating on a one to one basis. These managers are comfortable when their space is not invaded. On the other hand managers from a public orientated culture are likely to feel comfortable

engaging with others in an open style, close relations will not be uncommon and they will not be hindered talking to several people simultaneously.

This section has reflected Lane and DiStefano's (1995) interpretation of the six value orientation which make up national culture and has highlighted some of their findings from around the world. Other researchers have also provided valuable insights into the phenomena of national culture, these are reviewed next.

### **2.6.2. Other Major Research and Findings**

One of the most influential studies into the effects of culture was carried out by Hofstede (1980). According to Hofstede, culture can be defined as "Collective Mental Programming" and can be developed into four main dimensions in which cultures differ around the world.

1. **Power Distance**
2. **Individualism – Collectivism**
3. **Uncertainty Avoidance**
4. **Masculinity – Femininity**

#### **Power Distance**

This explains the level of inequality expected and accepted by people in their jobs and lives. It describes the status and power in an organisational hierarchy.

#### **Individualism – Collectivism**

This individualism dimension refers to the level of freedom and independence of individuals. In contrast, the collectivist societies are based on a collective phenomenon, which describes the group behaviours.

## Uncertainty Avoidance

Aversion to uncertainty focuses on how societies deal with the unknown aspects of a different environment, and how much people are willing to accept risks.

## Masculinity – Femininity

Cultural masculinity characterises societies according to values such as dominance, assertion, toughness, and focused on material success.

“Feminine” societies are expected to be subordinate, modest, tender, and concerned with the quality of life. Table (5) shows Indexed Scores from Hofstede's Studies.

The following Table highlights the main findings of Hofstede (1980) based on the aforementioned dimensions. The scores for Ireland and America are displayed and, to allow a comparative understanding of those findings, the mean result is shown and results for the highest and the lowest scoring countries on each dimension are also given.

Table (5) Hofstede's Indexed Results

<b>Power Distance Index</b>		<b>Uncertainty Avoidance Index</b>	
Mean	51	Mean	64
Highest - Philippines	94	Highest - Greece	112
Lowest - Austria	11	Lowest - Singapore	8
USA	40	USA	46
Ireland	28	Ireland	35
<b>Individualism Index</b>		<b>Masculine Index</b>	
Mean	51	Mean	51
Highest - USA	91	Highest - Japan	95
Lowest - Venezuela	12	Lowest - Sweden	5
Ireland	70	Ireland	68
		USA	62

Source: Geert Hofstede Cultural Dimensions, taken from:

[http://www.geert-hofstede.com/hofstede\\_dimensions.shtml](http://www.geert-hofstede.com/hofstede_dimensions.shtml)



The following discussion of Hofstede's findings (See Table, 6) is based on his analysis of studies in matched samples of IBM employees in 40 countries during the period 1967-1973 (Hofstede, 1980) and subsequent discussions (Hofstede, 1991) .

Relating the values in Table (5) to work practices, the high power distance score of the Philippines indicates an order of inequality, special privileges for those of higher status and superiors who consider subordinates as a different kind of person. Austria and Ireland have low power distance scores indicating that there is less inequality and workers prefer equal rights, with superiors and subordinates being considered as equal. The USA is closer to the mean but still ranks as a country with a low power distance.

A high score in the uncertainty avoidance, as is present in Greece, indicates that there is a belief that with disagreement comes dangers, time is money and that there is a need for written rules and regulations along with a belief in experts, because these will reduce uncertainty.

Singapore's low uncertainty avoidance indicates an acceptance of disagreement, time is viewed as being free, few rules exist, risks are taken and there is a belief in common sense. Both Ireland and the USA have scores above but close to the mean. From these results it would be expected that Irish and American workers would not vary greatly on this dimension.

The USA topped the individualism index, this high score indicates an individualistic people who believe they are responsible for themselves and their immediate family. The more a society's identity is based in the individual rather than the group, the more autonomy, variety, pleasure and individual security is preferred and the right to make individual decisions is placed in high regard.

Venezuela is ranked as a collective country. In collective countries it is more likely to believe in responsibility, loyalty and protection not only to oneself but to the extended family. Expertise, order, duty and security are relied upon and provided by the group. Group decisions are preferred rather than individual decisions.

Highly masculine societies like Japan, believe that women should be the nurturers and high performance is valued. The more masculine societies live to work, are ambitious and admire the achiever. Ireland and the USA score above the average on the masculine index, Feminine societies like Sweden believe that men as well as women should be the nurturers and quality of life is more important to them than work. Their motivation to work is to give service to others. They sympathise more with the unfortunates.

Hofstede's research has received much criticism, Punnett and Withane (1990) note that when Hofstede began his research, his questionnaire was not designed to measure culture. The questionnaire was designed to measure employee satisfaction and perception of work. Another criticism of Hofstede is that he used an exploratory factor analysis technique to develop his cultural dimensions which, according to Fink and Monge (1985), is not a statistically valid approach.

These criticisms however do not take away from the major finding of Hofstede's work that national culture varies from nation to nation and plays an important role within organisations (Hofstede, 1980, 1984). International managers know that people in different countries approach business elements such as resource systems technology and interpersonal behaviour in different ways (e.g., Alder, 1997) highlighting the difference national cultures have on work practices.

Other research into organisations across cultures have found that there are differences and similarities between organisations operating in

different cultural and societal settings (Lammers and Hickson, 1979). Laurent (1983) in a study of the philosophies and behaviours of managers in nine western European countries, America and two Asian countries, asked managers to describe their attitudes to 60 common work situations. According to Laurent, the nationality of managers significantly affects their views on how a company should be managed and also affects managers preference for different forms of organisation structure, for example, Japanese managers believed that all companies need a hierarchy, whereas Americans believed minimal hierarchy was necessary as long as job roles were well defined.

Denison et al (2002), found that in two major studies of 448 companies in seven countries that, despite everything that is known about the importance of cross-cultural differences, results showed a very similar pattern across major regions of the world. According to these findings, national culture either affects corporate culture in a uniform manner or has no effect at all upon it. They also found a strong link between company culture and effectiveness, which appeared to be both strong and consistent. Effective companies were found to have cultures which were highly consistent, well co-ordinated, and well integrated, organisation wide.

It is evident that from the research reviewed that national culture has been found by many authors to influence the way business is conducted across the world. Considered next are some of the problems associated with inferences which have been derived from measuring national culture.

Some authors question the value of culture for explaining differences between multinational companies (Ferner et al., 2001, Evans et al., 2002) and point out that cultural explanations only represent a central tendency within an organisation but ignore the fact that culture is comprised of many different subcultures. There is evidence however

that when studying culture within similar industries, there is a limited amount of variation between organisations because businesses that conduct the same type of business will probably have similar standards and constraints (Gordon, 1991). This thesis measures central tendencies in two companies and has matched the companies by industry type in an effort to measure culture in companies which have similar subcultures.

Humpreys (1996) found that cultural differences had an important effect on the training of employees. He compared samples from the United Kingdom and Egypt. Using questionnaires based on the work of Hofstede (1980), he concluded that although cultural differences played an important role, western theories and management models do not necessarily transfer to other cultures. Adler (1990) concurs and posits that when studying cultures, western scholars often suffer from “cultural blindness”, that is, that when comparing cultures they compare them using their own basic assumptions and thus not objectively. This research is replicating work conducted in Taiwan by Shing (1997) and results are discussed in light of Shing’s work. Building on the insights from other research affords this thesis the opportunity to build a holistic picture of cultural effects and hence reduce cultural blindness.

The previous section reviewed some of the literature regarding the effects of national culture on work practices. The next section reviews the extent to which American national culture has traditionally had been evident in US multinational operations abroad.

## **2.7. American Multinational Context**

Collings (2003) notes that the American business context represents a distinctive historical and institutional configuration of interrelated elements which influence the behaviour of US multinationals beyond their borders. Chandler (1990, cited in Collings 2003) has stated that the US has been the worlds leading industrial nation since 1890. In order to

cater for large markets in the past, American companies produced goods in mass to take advantage of economies of scale and this in turn had profound implications on the organisation of work (Ferner, 2000, cited in Collings 2003). Production became standardised along with management systems, allowing for tighter control of foreign operations.

American headquarter management commonly attempt to impose their own values on subsidiaries (Edwards and Ferner, 2002). American management values have been found to be derived from deep rooted societal norms embedded in the US national culture (Schlie and Warner). So entrenched are these norms that some authors have found that US multinationals are more likely to impose policies and practices similar to those of the parent company, resulting in American norms being proliferated to employees within their subsidiaries (Roche and Geary, 1995; Turner, D'Art and Gunnigle, 1997a; 1997b, cited in Guinnigle et a, 2003).

Traditionally, American companies have imposed values derived from their own national culture upon their foreign subsidiaries. The following section reviews evidence of these findings in Ireland.

### **2.7.1. Implications for Ireland**

What precisely is the role of national culture and how does it affect an organisation, is a question frequently asked. Laurent (1986) assumes that corporate culture represents only surface elements of a culture but is not influenced by the underlying assumptions, the main component of national culture. Laurent argues multinational corporations are not influenced by the national cultures in which they are operating but are influenced by the national culture from which they originate. Rody and Tang (1995) concur with Laurent, they believe that the pervasive effects of culture have important implications and that the values which characterise an organisation are likely to parallel those of the national

culture from which the organisation originates. If these assumptions are correct, then a foreign company in Ireland will have a culture created in a foreign country, which will not take account of the national culture in Ireland.

Conroy (1999) found this assumption to be true, using Hofstede's dimensions. Conroy's (1999) study of an American Multinational in Ireland found that the national culture of the home country (i.e. the US) had a greater influence on corporate culture than the national culture of the host country (Ireland). Another case study by Collings (2003) found that one US multinational exhibited considerable financial headquarter control over its Irish based subsidiaries, therefore reducing the autonomy of those subsidiaries over Irish operations. In the literature American companies are generally recognised as being highly standardised in their approach to managing their operations (Bartlet and Ghoshal, 1989; Child et al., 1997; Harzing, 1999). It has also been demonstrated that US managers have less cultural sensitivity and awareness, and so encounter more difficulties in understanding and adjusting to working in foreign countries than their European colleagues (Tung, 1988). Gunnigle et al (2003) note that there is an increasing trend among US multinationals in Ireland of shunning trade union membership. This is suggestive of the individuality of US firms and their disregard for local custom.

From the literature it is evident that the importance and impact of national culture is real and that national differences do affect the business operations of multinationals. In order for a company to benefit from culture it is essential to understand it.

This research makes a comparison between an Irish and American company operating in Ireland and attempts to ascertain, if there are differences in corporate and national culture and discover if they have an influence over each other. Essentially asking the question:

How are American and Irish companies in Ireland affected by the Irish national culture in which they are operating, and is this apparent in:

A. Their corporate culture

Artefacts

Patterns of Behaviour

Norms

Beliefs

Values

B. Their national culture

Underlying Assumptions

## 2.8. Diagnosing Culture

Debates relating to the measurement of national and corporate culture dominate much of the organisation culture literature and have often clouded research findings, (Bercovici 2001). This thesis shall not review the entirety of this work but shall review and evaluate the most widely used approaches to measuring national and corporate culture and conclude with a justification for the approaches chosen for use in this thesis.

Most researchers of culture take one of three perspectives as identified by Martin and Meyerson, (1988):

- Integration perspective
- Differentiation perspective
- Fragmentation perspective

The integration perspective portrays a strong organisation wide culture which is shared and consistent. Employee values are consistent with formal practices. Members of an organisation with this culture have a shared sense of loyalty and commitment to the organisation.



Inconsistencies in culture are viewed as being weak or negative.

The differentiation perspective portrays organisation culture as consisting of many subcultures within which exist independent cultures. Wilson (1997) in an examination of a bank found that many subcultures existed, these subcultures related to job description and prescribed status.

The fragmentation perspective views change and flux as the norm, with cultural consensus existing in a fluctuating pattern influenced by organisation events and decisions.

This study uses a combination of perspectives because, although it is studying organisation consensus on values, it does not rule out the existence of subcultures. Schein, in Frost et al (1991), believes that there are central beliefs within an organisation because, if there were not, the organisation would not be able to function. The present study measures culture but does not disregard the existence of individuals and subcultures within the organisation who diverge from the central tendency.

Scott et al (2003) reviewed eighty four instruments used to measure culture. They found that cultural researchers will normally use either a typological approach in which the assessment of organisation culture results in an organisation being labelled as a particular type or a dimensional approach which describes an organisation by its position on a number of continuous variables. It was also discovered that some of the instruments had a strong theoretical base whilst others were designed more on common sense.

Using a dimensional tool allows a description of a culture in terms of numbers, thus suiting a quantitative approach. Alternatively, a researcher may use a constructivist approach and type cast an organisation. A researcher can, however, chose to ignore either



approach and can follow a qualitative approach through the use of interviewing and observation. Scott et al (2003) conclude that there are no simple answers to which instrument to use and that the best method for a research project depends on the circumstances and type of research being carried out. It was decided, therefore, in the current study, after examining many instruments, to use instrumentation which had been proven in previous work, the use of which would allow comparisons to be made between research projects.

Rousseau (1990) lists several difficulties when measuring culture. The first is that culture is a social process associated with a unit. If the researcher is not part of that unit it may prove difficult to achieve a true measurement. The second is that the elements of culture differ in the degree in which they are experienced, therefore any measurement will only represent a central tendency but not the groups true culture. Thirdly cultural elements vary in their accessibility to outsiders and the degree to which members of a culture will provide information about them. Fourthly is the debate as to whether it is possible to generalise cultural findings relating to specific cases to others.

Bercovici et al (2002) argue that links between culture and other important variables such as performance factors is thus complicated by other factors such as cultural heterogeneity and methodological problems. Many of these factors have yet to be fully explained and accounted for in the literature.

Despite the methodological problems inherent in the study of cultures, this research project's value from the perspective of future researchers, lies in that it enhances and explains some of these unaccounted factors allowing for the advancement of the research field.

### **2.8.1. Frameworks for Diagnosing National Culture**

There are four well documented etic approaches to the study of culture, i.e. those which study a limited set of concepts that are deemed to be universal amongst all cultures and so generalisable. These are based on the work of:

- Hall (1959, 1976)
- Hampden-Turner and Trompenaars (1993)
- Hofstede (1980, 1985, 1991, 1993)
- Kluckhohn and Strodtbeck (1961)

These approaches are explained and evaluated next.

#### **2.8.1.1. Kluckhohn and Strodtbeck's Variations in Value Orientation.**

The theoretical base for the understanding of national culture and its measurement in this study is based on the work of Kluckhohn and Strodtbeck (1961). Kluckhohn and Strodtbeck describe culture in terms of six value orientations. Value orientations are sets of principles that come from evaluations of beliefs, feelings and intentions and which direct behaviour as people go about their everyday lives. Kluckhohn and Strodtbeck argue that value orientations guide behaviour because they give order and direction to human acts and can be related to the solution of common human problems, and make three assumptions,

1. There are a limited number of common human problems from which all peoples at all times must find a solution.
2. While there is a variability in the solutions of all problems, it is neither limitless nor random but is definitely variable within a range of possible solutions.

3. All alternatives to all solutions are present in all societies at all times but are differentially preferred. (Kluckhohn and Strodtbeck, 1961).

The Value Orientation framework was derived from a through study of ethnographic studies conducted by Kluckhohn and Strodtbeck (1961). Six value orientations were postulated which can be used to make possible comparison between societies .

The six value orientations are :

1. *Human Nature Orientation*. Is the basic nature of humans evil, good, neutral, or a mixture of good and evil? Is that basic nature changeable or unchangeable?

2. *Relationship to Nature Orientation*. Is our nature to control and master the world around us, to be subjugated to it and to the supernatural, or to work in harmony creating a balance with the world?

3. *Time Orientation*. Does the culture emphasise the past (tradition), present, or future (change and progress) in its day to day life?

4. *Activity Orientation*. Is the normal mode of activity of people being (spontaneity, living for the moment), doing (achieving, working) or containing and controlling (rational and reflective)?

5. *Relational Orientation*. Are the natural relations among humans hierarchical (a hierarchy of groups which has continuity through time), collective (arranged in lateral groups, such as family) or individually based?

6. *Space Orientation*. Are the contents of the volume of space around a person perceived as private (belonging to the person), public (belonging to everyone) or mixed? (Kluckhohn and Strodtbeck 1961)

These value orientations can be used for measuring the values of individuals in different groups or subgroups (Lane and DiStefano, 1992). Maznevski and Distefano (1995) argue that although the Kluckhohn and Strodtbeck (1961) framework offers a conceptual model, measurement of its orientations proved difficult. Thus, they developed a new instrument which could successfully measure the value orientations as proposed by Kluckhohn and Strodtbeck. This instrument is called the Cultural Perspectives Questionnaire and is grounded wholly in Kluckhohn and Strodtbeck's (1961) theory. It is the instrument used in this study to measure national culture.

#### **2.8.1.2. Hofstede's Approach**

Hofstede (1980) defines national culture as the collective mental programming of the mind which distinguishes the members of one group from another. Hofstede makes a difference between the hardware and software of a culture. He defines the software of culture as, values and practices which are in general unconscious. The hardware of culture is all that can be touched, seen and heard. Hofstede uses four dimensions to measure national culture.

These dimensions were found through a combination of theoretical reasoning and a survey involving data gathered from 116,000 questionnaires completed by the employees of one US multinational corporation across 40 countries.

#### Hofstede's Dimensions

1. *Power Distance*. This indicates the extent to which a society accepts the fact that power in institutions is distributed unevenly. It's reflected in the values of the less powerful members of society as well as the more powerful ones.

2. *Uncertainty avoidance.* This indicates the extent to which society feels threatened by uncertain and ambiguous situations, and tries to avoid these situations providing greater stability, establishing more formal rules, not tolerating deviant ideas and behaviours, and believing in absolute truths and the attainment of expertise.

3. *Individualism.* The dimension of individualism implies a loosely knit social framework in which people are supposed to take care of themselves and of their immediate families only, while collectivism is characterised by a tight social framework in which people distinguish between in-groups (relatives, industry, organisation) and out-groups and they expect their in-group to look after them and in exchange for that, they owe absolute loyalty to it.

4. *Masculinity.* Measurement in terms of this dimension expresses the extent to which the dominant values in society are masculine—that is assertive, the acquisition of money and things, and not caring for others, the quality of life, or people. (Hofstede 1995).

#### **2.8.1.3. Hall's High and Low Context Cultures.**

Hall (1976) distinguishes between cultures on the basis of how people tend to communicate, view time and their personal space.

On the communication dimension, Hall organises cultures into two categories. He suggests that members of high-context cultures make different assumptions, create different patterns of communication, and experience different kinds of misunderstandings, from those who belong to low-context cultures respectively

*High Context.* High context communication or message is one in which most of the information is already implied in the person, while very little is in the coded explicit, transmitted part of the message. These are

cultures where communication does not require in depth background knowledge because it is assumed that it is already known and understood.

*Low Context.* Low context communication is where the majority of the message is vested in explicit code. Low context peoples appreciate explicit, clear and written information as provided by computers, books, reports and letters.

On the time dimension, there are two dimensions.

1. *Monochronic.* In monochronic cultures time is viewed as being linear. Monochronic people like to do one thing at a time, concentrate on their jobs and take time commitments very seriously. They are low context people and therefore need lots of information, they do not like disturbing others and respect rules of privacy and consideration.

2. *Polychronic.* In polychronic cultures time is viewed with more flexibility. They don't mind several occurrences happening simultaneously. They are high context people and presume that background information is known. These people are family orientated and are committed to people and human relationships.

On the personal space dimension, Hall states that a person is surrounded by a series of invisible boundaries. These boundaries around a person constitute their personal space, the space which is regarded as "mine". It was observed that the expected amount of personal space is related to individualism. In highly individualistic cultures each person is entitled to more space than in collective cultures (Hall and Hall 1987).

#### 2.8.1.4. Trompenaars Dimensions of Culture,

Trompenaars (Loyd and Trompenaars, 1993) articulated seven dimensions of cultures in capitalist economies,

- |                       |     |                         |
|-----------------------|-----|-------------------------|
| 1. Universalism       | vs. | Particularism           |
| 2. Analysing          | vs. | Integrating             |
| 3. Individualism      | vs. | Communitarianism        |
| 4. Inner directed     | vs. | Outer directed          |
| 5. Time as a sequence | vs. | Time as synchronisation |
| 6. Achieved status    | vs. | Ascribed status         |
| 7. Equality           | vs. | Hierarchy               |

Each dimension places a culture at one end of a dimension answering these questions,

##### Universalism vs. Particularism

What is more important in a culture - rules or relationships?

##### Individualism vs. Communitarianism

Does the culture function in a group or as individuals?

##### Specific vs. Diffuse cultures

How far do cultures get involved, do cultures take a holistic view or a segmented one?

##### Affective vs. Neutral cultures

Do members of a culture easily display their emotions?

##### Achievement vs. Ascription

In a culture do the members have to prove themselves to receive status or is it given to them?

### Sequential vs synchronic cultures

Do the members of a culture do things one at a time or several things at once?

### Internal vs External control

Do members of a culture control the environment or work with it ?

## **2.8.1.5. Evaluation of the Frameworks**

In reconciling the various approaches to culture suggested by Hofstede (1980), Hall (1976), Kluckhohn and Strodtbeck (1961) and Trompenaars (1993), Maznevski and Distefano (1995) found that Kluckhohn and Strodtbeck's theory is the most comprehensive and conceptually valid framework and offers the most potential for comparing individuals and groups of people in terms of cultural assumptions and values. Maznevski and DiStefano assert that five of the dimensions argued in the other frameworks are closely linked to the value orientations of Kluckhohn and Strodtbeck. Further evidence of this is given by Hampden-Turner and Trompenaars (1993) who noted that their own framework's dimensions are mirrored in Kluckhohn and Strodtbeck's value orientations.

Hofstede's framework, the best known of the approaches reviewed, has received much criticism. The main concern relevant to this research is that Hofstede's dimensions are not based on any cultural theory (Roberts and Boyacigiller, 1984). Another concern with the theories of Hofstede, Hall and Trompenaars (1993) is that they assume that societies lie at one end of a scale. Kluckhohn and Strodtbeck are explicit in their interpretation of culture as a whole, a constellation of values taken together, not a few isolated dimensions. Maznevski and Distefano (1995) assert that the value orientations of Kluckhohn and Strodtbeck accept that many variations are possible and can be equally preferable



in any culture.

In summary, the theory chosen as superior to the others was that of Kluckhohn and Strodtbeck (1961) for three main reasons,

1. The other frameworks are closely linked to the value orientations of Kluckhohn and Strodtbeck.
2. Of the four approaches mentioned, Kluckhohn and Strodtbeck's theory offers the most potential for comparing individuals and groups of people in terms of cultural assumptions and values as defined in this study.
3. It takes account of the variability in the real world because, it is not bipolar and therefore does not interpret a culture in a simplistic fashion.

#### **2.8.2. Frameworks for Diagnosing Corporate Culture**

There is as little consensus on frameworks in cultural studies as there is on the definition of culture itself. According to Martin and Frost (1996) the seriousness of intellectual difference in the area make it difficult to review research into corporate culture. A full classification of all the theories available is beyond the scope of this research. A review of some of the best known and widely used theories for diagnosing corporate culture are presented here including the rationale for the theory chosen in this research.

The process of revealing corporate culture begins with the visible element of a culture. There is no systematic way that enables a researcher to arrive definitively at a clear identification of a corporate culture. Typologies are but an aid at arriving there. Three typologies are reviewed here.

1. Cameron and Quinn's Typology (1999)
2. Trompenaar's Typology (1993)
- 3 Deal and Kennedy's Typology (1982)

#### **2.8.2.1. Cameron and Quinn's Typology (1999)**

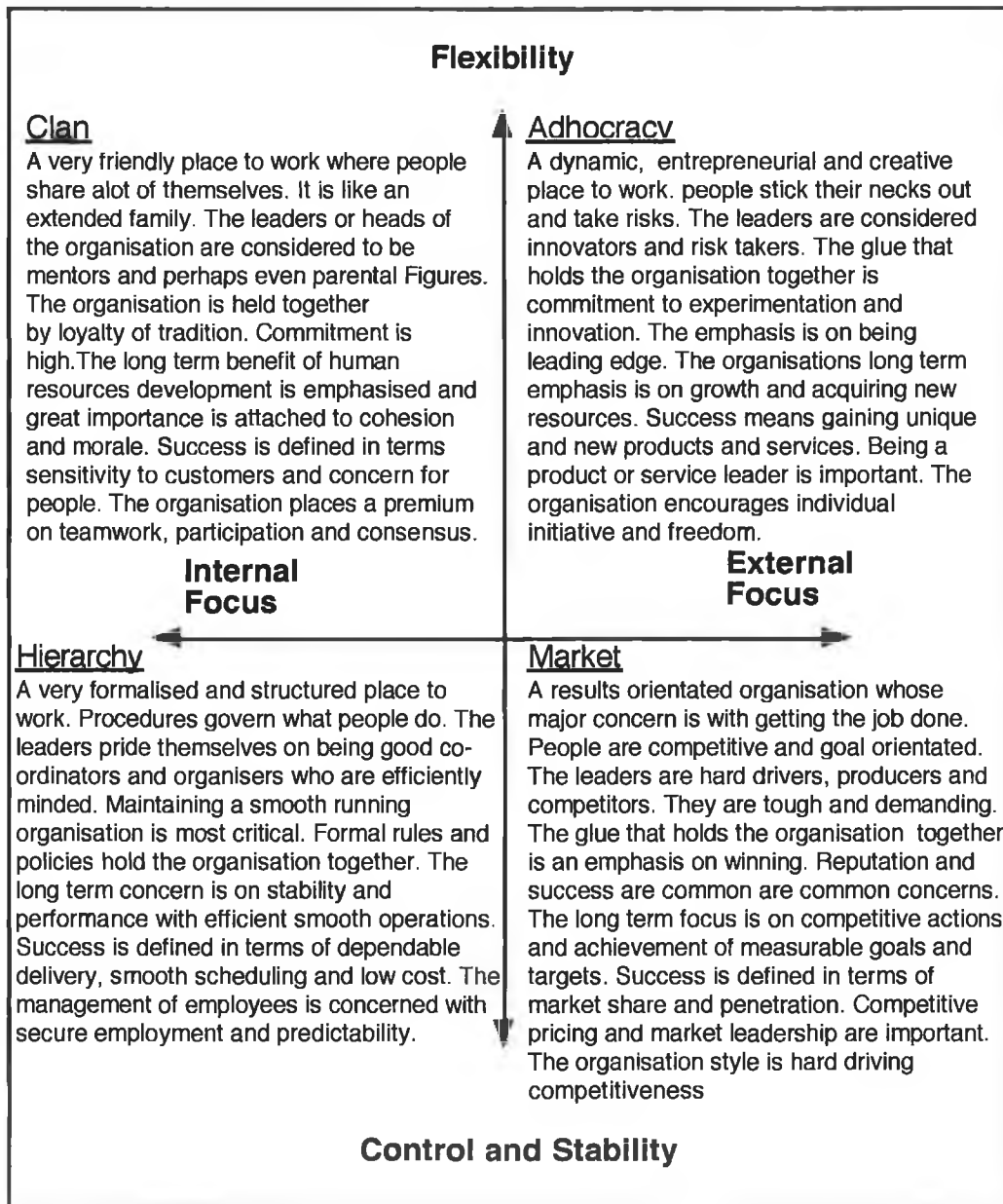
There are four types of organisation distinguished here,

1. Clan
2. Adhocracy
3. Hierarchy
4. Market

It is visible in Table (6) that the types can be distinguished between on the dimensions of flexibility and dynamism on one extreme and stability, order and control on the other. On another axis the emphasis is on the dimension of internal orientation, unity and integration on one extreme and, on the other, external orientation and rivalry.

These clusters make up the Competing Values set. Organisations are characterised depending on which end of each axis they lie. Cameron and Quinn (1999) note that the names used to characterise organisations, clan, adhocracy, hierarchy and market were not randomly selected, rather, they were derived from the scholarly literature that explains how, over time, different organisational values have become associated with different forms of organisations. They assert that each type of organisation adheres to a differing organisation culture, represented by basic assumptions, orientations, and values. Each of these cultural types provides an understanding of the organisational behaviour expected in each cultural type.

Table (6).Cameron and Quinn's (1999) Competing Values Framework.



Source A., Lee, S. & Ng, I. 2000, 'The interplay between organisational and national cultures: a comparison of organisational practices in Canada and South Korea using the competing values Framework' *International Journal of Human Relations*, vol. 11, no.2, pp.390-391.

### 2.8.2.2. Trompenaars Typology (1993)

Trompenaars (1993) noted a tendency for particular organisational cultures to dominate in certain national cultures. National cultures are measured along seven dimensions. Trompenaars refers to culture as the way a group of people solve problems. He studies problems under three headings

1. Relationships with other people
2. Relation to the passage of time
3. Relation to the environment.

On this basis he identifies seven dimensions of national culture, as listed below:

1. Universalism versus particularism.
2. Individualism versus collectivism.
3. Neutral versus emotional.
4. Specific versus diffuse
5. Achievement versus ascription.
6. Attitude to time.
7. Attitude to the environment.

Based on these dimensions, four types of corporate culture can be distinguished, 1. Family, 2. Eiffel tower, 3. Guided missile and 4. Incubator

An advantage of Trompenaar's approach is that he describes not only cultural dimensions but a typology of organisational culture as well. These types differ in the relationship between employees, in the ways of thinking and learning, in the ways of changing, in the ways of motivating and rewarding. The characteristics of each type are highlighted in Table (7)

Table (7) Characteristics of Organisational Culture Archetypes

Type	Family	Eiffel Tower	Guided Missile	Incubator
<b>Relationships between employees</b>	Diffuse relationships to organic whole to which one is binded	Specific role in mechanical system of required interactions	Specific tasks in cybernetic system targeted upon shared objectives	Diffuse, spontaneous relationships growing out of shared creative process
<b>Attitude toward authority</b>	Status is ascribed to parent Figures who are close and powerful	Status is ascribed to superior roles who are distant yet powerful	Status is achieved by project group members who contribute to targeted goal	Status is achieved by individuals exemplifying creativity and growth
<b>Ways of thinking and learning</b>	Intuitive, holistic, lateral and error-correcting	Logical, analytical, vertical and rationally efficient	Problem-centered, professional, practical, cross-disciplinary	Process-oriented, creative, ad-hoc, inspirational
<b>Attitudes toward people</b>	"Father" changes course	Change rules and procedures	Shift aim as target moves	Improvise and attune
<b>Ways of changing</b>	"Father" changes course	Change rules and procedures	Shift aim as target moves	Improvise and attune
<b>Ways of motivating and rewarding</b>	Intrinsic satisfaction in being loved and respected; management by subjective	Promotion to greater position, larger role; management by job description	Pay or credit for performance and problems solved; management by objectives	Participating in the process of creating new realities; management by enthusiasm
<b>Criticism and conflict resolution</b>	Turn the other cheek, save others' faces, do not lose the power game	Criticism is accusation of irrationality unless there are procedures to arbitrate conflicts	Constructive task-related only, then admit error and correct fast	Must improve creative idea, not negate it

Source:

Trompenaars, F. (1993). *Riding the Waves of Culture*. London: Nicholas Brealey Publishing. p 160.

### 2.8.2.3. Deal and Kennedy's Typology

Deal and Kennedy (1982) identify four types of company; tough guy, bet your company, work hard/play hard and process. These in turn are influenced by two situational characteristics:

1. Speed of feedback
2. Level of risk.

Each type of organisation is a reflection of how it responds to the market place. The organisation types are described in Table (8).

Deal and Kennedy (1982) emphasise the visible elements of a business environment. Values, heroes, traditions and rituals and cultural networks are all elements of a corporate culture and are dimensions that can be used to assess corporate culture strength. The strength of a culture determines how difficult or easy it is to behave in the organisation. Deal and Kennedy (1982) found that strong culture companies are often high performance companies when the culture supports the goals of the organisation.

Glaser (1991) developed a tool to measure Deal and Kennedy's (1982) cultural orientations, which places organisation culture on a dimensional scale from strong to weak. Glaser (1991) explains Deal and Kennedy's (1982) cultural orientations with examples:

Values.

The values of an organisation are the basic beliefs of an organisation. A company with strong values has a strong sense of identity and a clear guide and direction for behaviour.

Example: Motorola's values centre about quality and set specifically difficult goals to win industry acclaim. Quality became their main objective and driving force.

### Heroes and Heroines.

Heroes and Heroines in an organisation are people who provide role models for the types of behaviour the organisation consider desirable. Organisations with strong cultures promote heroes and heroines and ensure their activities by enshrining them in stories for current employees.

Example: Bill Gates the founder of Microsoft has led his company through his genius and animated personality. Stories of his reputation are used to inspire new employees.

### Traditions and Rituals.

Companies with very strong cultures have rituals for everything from major event, promotion ceremonies to how people greet each other. These traditions and rituals act as a guide promoting consistent behavioural practices.

Example: At Federal Express when quality targets are met, they are rewarded with a quality award ceremony.

### Cultural Network.

The cultural network is the the informal communication network. It is a route by which formal messages are disseminated through the company in an informal and unofficial way.

Example: There are Figures within the organisation who spread gossip and stories revealing to others current events in the organisation and thereby sustaining the corporate culture.

#### **2.8.2.4. Rationale for Choosing Deal and Kennedy's Theory**

There are few systematic ways that enable a researcher to arrive definitively at a clear identification of a corporate culture. However Deal and Kennedy's identification of values, heroes, rites and rituals, and cultural network, allows a clear measurement of the strength of a culture along those parameters.

The theory chosen is reflected in the instrument used to gather data on corporate culture. Martin (1992) claims there are times when researchers define culture as one thing and study another. On this rational an instrument to study corporate culture was chosen, which represents culture as defined in the theory of the research.

The framework chosen in this study suits the circumstances of the research. This research is a systematic replication of Shing's (1997) study, therefore construct validity is maintained, by using previously defined theory and instrumentation. Concurring with this reasoning, Bevcovici et al (2001) suggest that the value of a cultural framework is bounded by the audience and purpose for which it is aimed.

Within cultural research, there is little sense of a cumulative building of what would be considered knowledge (Martin and Frost, 1996). Using this theory allows this research to build on previous research practices of Shing (1997) and therefore add to the depth of knowledge in a field which is notoriously divergent on theories and methods used in the research process.



Table (8) Deal and Kennedy's Typology

Company Type	Macho/Tough Guy	Bet-Your Company	Work Hard/Play Hard	Process
Level of Risk	High	High	Low	Low
Feedback	Fast	Slow	Fast	Slow
Characteristics	A world of individuals who regularly take high risks and get quick feedback on whether their actions were right or wrong. Not taking an action is as important as taking one. The all or nothing nature of this environment encourages values of risk taking and slogans of these companies reflect the values of the best, bigger and greatest. (e.g. Construction, cosmetics, advertising entertainment)	Cultures with big-stakes decisions, where years pass before employees know whether decisions have paid off. A high risk, slow feedback environment. The values of this culture focus on the future and the importance of investing in it. (e.g. Oil concerns, aerospace, chemical/energy firms)	Fun and action are the rule here and employees take few risks, all with quick feedback; to succeed the culture encourages them to maintain a high level of relatively low-risk activity. The primary company centre on costumers and their needs. (e.g. computer firms, direct personal sales, mass consumer sales, companies and office equipment)	A world of little or no feedback where company employees find it hard to measure what they do; instead they concentrate on how it's done. The values in this culture centre on technical perfection - figuring out risks and pinning the solution down to science. When the processes get out of control one calls it bureaucracy. (e.g. insurance, accounting, banks, libraries)

Source: Adapted from Deal, T. E. & Kennedy, A.A. 1982, Corporate Cultures, The Rites and Rituals of Corporate Life, Addison - Wesley Publishing Company, Massachusetts, pp. 107-123.

### 2.8.3. Cultural Analysis and Subcultures

The previous sections reviewed instruments for measuring corporate and national culture. This is the main level of culture within an organisation but other cultures also exist within an organisation.

Sackmann (1992) has identified that most large organisations have a dominant culture and numerous sets of subcultures. It would therefore

be wrong to assume the existence of cultural uniformity within an organisation (i.e. uniformity in: assumptions, values, beliefs, perceptions, practices, norms, roles, rituals, symbols, structures, and priorities; the meanings people attach to the elements of organisational culture; and the effects these elements have on them). One can appropriately speak of the presence and effects of an organisational culture, just as we can speak of national cultures and their effects despite the presence of notable sub-cultures (Hofstede, 1980).

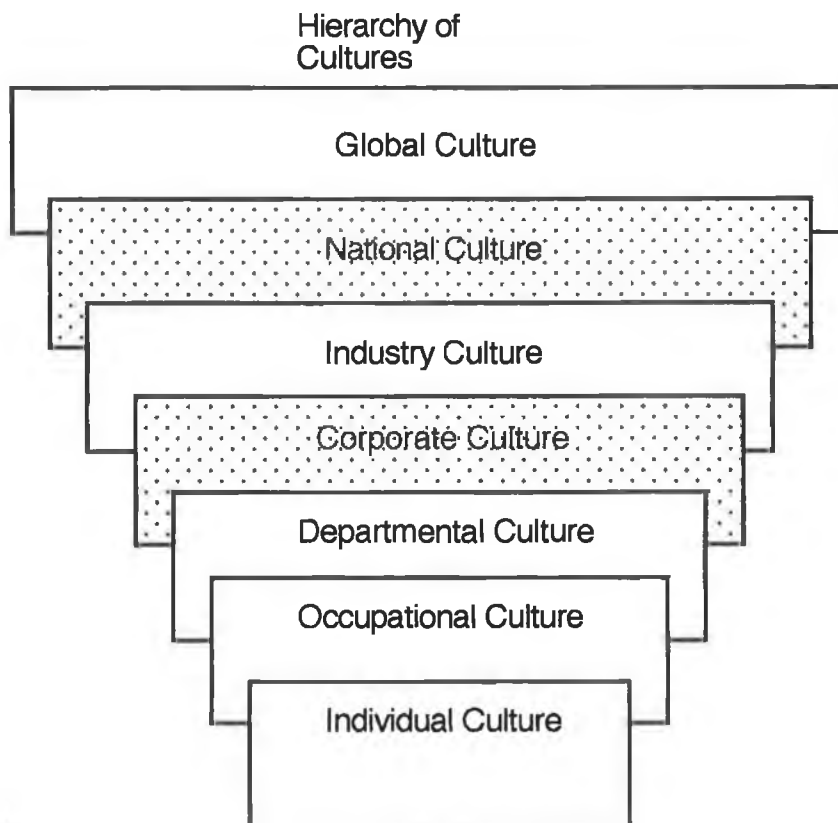
The analysis of organisation culture represents one possible level of culture research. Culture exists at various levels of society (Alvesson and Berg 1992, Groeschl and Doherty 2000, Hofstede 1991). Accordingly, there is a hierarchy of cultures as depicted in Figure (2). This hierarchy allows the phenomena of corporate culture and national culture to be put in perspective. Each level is a part of all the others (Hofstede 1991, Ogbonna and Harris 1998).

This research examines the interconnection between national and corporate culture and the effect each has on the other. The higher levels of culture generally determine the development of the lower levels of culture. This assumption is validated by Laurent (1986), who reports that the most powerful determinant of a managers assumptions is, by far, their nationality. However the relationship between the levels is not always one way. Hofstede(1991) postulates that cultural differences are different at each level. At a national level differences reside mostly in underlying assumption and less in practices.

Kluckhohn and Strodtbeck (1961) refer to fundamental assumptions as value orientations and Deal and Kennedy (1982) refer to practices as the heroes, heroines, traditions, rituals and cultural network which exist within the organisation. At the organisation level cultural differences reside mostly in practices and less in fundamental assumptions. However when a multinational organisation is operating in a host

country, differences in fundamental assumptions exist. The corporate culture of a multinational company may have been formulated in a different country and thus be incongruent with the underlying assumptions of the host country. This thesis examines the extent to which the corporate culture in two companies is a response to the national culture held by employees in those companies.

Figure (2 ) Hierarchy of Cultures



## 2.9. Summary and Conclusions

After reviewing the available literature regarding the operation of organisations in various national contexts, it is evident that national and corporate culture affects how people work and can be a determining factor in the success of a business (Denison, 2002). It is clear from the work of authors such as Deal & Kennedy (1982) and Denison et al (2002), that a strong, consistent corporate culture, when shared by members of an organisation, allows an organisation to respond to the environment in a predetermined manner.

National and corporate culture exist side by side in an organisation (Melawar and Harrold, 2000) and employees are influenced by both. A greater understanding of the environments in which a multinational operates will allow for the eradication of cultural misunderstandings which can hinder performance and perhaps interfere in the implementation of work practices (Adler, 1991).

The field of cultural research fortunately is not a new one. Previous research has opened the gateway for other projects to be undertaken. The discovery by Schein (1991) that culture operate on various levels within an organisation allows this research project to specify what exactly is being measured and to proceed along a clear path. Previous authors have created theories through their own studies giving other researchers theoretical bases from which to work without duplicating what has gone before. The identification of Value Orientations by Kluckhohn and Strodtbeck (1961) and values, heroes, heroines, cultural networks, and rites and rituals by Deal and Kennedy (1982) has given this research project parameters along which national and corporate culture may be measured.

From the literature it was found that within Ireland studies regarding national and corporate culture are relatively few, although in America much attention has been given to the concepts. There is a need to extend that research to an Irish context. Shing's (1997) questioning as to whether his findings would be found in other countries, gives this study an opportunity to compare and contrast the current findings with and beyond Ireland.

Many authors such as Martin and Frost (2001), have pointed out that there is no sense of cumulative building in the field of organisation culture. This may explain why there is such an abundance of theories and measurement tools. This study builds on the work of Shing (1997) and assesses the applicability of it's findings to an Irish context.

This research project studies a specific comparison between the national and corporate culture of two multinational corporations operating in Ireland. American companies are the primary operators of subsidiaries in Ireland hence an equivalent American and Irish company doing business in Ireland are the basis of this study. The methodology used and the research processes proposed are highlighted in the next chapter along with statistical tests used to draw conclusions from the research hypothesis.

## **Chapter 3. Methodology**

### **3.1. What is a Methodology**

A methodology should contain sufficient information to allow future replication (Lindsay 1995). This is a quantitative methodology and contains sufficient information to allow an understanding of the methods used in this study and future replication.

This thesis is replicating previous research by Shing (1997) and uses a survey. Discussed in this section are methodology justification, the core steps involved in the operationalisation such as population, sampling frame, sample design, sample size, instrumentation and procedures (Davis and Cosenza 1993).

### **3.2. Paradigm choice**

In most cases a researcher relies upon one of two paradigms, the quantitative paradigm or the qualitative paradigm (Weinreich, 1996). Each approach has positive attributes. An evaluation of both approaches will help to clarify why a quantitative paradigm was necessary.

Essentially the differences between the two paradigms are:

1. Quantitative research reflects the traditional scientific approach to problem solving. It assumes that there is a single reality that can be broken down into variables. By identifying and isolating different variables, cause and effect relationships can be established. The purpose is to test hypotheses that have been developed before the research project started and to form conclusions that can be generalised to wider or similar situations (Winter, 2000) . The emphasis in this

approach is upon measurement, comparison, and objectivity.

2. In contrast, qualitative research is based upon the assumption that multiple realities exist in people's perception of the world. Hence, in order to understand phenomena in the world, multivariate approaches are needed; information from a wide variety of sources must be sought and combined in a meaningful way. Since perceptions are an internal process and not observable, one of the prime methods for obtaining them is by talking with people but not by statistical procedures or other means of quantification (Strauss and Corbin, 1990). The purpose of qualitative research is to better understand a phenomenon. The emphasis in this approach is upon description, uncovering patterns in the data, giving voice to the participants, and maintaining flexibility as the research project develops.

Miles and Huberman (1994) assert that some pure quantitative researchers believe "there's no such thing as qualitative data. Everything is either 1 or 0" whilst pure qualitative researchers assert "all research ultimately has a qualitative grounding". This division between the two camps of thought, (qualitative and quantitative) is "essentially unproductive" according to Miles and Huberman. Table (9) makes some comparisons between the two paradigms.

Many researchers today advocate a paradigm which suits the research, therefore methodological appropriateness is the primary criterion for judging methodological quality. Hathaway (1995) considers the researchers position, positing that decisions about which kind of research method to use, apart from other factors, are also based on the researcher's own experience and preference, the population being researched, the proposed audience for findings, time, money, and other resources available.

The quantitative paradigm was chosen as the most suitable for this

research because:

1. This research is seeking to make generalisations to other research. Quantitative research allows for close comparison to other quantitative data.
2. The use of quantitative methods allow for accurate replication of other quantitative studies. This research is a systematic replication.
3. The researcher would not have had the resources, time or money to gather the same amount of information in a qualitative fashion.

Table (9) Qualitative and Quantitative Research Compared

	<b>Qualitative Research</b>	<b>Quantitative Research</b>
Also Known As	interpretative / responsive	positivist /hypothetico-deductive
Type of reasoning involved	(usually) inductive	(usually) deductive
Link with concepts	identifies concepts	uses identified concepts and investigates relationships
Action	sometimes only describes a situation but in action-research openly intervenes	tests relationships between concepts (the proposed theory) by looking for facts that support or deny the suggested relationship.
Outcome	illuminates the situation allowing a understanding which can lead to improvement of the area studied.	accepts or rejects proposed theory
Approach to validity	truth seen as context bound (socially constructed)	truth seen as objective and universal

Source:<http://www.ucd.ie/teaching/res/qua.htm>



### **3.2.1. Review of Data Collection Methods, Quantitative or Qualitative in Cultural Research.**

Gill and Johnson (1991) posit that most researchers find it difficult to settle on a method of research when the two main competing methods both declare their supremacy. On the one hand, there is the scientific approach, praising the benefits of quantitative measurement and, on the other hand, the qualitative approach emphasising the benefits of deep contextual explanation. In order to choose a research perspective to follow, a researcher must listen to scholars on both sides.

There are two ways in which these scholars study the workings of culture. They take either (a) a cross-cultural approach and compare a culture they want to understand with another one or (b) they study how the culture works from the inside. The first way is comparative and has been labelled *etic*. The second, which is not comparative, is called an *emic* approach (Pike, 1966). According to Geertz (1983), the objective of the *emic* approach or single case study, is an appreciation of contextually specific knowledge, rather than an understanding that emerges from the process of abstraction and generalisation across cases. Geertz (1973) advocates the use of "thick descriptions" to give richly detailed accounts of single cultures. One reason, as given by Boas (1901), for the use of the *emic* approach, over the generalisations of an *etic* approach is the assumption that every culture is unique. Schein (1985, 1996, 1999) and Rosseau stress the theoretical importance of in depth understanding. According to Schein (1987), an in-depth understanding of the assumptions underlying a culture are best acquired through discussion with cultural members, using the interview goal and techniques of a clinical psychologist to tap unconscious and preconscious preconceptions. However, although depth of understanding has its advantages, it is purchased at a cost (Martin, 2001). The time involved in each case study means that an ethnographic researcher is unlikely to be able to use his or her own data

to make comparisons among significant numbers of cultures, or to build empirically based theoretical generalisations about culture (Martin 2001).

A characteristic of scientific explanation is that it allows predictions, since it attempts to supply the causal factors behind phenomena so that when appropriate conditions exist, the phenomenon can be expected (Hatch 1973). This research project is looking for scientific explanation in order to ascertain if Shing's (1997) results will apply in Ireland and thus has used an etic approach.

### **3.3. Type of Study**

This research is a replication of a study carried out in Taiwan by Shing (1997). The study aims to extend the research on organisational culture by using the theory and research methods of another study and then examining and comparing the findings of this thesis to that research. In this study, replication allows for the discovery of new findings in Ireland and for the determination of the generalisability of the findings to different groups, cultures and locations.

There are two types of replications in academic research.

#### **1. Direct.**

This type of replication calls for identical research to be carried out.

#### **2. Systematic**

Systematic replication is the common way in which a study is replicated. A researcher will do an experiment similar to that of another researchers but with different types of subjects, with different values for the stimulus or with different ways of operationally defining the theoretical concept

(McBurney, 2001; Heffner, 2004). All of these approaches are considered systematic replication.

Heffner (2004, ch 1.11) cites the importance of replication:

1. It helps determine if previous results are valid and reliable
2. It helps determine if previous results are universally true and can be expected to reoccur under new circumstances.
3. Replication allows for the application of results to real world situations.
4. It provides an inspiration for new research adding to the depth of knowledge in an area.

In this thesis replication was chosen as a research method for several reasons.

It was decided to use Shing's (1997) study constructively by building on his research rather than designing new research questions.

The research questions designed by Shing (1997) are considered valid for this research project because, although they have been applied before, they have never been applied in Ireland.

Research into national and corporate culture has been conducted previously in Ireland (Hofstede, 1981; Conroy 2001). However research answering the questions posed by this research has never been validated through replication in Ireland.

In order for Shing's (1997) study to be replicated, it had to have a strong basic design. The stronger the basic design, the stronger the inferences that may be made from it (Hantrais, 1996). The researcher therefore undertook a rigorous analysis of the theory and methods used in Shing's study. There was ample clarity in Shing's research and methodology which contained sufficient information to allow future replication.

Apart from the strength of the design to be replicated, it is also important to identify which variables are dependent and which variables are independent in the basic design (Hantrais, 1996). An independent variable causes changes in another; a dependent variable is a variable that is affected by or explained by another variable (Sarantakos, 1998).

Independent variables in this research are, people, place, time and organisation and the dependent variables are national and corporate culture.

Table (10) Independent Variables

<b>Independent Variables</b>	Shing's Study	This Study
Organisation Type	Shipping Electronics Hotel Software	Pharmaceuticals
Organisation Nationality	Taiwanese and Japanese	American and Irish
People	Taiwanese employees	Irish employees
Place	Taiwan	Ireland
Time	1997	2004

Table (11 ) Dependent Variables.

<b>Dependent Variable</b>	Shing's Study	This Study
Culture	National and Corporate culture and their relationship	National and Corporate culture and their relationship

The findings in this study are affected by the independent variables, which include, the type of industry studied, the nationality of the organisation and the respondents, the location of the study and the timing of the study.

If equivalent results were found in this study to those of Shing, this would indicate that cultural is affected in the same way by these independent variables and therefore generalisations could be made across cases. If, however, the new findings were not equivalent to those of Shing, then this would indicate that the results are effected differently by the independent variables and are context specific. This means that the results apply only to companies operating within the context studied.

### **3.4. Research development**

It is not possible to discuss the current research without first referring to the study upon which this research methodology is based. That research had the title “ A Study Of National Culture Versus Corporate Culture In International Management” and was completed by, Shing (1997). The research took place in Taiwan and used a selection of indigenous companies and a selection of Japanese companies operating in Taiwan. The purpose of that research was:

A: To determine if a relationship existed between national and corporate culture in the organisations studied.

The Null Hypotheses from the original study were,

H0 1: There will be no difference between the Japanese and Taiwanese companies on the dimensions of corporate culture.

H0 2: The Japanese companies and Taiwanese companies will have

the same national culture.

H0 3: There will be no relationship between corporate culture and national culture.

The findings and the acceptance or rejection of the null hypotheses in the original study were,

1. The null hypotheses was accepted.

There was no significant difference on the scores for corporate culture between the Taiwanese and Japanese companies.

2. The null hypotheses was rejected.

There was a significant difference on the scores for national culture between Taiwanese companies and Japanese companies .

3. The null hypotheses was rejected in the case of the Taiwanese companies but accepted for Japanese companies.

There was a relationship between national culture and corporate culture for the Japanese companies, but not for the Taiwanese companies.

The original study found from the sample taken in Taiwan that:

1. Corporate culture is not a defining factor between companies from different nationalities.

2. Companies from abroad exhibit a different national culture to indigenous companies.

3. There is a relationship between national culture and corporate culture for multinational companies operating in a host country, but there is no relationship between these factors for an indigenous company. Ipso

facto, the corporate culture of a MNC is affected by the home culture of the parent company.

The current thesis, aimed to produce findings specific to Ireland, and to ascertain if Shing's findings are applicable in a different country. The research questions for this study are detailed in the following section and are based on the participant companies in the current study.

### **3.5. Primary and Secondary Research Questions**

#### **Primary Research Questions**

1. Do two companies of differing nationalities within the same industry adhere to the same corporate culture ?
2. Do two companies of differing nationalities within the same industry adhere to the same national culture?
3. Does national culture influence corporate culture?

#### **Secondary Research Question**

1. Will the results of this research in two companies operating in Ireland, support the findings of Liao Shing Kao's study in Taiwan?

If Shing's (1997) findings are applicable in another country then the findings of this study should concur with the findings of his research. The secondary research hypothesis is considered in the discussion of each individual research hypothesis in the discussion chapter.

To answer the main research questions, the following null hypotheses and research hypotheses were developed:

1)

H0: There will be no difference in the corporate cultures between the organisations studied

H1: There will be a difference in the corporate cultures between the organisations studied

2)

H0: There will be no difference in national culture between the organisations studied

H1: There will be a difference in national culture between the organisations studied

3)

H0: There will be no relationship between corporate culture and national culture.

H1: There will be a relationship between corporate culture and national culture.

The following section describes what a survey is, why a survey was selected to gather data and alternative research methods considered.

### **3.6. Survey Definition**

The word survey describes a method of gathering information from a sample of individuals; a sample being part of the total population of individuals being studied.



A pure survey has several characteristics, a random sample is selected from a population in order that the results can be reliably projected from the sample to the larger population. Information is collected in a standard way so that every individual is asked the same questions in more or less the same way. The survey's intent is to obtain a composite profile of the population (Ferber et al, 1980). Table (12) highlights some of the advantages and disadvantages of the most widely used survey methods.

Table (12) Advantages and Disadvantages of the Main Types of Survey

Survey type	Advantages	Disadvantages
<b>Spoken surveys</b>	Effective in all situations, e.g. when literacy level is low.	Need a lot of organisation.
Face to face surveys	Usually provides very accurate results. Any question can be asked. Can include observation and visual aids.	Expensive, specially when large areas are covered.
Telephone surveys	High accuracy obtainable if most members of population have telephones.	No visual aids possible. Only feasible with high telephone saturation.
<b>Written surveys</b>	Cheaper than face-to-face surveys.	Hard to tell if questions not correctly understood. More chance of question wording causing problems
Mail Surveys	Cheap. Allows anonymity.	Requires high level of literacy and good postal system. Slow to get results.
Self-completion, questionnaires collected and delivered	Cheap. Gives respondents time to check documents.	Respondents must be highly literate.
Email Surveys	Very cheap Quick results.	Samples not representative of whole population. Some respondents lie. High computer skills needed.
Web surveys	More easily processed than email questionnaires	Many people don't have good web access.

Source: What is a Survey, ASA Series, taken from <http://www.amstat.org/sections/srms/brochures/survwhat.html>

### **3.6.1. Type of Survey Employed.**

A survey was deemed to best suit this research for many reasons. It was a relatively inexpensive way for this research project to describe the characteristics of a large population. No other method of observation could have provided this general capability. It was possible to administer and receive some of the surveys from the researcher's workplace using mail. The questionnaires used in the survey were written self completion questionnaires. Using questionnaires made it possible to ask many questions in a random order, giving considerable flexibility to the analysis. Using a survey to collect data also gave great flexibility at the creation phase in deciding how the questions would be administered as some organisations would not allow certain methods of survey administration. The variety in survey methods such as face-to-face interviews, by telephone, group administered, written survey, oral survey, and survey by electronic means allowed the researcher to tailor the data collection to changing circumstances.

Standardised questions allowed for precise measurement because uniform definitions of questions and answers were supplied to the participants. This standardisation ensured that similar data could be collected and the findings could be compared to similar standardised studies. Further advantages of administering a survey were that the standardised questionnaire reduced bias as it allowed the respondents to choose how they wanted to answer all questions without outside influence from the researcher.

### **3.7. Alternatives to Conducting Survey Research**

There are many alternatives to survey research which were not used. These alternatives are explained next along with their major advantages and disadvantages.

1. Naturalistic observation involves the systematic monitoring and recording of behaviour which occurs naturally (Martin and Bateson, 1986). A researcher studies subjects behaviour unknown to the subjects, behaviours are observed without interference from the researcher. The main point of this method is that natural behaviours are recorded and that the researcher does not have much control over what happens.

2. Content analysis is a method for drawing inferences from existing records or documents in a systematic and unbiased way (Weber 1985). Advantages of this method that large populations can be studied, trends which occur over a long time span can be documented. Disadvantages of this method are that the researchers interpretation can bias the research and the data and the method of collection is not controlled by the researcher.

3. Experiments on human subjects use the scientific method, subjects are randomly assigned to alternate identical experimental conditions that are the same except for a single hypothesised causal variable, (Judd et al, 1991). Advantages are that they allow the direction of causal relationships to be identified, but often achieve this by sacrificing applicability to real life situations that is external validity.

4. Case studies are an in-depth analysis of one particular organisation, such as an institute of technology, a business, or any group (Yin, 1989). Case studies allow for in depth examination of a particular situation. However the results of such a study cannot be generalised beyond the single case.

5. Secondary data analysis is the reanalysis of existing survey data collected by another person for a different purpose (Frankfort-Nachmias and Nachmias, 1996). Advantages are the savings in time and effort achieved by avoiding the collection of new data. The main

disadvantage of this method is that primary data was collected by another person and therefore the current researcher has no control over it.

6. Participant observation requires the researcher to become involved in the daily lives of research subjects and to make detailed notes of observations and experiences from the field (Emerson, 1983). The researcher can engage in open-ended research that allows great flexibility. A disadvantage is the difficulty in generalising these observations to other situations and people and the researcher's presence may cause people's behaviour to be unnatural .

7. Personal interviews or focus groups involve the face to face questioning of people selected for their particular knowledge, interests, or availability rather than at random (Morgan, 1988). Although they allow for a more exploratory approach, the results cannot be generalised beyond the individuals or groups.

### **3.8. Pilot Research**

Although both of the questionnaires used in this study had been used in previous studies, pilot research was carried out in order to ascertain if the questionnaire posed any difficulties to Irish users. The questionnaires were distributed to 30 employees of a local organisation. The employees were asked to write comments as to any difficulties they encountered with the two questionnaires. The pilot research was conducted in one week from the tenth of March to the seventeenth of March. This part of the study aimed to answer the following questions.

1. Are the questions ones which respondents can easily answer based on their experience?

2. Are the questions, simple enough, specific enough, and sufficiently well defined that all of the respondents will interpret them in the same way?
3. Does the question contain any words or phrases which could bias respondents to answer one way over another?
4. Is it clear to respondents exactly what types of answers are appropriate?
5. Are any of the questions mutually exclusive?
6. Are any assumptions implied by a question warranted?

#### Results of Pilot research

The main concern expressed regarding the questionnaire was its length. Initially some of the pilot group expressed scepticism on first seeing the questionnaire but on completion it was found not to be as time consuming as anticipated. It took most respondents on average 12 minutes to complete.

Some respondents commented that some of the questions were similar. This, however, did not represent a problem because the questionnaire contains randomly distributed questions relating to eleven scales. Within each scale similar questions are asked in order to achieve a true value for that scale.

The questionnaire was found to be easy and understandable and did not pose any overt problems to any of those who completed it.

### 3.9. Instrumentation

The research project is a replication and in order to achieve replicable results the same instruments had to be used, thus maintaining construct validity, that is, that the research will measure what it claims to measure.

The research has attempted to measure the same constructs as Shing's (1997) study measured (ie. national and corporate culture) using similar methods. Both instruments used in this study are displayed in appendices, A2 and A3.

#### 3.9.1. Corporate Culture Survey

The Corporate Culture Survey is the instrument used in this research to assess the strength of corporate culture within an organisation and is based on the work of Deal and Kennedy (1982).

The survey was developed by Glaser (1991). The respondents combined score from the survey gives a measure of cultural strength (Shing, 1997). The corporate culture survey was developed based on a sample of 17 managers from a Fortune 500 company and 23 participants in a program at a behavioural science institute (Glaser, 1991)

The survey examines corporate culture under the following heading as suggested by Deal and Kennedy (1982), these are values, heroes and heroines, traditions and rituals and the cultural network.

Glaser (2004) supplied the following definitions:

1. *Values*: The values of the organisation are the basic beliefs of the organisation.

2. *Heroes and Heroines*: In an organisation these are the symbolic

Figures who provide role models for the types of behaviour that are desirable.

3. *Cultural Network*: This is the informal communication network that exists within the organisation.

4. *Traditions and Rituals*: Companies with strong cultures have traditions for everything from the celebration of major events to the trivial activities such as how people greet each other.

On a likert scale which ranges from 1-5, respondents must answer twenty questions. Mean scores for corporate culture for each respondent in each company can then be produced and from these a corporate culture scale is created for each company. These scales can then be compared to assess whether a difference exists between each company corporate culture.

Corporate cultural strength can be gauged by computation of the mean score for each respondent and a computation of the group mean from all the respondents will give a score of cultural strength for each company. Cultural strength can then be ranked as shown in Table (13).

Table (13) Corporate Culture Survey: Measurement

Cultural strength scores	Cultural strength
1	Very High
2	High
3	Average
4	Low
5	Very Low

Glasser, R., 1991. Corporate Culture Survey. Organisation Design and Development, Inc. 7.

### **3.9.2. Cultural Perspectives Questionnaire**

National culture (i.e. the underlying assumptions) is measured in this thesis using the Cultural Perspectives Questionnaire developed by Maznevski and DiStefano (1995). They built on the work of Kluckhohn and Strodtbeck (1961), to measure eleven cultural orientations as identified and explained in Table (14).

This instrument can measure the similarity of two national cultures. On a likert scale which ranges from one to seven, respondents must answer seventy nine questions. Mean scores for national culture for each respondent in each company can then be produced and from these a national culture scale is created for each company. These scales can then be compared to assess whether a difference exists between the national culture which is held by employees in each company.

The instrument is considered to be a valid and reliable instrument for measuring cultural values and has been used in a large number of countries including Hong Kong, China, USA, Mexico and the Netherlands (Maznevski and Distefano, 1995).



Table (14) Cultural Orientations in Organisations, Part 1.

Issue	Orientalions	Members of Cultures with this Orientation Typically...
Relation to Environment	Harmony	<ul style="list-style-type: none"> <li>• Take holistic view, notice imbalances in organizational systems</li> <li>• Work to restore and maintain harmony and balance</li> <li>• Identify and implement whole system, synergistic approaches</li> </ul>
	Mastery	<ul style="list-style-type: none"> <li>• Notice elements that can be changed, controlled.</li> <li>• Like to intervene and control situations</li> <li>• Identify and implement potential interventions to improve</li> </ul>
	Subjugation	<ul style="list-style-type: none"> <li>• Notice unavoidable constraints</li> <li>• No attempt to change the unchangeable, do one's best to address the rest</li> <li>• Prevent wasted effort at attempting to change relatively fixed constraints</li> </ul>
Relationships among People	Collective	<ul style="list-style-type: none"> <li>• Pay attention to lateral group relations, have a sophisticated understand of implications of relationship issues</li> <li>• Preserve interests of group, if necessary at expense of own self-interests</li> <li>• Maintain group relations, promote active listening</li> </ul>
	Individualistic	<ul style="list-style-type: none"> <li>• Notice issues of importance to self; counts on others raising their own issues.</li> <li>• Act to preserve own self-interests first, may try to find solutions that balance group with own interests; acknowledge that others have legitimate issues</li> <li>• Expect self and others to contribute fully, uniquely, and in important ways</li> </ul>
	Hierarchical	<ul style="list-style-type: none"> <li>• Be sensitive to issues of power and politics</li> <li>• Expect senior members to control group and junior members to obey others in group</li> <li>• Make good use of senior members, supervisors, and outside experts as resources</li> </ul>

Cultural Orientations in Organisations,  
part2.

Issue	Orientations	Members of Cultures with this Orientation Typically...
Mode of Activity	Being	<ul style="list-style-type: none"> <li>• Notice feelings and intuitions at least as much as external events.</li> <li>• Prefer a response that feels right, when the time is right; may prefer to work in “irregular” bursts of activity, balancing with social time</li> <li>• Maintain group relations, draw attention to affective information</li> <li>• Guide group to not push actions before their time</li> </ul>
	Doing	<ul style="list-style-type: none"> <li>• Notice discrepancies between plan and actual; pay attention to things that can be measured and are tangible.</li> <li>• Prefer to take immediate action to achieve a goal as quickly as possible</li> <li>• Set goals, ensure goals are achieved</li> </ul>
	Thinking	<ul style="list-style-type: none"> <li>• Notice the assumptions and development of decisions, notice whether all aspects of a decision have been considered</li> <li>• Prefer a rational response, may delay action</li> <li>• Ensure multiple analyses, and explanations perspectives are considered</li> </ul>
Human Nature	Good	<ul style="list-style-type: none"> <li>• Initially trusting, broken trust hard to rebuild</li> <li>• Identify situational causes for bad behaviour</li> </ul>
	Bad	<ul style="list-style-type: none"> <li>• Initially untrusting, broken trust affects relationship less because high levels of trust not expected in the first place</li> <li>• Identify situational causes for good behaviour</li> <li>• Monitor others’ behaviours and motives</li> </ul>
Time	Past	<ul style="list-style-type: none"> <li>• Notice discrepancies with past and tradition</li> <li>• Act to make things consistent with past practice</li> </ul>
	Present	<ul style="list-style-type: none"> <li>• Notice failures to address immediate concerns</li> <li>• Promote sense of urgency, address immediate threats and opportunities</li> </ul>
	Future	<ul style="list-style-type: none"> <li>• Notice potential long-term implications; sacrifice today for long-term future benefits</li> <li>• Draw attention to events with long-term implications, incorporate into current planning and</li> <li>• action</li> </ul>

Source, <http://www.human-factors.no/cpq.htm>. Authors, Martha Maznevski & Joe DiStefano.

### 3.10. Sampling Methods

It is incumbent on the researcher to clearly define the target population. There are no strict rules to follow, and the researcher must rely on logic and judgement. The population is defined in keeping with the objectives of the study (Walonick, 1998).

Usually, the population is too large for the researcher to attempt to survey all of its members. A small, but carefully chosen sample can be used to represent the population. The sample reflects the characteristics of the population from which it is drawn.

Sampling methods are classified as either probability or non probability. In probability samples, each member of the population has a known non-zero probability of being selected. Probability methods include random sampling, systematic sampling, and stratified sampling. In non probability sampling, members are selected from the population in some non random manner. These include convenience sampling, judgement sampling, quota sampling, and snowball sampling. The advantage of probability sampling is that sampling error can be calculated. Sampling error is the degree to which a sample might differ from the population. When inferring to the population, results are reported plus or minus the sampling error. In non probability sampling, the degree to which the sample differs from the population remains unknown.

**Random sampling** is the purest form of probability sampling. Each member of the population has an equal and known chance of being selected. When there are very large populations, it is often difficult or impossible to identify every member of the population, so the pool of available subjects becomes biased.

**Systematic sampling** is often used instead of random sampling. It is also called an Nth name selection technique. After the required sample size has been calculated, every Nth record is selected from a list of population members. As long as the list does not contain any hidden order, this sampling method is as good as the random sampling method. Its only advantage over the random sampling technique is simplicity. Systematic sampling is frequently used to select a specified number of records from a computer file.

**Stratified sampling** is a commonly used probability method that is superior to random sampling because it reduces sampling error. A stratum is a subset of the population that share at least one common characteristic. Examples of strata might be males and females, or managers and non managers. The researcher first identifies the relevant strata and their actual representation in the population. Random sampling is then used to select a sufficient number of subjects from each stratum. Sufficient refers to a sample size large enough for us to be reasonably confident that the stratum represents the population. Stratified sampling is often used when one or more of the strata in the population have a low incidence relative to the other strata.

**Convenience sampling** is used in exploratory research where the researcher is interested in getting an inexpensive approximation of the truth. As the name implies, the sample is selected because they are convenient. This non probability method is often used during preliminary research efforts to get a gross estimate of the results, without incurring the cost or time required to select a random sample.

**Judgement sampling** is a common non probability method. The researcher selects the sample based on judgement. This is usually an extension of convenience sampling. For example, a researcher may decide to draw the entire sample from one "representative" city, even though the population includes all cities. When using this method, the

researcher must be confident that the chosen sample is truly representative of the entire population.

**Quota sampling** is the non probability equivalent of stratified sampling. Like stratified sampling, the researcher first identifies the strata and their proportions as they are represented in the population. Then convenience or judgement sampling is used to select the required number of subjects from each stratum. This differs from stratified sampling, where the strata are filled by random sampling.

**Snowball sampling** is a special non probability method used when the desired sample characteristic is rare. It may be extremely difficult or cost prohibitive to locate respondents in these situations. Snowball sampling relies on referrals from initial subjects to generate additional subjects. While this technique can dramatically lower search costs, it comes at the expense of introducing bias because the technique itself reduces the likelihood that the sample will represent a good cross section from the population. (Walonick, 1998).

This study used a combination of convenience and snowball sampling. Sampling methods were employed which suited the circumstances of the research. The researcher had limited access to a limited number of the population and therefore using a probability method of sampling was not possible.

### 3.10.1 Selection of Companies

The research required the comparison of similar companies of Irish and American origin. Companies selected for use in this research had to be operating in the same industry and employ over one hundred people.

Thirty six companies were approached and asked to participate in this research project. Eighteen of the companies were Irish and eighteen of the companies were American. See Table (15). All of the companies were mailed details of the research along with a request for their participation. They were mailed between the months of January and February 2004 and were then contacted subsequently via telephone.

The companies were matched by industry and all employed over 100 people. The American and Irish companies were selected from the IDA database of companies resident in IDA business parks (IDA, 2004). In order to proceed with the research the methodological design required the selection of at least two companies, one American and one Irish, in a matched industry. It was hoped that four companies from matched industries would volunteer to participate, 30 of the companies refused to participate. Table (17) highlights the reasons given by the companies for not participating in the study.

Of the remaining companies, six volunteered to participate but four of those were not from matched industries. Only two companies were eligible for use in this study because they were of American and Irish origin and both operated in the same industry. See Table (16). The eventual participants in the study were two companies both from the pharmaceutical industry.

Table (15) Nationality and Industry Types Contacted

Industry	Irish Companies	American Companies
Financial Services	5	3
Pharmaceuticals	5	5
Software	3	5
Electronics	3	3
Engineering	2	2
Total	18	18

Table (16) Percentage of Participating Companies

Industry	No of companies	%
Refusal of Participation	30	83.33
Approval of Participation	6	16.66
Not from matched Companies	4	11.11
Qualifying Companies	2	5.55

Table (17) Reasons for not Participating in 30 Companies.

Reason	No. of companies	%
Company Policy	8	26.66
Lack of Time	11	36.66
Changes in Organisation Structure	5	16.66
No Reason Given	6	20

Apart from the initial mail and telephone contact, lengthy correspondence was maintained with many of the companies. The cases in which the researcher had the greatest success, resulted from contact being achieved with an organisation member of high rank.

Six companies did volunteer to participate in this research. The methodology required the comparison between two companies. These companies had to be operating in the same industry and one needed to be of Irish origin and one needed to be of American origin. Two of the six companies which volunteered to participate in this research fulfilled these criteria and were therefore used in this study.

### **3.10.2. Sampling Methods and Procedures.**

In order to refer to the companies in this research, they will be labelled, American company and Irish company.

This thesis used a nonprobability method of sampling. Ideally the use of probability methods would have best suited this research. The reasons for using a non probability method were due to the difficulty in gaining access to employees. A combination of convenience, judgement and snowball sampling were used.

The two companies used in this research were both in the pharmaceutical industry and both employed over one hundred employees. Responses were solicited from 150 employees in both companies.

The selection of a sample should be determined by the purpose of the study (Scott et al, 2003). This research was looking to make findings relating to two companies and thus needed a sample which was representative of both.



Table (18) Company Size

Company Size	
Irish Company	300 employees
American Company	550 employees

Heraty and Morley (1995) refer to the difficulties of conducting organisational research in Ireland. Three of the reasons provided by them affected the type of data collection used in this research and are listed here.

- Organisations often find detailed questioning about their organisation uncomfortable
- The research must be need fulfilling for the organisation or they will not participate
- Management will often place restrictions on the activities of the researcher

The researcher in the case of both of the organisations involved was permitted to place questionnaires in the canteens of the organisations studied. This proved to be effective as a data collection method in the Irish company, because the researcher was also allowed to enter the canteen and solicit questionnaires. One hundred and fifty questionnaires were distributed and 82 were returned. Forty of these were returned via the mail and forty two were returned to a central collection point in the canteen. Eighty two employees in the Irish company completed and returned questionnaires.

In the case of the American company, the researcher was given permission to leave questionnaires in the canteen of the organisation but was not allowed to make personal solicitations on site. Another

method needed to be used in combination with the canteen drop off method, and thus a snow ball method of data distribution was used. The questionnaires were distributed along with self addressed envelopes to seven key personnel who then distributed the questionnaires to a wider number of the survey population.

Fifty questionnaires were left in the canteen and twenty one were completed. One hundred questionnaires were distributed to key personnel and fifty nine were received via the mail. Eighty questionnaires were completed and returned as a result of the combined methods used to collect data in the American company.

Responses were received from 82 employees in the Irish company. Responses were received from 80 employees in the American company.

Table (19) Response Rate

		<b>Response Rate</b>
Irish Company	82 employees	53.3%
American Company	80 employees	54.6%

The data was collected during a two month period in 2004 from the first of April to the fourth of June. The companies to be used had already been contacted and had agreed to co-operate during the data collection. The data was collected anonymously to maintain confidentiality. In order to check if divergence existed in the final samples, some basic demographic data was collected regarding, gender, sex, nationality, occupation and length of service.

Surveys were distributed in person to the companies and to key personnel. The response rate was 53.3 % in the Irish company and 54.6% in the American company and is shown in Table (19). The final

response rate was over 50%. This is acceptable for social research purposes (McBurney, 2001).

### **Confidentiality**

All the data was collected in confidence. The names of companies and persons involved will not be published. The companies and the respondents were all made aware of the confidence in which data was collected. A cover letter on every questionnaire explained that all identities would be kept confidential (See appendix, A1). The researcher signed a statement of research ethics in which codes of conduct for this research project are outlined. (See appendix, A4).

### **3.11. Factor analysis**

The use of a questionnaires by Maznevski and Distefano (1992), and Glasser (1991), is not a guarantee that they will measure the same constructs in other studies and in particular in the sample selected in this study. The two questionnaires used in this study were both factor analysed in order to ascertain if the scales they contained were adequate for use in Ireland.

Factor analysis is a statistical technique used for data reduction. It identifies groups to which people respond similarly, these groups are called factors and represent dimensions within a set of responses. A statistic called KMO Bartletts gives an indication if a data-set is suitable for factor analysis. If the Figure is above 0.7, then the correlations are on the whole high enough to proceed with factor analysis. If the Figure is between 0.5 and 0.69 more care should be taken (Vaus, 1999, p159).

For the data relating to corporate culture the KMO Bartletts was = 0.903  
For the data relating to national culture the KMO Bartletts was = 0.511

The KMO Bartlett's for both sets of data were within the limits acceptable for the use of factor analysis as described by Vaus (1999). Full details of the factor analysis are given in appendix (5).

After factor analysis it was decided not to use the scales within either questionnaire.

The term "garbage in, garbage out" is a term used to describe the output from factor analysis. This essentially means that factor analysis can produce variables that have nothing in common conceptually and only after examination by a researcher familiar with the topic can it be decided to make use of scales from those variables. The researcher in this study examined the variables produced by factor analysis and found they were not related conceptually and thus decided not to proceed with their use. This however did not affect the main objective of answering the research hypothesis. It was still possible to compare the national and corporate cultures in each company and look for correlations between them. The same methods of analysis were used as in Shing's (1997) study, thus not affecting the comparison of the findings from the current and former study. Statistical techniques used are detailed in the data analysis section of this thesis.

### **3.12. Hypotheses**

1)

H0: There will be no difference in the corporate cultures between the organisations studied

H1: There will be a difference in the corporate cultures between the organisations studied

2)

H0: There will be no difference in national culture between the organisations studied

H1: There will be a difference in national culture between the organisations studied

3)

H0: There will be no relationship between corporate culture and national culture.

H1: There will be a relationship between corporate culture and national culture in each organisation studied.

## **Chapter 4. Data Analysis**

### **4.1. Introduction**

This chapter shall describe the scales created to measure national and corporate culture and justify their use and then present the statistical procedures used to analyse each research hypothesis.

### **4.2. Scale Creation**

For the purposes of comparing the cultures in the two companies, a national culture and corporate scale were developed for the population as a whole. These scales were created by computing the average scores given by each respondent in both companies. See appendix (6).

A measure of the overall reliability of a scale can be gauged from a statistic called Cronbach's Alpha. The Figure ranges from 0 to 1 and the more reliable the scale, the higher that Figure will be. The Figure should be at least 0.7 before a scale can be called reliable (Vaus, 1999, p256)

In both cases the Cronbach Alpha was sufficiently high to create single scales for use in this study.

For the national culture scale Cronbach Alpha equalled,  
 $\alpha = .7837$ .

For the corporate culture scale Cronbach Alpha equalled,  
 $\alpha = .9122$

The following section details the statistical procedures used to test each hypothesis. In all cases a computerised statistical package called SPSS was used to analyse the data.

### 4.3. Statistical Procedures.

The following section details the statistical procedures used to test each hypothesis. In all cases a computerised statistical package called SPSS was used to analyse the data.

**Hypothesis One**, comparing corporate culture was analysed using an independent t-test. The average scores from the corporate culture scale were compared for both the American and the Irish company using SPSS.

**Hypothesis Two**, comparing national culture between both companies was analysed using an independent t-test. The average scores from the national culture scale were compared for both the American and the Irish company using SPSS.

**Hypothesis Three**, to ascertain if there was a relationship between corporate and national culture was tested using a Pearson R correlation test. The national and the corporate culture scales for each company were correlated using SPSS. A strong positive correlation indicates that corporate and national cultures are directly related and that national culture has a strong influence on corporate culture. No correlation or a weak correlation indicates that national culture has little or no influence over corporate culture.

The data did not violate any of the assumptions necessary for the use of T test or Pearson R correlation, the two groups had approximately equal variance and were normally distributed.

A Levene's test was conducted on both the national and corporate culture scales for the two companies, the result showed that  $p > .05$  in both cases. From this finding it can be assumed that the variances were equal. A QQ plot was conducted on both the national and corporate

culture scales for the two companies. From the QQ graph it was ascertained that the distribution was normal on all scales for both companies. See Figure (3) and (4).

The following chapter details the results of the data analysis and lists the statistical results and levels of significance found.

Figure (3) QQ Plot National culture

Normal Q-Q Plot of N. Culture Scale

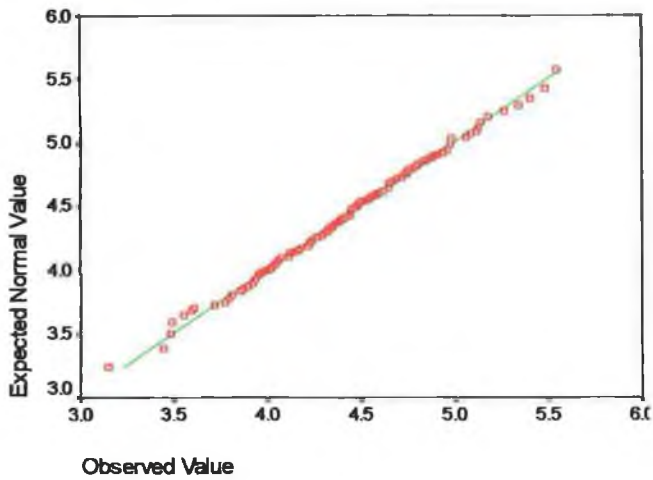
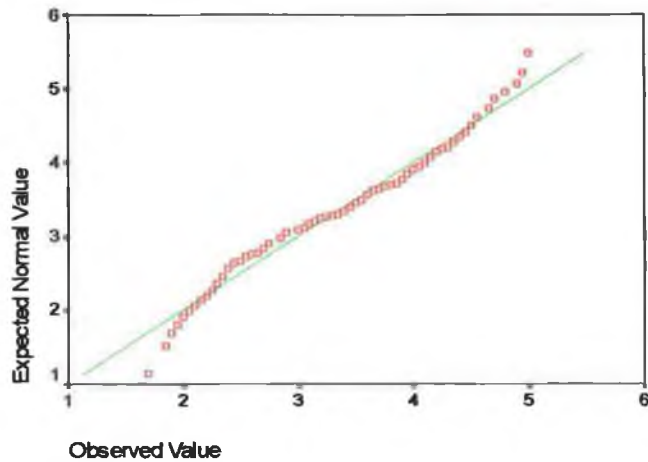


Figure (4) QQ Plot Corporate culture

Normal Q-Q Plot of C. Culture Scale





## **Chapter 5. Results**

### **5.1 Demographics**

The first part of the data analysis looks at the comparability of the two groups of subjects. In order to ensure that the two groups of subjects were demographically equivalent to each other and thus avoid any sampling bias a series of demographic questions were asked of each respondent. These questions asked respondents gender, age, years of service, nationality and whether the person was at management level or non management level.

The respondents from the two selected companies were both of similar age, sex, status and length of service. There were few significant differences between the respondents as can be seen in Tables ( 20a and 20b). The only difference that is noticeable is that of length of service and will be considered in the discussion of the findings.

Table (20a) Respondent Information

	Irish Company		American Company	
	%	N	%	N
Total Response	54.66	82	53.33	80
Nationality (Irish)	100		100	
Male	52		53	
Female	48		47	

Table (20b) Respondent Information

	Irish Company		American Company	
	%	N	%	N
Managers	15	13	14	12
Non- Managers	85	69	86	67
Length of Service (Mean)	2.4 years		5.3 years	

The response rates varied by less than one percent and represented 54% of the target population. This is considered a good response taking into account the many difficulties involved in conducting organisational research in Ireland (Heraty and Morley, 1995).

Table (21) Age Table

<b>Irish Company N=82</b>		<b>American Company N=80</b>	
<b>Age</b>	<b>%</b>	<b>Age</b>	<b>%</b>
18-25	45.1	18-25	26.3
26-30	30.5	26-30	32.5
31-35	11.0	31-35	12.5
36-40	00.0	36-40	10.0
41-45	04.9	41-45	10.0
46-50	06.1	46-50	05.0
51-55	01.2	51-55	03.8
56-60	00.0	56-60	00.0
61-65	01.2	61-65	00.0
<b>Total</b>	<b>100</b>	<b>Total</b>	<b>100</b>

Four respondents from the Irish company and two from the American company were not of Irish nationality. These questionnaires were omitted from the final count of respondents in order to ensure that all respondents shared the same national culture. Both samples contained only Irish respondents.

There was an equivalence in gender between the two companies. An equal percentage of managers and non managers responded in both companies, this is not surprising because no effort was made to target a specific group within each company the aim was rather to collect a representative sample of employees from each company. The average length of service, that is the time spent working by respondents within each company, was longer in the American company. This had a bearing upon the results and is therefore discussed along with the findings. Both companies had a young age profile, with the majority of the respondents clustered between the ages of 18 and 35. As can be seen from Table (21), 86.6 % of the Irish sample (N=82) and 70.8% of the American sample (N=80) lie between the ages of 18 and 35.

It was not possible to compare the demographics of the sample to that of the sample population because that information was not made available.

## 5.2. Hypothesis One

**Hypothesis One**, comparing corporate culture was analysed using an independent t test. There was a significant difference between the Irish company and the American company. The null hypothesis was therefore rejected.

Null Hypothesis, There will be no difference in the corporate cultures between the organisations studied

The result was,  $t = -.894$ ,  $df = 159$ ,  $p < .001$ .

Table (22) Group Statistics, Corporate Culture

Company	N	Mean	Std. Deviation	Std. Error Mean
Irish Company	82	3.7982	.63340	.06995
American company	80	2.8106	.66302	.07413

Table (23) Levene's Test

	Levene's Test for Equality of Variance	
	F	Sig
Equal variances assumed	.084	.772

Mean scores for corporate culture were,

Table (24) Mean Scores for Corporate Culture

	Mean Score	Cultural strength
Irish Company	3.7982	Average
American Company	2.8106	High

The alternative hypothesis that , there will be a difference in the corporate cultures between the organisations studied was accepted.

The corporate culture was different for both companies with the American company displaying a stronger corporate culture than the Irish company.

### 5.3. Hypothesis Two

**Hypothesis Two**, comparing national culture was analysed using an independent t test.

There was no significant difference between the Irish company and the American company. The null hypothesis was therefore accepted.

Null hypothesis, There will be no difference in the national cultures between the organisations studied

The result was,  $t = -.900$ ,  $df = 160$ ,  $p = 0.369$ .

Table (25) Group Statistics, National Culture

Company	N	Mean	Std. Deviation	Std. Error Mean
Irish Company	82	4.3748	.42299	.04671
American company	80	4.4368	.45357	.05071

Table (26) Levene's Test

	Levene's Test for Equality of Variance	
	F	Sig
Equal variances assumed	.566	.453

The alternative hypothesis that there will be a difference in national culture between the organisations studied was rejected.

Table (27) Mean Scores for National Culture

	Mean Score
Irish Company	4.3748
American Company	4.4368

## 5.4 Hypothesis Three

**Hypothesis Three**, compared the relationship between corporate culture scores and national culture scores within each company. There was no significant correlation between corporate culture and national culture in either company. The null hypothesis was therefore accepted.

Null Hypothesis, There will be no relationship between corporate culture and national culture.

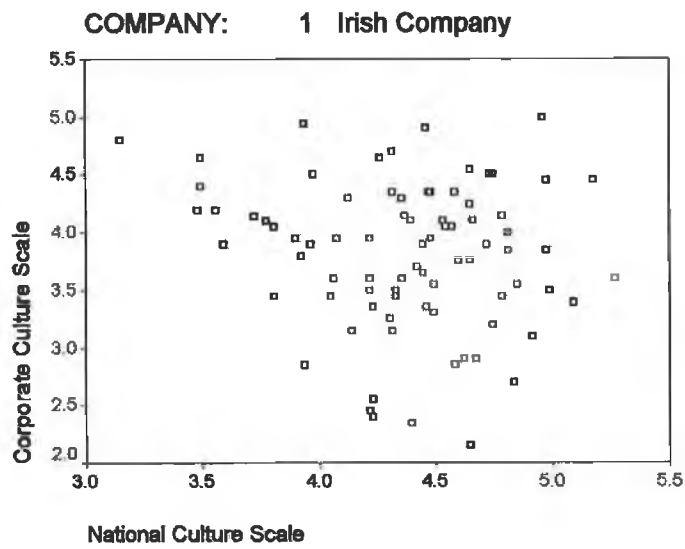
The results were for the American company,  $r = -.151$ ,  $p > .05$ .

The results were for the Irish company,  $r = .155$ ,  $p > .05$ .

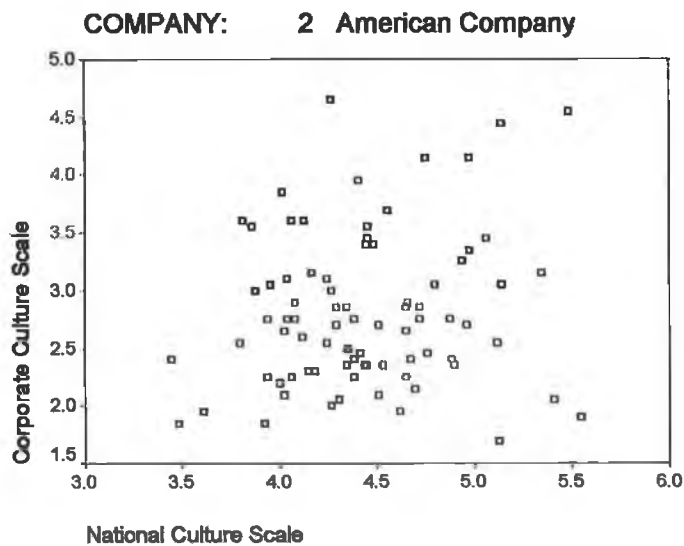
Table (29) Hypothesis Three. Correlation's

			Corporate culture Scale	National Culture Scale
<b>Irish Company</b>	Corporate culture Scale	Pearson Correlation Sig. (2-tailed) N	1  82	-.151 .175 82
	National Culture Scale	Pearson Correlation Sig. (2-tailed) N	-.151 .175 82	1  82
<b>American Company</b>	Corporate culture scale	Pearson Correlation Sig. (2-tailed) N	1  80	.155 .174 79
	National Culture Scale	Pearson Correlation Sig. (2-tailed) N	.155 .174 .79	1  79

**Figure (1) Correlation graph, Irish Company**



**Figure (2) Correlation graph, American Company**



## 5.5. Summary of Results

The previous section has answered the major research hypothesis posed. The following chapter discusses the findings in relation to the research questions,

### Primary Research Questions

1. Do two companies of differing nationalities within the same industry adhere to the same corporate culture ?

***Answer: No they do not. They have significantly different corporate cultures.***

2. Do two companies of differing nationalities within the same industry adhere to the same national culture?

***Answer: Yes they do. There is no significant difference between the national cultures of both companies.***

3. Does national culture influence corporate culture?

***Answer: No it does not. There is no correlation between corporate culture and national culture***

### Secondary Research Question

1. Do the results of this research in two companies operating in Ireland support the findings of Liao Shing Kao's study in Taiwan?

***Answer: No they do not. The findings are different on all three main hypothesis.***

The following chapter discusses the findings in relation to the research questions. Connections are made between the findings and the literature, other major issues discussed are, the application of the findings in the real world, their comparability to the Shing's study and from this, whether the findings are applicable to other companies and countries. A synopsis of the results found in chapter six are highlighted in Table (29).

Table (29) Final Results

Hypothesis	Null Hypothesis	Findings
1	Rejected	Corporate cultures were different
2	Accepted	National cultures were the same
3	Accepted	There was no correlation between national and corporate culture in either company



## **Chapter 6. Discussion**

### **6.1. Discussion**

The results of the first hypothesis showed that two companies within the same industry did not share the same corporate culture. There are explanations for these divergent corporate cultures in the literature. It is suggested that American companies implement their own culture in Irish subsidiaries in which they are operating (Conroy, 1999) in order to standardise operations across subsidiaries (Harzing, 1999).

This reasoning is supported by the finding that the American company had a stronger corporate culture than the Irish company. A strong culture would give the American company greater control over its foreign operations (Deal and Kennedy, 1982). The Irish company on the other hand has its headquarters based in Ireland and can control its Irish operations without the need for a strong corporate culture. The concept of corporate culture is also mainly an American concept developed by American scholars and it is possible that because of this, American companies use it as a tool more so than companies of other nationalities (Adler, 1990).

Another factor which impacted upon the result is the differences in the lengths of time both groups of employees had spent working within the respective companies. The average length of service in the Irish company was 2.3 years and the average in the American company was 5.4 years. Taking this into account, length of service contributed to the respondents from the Irish company having a weaker corporate culture because the employees had not spent as long being socialised into the organisations ways. Socialisation is one of the ways organisation culture is created, it is the process of emphasising key organisation norms and beliefs so as that they eventually become,

taken for granted assumptions and thus part of the corporate culture (Schein, 1992).

The result is not comparable to the equivalent finding in Shing's (1997) study. He found that corporate culture were the same for foreign and indigenous companies within the same industries. It cannot be definitively claimed from this study that the same result would be found again if two other industries were to be studied. However the finding does give an indication that companies operating within different cultural contexts are not bound by the same rules. It can be inferred from this that generalisations about cultures have more value on a national rather than a global level.

The results of the second hypothesis showed that two companies one indigenous and one foreign, from the same industry, did share the same national culture. This finding is not highly surprising because all of the respondents from both companies were Irish. It does indicate however, that the corporate culture in the American company did not have the power to change national values and beliefs, as was the case in Shing's (1997) study.

Kroeber and Kluckhohn's (1952) definition of culture emphasises the shared aspect of culture within a social group. The result of the second hypothesis confirms that national culture, the highest level of culture, is shared in both companies. and therefore shapes the behaviour of a greater number of people than corporate culture.

This finding was not repeated in Shing's (1997) study, where it was found that although all the respondents came from the same national culture of Taiwan, those who worked for Japanese companies, scored differently on national culture than those who worked in Taiwanese owned companies. This may point to the strength of the Japanese culture and the influence it has over business life. Western countries

such as Ireland and America on the other hand may have national cultures which have become harmonised (Denison, 2002). This theory is supported by Hofstede's (1980) study, where it was found there were no great disparities between Irish and American national cultures.

Significantly, the findings from hypothesis one and two, imply that national culture was not the determining force for corporate culture in either company. If national culture had shaped corporate culture then it would be expected that both companies would have had a similar corporate culture as they would both have been influenced by the same national culture. However the companies shared a national culture but not a corporate culture. This signifies that some other variable, if not Irish national culture, had a role to play in the development of the American company's corporate culture. That variable may have been American national culture or local management, however, identification of that variable was beyond the scope of this study.

The final set of findings in the study found that there was no correlation between national and corporate culture. Corporate culture scores were thus not a result of national culture. This would suggest that corporate and national culture are both independent phenomena which have little influence over each other in the two cases studied. Culture manifests itself at different levels (Alvesson and Berg, 1992), and Laurent (1986) have argued that national culture plays a role in the creation of corporate culture. Accordingly, a correlation between corporate and national cultures would indicate the presence of national culture within corporate culture. Contrary to that argument the Irish and American corporate cultures in this study were not influenced by the national cultures in which they were operating.

It cannot be shown however, in the case of the American company, that American national culture did not play a role in the development of

corporate culture. This is because national culture was not measured in the head quarter company in America.

Both of the companies involved in this research, possessed strong corporate cultures with the culture in the American company being the stronger of the two. There was no link between corporate and national culture in either company. Organisations with strong cultures have an inward focus and do not learn from their external environment (Denison and Neal, 1996). The companies involved in this research did not draw on elements of the national culture from which they operated to develop a corporate culture. This could be a contributing factor as to why neither company had a corporate culture linked to the national culture measured.

In Shing's (1997) study there was no correlation between national and corporate culture for the indigenous company but there was a slight correlation within the foreign company. This, according to Shing, is indicative of the important role national culture plays in the operations of Japanese companies.

The findings from this study indicate that within both companies, all the employees adhered to a common national culture but different corporate cultures. National culture is therefore a powerful influence over all the respondents, it represents a common understanding, that is, their underlying assumptions. Schein (1985) states underlying assumptions are values which have become so taken for granted that one finds little variation within a cultural unit. The results of this study showed, that there was less variation between employees in both companies on scores for national culture than on scores for corporate culture, indicating that not only was national culture shared but that there was little variation in its perception.

National culture was shared between both companies and has been a force in the life of all of the respondents from birth. Corporate culture on

the other hand is an adopted culture which employees adopt when they become members of an organisation and hence represents what Schein (1985) has labelled espoused values, these are the values recognised as values one should believe in, but they do not actually reflect the values that guide the behaviour in the group.

## **6.2. Recommendations**

This study was not able to establish conclusively if the American company was influenced by the American national culture. It is recommended that future study should conduct research into organisations inside the US and on their subsidiaries in Ireland. This would enable a link to be made between American national culture and if it's effect on business operations within Ireland.

A second recommendation is that extensive research now be carried out within organisations of other nationalities in Ireland to ascertain whether culture differences make a performance difference. This research should focus on countries of varying nationality, to answer the question "Is there a particular type of corporate culture which works best in Ireland?". The object of the study would be to identify factors within corporate culture responsible for the success or failure of business ventures in Ireland.

A third recommendation is that the same study be conducted using American management and Irish management as the sample group. It has been suggested by other authors that the level of tension between two conflicting cultures is based on the level of contact between those cultures (Elashmawi and Harris, 1998). Foreign management in the subsidiaries of American companies in Ireland would heighten that level of contact and a study based on that premiss could produce significantly different results to those of this study. A study of this kind may help to explain why the companies in the present study did not share a

corporate culture, because as identified by Rody and Tang (1995), the values of a corporate culture often parallel the national culture from which they originate.

A fourth recommendation, is that before a multinational company implements a corporate culture in Ireland, they must understand the prevailing national culture. American companies are notorious for implementing their own national values on their foreign subsidiaries (Tang, 1988). Employees within a company however are influenced by a national culture long before they recognise a corporate culture (Laurent, 1996), and from the findings in this study national culture is shared and not related to corporate culture. Implementing a corporate culture which is incongruous with the the values of national culture can impede the implementation of work practices (Tayeb, 1998), and cause employees to not fully understand what is expected of them by management (Scholz, 1987), leading to, lowered productivity, lowered effectiveness and poor labour management relations (Lane and DiStefano, 1995). All of these negative effects are the responses to cultural misunderstanding, therefore, it is recommended that multinational corporations understand the pre-existing national culture of employees before a corporate culture is implemented which impedes business success.

### **6.3. Limitations**

This study would have been strengthened by the inclusion of another set of companies. The greatest limitation involved in this research was the difficulty in gaining access to companies, thirty six companies were contacted and six volunteered to participate, of which only six qualified for the purposes of this research. Due to time and financial constraints it was not possible to search for companies indefinitely.

## 6.4. Summary and Conclusion

The major finding of this research is that the American company did not share the same corporate culture as an Irish company within the same industry. National culture was not a distinguishing factor between the organisations involved.

Another significant finding is that, this study did not mirror any of the findings of a similar study conducted in Taiwan and therefore the findings are context specific but cannot be generalised to other countries. The use of the same instruments in both studies has allowed that finding to become apparent. The findings are beneficial, but only within the context from which they are drawn.

Shing's study concluded that national culture was a distinguishing factor between indigenous and foreign organisations more so than corporate culture. This study however has found that corporate culture is what distinguishes companies from each other. The most likely reason for these results in Ireland are due to, an American company's reliance on corporate culture as a tool to control foreign subsidiaries.

Corporate culture was not a response to national culture in either company studied. The implication for foreign companies in Ireland is that, in order to avert cultural misunderstandings which can hinder business performance, it is vital that corporate culture is related to national culture. This is because national culture represents a persons true values, their basic underlying assumptions. From the results found, it can be assumed that the respondents recognise a corporate culture and its espoused values (Schein, 1992) but that it does not represent their true values and beliefs which are only evident in the underlying assumptions of national culture.



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## **Appendices**

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**A.1.**

**Cover Letter**



Dear Sir/Madam,

I am a postgraduate masters student from the Institute of Technology Sligo, seeking your participation in my research.

I am conducting research in Irish and American pharmaceutical companies. The purpose of the research is to analyse culture in companies of varying nationality. I am looking for similarities, differences or any pattern that may come from the data. There are no good, bad, right or wrong answers to the questions.

The questionnaire takes 10-15 minutes to complete.

Identities of companies and people involved will be kept confidential.

The results will be made available to you as soon as the data has been analysed.

Find questionnaire attached.

Thanks for your time and help,

Kerry Larkin.

**A.2.**

## **Cultural Perspectives Questionnaire**

## Cultural Perspectives Questionnaire

In this survey you will see a series of statements. Please show how strongly you agree with each one by circling or ticking a number from 1 to 7. Here are two examples

	Strongly Disagree	Disagree Somewhat	Disagree A Little	Neither Agree nor Disagree	Agree A Little	Agree Somewhat	Strongly Agree
A piano is musical instrument	1	2	3	4	5	6	7 ✓
A cat is a musical instrument	1 ✓	2	3	4	5	6	7 ✓

Designed by, Maznevski and DiStefano 1995

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	Strongly Disagree	Disagree Somewhat	Disagree A Little	Neither Agree nor Disagree	Agree A Little	Agree Somewhat	Strongly Agree
1. All things are equal and deserve the same care and consideration	1	2	3	4	5	6	7
2. Every person on a team should be responsible for everyone else on the team	1	2	3	4	5	6	7
3. It is important to think things through carefully before acting on them	1	2	3	4	5	6	7
4. It is natural to put your own interests ahead of others	1	2	3	4	5	6	7
5. Given enough time and resources people can do almost anything	1	2	3	4	5	6	7
6. Organisations should have separate facilities such as eating areas, for higher level managers	1	2	3	4	5	6	7
7. We have little influence on the outcomes of events in our lives	1	2	3	4	5	6	7
8. It's human nature to place more importance on work than other activities	1	2	3	4	5	6	7
9. If you don't like your work environment you should quit your job	1	2	3	4	5	6	7
10. Hard work is always commendable	1	2	3	4	5	6	7
11. Ones responsibility for family members should go beyond ones parents and children	1	2	3	4	5	6	7
12. The performance of ones work group or unit is more important than ones own individual performance	1	2	3	4	5	6	7
13. It is best to leave problem situations alone to see if they work out on their own	1	2	3	4	5	6	7
14. A good manager should take control of problem situations and resolve them quickly	1	2	3	4	5	6	7
15. It is important to achieve balance among divisions and units within an organization	1	2	3	4	5	6	7
16. People at higher levels in organisations have a responsibility to make important decisions for people below them	1	2	3	4	5	6	7
17. It is best to live for the moment	1	2	3	4	5	6	7
18. If employees don't have to submit receipts for their expenses, they are likely to lie about how much they spent	1	2	3	4	5	6	7
19. Society works best when each person serves his or her own interests	1	2	3	4	5	6	7

20. Anyone's basic nature can change	1	2	3	4	5	6	7
21. It is always better to stop and plan than to act quickly	1	2	3	4	5	6	7
22. People who work hard are the ones who make society function	1	2	3	4	5	6	7
23. We can have a significant effect on the events in our lives	1	2	3	4	5	6	7
24. People at lower levels in an organisation should carry out the requests of those at higher levels without question	1	2	3	4	5	6	7
25. It is important to achieve harmony and balance in all aspects of life	1	2	3	4	5	6	7
26. Ultimately you are accountable only to yourself	1	2	3	4	5	6	7
27. It is important to get work done before relaxing	1	2	3	4	5	6	7
28. It is important to do what you want when you want	1	2	3	4	5	6	7
29. Some amount of corruption is inevitable in any organization	1	2	3	4	5	6	7
30. An employee's reward should be based mainly on the workgroup or units performance	1	2	3	4	5	6	7
31. People should always think carefully before they act	1	2	3	4	5	6	7
32. People should not try to change the paths their lives are destined to take	1	2	3	4	5	6	7
33. It is possible for people whose basic nature is bad to change and become good	1	2	3	4	5	6	7
34. The highest ranking manager in a team should take the lead	1	2	3	4	5	6	7
35. Whatever is going to happen will happen no matter what actions people take	1	2	3	4	5	6	7
36. It is possible for people whose basic nature is good to change and become bad	1	2	3	4	5	6	7
37. With enough resources and knowledge any poor performing business can be turned around	1	2	3	4	5	6	7
38. You should be suspicious of everybody	1	2	3	4	5	6	7
39. Good team members subordinate their own goal and thoughts to those of the team	1	2	3	4	5	6	7
40. Once you set a goal it is important to work toward it until it is achieved	1	2	3	4	5	6	7
41. The outcomes of business decisions can be predicted logically	1	2	3	4	5	6	7

by a logical analysis of the decision							
42. Quality of life is more important than financial accomplishment	1	2	3	4	5	6	7
43. When considering the design of a new building harmonising with the surrounding environment is an important consideration	1	2	3	4	5	6	7
44. We should try to avoid depending on others	1	2	3	4	5	6	7
45. Even if it takes more time business decisions should always be based on analysis no intuition	1	2	3	4	5	6	7
46. Most things are determined by forces we cannot control	1	2	3	4	5	6	7
47. A hierarchy of authority is the best form of organization	1	2	3	4	5	6	7
48. It is our responsibility to conserve the balance of elements in our environment	1	2	3	4	5	6	7
49. People should take time to enjoy all aspects of life even if it means not getting work done	1	2	3	4	5	6	7
50. Society works best when people willingly make sacrifices for the good of everyone	1	2	3	4	5	6	7
51. If someone is essentially a good person she or he will always be good	1	2	3	4	5	6	7
52. Effective managers use spare time to get things done	1	2	3	4	5	6	7
53. Adults should strive to be independent from their parents	1	2	3	4	5	6	7
54. Good performance comes from taking control of ones business	1	2	3	4	5	6	7
55. In general you can't trust workers with the keys to the building they work in	1	2	3	4	5	6	7
56. One should live to work not work to live	1	2	3	4	5	6	7
57. An employees rewards should be based mainly on his or her own performance	1	2	3	4	5	6	7
58. You shouldn't worry about working when you don't feel like it	1	2	3	4	5	6	7
59. It is important not to stand out too much in a team	1	2	3	4	5	6	7
60. In general bad people cannot change their ways	1	2	3	4	5	6	7
61. You can't trust anyone without proof	1	2	3	4	5	6	7
62. The most effective businesses are those which work together in harmony with their environment	1	2	3	4	5	6	7
63. Ones success is mostly a matter of good fortune	1	2	3	4	5	6	7

64. People at lower levels in the organization should not have much power in the organization	1	2	3	4	5	6	7
65. Sitting around without doing something is a waste of time	1	2	3	4	5	6	7
66. Humans should try to control nature whenever possible	1	2	3	4	5	6	7
67. All business decisions should be analysed from ever possible angle before they are implemented	1	2	3	4	5	6	7
68. One should work to live not live to work	1	2	3	4	5	6	7
69. It is important to try to prevent problems you may encounter in your life	1	2	3	4	5	6	7
70. It is better to be lucky than smart	1	2	3	4	5	6	7
71. Employees should be rewarded based on their level in the organization	1	2	3	4	5	6	7
72. Every person has a responsibility for all other in his or her workgroup or unit	1	2	3	4	5	6	7
73. People tend to think of themselves first before they think of others	1	2	3	4	5	6	7
74. Many of the world's problems occur because of our attempts to control the natural forces in the world	1	2	3	4	5	6	7
75. Accomplishing a great deal of work is more rewarding than spending time in leisure	1	2	3	4	5	6	7
76. A logical argument is as persuasive as visible evidence that something will work	1	2	3	4	5	6	7
77. If supervisors don't always check when workers come and go workers will probably lie about how many hours they work	1	2	3	4	5	6	7
78. People who work hard deserve a great deal of respect	1	2	3	4	5	6	7
79. No matter what the situation it is always worth the time it takes to develop a comprehensive plan	1	2	3	4	5	6	7

What is your nationality?

What is your sex?      Male    Female

What is your age?      18-25    26-30    31-35    36-40    41-45    46-50    51-55    55-60    60-65

What is your job?      Manager                  Non-Manager

How long have you worked here?

**A.3.**

## **Corporate Culture Survey**



## The Corporate Culture Survey

Developed by Rolin Glaser.

Directions,

Read each statement carefully and decide how true each one is to your organisation. Use the following key to make your decision, then circle the appropriate number to indicate your response.

- 1=Definitely True,      This statement is definitely true of my organisation.
- 2=Mostly True,         This statement is true of my organisation most of the time.
- 3=Occasionally True,   This statement is occasionally true of my organisation.
- 4=Seldom True,        This statement is seldom true of my organisation.
- 5=Not True,             This statement is definitely not true of my organisation.

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	Definitely True	Mostly True	Occasionally True	Seldom True	Not True
1. New employees are carefully orientated toward the organisations traditions, that is, the way things are done around here	1	2	3	4	5
2. When someone does well in our organisation a great deal of recognition is provided, including appropriate ceremonies	1	2	3	4	5
3. In this organisation we have a number of well established traditions	1	2	3	4	5
4. Our organisation has people who are good at telling the company's legends and folklore to newcomers	1	2	3	4	5
5. Our organisations values are clearly reflected in our physical facilities	1	2	3	4	5
6. The heroes of this organisation are kept meaningful to us even though some of them are no longer present	1	2	3	4	5
7. Managers in this organisation often develop personal rituals through which they are identified by the organisation and their employees	1	2	3	4	5
8. Members of senior management share stories that communicate a philosophy of what the organisation is all about	1	2	3	4	5
9. Senior managers in our organisation typically establish traditions that focus people's attention on important programs, goals, or organisation beliefs	1	2	3	4	5
10. This organisation publicly rewards employees for work that furthers the goal of the organisation	1	2	3	4	5
11. We have certain ways of communicating with and relating to one another	1	2	3	4	5
12. There is a strong informal communication network that ensures that significant stories are widely shared within the organisation	1	2	3	4	5
13. People in this organisation recognise a concept or ideal that symbolises what we stand for	1	2	3	4	5
14. There are people in this organisation whose success serves as a model for other to follow	1	2	3	4	5
15. At our management meetings small rituals are commonly observed	1	2	3	4	5
16. Our organisation has respected old-timers who possess a rich reservoir of company	1	2	3	4	5
history at their fingertips and who share this through stories of the organisations past	1	2	3	4	5
17. Our senior managers traditionally participate in selecting new employees	1	2	3	4	5
18. Nonconformity is accepted, even applauded, in this organisation, if the nonconformist produces outstanding work	1	2	3	4	5
19. People in this organisation take seriously our important ceremonies	1	2	3	4	5
20. There is an important tradition of mentoring in this organisation, so that newcomers and younger members of the organisation are successfully assimilated	1	2	3	4	5

**A.4.**

## **Ethics Statement**

## **STATEMENT OF CONFIDENTIALITY AND PROFESSIONAL ETHICS**

The results of this scientific research will be made widely available in scholarly books and articles and university classrooms. Therefore to insure the integrity of research results, specific principles and guidelines regarding confidentiality and professional ethics must be rigorously followed. The following are considered minimal principles and standards that must be applied to this survey

To protect the privacy of survey participants, and to assure the public's confidence that the research has been conducted with high ethical standards:

- Each participant has a right to privacy with respect to their answers to survey questions, to decide voluntarily whether to participate in the survey, and to be informed about the purposes, scope, and importance of that involvement.
- The total confidentiality of participants must always be assured. Information learned about participants, their families and friends in the course of research must not be discussed with anyone, other than appropriate members of the evaluation team as necessary for research purposes only.
- Participant survey administration protocols must be consistently applied so that a complete and accurate picture of social realities can be discerned through data collected systematically from all participants.
- The researcher must collect survey information from participants in situations which do not compromise their privacy, and must store survey documents where access by unauthorized people is prevented.
- The researcher may do nothing that would bias the respondents answers.

This includes, making statements that could lead participants to change their answers; implying criticism or support of participants attitudes or behaviour; or inventing or distorting participants answers. The researcher may not mislead participants or use practices which may coerce or humiliate

them. The researcher must deal humanely with participants' requests for help and assistance. They researcher must not offer personal assistance or direct aid in answering survey questions.

- Completed research documents must be kept only in areas with limited access. When such documents are being handled and used, they are never left unattended and are locked away when not in immediate use.

Access to survey data must be limited to appropriate personnel who have signed the Agreement of Confidentiality and Professional Ethics.

- Data and other results of the research will be presented only in summarised form without any names or identifying information.

- No one given approved access of privileged information may use this information for personal gain or for any non research purpose.

I will abide by the principles and standards of professional ethics as described in this statement. I am aware that failure to abide by these standards could pose a serious threat to the validity of this research data collected

I understand that the accompanying statement and this agreement, relative to the confidentiality of study respondents and documents, are applicable both during the project as well as after my research has been completed.

**SIGNED: Kerry Larkin**

**SIGNATURE:**



**DATE:**

31/06/2004

**A.5.**

## **Details of Factor Analysis**

## **Note on Factor Analysis.**

### Factor analysis of Cultural Perspectives Questionnaire.

The data from the Cultural Perspectives Questionnaire was factor analysed, the results of the factor analysis are shown in appendix (A.5.1.2) and (A.5.1.3.). The factor analysis produced 27 factors as shown in appendix (A.5.1.2.). It was not practical to create 27 scales. Therefore, it was decided to conduct a t test on the data set to find where the differences lay among the questions.

It was found that there was a significant difference in 23 of the questions as shown in appendix (A.5.1.4). Since it was shown that the majority of responses to the questions were not significantly different. It was decided to factor analyse the 23 questions where there was a difference to see if factors emerged. Nine factors emerged and scales were created from these as shown in appendix (A.5.1.5.). The scales were not conceptually related and were not used in this thesis and are shown in appendix (A.5.1.5.).

### Factor analysis of Corporate Culture Survey

The data from the Corporate Culture Survey was factor analysed. The results of the factor analysis are shown in appendix (A.5.2.2.) and (A.5.2.3.). The factor analysis produced 4 factors as shown in appendix(A.5.2.2.). A t test confirmed that there was a significant difference on 20 of 20 questions as shown in appendix (A.5.2.4). Scales were created from the four factors produced as shown in appendix (A.5.2.5.). The scales were not related conceptually and therefore were not used in this thesis.

**A.5.1.**

**Factor analysis of the Cultural Perspectives Questionnaire**



**A.5.1.1.**

**KMO Bartlett's**

### KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.511
Bartlett's Test of Sphericity	Approx. Chi-Square	5326.855
	df	3081
	Sig.	.000

**A.5.1.2.**

## **Component Matrix**

Component Matrix<sup>a</sup>

	Component			
	1	2	3	4
All things are equal and deserve the same care and consideration	.201	.135	.119	-4.553E-02
Every person on a team should be responsible for everyone else on the team	.293	-.116	.454	-.244
It is important to think things through carefully before acting on them	.133	.386	.211	-2.301E-02
It is natural to put your own interests ahead of others	.138	6.286E-03	7.635E-02	4.612E-02
Given enough time and resources people can do almost anything	.231	.177	-4.975E-02	.148
Organisations should have separate facilities such as eating areas, for higher level managers	.169	-.278	-1.593E-02	9.175E-03
We have little influence on the outcomes of events in our lives	.131	-.266	-.239	-3.427E-02
It's human nature to place more importance on work than other activities	.239	-2.083E-02	-.215	-.167
If you don't like your work environment you should quit your job	.331	.217	.462	2.276E-02
Hard work is always commendable	3.829E-02	.439	.313	-.280
Ones responsibility for family members should go beyond ones parents and children	9.122E-02	.150	6.760E-02	-.228
The performance of ones work group or unit is more important than ones own individual performance	-5.840E-02	.203	4.229E-02	-.357
It is best to leave problem situations alone to see if they work out on their own	.276	-.512	-5.625E-02	-3.221E-02
A good manager should take control of problem situations and resolve them quickly	.309	.440	.279	-.144
It is important to achieve balance among divisions and units within an organisation	.103	.414	-2.778E-02	.142
People at higher levels in organisations have a responsibility to make important decisions for people below them	.180	.244	-.212	-.140
It is best to live for the moment	.196	5.553E-02	-4.222E-02	.467
If employees don't have to submit receipts for their expenses, they are likely to lie about how much they spent	.340	-9.596E-02	-.106	.167

Extraction Method: Principal Component Analysis.

Component Matrix<sup>a</sup>

	Component			
	1	2	3	4
Society works best when each person serves his or her own interests	.384	-.405	.239	.164
Anyone's basic nature can change	-1.234E-02	-.142	.110	.209
It is always better to stop and plan than to act quickly	.518	.170	-3.893E-02	2.094E-02
People who work hard are the ones who make society function	.533	-5.348E-03	-.142	-.178
We can have a significant effect on the events in our lives	3.454E-02	.501	-4.398E-02	.262
People at lower levels in an organisation should carry out the requests of those at higher levels without question	.344	-.147	-.146	-.376
It is important to achieve harmony and balance in all aspects of life	1.831E-03	.473	8.678E-02	.160
Ultimately you are accountable only to yourself	7.271E-02	4.227E-02	.286	.114
It is important to get work done before relaxing	.240	.340	7.681E-02	-.155
It is important to do what you want when you want	.273	-.143	.181	7.737E-02
Some amount of corruption is inevitable in any organisation	.191	9.402E-02	-2.417E-02	.350
An employees reward should be based mainly on the workgroup or units performance	.275	-.156	.282	-.271
People should always think carefully before they act	.386	.452	.211	-6.290E-02
People should not try to change the paths their lives are destined to take	.349	-.504	.313	5.157E-02
It is possible for people whose basic nature is bad to change and become good	.210	.139	-.174	.156
The highest ranking manager in a team should take the lead	.227	3.590E-02	-.123	1.402E-02
Whatever is going to happen will happen no matter what actions people take	.201	-.268	-.120	.325
It is possible for people whose basic nature is good to change and become bad	-1.649E-02	.108	-.367	.173
With enough resources and knowledge any poor performing business can be turned around	-.118	.463	-.288	9.240E-02
You should be suspicious of everybody	.429	-.244	-.227	-9.930E-02

Extraction Method: Principal Component Analysis.

Component Matrix<sup>a</sup>

	Component			
	1	2	3	4
Good team members subordinate their own goal and thoughts to those of the team	.214	.112	7.732E-02	7.918E-03
Once you set a goal it is important to work toward it until it is achieved	.229	.336	7.713E-02	.115
The outcomes of business decisions can be predicted logically by a logical analysis of the decision	.413	.130	-.326	2.779E-02
Quality of life is more important than financial accomplishment	-7.311E-02	.482	-1.404E-02	.116
When considering the design of a new building harmonising with the surrounding environment is an important consideration	8.137E-02	.320	.131	.122
We should try to avoid depending on others	.422	-6.207E-02	-4.237E-02	-5.199E-02
Even if it takes more time business decisions should always be based on analysis no intuition	.370	.197	-.116	-.241
Most things are determined by forces we cannot control	.365	-.126	1.932E-02	4.521E-02
A hierarchy of authority is the best form of organisation	.230	.232	-.149	-.117
It is our responsibility to conserve the balance of elements in our environment	.193	.259	.218	.287
People should take time to enjoy all aspects of life even if it means not getting work done	.143	1.251E-02	.426	.406
Society works best when people willingly make sacrifices for the good of everyone	.316	.101	.177	6.909E-03
If someone is essentially a good person she or he will always be good	.385	-6.601E-02	2.551E-02	.345
Effective managers use spare time to get things done	.420	-4.711E-02	-.145	.147
Adults should strive to be independent from their parents	.327	.234	-.162	7.553E-02
Good performance comes from taking control of ones business	.330	.247	-.245	5.128E-02
In general you can't trust workers with the keys to the building they work in	.278	-.135	-5.844E-02	-.248
One should live to work not work to live	.480	-.170	-3.957E-03	-.289

Extraction Method: Principal Component Analysis.

Component Matrix<sup>a</sup>

	Component			
	1	2	3	4
An employees rewards should be baseed mainly on his or her own performance	.220	.323	.133	4.102E-02
You shouldn't worry about working when you don't feel like it	2.241E-02	-.531	.357	.154
It is important not to stand out to much in a team	.270	-.367	-7.123E-03	.237
In general bad people cannot change their ways	.197	-.210	.372	-2.965E-02
You can't trust anyone without proof	.444	-.192	4.756E-02	1.492E-02
The most effective businesses are those which work together inharmony with their envionment	.174	.128	7.669E-02	-4.278E-02
Ones success is mostly a matter of good fortune	.278	-.349	-.411	4.438E-02
People at lower levels inthe organisation should not have much power in the organisation	.189	-1.942E-02	-7.441E-03	-.318
Sitting around without doing something is a waste of time	.172	.205	-.218	-.354
Humans should try to control nature whenever possible	.275	-9.665E-02	-4.997E-03	-9.888E-02
All business decions should be analysed from ever possible angle before they are implemented	.384	.217	.170	-5.121E-02
One should work to live not live to work	-.215	.127	5.672E-02	.394
It is important to try to prevent problems you may encounter in your life	.183	-.138	8.118E-02	6.436E-02
It is better to be lucky than smart	.267	-.258	.350	.138
Employees should be rewarded based on their level in the organisation	.207	-3.918E-02	.166	-.161
Every person has a responsibility for all other in his or her workgroup or unit	7.527E-02	.193	.407	-.374
People tend to think of themselves first before they think of others	.158	.238	-.115	.214
Many of the worlds problems occur because of our attempts to control the natural forces in the world	.339	1.793E-02	1.049E-02	.399
Accomplishing a great deal of work is more rewarding than spending time in leisure	.243	-.187	-.351	-.169

Extraction Method: Principal Component Analysis.

Component Matrix<sup>a</sup>

	Component			
	1	2	3	4
A logical argument is as persuasive as visible evidence that something will work	.316	-6.666E-02	-7.734E-02	.364
If supervisors don't always check when workers come and go workers will probably lie about how many hours they work	.477	-.209	-.175	-8.858E-02
People who work hard deserve a great deal of respect	.404	.199	-.179	3.064E-02
No matter what the situation it is always worth the time it takes to develop a comprehensive plan	.475	.302	-.247	6.637E-02

Extraction Method: Principal Component Analysis.



Component Matrix<sup>a</sup>

	Component			
	5	6	7	8
All things are equal and deserve the same care and consideration	.258	.124	-.382	-1.501E-02
Every person on a team should be responsible for everyone else on the team	.214	.113	.147	-.101
It is important to think things through carefully before acting on them	2.010E-02	-.172	.242	2.501E-02
It is natural to put your own interests ahead of others	6.216E-02	-7.077E-02	.357	3.621E-02
Given enough time and resources people can do almost anything	4.615E-02	.200	-.276	-.288
Organisations should have separate facilities such as eating areas, for higher level managers	.278	-1.240E-02	-.160	.120
We have little influence on the outcomes of events in our lives	.374	-.114	9.041E-02	5.818E-02
It's human nature to place more importance on work than other activities	-6.067E-02	-7.711E-03	.120	.109
If you don't like your work environment you should quit your job	.147	2.808E-02	-8.043E-02	6.643E-02
Hard work is always commendable	.172	-6.184E-02	-.236	.117
Ones responsibility for family members should go beyond ones parents and children	.248	-.426	.132	.143
The performance of ones work group or unit is more important than ones own individual performance	-4.240E-02	-.162	.166	.175
It is best to leave problem situations alone to see if they work out on their own	.167	-5.073E-04	9.788E-02	.276
A good manager should take control of problem situations and resolve them quickly	-6.080E-02	-3.110E-02	-3.737E-02	-.168
It is important to achieve balance among divisions and units within an organisation	4.957E-02	.164	-.114	-.159
People at higher levels in organisations have a responsibility to make important decisions for people below them	4.974E-02	4.593E-02	.124	.234
It is best to live for the moment	.208	.112	.239	4.523E-02
If employees don't have to submit receipts for their expenses, they are likely to lie about how much they spent	5.605E-02	-8.400E-02	-.105	-8.268E-02

Extraction Method: Principal Component Analysis.

Component Matrix<sup>a</sup>

	Component			
	5	6	7	8
Society works best when each person serves his or her own interests	7.436E-02	-5.397E-02	.273	-.293
Anyone's basic nature can change	-2.231E-02	-.342	.345	-.238
It is always better to stop and plan than to act quickly	4.449E-02	-.307	.118	-.206
People who work hard are the ones who make society function	1.882E-02	-.104	.178	2.244E-02
We can have a significant effect on the events in our lives	-1.820E-02	5.776E-02	.118	-.159
People at lower levels in an organisation should carry out the requests of those at higher levels without question	.443	.150	-4.919E-02	-2.048E-02
It is important to achieve harmony and balance in all aspects of life	.171	-.164	-4.336E-02	-.226
Ultimately you are accountable only to yourself	.105	.384	.153	1.576E-03
It is important to get work done before relaxing	3.432E-02	.384	.199	-2.769E-03
It is important to do what you want when you want	-4.429E-02	.338	9.122E-02	1.802E-03
Some amount of corruption is inevitable in any organisation	.273	-.158	7.106E-02	-5.298E-02
An employees reward should be based mainly on the workgroup or units performance	-1.735E-03	-.277	-8.075E-02	-3.546E-02
People should always think carefully before they act	-.121	-.129	.270	-9.856E-02
People should not try to change the paths their lives are destined to take	-8.427E-02	6.978E-02	5.600E-02	-3.104E-03
It is possible for people whose basic nature is bad to change and become good	-.252	5.584E-02	-.213	-6.220E-02
The highest ranking manager in a team should take the lead	-7.581E-02	9.760E-02	5.246E-02	-3.042E-02
Whatever is going to happen will happen no matter what actions people take	.127	.174	-.107	-.306
It is possible for people whose basic nature is good to change and become bad	.298	-8.290E-02	-.194	-.202
With enough resources and knowledge any poor performing business can be turned around	-1.780E-02	.207	1.024E-02	-.355
You should be suspicious of everybody	.172	.136	.219	8.485E-02

Extraction Method: Principal Component Analysis.

Component Matrix<sup>a</sup>

	Component			
	5	6	7	8
Good team members subordinate their own goal and thoughts to those of the team	4.716E-02	.293	-7.481E-03	9.628E-02
Once you set a goal it is important to work toward it until it is achieved	-3.182E-03	.178	-.213	-.149
The outcomes of business decisions can be predicted logically by a logical analysis of the decision	5.543E-02	.298	-3.734E-02	-4.989E-02
Quality of life is more important than financial accomplishment	.182	-5.152E-02	.296	-8.588E-03
When considering the design of a new building harmonising with the surrounding environment is an important consideration	-.221	.108	-.104	.490
We should try to avoid depending on others	-.140	.108	-.245	8.575E-02
Even if it takes more time business decisions should always be based on analysis no intuition	-.290	2.856E-02	9.214E-02	-.150
Most things are determined by forces we cannot control	.189	.289	-.101	-7.076E-04
A hierarchy of authority is the best form of organisation	.169	.355	.109	.404
It is our responsibility to conserve the balance of elements in our environment	4.555E-02	-.117	-.363	7.652E-02
People should take time to enjoy all aspects of life even if it means not getting work done	8.397E-02	.161	-.172	.151
Society works best when people willingly make sacrifices for the good of everyone	-.209	-.171	-.304	.355
If someone is essentially a good person she or he will always be good	-.283	-6.041E-02	1.551E-02	.301
Effective managers use spare time to get things done	-.357	-8.278E-02	9.097E-03	.253
Adults should strive to be independent from their parents	-9.721E-02	-.363	-.253	.337
Good performance comes from taking control of ones business	-9.906E-03	-.140	.263	.198
In general you can't trust workers with the keys to the building they work in	.325	.145	.236	-.150
One should live to work not work to live	-.263	-.124	-8.316E-02	-.171

Extraction Method: Principal Component Analysis.

Component Matrix<sup>a</sup>

	Component			
	5	6	7	8
An employees rewards should be based mainly on his or her own performance	-.278	.190	.335	8.758E-02
You shouldn't worry about working when you don't feel like it	-9.648E-02	-6.805E-02	4.152E-02	-.155
It is important not to stand out to much in a team	-.277	-.188	-6.016E-02	-.193
In general bad people cannot change their ways	.292	-.147	-.336	-8.017E-02
You can't trust anyone without proof	-.128	-5.425E-02	.173	-8.068E-02
The most effective businesses are those which work together inharmony with their environment	-1.752E-02	.205	-.193	-.127
Ones success is mostly a matter of good fortune	6.574E-02	9.862E-02	-3.509E-02	3.257E-02
People at lower levels inthe organisation should not have much power in the organisation	.480	-5.555E-04	-.129	.230
Sitting around without doing something is a waste of time	-.174	9.752E-02	-.132	-.192
Humans should try to control nature whenever possible	-.288	.429	8.509E-02	-4.179E-02
All business decions should be analysed from ever possible angle before they are implemented	-8.243E-02	-4.148E-02	6.422E-02	-.278
One should work to live not live to work	8.804E-02	.221	8.941E-02	.259
It is important to try to prevent problems you may encounter in your life	-6.324E-02	-7.351E-02	-.215	-6.022E-02
It is better to be lucky than smart	-.298	8.972E-02	.122	6.599E-02
Employees should be rewarded based on their level in the organisation	-.187	6.713E-02	-.151	9.994E-02
Every person has a responsibility for all other in his or her workgroup or unit	.136	-8.540E-02	4.404E-02	-5.338E-02
People tend to think of themselves first before they think of others	.106	-.213	6.426E-02	1.167E-03
Many of the worlds problems occur because of our attempts to control the natural forces in the world	.198	-9.670E-02	.171	.150
Accomplishing a great deal of work is more rewarding than spending time in leisure	-.305	-5.398E-02	-3.923E-02	3.257E-02

Extraction Method: Principal Component Analysis.

Component Matrix<sup>a</sup>

	Component			
	5	6	7	8
A logical argument is as persuasive as visible evidence that something will work	.343	-.138	-1.354E-02	.179
If supervisors don't always check when workers come and go workers will probably lie about how many hours they work	1.850E-02	3.470E-02	-.194	-7.527E-02
People who work hard deserve a great deal of respect	-2.468E-02	-.268	-.193	-.134
No matter what the situation it is always worth the time it takes to develop a comprehensive plan	1.308E-02	-.225	-3.037E-02	-6.830E-02

Extraction Method: Principal Component Analysis.

Component Matrix<sup>a</sup>

	Component			
	9	10	11	12
All things are equal and deserve the same care and consideration	-.117	1.744E-02	9.554E-02	-.346
Every person on a team should be responsible for everyone else on the team	.128	6.098E-02	4.255E-02	7.191E-02
It is important to think things through carefully before acting on them	4.657E-02	4.096E-02	-.238	-.300
It is natural to put your own interests ahead of others	1.300E-03	.115	-.370	-.167
Given enough time and resources people can do almost anything	-6.590E-02	-1.261E-02	-7.393E-02	3.995E-02
Organisations should have separate facilities such as eating areas, for higher level managers	.185	9.237E-02	.230	.155
We have little influence on the outcomes of events in our lives	.209	.189	.311	-2.743E-02
It's human nature to place more importance on work than other activities	.455	.170	.237	2.598E-02
If you don't like your work environment you should quit your job	-.130	-.130	-1.674E-02	.113
Hard work is always commendable	.117	-1.979E-02	.195	.182
One's responsibility for family members should go beyond one's parents and children	.107	-.239	2.168E-02	.191
The performance of one's work group or unit is more important than one's own individual performance	.154	-.158	9.244E-02	3.312E-02
It is best to leave problem situations alone to see if they work out on their own	-.160	-9.780E-02	.117	6.800E-02
A good manager should take control of problem situations and resolve them quickly	-.118	-8.243E-02	.120	-3.906E-02
It is important to achieve balance among divisions and units within an organisation	-6.717E-03	-.132	.286	-.207
People at higher levels in organisations have a responsibility to make important decisions for people below them	-.404	4.067E-02	-9.668E-02	-.114
It is best to live for the moment	-2.905E-02	-3.032E-02	2.406E-03	5.103E-02
If employees don't have to submit receipts for their expenses, they are likely to lie about how much they spent	-.324	-2.954E-02	-.299	.201

Extraction Method: Principal Component Analysis.

Component Matrix<sup>a</sup>

	Component			
	9	10	11	12
Society works best when each person serves his or her own interests	9.354E-02	-8.516E-02	.172	1.511E-02
Anyone's basic nature can change	-2.846E-02	8.803E-02	6.847E-02	.143
It is always better to stop and plan than to act quickly	-.106	1.729E-02	-.161	-.104
People who work hard are the ones who make society function	-5.932E-02	-.231	7.388E-02	.119
We can have a significant effect on the events in our lives	-.105	9.082E-02	-8.036E-02	4.098E-02
People at lower levels in an organisation should carry out the requests of those at higher levels without question	-3.370E-02	-7.320E-02	-6.185E-02	-9.654E-02
It is important to achieve harmony and balance in all aspects of life	-7.976E-02	.155	.239	-.222
Ultimately you are accountable only to yourself	-.360	1.084E-02	.210	-2.606E-02
It is important to get work done before relaxing	-8.444E-03	.291	.104	1.729E-02
It is important to do what you want when you want	.101	-.463	-9.012E-02	-.304
Some amount of corruption is inevitable in any organisation	-.197	.111	1.768E-02	-.179
An employees reward should be based mainly on the workgroup or units performance	-5.495E-02	-3.114E-02	-.149	-3.460E-02
People should always think carefully before they act	.134	1.651E-02	-.274	-.104
People should not try to change the paths their lives are destined to take	-.102	-9.808E-03	.139	-6.849E-02
It is possible for people whose basic nature is bad to change and become good	8.635E-02	-.206	-.446	-8.901E-03
The highest ranking manager in a team should take the lead	-.150	-.275	-.159	.403
Whatever is going to happen will happen no matter what actions people take	.376	.230	3.036E-02	-.108
It is possible for people whose basic nature is good to change and become bad	-1.272E-02	-.228	-.201	.167
With enough resources and knowledge any poor performing business can be turned around	4.941E-02	-.150	.110	2.725E-02
You should be suspicious of everybody	3.677E-02	-.169	-.214	.131

Extraction Method: Principal Component Analysis.



Component Matrix<sup>a</sup>

	Component			
	9	10	11	12
Good team members subordinate their own goal and thoughts to those of the team	.372	.385	-.286	3.525E-02
Once you set a goal it is important to work toward it until it is achieved	5.328E-02	.178	.146	.174
The outcomes of business decisions can be predicted logically by a logical analysis of the decision	9.625E-02	2.985E-02	-.146	-.247
Quality of life is more important than financial accomplishment	.219	-9.554E-02	-3.953E-02	-.108
When considering the design of a new building harmonising with the surrounding environment is an important consideration	.132	3.482E-02	.117	-8.518E-02
We should try to avoid depending on others	.107	.248	6.892E-03	-.179
Even if it takes more time business decisions should always be based on analysis no intuition	8.609E-03	.164	.125	.139
Most things are determined by forces we cannot control	-9.733E-03	3.204E-02	9.622E-02	.191
A hierarchy of authority is the best form of organisation	-.201	.123	7.239E-02	2.106E-02
It is our responsibility to conserve the balance of elements in our environment	.224	5.490E-03	-1.260E-02	.264
People should take time to enjoy all aspects of life even if it means not getting work done	.208	-.161	1.399E-02	.212
Society works best when people willingly make sacrifices for the good of everyone	-2.737E-02	-.128	-8.989E-02	-.115
If someone is essentially a good person she or he will always be good	.303	-.149	-3.191E-02	-4.585E-02
Effective managers use spare time to get things done	-7.345E-02	6.598E-02	3.906E-02	8.969E-02
Adults should strive to be independent from their parents	3.653E-02	6.939E-02	.207	-7.592E-02
Good performance comes from taking control of ones business	-.114	-.101	.328	-1.118E-03
In general you can't trust workers with the keys to the building they work in	.206	-6.566E-02	.111	-3.727E-02
One should live to work not work to live	7.244E-02	-6.164E-02	5.260E-02	.146

Extraction Method: Principal Component Analysis.



Component Matrix<sup>a</sup>

	Component			
	9	10	11	12
An employees rewards should be based mainly on his or her own performance	-3.244E-02	9.836E-02	-1.342E-02	-.110
You shouldn't worry about working when you don't feel like it	-.133	.200	.105	-.179
It is important not to stand out too much in a team	-7.328E-02	.268	9.543E-02	.143
In general bad people cannot change their ways	-5.897E-02	.186	-.198	-.146
You can't trust anyone without proof	-.109	.191	3.232E-02	3.268E-02
The most effective businesses are those which work together in harmony with their environment	-.184	-.108	.174	.265
One's success is mostly a matter of good fortune	-7.970E-02	-.192	.109	-5.557E-02
People at lower levels in the organisation should not have much power in the organisation	1.627E-02	.146	-.214	-6.269E-02
Sitting around without doing something is a waste of time	-.121	-.105	9.111E-02	-6.222E-02
Humans should try to control nature whenever possible	.147	-9.963E-02	-8.099E-02	.186
All business decisions should be analysed from every possible angle before they are implemented	.170	-.184	7.563E-02	-3.244E-02
One should work to live not live to work	-6.501E-02	.149	-.110	.284
It is important to try to prevent problems you may encounter in your life	.349	-.327	-3.810E-02	-.236
It is better to be lucky than smart	-.165	-.122	8.472E-02	-6.476E-02
Employees should be rewarded based on their level in the organisation	-.373	.153	3.137E-02	-8.524E-02
Every person has a responsibility for all other in his or her workgroup or unit	5.575E-02	.110	-.211	.325
People tend to think of themselves first before they think of others	-5.155E-02	.344	-.128	.227
Many of the world's problems occur because of our attempts to control the natural forces in the world	.125	-7.497E-02	2.709E-02	7.853E-02
Accomplishing a great deal of work is more rewarding than spending time in leisure	.147	.285	-7.249E-02	-.104

Extraction Method: Principal Component Analysis.

Component Matrix<sup>a</sup>

	Component			
	9	10	11	12
A logical argument is as persuasive as visible evidence that something will work	-.139	-.148	-2.370E-02	-.174
If supervisors don't always check when workers come and go workers will probably lie about how many hours they work	-.126	.155	-.310	3.639E-02
People who work hard deserve a great deal of respect	-.126	-.121	.228	-1.103E-02
No matter what the situation it is always worth the time it takes to develop a comprehensive plan	1.281E-02	.167	9.800E-02	8.230E-02

Extraction Method: Principal Component Analysis.

Component Matrix<sup>a</sup>

	Component			
	13	14	15	16
All things are equal and deserve the same care and consideration	9.648E-02	.163	-.331	2.938E-02
Every person on a team should be responsible for everyone else on the team	.181	.201	5.790E-02	-.119
It is important to think things through carefully before acting on them	7.432E-02	-4.650E-02	-3.852E-03	1.882E-02
It is natural to put your own interests ahead of others	-.119	-6.055E-02	-.341	-.111
Given enough time and resources people can do almost anything	.215	8.823E-02	-.110	-1.553E-02
Organisations should have separate facilities such as eating areas, for higher level managers	8.028E-02	.139	-6.592E-02	-.248
We have little influence on the outcomes of events in our lives	-1.739E-02	-.223	5.375E-02	2.590E-02
It's human nature to place more importance on work than other activities	.154	-9.551E-02	-.119	.166
If you don't like your work environment you should quit your job	4.699E-02	-.227	-.274	.255
Hard work is always commendable	-.107	-6.988E-02	-8.167E-02	.269
One's responsibility for family members should go beyond one's parents and children	-.138	-9.794E-02	5.186E-02	.206
The performance of one's work group or unit is more important than one's own individual performance	.114	.143	-6.636E-02	.251
It is best to leave problem situations alone to see if they work out on their own	1.966E-02	.211	-8.503E-02	-7.101E-02
A good manager should take control of problem situations and resolve them quickly	-3.221E-02	-8.882E-03	-.135	-2.469E-02
It is important to achieve balance among divisions and units within an organisation	-.433	-8.632E-02	4.529E-03	-.115
People at higher levels in organisations have a responsibility to make important decisions for people below them	-.347	.148	4.375E-02	-6.945E-02
It is best to live for the moment	4.107E-02	.238	-5.131E-02	.232
If employees don't have to submit receipts for their expenses, they are likely to lie about how much they spent	.192	-2.708E-02	.191	.213

Extraction Method: Principal Component Analysis.

Component Matrix<sup>a</sup>

	Component			
	13	14	15	16
Society works best when each person serves his or her own interests	-5.044E-02	.120	4.541E-02	3.008E-02
Anyone's basic nature can change	8.769E-02	.421	-4.766E-02	.190
It is always better to stop and plan than to act quickly	-3.168E-02	-5.481E-02	6.405E-02	-1.105E-02
People who work hard are the ones who make society function	1.749E-02	-.122	.188	-4.616E-02
We can have a significant effect on the events in our lives	-6.073E-02	-6.998E-03	8.472E-02	-2.164E-03
People at lower levels in an organisation should carry out the requests of those at higher levels without question	-2.753E-02	.244	.214	9.286E-03
It is important to achieve harmony and balance in all aspects of life	1.154E-02	8.847E-02	.231	-3.050E-02
Ultimately you are accountable only to yourself	5.396E-02	-3.665E-02	.235	-3.170E-02
It is important to get work done before relaxing	-.127	-7.690E-02	-.103	7.068E-02
It is important to do what you want when you want	.119	-7.753E-02	-5.264E-02	.189
Some amount of corruption is inevitable in any organisation	2.827E-02	-5.508E-03	9.952E-02	5.184E-02
An employees reward should be based mainly on the workgroup or units performance	.238	.246	.175	-.232
People should always think carefully before they act	-.127	.128	8.064E-03	-.136
People should not try to change the paths their lives are destined to take	-7.768E-02	.128	9.646E-02	-5.069E-02
It is possible for people whose basic nature is bad to change and become good	-5.069E-02	.152	2.689E-02	-3.092E-02
The highest ranking manager in a team should take the lead	-.113	-.279	5.652E-02	-.197
Whatever is going to happen will happen no matter what actions people take	.121	-6.923E-02	.107	-1.021E-02
It is possible for people whose basic nature is good to change and become bad	.340	.124	-.165	6.226E-02
With enough resources and knowledge any poor performing business can be turned around	.351	.110	-8.118E-02	-7.418E-02
You should be suspicious of everybody	-7.670E-02	-1.778E-02	-6.394E-02	.146

Extraction Method: Principal Component Analysis.

Component Matrix<sup>a</sup>

	Component			
	13	14	15	16
Good team members subordinate their own goal and thoughts to those of the team	-.148	.110	.174	.133
Once you set a goal it is important to work toward it until it is achieved	-.262	9.344E-02	-.228	3.805E-04
The outcomes of business decisions can be predicted logically by a logical analysis of the decision	3.736E-02	.167	6.449E-02	-8.998E-02
Quality of life is more important than financial accomplishment	-7.413E-02	8.036E-02	-3.749E-03	-.303
When considering the design of a new building harmonising with the surrounding environment is an important consideration	.205	7.217E-02	.289	.172
We should try to avoid depending on others	.119	-7.094E-02	.157	.161
Even if it takes more time business decisions should always be based on analysis no intuition	.160	-.148	.198	-8.751E-02
Most things are determined by forces we cannot control	.110	-.250	-.168	-.246
A hierarchy of authority is the best form of organisation	2.999E-03	3.233E-02	-.115	-.107
It is our responsibility to conserve the balance of elements in our environment	-4.147E-02	2.774E-02	-2.574E-02	-.134
People should take time to enjoy all aspects of life even if it means not getting work done	3.494E-02	.122	5.051E-02	-8.375E-02
Society works best when people willingly make sacrifices for the good of everyone	-.118	.329	-7.564E-02	-2.252E-02
If someone is essentially a good person she or he will always be good	-.234	-6.077E-02	.151	-3.409E-02
Effective managers use spare time to get things done	-5.870E-04	-1.434E-02	-.407	-.132
Adults should strive to be independent from their parents	.177	4.711E-02	-7.751E-02	-.107
Good performance comes from taking control of ones business	6.248E-02	.109	.189	-.219
In general you can't trust workers with the keys to the building they work in	-.144	8.714E-02	-.124	-6.362E-03
One should live to work not work to live	-.120	6.368E-02	.174	-3.419E-02

Extraction Method: Principal Component Analysis.

Component Matrix<sup>a</sup>

	Component			
	13	14	15	16
An employees rewards should be based mainly on his or her own performance	.202	-.129	-5.052E-02	3.546E-02
You shouldn't worry about working when you don't feel like it	-8.980E-02	-.183	8.917E-02	-.119
It is important not to stand out too much in a team	-.298	.134	-.147	-7.149E-02
In general bad people cannot change their ways	-2.948E-02	-.114	1.647E-02	.122
You can't trust anyone without proof	3.274E-02	-.119	-.200	.341
The most effective businesses are those which work together in harmony with their environment	-.240	.345	.136	.183
One's success is mostly a matter of good fortune	-3.856E-02	-4.376E-02	-8.458E-02	-2.782E-02
People at lower levels in the organisation should not have much power in the organisation	-.101	-1.068E-02	6.661E-02	-2.174E-02
Sitting around without doing something is a waste of time	2.889E-02	-.171	4.095E-03	.234
Humans should try to control nature whenever possible	4.338E-02	6.046E-02	4.796E-02	-.143
All business decisions should be analysed from every possible angle before they are implemented	5.527E-02	-6.374E-02	5.664E-02	9.229E-02
One should work to live not live to work	1.419E-02	-2.387E-02	.346	.188
It is important to try to prevent problems you may encounter in your life	-.115	-.328	6.746E-02	-.123
It is better to be lucky than smart	.167	5.892E-02	-.195	9.468E-02
Employees should be rewarded based on their level in the organisation	.302	-.192	8.697E-02	-.184
Every person has a responsibility for all other in his or her workgroup or unit	.260	-9.427E-02	2.435E-03	-.299
People tend to think of themselves first before they think of others	9.028E-03	-.181	-4.803E-02	-4.609E-02
Many of the world's problems occur because of our attempts to control the natural forces in the world	9.743E-02	-.224	7.480E-04	7.640E-02
Accomplishing a great deal of work is more rewarding than spending time in leisure	.208	.215	9.179E-03	.122

Extraction Method: Principal Component Analysis.

Component Matrix<sup>a</sup>

	Component			
	13	14	15	16
A logical argument is as persuasive as visible evidence that something will work	.183	-.124	2.627E-02	-7.131E-02
If supervisors don't always check when workers come and go workers will probably lie about how many hours they work	-.216	-.122	4.438E-02	.114
People who work hard deserve a great deal of respect	-5.868E-02	-.120	.202	.127
No matter what the situation it is always worth the time it takes to develop a comprehensive plan	2.014E-02	6.696E-02	-.118	-4.789E-02

Extraction Method: Principal Component Analysis.

Component Matrix<sup>a</sup>

	Component			
	17	18	19	20
All things are equal and deserve the same care and consideration	8.050E-02	-2.621E-02	-8.462E-02	1.250E-02
Every person on a team should be responsible for everyone else on the team	3.756E-02	.175	.200	.191
It is important to think things through carefully before acting on them	.236	.165	.141	-.211
It is natural to put your own interests ahead of others	-5.695E-02	.181	.338	.279
Given enough time and resources people can do almost anything	-.245	.306	.145	-.267
Organisations should have separate facilities such as eating areas, for higher level managers	8.765E-02	-.312	-1.023E-02	-6.844E-02
We have little influence on the outcomes of events in our lives	-.136	8.052E-02	.137	-7.061E-02
It's human nature to place more importance on work than other activities	-1.710E-03	.104	9.650E-02	-.229
If you don't like your work environment you should quit your job	-8.489E-03	6.942E-02	5.047E-02	-5.139E-02
Hard work is always commendable	-.211	-.122	-3.947E-02	.143
Ones responsibility for family members should go beyond ones parents and children	1.986E-02	-.127	2.391E-02	.339
The performance of ones work group or unit is more important than ones own individual performance	-7.214E-02	.294	-5.939E-02	7.012E-02
It is best to leave problem situations alone to see if they work out on their own	.109	.137	-.110	-.109
A good manager should take control of problem situations and resolve them quickly	.233	-4.722E-02	2.593E-02	.116
It is important to achieve balance among divisions and units within an organisation	-5.182E-02	.181	-9.619E-02	.131
People at higher levels in organisations have a responsibility to make important decisions for people below them	3.702E-02	7.603E-03	9.245E-02	-3.887E-02
It is best to live for the moment	3.201E-02	.102	-.247	2.907E-02
If employees don't have to submit receipts for their expenses, they are likely to lie about how much they spent	9.661E-03	5.612E-02	.304	-.131

Extraction Method: Principal Component Analysis.



Component Matrix<sup>a</sup>

	Component			
	17	18	19	20
Society works best when each person serves his or her own interests	.100	-5.340E-02	-.229	-6.902E-02
Anyone's basic nature can change	-8.838E-02	-4.374E-02	-.121	4.833E-02
It is always better to stop and plan than to act quickly	-.111	-1.515E-02	-.230	-.171
People who work hard are the ones who make society function	-.167	.164	.207	8.652E-02
We can have a significant effect on the events in our lives	5.990E-02	-8.213E-04	-5.971E-02	9.820E-02
People at lower levels in an organisation should carry out the requests of those at higher levels without question	-9.318E-02	6.582E-02	-2.705E-02	1.048E-02
It is important to achieve harmony and balance in all aspects of life	.320	.114	4.699E-02	9.614E-02
Ultimately you are accountable only to yourself	-7.699E-02	.101	.124	4.256E-02
It is important to get work done before relaxing	-.139	-1.787E-02	-6.442E-02	-.104
It is important to do what you want when you want	7.491E-02	9.410E-02	-.148	-.128
Some amount of corruption is inevitable in any organisation	-.167	-.366	9.143E-02	9.031E-03
An employees reward should be based mainly on the workgroup or units performance	-.236	-.202	-1.478E-02	9.721E-02
People should always think carefully before they act	.135	-4.060E-02	-.193	2.904E-02
People should not try to change the paths their lives are destined to take	2.759E-03	-2.243E-02	.123	6.192E-02
It is possible for people whose basic nature is bad to change and become good	-3.250E-02	-.118	1.963E-02	-.119
The highest ranking manager in a team should take the lead	-5.902E-02	9.522E-02	-.265	-.108
Whatever is going to happen will happen no matter what actions people take	-9.912E-02	3.423E-02	-7.461E-02	.141
It is possible for people whose basic nature is good to change and become bad	7.140E-02	-4.454E-02	-4.454E-02	2.568E-02
With enough resources and knowledge any poor performing business can be turned around	8.317E-03	2.544E-02	9.457E-02	.161
You should be suspicious of everybody	.191	-3.173E-02	.190	3.243E-02

Extraction Method: Principal Component Analysis.

Component Matrix<sup>a</sup>

	Component			
	17	18	19	20
Good team members subordinate their own goal and thoughts to those of the team	1.768E-02	.140	-.167	9.882E-02
Once you set a goal it is important to work toward it until it is achieved	-.150	-.208	.342	-1.319E-02
The outcomes of business decisions can be predicted logically by a logical analysis of the decision	-.270	-1.236E-03	6.187E-02	.115
Quality of life is more important than financial accomplishment	-4.087E-02	3.181E-02	1.481E-02	-2.413E-02
When considering the design of a new building harmonising with the surrounding environment is an important consideration	-3.942E-02	1.068E-02	.221	-1.202E-02
We should try to avoid depending on others	.133	-.118	9.077E-02	7.361E-02
Even if it takes more time business decisions should always be based on analysis no intuition	.169	8.575E-02	-.123	2.396E-02
Most things are determined by forces we cannot control	.220	9.276E-02	-.184	.203
A hierarchy of authority is the best form of organisation	-.191	-.171	-.234	-3.958E-02
It is our responsibility to conserve the balance of elements in our environment	.211	.116	.175	-.234
People should take time to enjoy all aspects of life even if it means not getting work done	-5.028E-03	7.988E-02	-5.066E-02	-5.860E-02
Society works best when people willingly make sacrifices for the good of everyone	-3.339E-02	7.524E-02	-9.896E-02	9.666E-03
If someone is essentially a good person she or he will always be good	-.123	5.844E-02	-.103	5.939E-02
Effective managers use spare time to get things done	-.155	-2.987E-03	3.390E-02	.154
Adults should strive to be independent from their parents	.182	.178	-3.965E-02	-.136
Good performance comes from taking control of one's business	.108	1.336E-02	.138	-7.518E-02
In general you can't trust workers with the keys to the building they work in	-7.006E-02	-1.424E-02	4.666E-02	-.399
One should live to work not work to live	-.104	-.166	4.148E-02	-.244

Extraction Method: Principal Component Analysis.

Component Matrix<sup>a</sup>

	Component			
	17	18	19	20
An employees rewards should be baseed mainly on his or her own performance	-7.581E-03	-.347	7.241E-02	-.230
You shouldn't worry about working when you don't feel like it	7.677E-02	.170	5.584E-02	-5.262E-02
It is important not to stand out to much in a team	-5.095E-02	8.987E-02	5.040E-02	-6.347E-02
In general bad people cannot change their ways	-.166	-4.373E-02	-.116	9.376E-02
You can't trust anyone without proof	.131	3.027E-02	-9.962E-02	-2.721E-02
The most effective businesses are those which work together inharmony with their envionment	.242	9.297E-03	-2.454E-02	3.580E-02
Ones success is mostly a matter of good fortune	.300	-.116	.131	.196
People at lower levels inthe organisation should not have much power in the organisation	.274	-.151	-3.670E-02	-6.883E-02
Sitting around without doing something is a waste of time	3.416E-02	2.962E-03	-.105	-1.187E-02
Humans should try to control nature whenever possible	6.600E-02	-.143	7.795E-02	.259
All business decions should be analysed from ever possible angle before they are implemented	6.988E-02	-.340	1.897E-02	-7.636E-02
One should work to live not live to work	5.952E-02	-5.676E-02	-2.147E-02	-1.007E-02
It is important to try to prevent problems you may encounter in your life	.102	-.133	2.695E-02	5.934E-02
It is better to be lucky than smart	3.369E-03	-.115	.137	.124
Employees should be rewarded based on their level in the organisation	-7.428E-02	7.917E-03	-.275	-6.780E-03
Every person has a responsiblity for all other in his or her workgroup or unit	-6.933E-02	.148	3.264E-02	2.753E-02
People tend to think of themselves first before they think of others	.209	-.164	-1.531E-02	3.531E-02
Many of the worlds problems occur because of our attempts to control the natural forces in the world	-.179	1.060E-02	-8.549E-02	.125
Accomplishing a great deal of work is more rewarding than spending time in leisure	8.707E-02	6.236E-02	-.109	.218

Extraction Method: Principal Component Analysis.

Component Matrix<sup>a</sup>

	Component			
	17	18	19	20
A logical argument is as persuasive as visible evidence that something will work	-3.676E-02	-3.683E-02	-3.798E-05	3.093E-03
If supervisors don't always check when workers come and go workers will probably lie about how many hours they work	6.728E-02	.161	.106	5.568E-03
People who work hard deserve a great deal of respect	-.236	.139	2.250E-02	.141
No matter what the situation it is always worth the time it takes to develop a comprehensive plan	-8.311E-02	8.783E-03	-.114	4.288E-02

Extraction Method: Principal Component Analysis.

Component Matrix<sup>a</sup>

	Component			
	21	22	23	24
All things are equal and deserve the same care and consideration	-.132	6.782E-02	-.197	.159
Every person on a team should be responsible for everyone else on the team	-.178	1.565E-02	-.119	5.121E-02
It is important to think things through carefully before acting on them	-.264	-.113	1.681E-02	-4.670E-02
It is natural to put your own interests ahead of others	1.181E-02	.228	.134	3.422E-02
Given enough time and resources people can do almost anything	.202	-1.677E-02	-.133	-.134
Organisations should have separate facilities such as eating areas, for higher level managers	-.119	.310	-4.264E-02	-.171
We have little influence on the outcomes of events in our lives	-.217	-1.314E-02	-1.904E-02	5.046E-02
It's human nature to place more importance on work than other activities	-2.915E-02	.222	2.800E-02	.169
If you don't like your work environment you should quit your job	-8.115E-02	.132	-1.103E-03	-4.488E-02
Hard work is always commendable	1.923E-02	-8.380E-02	-5.214E-02	7.439E-02
Ones responsibility for family members should go beyond ones parents and children	6.813E-02	.155	-1.195E-02	.197
The performance of ones work group or unit is more important than ones own individual performance	.128	5.102E-02	5.255E-02	-.295
It is best to leave problem situations alone to see if they work out on their own	-.123	.129	-5.636E-02	-8.241E-04
A good manager should take control of problem situations and resolve them quickly	6.701E-02	-3.959E-02	-.213	-7.178E-02
It is important to achieve balance among divisions and units within an organisation	-8.104E-02	-4.750E-02	.166	6.787E-02
People at higher levels in organisations have a responsibility to make important decisions for people below them	-.143	4.525E-02	3.767E-02	-5.221E-02
It is best to live for the moment	-.175	-.147	2.887E-02	-2.762E-02
If employees don't have to submit receipts for their expenses, they are likely to lie about how much they spent	-8.455E-02	3.891E-02	9.432E-02	3.266E-02

Extraction Method: Principal Component Analysis.

Component Matrix<sup>a</sup>

	Component			
	21	22	23	24
Society works best when each person serves his or her own interests	4.675E-02	-6.541E-03	-2.421E-02	.121
Anyone's basic nature can change	4.566E-02	-3.713E-02	.123	-.104
It is always better to stop and plan than to act quickly	-.216	-4.044E-02	-.109	-4.405E-02
People who work hard are the ones who make society function	-8.401E-03	-8.704E-02	.155	2.566E-03
We can have a significant effect on the events in our lives	.408	.227	9.576E-02	-8.826E-02
People at lower levels in an organisation should carry out the requests of those at higher levels without question	-1.324E-02	-9.849E-02	-6.708E-02	-7.486E-02
It is important to achieve harmony and balance in all aspects of life	.121	-8.623E-04	.169	-7.178E-05
Ultimately you are accountable only to yourself	5.481E-02	7.721E-02	-.253	9.476E-02
It is important to get work done before relaxing	6.015E-02	-.138	6.427E-03	.270
It is important to do what you want when you want	2.023E-02	.133	-.118	.144
Some amount of corruption is inevitable in any organisation	1.548E-02	.122	2.174E-02	.132
An employees reward should be based mainly on the workgroup or units performance	-7.198E-02	-1.668E-02	-4.861E-02	8.752E-02
People should always think carefully before they act	-1.092E-03	-7.904E-02	-5.730E-03	1.934E-02
People should not try to change the paths their lives are destined to take	2.037E-02	-.160	9.696E-02	1.716E-02
It is possible for people whose basic nature is bad to change and become good	-6.080E-02	2.165E-04	9.387E-02	.329
The highest ranking manager in a team should take the lead	3.294E-02	4.174E-02	-.207	-.143
Whatever is going to happen will happen no matter what actions people take	-.191	-.108	5.879E-02	3.161E-02
It is possible for people whose basic nature is good to change and become bad	-8.477E-03	-3.064E-02	.366	.127
With enough resources and knowledge any poor performing business can be turned around	7.578E-02	1.003E-02	9.117E-02	7.519E-02
You should be suspicious of everybody	-3.470E-03	-9.326E-02	-8.846E-02	1.259E-02

Extraction Method: Principal Component Analysis.

Component Matrix<sup>a</sup>

	Component			
	21	22	23	24
Good team members subordinate their own goal and thoughts to those of the team	9.023E-02	-2.074E-02	-8.733E-02	.170
Once you set a goal it is important to work toward it until it is achieved	-.108	-.168	6.093E-02	5.140E-03
The outcomes of business decisions can be predicted logically by a logical analysis of the decision	-1.078E-02	.135	-6.479E-02	-.222
Quality of life is more important than financial accomplishment	-1.474E-02	.297	-.153	3.415E-03
When considering the design of a new building harmonising with the surrounding environment is an important consideration	-5.473E-03	2.256E-02	7.798E-02	9.501E-03
We should try to avoid depending on others	5.297E-02	7.929E-02	-4.847E-03	-.300
Even if it takes more time business decisions should always be based on analysis no intuition	-.165	.117	8.288E-02	-4.458E-02
Most things are determined by forces we cannot control	4.347E-02	.151	.136	2.482E-02
A hierarchy of authority is the best form of organisation	-3.369E-02	-1.811E-02	.217	-.115
It is our responsibility to conserve the balance of elements in our environment	-4.910E-03	-2.660E-02	-.140	9.564E-02
People should take time to enjoy all aspects of life even if it means not getting work done	2.663E-02	5.123E-02	.178	-.172
Society works best when people willingly make sacrifices for the good of everyone	-.121	-.162	-2.792E-03	-2.028E-03
If someone is essentially a good person she or he will always be good	-3.426E-02	.135	.174	2.173E-02
Effective managers use spare time to get things done	-3.134E-02	-5.566E-02	.135	-7.589E-02
Adults should strive to be independent from their parents	.146	-.141	4.288E-03	5.532E-04
Good performance comes from taking control of ones business	.113	-6.418E-02	.143	.163
In general you can't trust workers with the keys to the building they work in	.236	-5.332E-02	.212	-5.250E-04
One should live to work not work to live	.244	.160	-4.846E-02	.168

Extraction Method: Principal Component Analysis.



Component Matrix<sup>a</sup>

	Component			
	21	22	23	24
An employees rewards should be based mainly on his or her own performance	.195	-2.327E-02	-6.649E-02	-5.035E-02
You shouldn't worry about working when you don't feel like it	-4.714E-02	-6.900E-02	.183	-9.497E-02
It is important not to stand out too much in a team	3.832E-02	.143	-7.787E-02	-1.763E-02
In general bad people cannot change their ways	.234	4.089E-02	.145	-6.433E-02
You can't trust anyone without proof	.205	-.237	9.365E-03	-4.838E-02
The most effective businesses are those which work together in harmony with their environment	-7.039E-05	.252	7.551E-02	1.922E-02
One's success is mostly a matter of good fortune	6.824E-02	-.269	-.126	.140
People at lower levels in the organisation should not have much power in the organisation	.230	-4.508E-02	.177	-7.324E-02
Sitting around without doing something is a waste of time	-.349	.139	.126	-3.805E-02
Humans should try to control nature whenever possible	5.453E-02	-.260	-6.923E-02	-.202
All business decisions should be analysed from every possible angle before they are implemented	-.293	1.244E-02	.142	-.292
One should work to live not live to work	-.152	-.106	-4.220E-02	5.833E-02
It is important to try to prevent problems you may encounter in your life	9.794E-02	-.111	1.664E-02	1.805E-03
It is better to be lucky than smart	-7.680E-03	.188	3.608E-02	.124
Employees should be rewarded based on their level in the organisation	-8.952E-03	4.262E-02	.183	.268
Every person has a responsibility for all other in his or her workgroup or unit	-6.108E-03	-.159	8.860E-02	8.115E-02
People tend to think of themselves first before they think of others	-.145	8.425E-02	-.195	-4.358E-02
Many of the world's problems occur because of our attempts to control the natural forces in the world	3.398E-02	-1.270E-02	-5.341E-02	7.458E-02
Accomplishing a great deal of work is more rewarding than spending time in leisure	.107	.143	-.159	9.597E-02

Extraction Method: Principal Component Analysis.



**Component Matrix<sup>a</sup>**

	Component			
	21	22	23	24
A logical argument is as persuasive as visible evidence that something will work	.184	-1.401E-02	-.182	-.172
If supervisors don't always check when workers come and go workers will probably lie about how many hours they work	-1.130E-02	.154	8.305E-02	-9.181E-03
People who work hard deserve a great deal of respect	6.577E-02	-3.541E-02	-.165	-4.542E-02
No matter what the situation it is always worth the time it takes to develop a comprehensive plan	-2.562E-02	-.182	-.145	3.193E-02

Extraction Method: Principal Component Analysis.

Component Matrix<sup>a</sup>

	Component		
	25	26	27
All things are equal and deserve the same care and consideration	-2.524E-02	-.153	-.121
Every person on a team should be responsible for everyone else on the team	6.504E-02	-.161	6.465E-02
It is important to think things through carefully before acting on them	4.370E-02	4.441E-02	-.239
It is natural to put your own interests ahead of others	-1.361E-02	-3.317E-02	.151
Given enough time and resources people can do almost anything	-.105	1.716E-03	-1.923E-02
Organisations should have separate facilities such as eating areas, for higher level managers	.137	.135	-5.660E-02
We have little influence on the outcomes of events in our lives	.147	-.180	1.976E-02
It's human nature to place more importance on work than other activities	.205	-3.498E-02	7.759E-02
If you don't like your work environment you should quit your job	4.975E-02	.177	-5.623E-02
Hard work is always commendable	3.869E-02	8.157E-03	4.504E-02
Ones responsibility for family members should go beyond ones parents and children	7.124E-02	-2.964E-02	-8.231E-02
The performance of ones work group or unit is more important than ones own individual performance	-3.882E-02	.280	.128
It is best to leave problem situations alone to see if they work out on their own	-.166	.125	-7.769E-02
A good manager should take control of problem situations and resolve them quickly	5.378E-03	2.841E-02	.179
It is important to achieve balance among divisions and units within an organisation	-3.443E-02	.162	1.850E-02
People at higher levels in organisations have a responsibility to make important decisions for people below them	.167	.114	.228
It is best to live for the moment	6.052E-02	-.108	.239
If employees don't have to submit receipts for their expenses, they are likely to lie about how much they spent	-.123	-4.660E-02	4.718E-02

Extraction Method: Principal Component Analysis.

Component Matrix<sup>a</sup>

	Component		
	25	26	27
Society works best when each person serves his or her own interests	-8.097E-02	-5.574E-03	.150
Anyone's basic nature can change	9.855E-02	7.380E-02	-7.956E-02
It is always better to stop and plan than to act quickly	-.196	.168	-.122
People who work hard are the ones who make society function	-.288	-5.929E-02	-.112
We can have a significant effect on the events in our lives	-8.410E-03	-.213	4.075E-03
People at lower levels in an organisation should carry out the requests of those at higher levels without question	-4.948E-03	-2.930E-02	4.494E-02
It is important to achieve harmony and balance in all aspects of life	8.392E-03	-1.351E-02	-.129
Ultimately you are accountable only to yourself	.199	-5.642E-02	-1.376E-02
It is important to get work done before relaxing	-3.772E-02	-8.562E-03	9.509E-02
It is important to do what you want when you want	4.711E-02	5.616E-02	.145
Some amount of corruption is inevitable in any organisation	.160	2.337E-02	.143
An employees reward should be based mainly on the workgroup or units performance	-7.643E-02	.115	.167
People should always think carefully before they act	-5.261E-02	-.126	-4.227E-02
People should not try to change the paths their lives are destined to take	-.133	-.255	-5.279E-02
It is possible for people whose basic nature is bad to change and become good	9.710E-02	1.900E-02	.231
The highest ranking manager in a team should take the lead	.212	-.106	4.664E-02
Whatever is going to happen will happen no matter what actions people take	4.833E-02	.207	3.055E-02
It is possible for people whose basic nature is good to change and become bad	.131	7.791E-02	-1.379E-02
With enough resources and knowledge any poor performing business can be turned around	9.253E-02	-3.482E-02	1.291E-02
You should be suspicious of everybody	.147	4.022E-02	-.221

Extraction Method: Principal Component Analysis.

Component Matrix<sup>a</sup>

	Component		
	25	26	27
Good team members subordinate their own goal and thoughts to those of the team	.105	.118	-6.419E-02
Once you set a goal it is important to work toward it until it is achieved	-7.145E-02	.152	-6.036E-02
The outcomes of business decisions can be predicted logically by a logical analysis of the decision	1.378E-02	7.874E-02	-.115
Quality of life is more important than financial accomplishment	-.130	.144	-5.325E-02
When considering the design of a new building harmonising with the surrounding environment is an important consideration	-.149	3.530E-02	8.626E-02
We should try to avoid depending on others	-.191	.103	.311
Even if it takes more time business decisions should always be based on analysis no intuition	7.307E-02	.120	-4.293E-02
Most things are determined by forces we cannot control	-8.475E-02	9.467E-02	4.632E-02
A hierarchy of authority is the best form of organisation	-6.562E-02	-.171	-6.459E-02
It is our responsibility to conserve the balance of elements in our environment	-9.118E-02	-1.270E-02	-8.646E-02
People should take time to enjoy all aspects of life even if it means not getting work done	.126	-.126	6.612E-02
Society works best when people willingly make sacrifices for the good of everyone	.175	-3.800E-02	4.312E-02
If someone is essentially a good person she or he will always be good	4.149E-03	-6.283E-02	-7.736E-02
Effective managers use spare time to get things done	2.681E-02	1.312E-02	-5.299E-02
Adults should strive to be independent from their parents	4.361E-02	-.137	9.356E-02
Good performance comes from taking control of one's business	.122	.135	7.983E-02
In general you can't trust workers with the keys to the building they work in	-.154	1.074E-02	-1.265E-02
One should live to work not work to live	3.715E-02	.102	2.993E-02

Extraction Method: Principal Component Analysis.

Component Matrix<sup>a</sup>

	Component		
	25	26	27
An employees rewards should be based mainly on his or her own performance	7.988E-02	-.109	-8.666E-02
You shouldn't worry about working when you don't feel like it	.219	4.602E-02	7.569E-02
It is important not to stand out to much in a team	3.121E-02	-.135	6.948E-02
In general bad people cannot change their ways	-1.156E-02	-1.949E-02	-6.909E-02
You can't trust anyone without proof	4.212E-02	.185	4.369E-02
The most effective businesses are those which work together inharmony with their environment	-.166	-1.555E-02	-9.480E-02
Ones success is mostly a matter of good fortune	-.144	1.634E-02	8.132E-02
People at lower levels inthe organisation should not have much power in the organisation	.128	-2.206E-02	-1.086E-02
Sitting around without doing something is a waste of time	-3.706E-03	-.261	.126
Humans should try to control nature whenever possible	.109	7.968E-02	-3.229E-02
All business decions should be analysed from ever possible angle before they are implemented	5.324E-02	-.209	-6.715E-02
One should work to live not live to work	-1.133E-02	.111	-.166
It is important to try to prevent problems you may encounter in your life	-1.921E-02	2.565E-02	-5.759E-02
It is better to be lucky than smart	6.150E-02	.139	-.194
Employees should be rewarded based on their level in the organisation	-5.775E-02	.153	-.149
Every person has a responsibility for all other in his or her workgroup or unit	6.870E-02	-8.576E-02	.126
People tend to think of themselves first before they think of others	-.212	6.712E-02	.246
Many of the worlds problems occur because of our attempts to control the natural forces in the world	-.317	-.163	4.268E-02
Accomplishing a great deal of work is more rewarding than spending time in leisure	-3.960E-02	-.212	-.154

Extraction Method: Principal Component Analysis.

Component Matrix<sup>a</sup>

	Component		
	25	26	27
A logical argument is as persuasive as visible evidence that something will work	.123	1.712E-02	-2.949E-02
If supervisors don't always check when workers come and go workers will probably lie about how many hours they work	.108	-4.729E-02	-.107
People who work hard deserve a great deal of respect	.225	5.041E-02	-2.787E-02
No matter what the situation it is always worth the time it takes to develop a comprehensive plan	7.772E-02	-2.958E-02	-.187

Extraction Method: Principal Component Analysis.

a. 27 components extracted.

**A.5.1.3.**

**Variance Explained**

**Total Variance Explained**

Component	Initial Eigenvalues		
	Total	% of Variance	Cumulative %
1	6.140	7.772	7.772
2	5.166	6.539	14.311
3	3.302	4.179	18.490
4	3.154	3.992	22.482
5	2.821	3.570	26.052
6	2.629	3.328	29.380
7	2.489	3.151	32.531
8	2.355	2.981	35.512
9	2.176	2.755	38.267
10	2.101	2.659	40.926
11	2.071	2.622	43.548
12	1.857	2.350	45.899
13	1.822	2.306	48.204
14	1.788	2.263	50.467
15	1.636	2.071	52.538
16	1.583	2.004	54.542
17	1.476	1.868	56.410
18	1.441	1.825	58.235
19	1.418	1.795	60.029
20	1.370	1.735	61.764
21	1.358	1.718	63.483
22	1.259	1.594	65.077
23	1.217	1.541	66.618
24	1.179	1.492	68.110
25	1.109	1.404	69.514
26	1.061	1.343	70.856
27	1.028	1.301	72.158
28	.987	1.249	73.407
29	.960	1.215	74.622
30	.933	1.181	75.803
31	.930	1.177	76.980
32	.887	1.122	78.103
33	.835	1.057	79.159
34	.807	1.022	80.181
35	.757	.958	81.139
36	.748	.947	82.086
37	.700	.886	82.972
38	.687	.870	83.841
39	.653	.827	84.668
40	.620	.785	85.453
41	.600	.760	86.212
42	.595	.753	86.965
43	.556	.703	87.669
44	.544	.688	88.357
45	.527	.667	89.023
46	.503	.637	89.660
47	.488	.618	90.278
48	.474	.599	90.878
49	.442	.560	91.437
50	.420	.532	91.969
51	.408	.517	92.486
52	.400	.506	92.992
53	.370	.469	93.461
54	.361	.457	93.918
55	.338	.428	94.345

Extraction Method: Principal Component Analysis.



**Total Variance Explained**

Component	Initial Eigenvalues		
	Total	% of Variance	Cumulative %
56	.322	.407	94.752
57	.309	.391	95.143
58	.298	.378	95.521
59	.281	.355	95.876
60	.275	.348	96.224
61	.257	.325	96.549
62	.236	.299	96.849
63	.231	.292	97.141
64	.220	.279	97.420
65	.209	.265	97.685
66	.188	.238	97.923
67	.183	.232	98.155
68	.179	.227	98.382
69	.165	.209	98.592
70	.158	.200	98.792
71	.141	.179	98.971
72	.132	.167	99.138
73	.126	.159	99.297
74	.120	.152	99.449
75	.114	.144	99.593
76	9.663E-02	.122	99.715
77	9.264E-02	.117	99.833
78	6.810E-02	8.620E-02	99.919
79	6.420E-02	8.126E-02	100.000

Extraction Method: Principal Component Analysis.

### Total Variance Explained

Component	Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %
1	6.140	7.772	7.772
2	5.166	6.539	14.311
3	3.302	4.179	18.490
4	3.154	3.992	22.482
5	2.821	3.570	26.052
6	2.629	3.328	29.380
7	2.489	3.151	32.531
8	2.355	2.981	35.512
9	2.176	2.755	38.267
10	2.101	2.659	40.926
11	2.071	2.622	43.548
12	1.857	2.350	45.899
13	1.822	2.306	48.204
14	1.788	2.263	50.467
15	1.636	2.071	52.538
16	1.583	2.004	54.542
17	1.476	1.868	56.410
18	1.441	1.825	58.235
19	1.418	1.795	60.029
20	1.370	1.735	61.764
21	1.358	1.718	63.483
22	1.259	1.594	65.077
23	1.217	1.541	66.618
24	1.179	1.492	68.110
25	1.109	1.404	69.514
26	1.061	1.343	70.856
27	1.028	1.301	72.158
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Extraction Method: Principal Component Analysis.

**Total Variance Explained**

Component	Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %
56			
57			
58			
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Extraction Method: Principal Component Analysis.

**A.5.1.4.**

**t test**

1 n3	It is important to think things through carefully before acting on them	Equal variances assumed
2 n8	It's human nature to place more importance on work than other activities	Equal variances not assumed
3 n9	If you don't like your work environment you should quit your job	Equal variances assumed
4 n10	Hard work is always commendable	Equal variances not assumed
5 n12	The performance of ones work group or unit is more important than ones own Individual performance	Equal variances assumed
6 n13	It is best to leave problem situations alone to see if they work out on their own	Equal variances not assumed
7 n15	It is important to achieve balance among divisions and units within an organisation	Equal variances assumed
8 n16	People at higher levels in organisations have a responsibility to make important decisions for people below them	Equal variances not assumed
9 n18	If employees don't have to submit receipts for their expenses, they are likely to lie about how much they spent	Equal variances assumed
10 n22	People who work hard are the ones who make society function	Equal variances not assumed
11 n25	It is important to achieve harmony and balance in all aspects of life	Equal variances assumed
12 n29	Some amount of corruption is inevitable in any organisation	Equal variances not assumed
13 n32	People should not try to change the paths their lives are destined to take	Equal variances assumed
14 n35	Whatever is going to hapen will happen no matter what actions people take	Equal variances not assumed
15 n38	You should be suspicious of everybody	Equal variances assumed
16 n41	The outcomes of business decisions can be predicted logically by a logical analysis of the decision	Equal variances not assumed
17 n47	A hierararchy of authority is the best form of organisation	Equal variances assumed
18 n56	One should live to work not work to live	Equal variances not assumed
19 n59	It is important not to stand out to much in a team	Equal variances assumed
20 n63	Ones success is mostly a matter of good fortune	Equal variances not assumed
21 n66	Humans should try to control nature whenever possible	Equal variances assumed
22 n75	Accomplishing a great deal of work is more rewarding than spending time in leisure	Equal variances not assumed
23 n77	If supervisors don't always check when workers come and go workers will proably lie about how many hours they work	Equal variances assumed

Levene's Test		t-Test		Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% CI Difference	
F	Sig.	t	df				Lower Bound	Upper Bound
1.311	0.254	2.38	160.00	0.018	0.45	0.19	0.08	0.83
		2.38	155.19	0.018	0.45	0.19	0.08	0.83
0.049	0.824	-2.03	160.00	0.044	-0.55	0.27	-1.09	-0.02
		-2.03	158.49	0.044	-0.55	0.27	-1.09	-0.01
0.216	0.643	3.62	160.00	0.000	1.04	0.29	0.47	1.60
		3.62	159.21	0.000	1.04	0.29	0.47	1.60
2.705	0.102	3.36	160.00	0.001	0.98	0.29	0.40	1.55
		3.36	155.42	0.001	0.98	0.29	0.40	1.55
7.768	0.006	2.57	160.00	0.011	0.68	0.26	0.16	1.20
		2.57	151.80	0.011	0.68	0.26	0.16	1.20
12.896	0.000	-2.78	160.00	0.006	-0.66	0.24	-1.13	-0.19
		-2.77	140.56	0.006	-0.66	0.24	-1.13	-0.19
0.273	0.602	2.27	160.00	0.025	0.43	0.19	0.06	0.81
		2.27	155.95	0.025	0.43	0.19	0.06	0.81
3.307	0.071	2.65	160.00	0.009	0.65	0.24	0.16	1.13
		2.65	155.41	0.009	0.65	0.24	0.16	1.13
0.957	0.329	-2.30	160.00	0.023	-0.64	0.28	-1.18	-0.09
		-2.30	159.97	0.023	-0.64	0.28	-1.18	-0.09
0.431	0.512	-2.26	160.00	0.025	-0.64	0.28	-1.20	-0.08
		-2.26	155.94	0.025	-0.64	0.28	-1.20	-0.08
9.079	0.003	2.35	160.00	0.020	0.53	0.23	0.08	0.98
		2.33	134.67	0.021	0.53	0.23	0.08	0.98
20.139	0.000	2.90	160.00	0.004	0.79	0.27	0.25	1.34
		2.89	143.29	0.004	0.79	0.28	0.25	1.34
12.219	0.001	-3.61	160.00	0.000	-0.87	0.24	-1.35	-0.40
		-3.80	142.02	0.000	-0.87	0.24	-1.35	-0.39
17.661	0.000	-3.55	160.00	0.000	-0.98	0.28	-1.53	-0.44
		-3.54	152.10	0.001	-0.98	0.28	-1.53	-0.44
3.685	0.057	-2.63	160.00	0.009	-0.80	0.30	-1.40	-0.20
		-2.63	157.31	0.009	-0.80	0.30	-1.40	-0.20
2.462	0.119	-3.86	160.00	0.000	-0.92	0.25	-1.42	-0.42
		-3.66	159.30	0.000	-0.92	0.25	-1.42	-0.42
0.974	0.325	2.97	160.00	0.003	0.88	0.30	0.30	1.47
		2.97	159.97	0.003	0.88	0.30	0.30	1.47
10.079	0.002	-3.12	160.00	0.002	-1.08	0.35	-1.77	-0.40
		-3.11	154.64	0.002	-1.08	0.35	-1.77	-0.40
0.127	0.044	-2.04	160.00	0.043	-0.61	0.30	-1.20	-0.02
		-2.04	155.83	0.043	-0.61	0.30	-1.20	-0.02
.447	0.231	-2.78	160.00	0.006	-0.78	0.28	-1.34	-0.23
		-2.78	159.09	0.006	-0.78	0.28	-1.34	-0.23
.537	0.007	-3.22	160.00	0.002	-0.94	0.29	-1.51	-0.36
		-3.21	153.06	0.002	-0.94	0.29	-1.51	-0.36
.909	0.090	-3.28	160.00	0.001	-0.86	0.26	-1.37	-0.34
		-3.28	156.59	0.001	-0.86	0.26	-1.37	-0.34
0.001	0.976	-2.63	160.00	0.009	-0.73	0.28	-1.27	-0.18

**A.5.1.5.**

**Scales Developed**

## Rotated Component Matrix

It is best to leave problem situations alone to see if they work out on their own  
People who work hard are the ones who make society function  
People should not try to change the paths their lives are destined to take  
Ones success is mostly a matter of good fortune

It is important to think things through carefully before acting on them  
If employees don't have to submit receipts for their expenses, they are likely to lie about how much they spent  
You should be suspicious of everybody  
If supervisors don't always check when workers come and go workers will probably lie about how many hours they work

People at higher levels in organisations have a responsibility to make important decisions for people below them  
A hierarchy of authority is the best form of organisation

If you don't like your work environment you should quit your job  
Hard work is always commendable  
Accomplishing a great deal of work is more rewarding than spending time in leisure

One should live to work not work to live  
It is important not to stand out too much in a team

It's human nature to place more importance on work than other activities  
The performance of ones work group or unit is more important than ones own individual performance

Whatever is going to happen will happen no matter what actions people take  
The outcomes of business decisions can be predicted logically by a logical analysis of the decision

It is important to achieve balance among divisions and units within an organisation  
It is important to achieve harmony and balance in all aspects of life

Some amount of corruption is inevitable in any organisation  
Humans should try to control nature whenever possible

Extraction Method: Principal Component Analysis. □ Rotation Method: Varimax with Kaiser Normalization.  
a



**Component**

	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9 Factors</b>	<b>Factorsb</b>
<b>0.769</b>	0.057	0.039	-0.109	0.038	0.103	-0.154	-0.165	-0.112	1	
<b>0.503</b>	0.242	0.147	0.192	0.245	0.275	0.007	0.278	0.140	1	
<b>0.592</b>	0.089	-0.164	0.055	0.262	-0.190	0.077	-0.059	0.107	1	
<b>0.591</b>	0.081	0.144	-0.258	-0.029	-0.156	0.240	-0.079	0.110	1	
-0.203	<b>0.439</b>	-0.032	0.037	-0.305	0.098	-0.183	<b>0.532</b>	0.076	2	8
0.115	<b>0.718</b>	-0.044	0.047	0.145	-0.116	0.068	-0.023	-0.147	2	
0.364	<b>0.557</b>	0.183	-0.043	-0.049	0.176	0.078	-0.178	0.179	2	
0.094	<b>0.529</b>	0.180	-0.003	<b>0.473</b>	0.011	0.115	-0.002	0.059	2	5
0.002	0.130	<b>0.702</b>	-0.051	0.083	-0.147	-0.351	0.146	-0.128	3	
0.077	-0.057	<b>0.713</b>	0.128	-0.149	0.098	-0.039	-0.128	-0.007	3	
0.028	0.285	0.014	<b>0.737</b>	-0.007	0.037	-0.087	0.078	0.010	4	
-0.193	-0.232	0.063	<b>0.737</b>	0.029	0.204	-0.027	0.003	0.004	4	
0.049	0.050	0.066	<b>-0.544</b>	0.329	<b>0.439</b>	0.072	-0.046	0.166	4	5
0.050	0.117	0.020	0.070	<b>0.758</b>	0.186	-0.030	-0.037	0.165	5	
0.186	0.002	-0.159	-0.190	<b>0.658</b>	-0.178	0.051	-0.092	-0.187	5	
-0.033	0.071	0.024	0.010	0.145	<b>0.709</b>	0.291	-0.102	-0.115	6	
-0.038	-0.102	0.012	0.167	-0.153	<b>0.632</b>	-0.290	0.074	0.085	6	
0.056	0.073	-0.121	-0.099	0.026	0.023	<b>0.846</b>	0.028	-0.010	7	
-0.016	0.150	0.581	-0.123	0.108	0.130	<b>0.402</b>	0.106	0.224	7	
0.022	-0.341	0.306	0.294	0.028	-0.210	0.251	<b>0.544</b>	0.036	8	
-0.127	-0.081	-0.049	0.003	-0.048	-0.008	0.013	<b>0.801</b>	-0.183	8	
-0.070	0.225	0.267	0.038	0.019	-0.173	0.277	0.016	<b>-0.654</b>	9	
0.052	0.106	0.159	-0.020	0.071	-0.126	0.190	-0.147	<b>0.773</b>	9	

Rotation converged in 10 iterations.

**A.5.2.**

## **Factor analysis of the Corporate Culture Survey**

**A.5.2.1.**

**KMO Bartlett's**

### KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.903
Bartlett's Test of Sphericity	Approx. Chi-Square	1297.051
	df	190
	Sig.	.000

**A.5.2.2.**

## **Component Matrix**

Component Matrix<sup>a</sup>

	Component			
	1	2	3	4
New employees are carefully orientated toward the organisations traditions, that is, the way things are done around here	.471	-.185	.634	-.247
When someone does well in our organisation a great deal of recognition is provided, including appropriate ceremonies	.680	-.344	.239	-.175
In this organisation we have a number of well established traditions	.562	-.112	.440	5.459E-02
Our organisation has people who are good at telling the company's legends and folklore to newcomers	.515	-6.105E-02	.428	.512
Our organisations values are clearly reflected in our physical facilities	.681	-1.553E-02	-.176	6.088E-03
The heroes of this organisation are kept meaningful to us even though some of them are no longer present	.690	-.254	-.164	5.761E-02
Managers in this organisation often develop personal rituals through which they are identified by the organisation and their employees	.671	-.299	-.225	-.147
Members of senior management share stories that communicate a philosophy of what the organisation is all about	.688	4.162E-02	-.143	-3.539E-02
Senior managers in our organisation typically establish traditions that focus peoples attention on important programs, goals, or organisation beliefs	.651	-3.260E-02	-.159	.142
This organisation publicly rewards employees for work that furthers the goal of the organisation	.661	.104	-.287	-.297
We have certain ways of communicating with and relating to one another	.577	.558	-5.586E-02	.196
There is a strong informal communication network that ensures that significant stories are widely shared within the organisation	.485	.444	4.983E-02	-4.564E-02
People in this organisation recognise a concept or ideal that symbolises what we stand for	.517	.594	.188	3.058E-02

Extraction Method: Principal Component Analysis.

Component Matrix<sup>a</sup>

	Component			
	1	2	3	4
There are people in this organisation whose success serves as a model for other to follow	.569	.196	.184	-.565
At our management meetings small rituals are commonly observed	.621	-8.203E-02	-.162	-.161
Our organisation has respected old-timers who possess a rich reservoir of company history at their fingertips and who share this through stories of the organisations past	.683	-4.330E-02	-.128	-6.800E-02
Our senior managers traditionally participate in selecting new employees	.545	-.146	-9.339E-02	.383
Nonconformity is accepted, even applauded, in this organisation, if the nonconformist produces outstanding work	.541	-.162	-.119	.170
People in this organisation take seriously our important ceremonies	.745	-4.074E-02	-7.218E-02	6.493E-02
There is an important tradition of mentoring in this organisation, so that newcomers and younger members of the organisation are successfully assimilated	.709	6.655E-02	1.251E-02	.190

Extraction Method: Principal Component Analysis.

a. 4 components extracted.

**A.5.2.3.**

**Variance Explained**



**Total Variance Explained**

Component	Initial Eigenvalues		
	Total	% of Variance	Cumulative %
1	7.647	38.233	38.233
2	1.299	6.496	44.729
3	1.218	6.092	50.822
4	1.097	5.487	56.309
5	.978	4.891	61.200
6	.919	4.594	65.794
7	.846	4.232	70.026
8	.772	3.858	73.884
9	.678	3.390	77.274
10	.649	3.243	80.517
11	.537	2.687	83.204
12	.496	2.480	85.684
13	.457	2.287	87.971
14	.422	2.110	90.080
15	.390	1.948	92.029
16	.382	1.908	93.937
17	.358	1.790	95.727
18	.312	1.561	97.287
19	.296	1.478	98.765
20	.247	1.235	100.000

Extraction Method: Principal Component Analysis.

**Total Variance Explained**

Component	Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %
1	7.647	38.233	38.233
2	1.299	6.496	44.729
3	1.218	6.092	50.822
4	1.097	5.487	56.309
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			

Extraction Method: Principal Component Analysis.

### Total Variance Explained

Component	Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %
1	5.080	25.398	25.398
2	2.503	12.516	37.915
3	2.086	10.428	48.343
4	1.593	7.966	56.309
5			
6			
7			
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Extraction Method: Principal Component Analysis.

**A.5.2.4.**

**t test**

## Independent Samples Test

New employees are carefully orientated toward the organisations traditions, that is, the way things are done around here

When someone does well in our organisation a great deal of recognition is provided, including appropriate ceremonies

In this organisation we have a number of well established traditions

Our organisation has people who are good at telling the company's legends and folklore to newcomers

Our organisations values are clearly reflected in our physical facilities

The heroes of this organisation are kept meaningful to us even though some of them are no longer present

Managers in this organisation often develop personal rituals through which they are identified by the organisation and their err

Members of senior management share stories that communicate a philosophy of what the organisation is all about

Senior managers in our organisation typically establish traditions that focus peoples attention on important programs, goals, o

This organisation publicly rewards employees for work that furthers the goal of the organisation

We have certain ways of communicating with and relating to one another

There is a strong informal communication network that ensures that significant stories are widely shared within the organisation

People in this organisation recognise a concept or ideal that symbolises what we stand for

There are people in this organisation whose success serves as a model for other to follow

At our management meetings small rituals are commonly observed

Our organisation has respected old-timers who possess a rich reservoir of company history at their fingertips and who share 1

Our senior managers traditionally participate in selecting new employees

Nonconformity is accepted, even applauded, in this organisation, if the nonconformist produces outstanding work

People in this organisation take seriously our important ceremonies

There is an important tradition of mentoring in this organisation, so that newcomers and younger members of the organisation

Levene's Test for Equality of Variances		
	F	Sig.
Equal variances assumed	5.12567	0.02492
Equal variances not assumed		
Equal variances assumed	13.48720	0.00033
Equal variances not assumed		
Equal variances assumed	3.04297	0.08301
Equal variances not assumed		
Equal variances assumed	1.96205	0.16323
Equal variances not assumed		
Equal variances assumed	0.24167	0.62367
Equal variances not assumed		
Equal variances assumed	2.03268	0.15590
Equal variances not assumed		
Equal variances assumed	10.41813	0.00151
Equal variances not assumed		
Equal variances assumed	24.62083	0.00000
Equal variances not assumed		
Equal variances assumed	14.76486	0.00018
Equal variances not assumed		
Equal variances assumed	16.22235	0.00009
Equal variances not assumed		
Equal variances assumed	8.29461	0.00452
Equal variances not assumed		
Equal variances assumed	1.32565	0.25130
Equal variances not assumed		
Equal variances assumed	0.07804	0.78033
Equal variances not assumed		
Equal variances assumed	0.56763	0.45231
Equal variances not assumed		
Equal variances assumed	16.99143	0.00006
Equal variances not assumed		
Equal variances assumed	8.25389	0.00462
Equal variances not assumed		
Equal variances assumed	1.65128	0.20064
Equal variances not assumed		
Equal variances assumed	14.73942	0.00018
Equal variances not assumed		
Equal variances assumed	9.20381	0.00282
Equal variances not assumed		
Equal variances assumed	3.64922	0.05788
Equal variances not assumed		

t-test for Equality of Means

t	df	Sig. (2-tailed)	Mean Difference
5.08337	160.00000	0.00000	0.89421
5.09418	156.63824	0.00000	0.89421
6.77121	160.00000	0.00000	1.13476
6.73807	136.21598	0.00000	1.13476
4.51061	160.00000	0.00001	0.96189
4.48900	137.02216	0.00002	0.96189
4.96543	160.00000	0.00000	1.03049
4.95608	155.17296	0.00000	1.03049
4.39504	160.00000	0.00002	0.86768
4.39380	159.63934	0.00002	0.86768
5.63445	160.00000	0.00000	1.08567
5.62272	154.29714	0.00000	1.08567
5.69556	160.00000	0.00000	1.08354
5.67529	145.90072	0.00000	1.08354
4.24909	160.00000	0.00004	0.84634
4.23118	141.33003	0.00004	0.84634
8.43889	160.00000	0.00000	1.44299
8.39785	136.45240	0.00000	1.44299
7.73570	160.00000	0.00000	1.38140
7.69923	137.60723	0.00000	1.38140
4.72738	160.00000	0.00000	0.89726
4.73842	155.84379	0.00000	0.89726
3.32603	160.00000	0.00109	0.63415
3.33176	157.94831	0.00107	0.63415
3.30345	160.00000	0.00118	0.72043
3.29714	155.06660	0.00121	0.72043
4.94115	160.00000	0.00000	0.87652
4.94295	159.99690	0.00000	0.87652
4.36722	160.00000	0.00002	0.86128
4.34935	142.21317	0.00003	0.86128
3.65368	160.00000	0.00035	0.71250
3.64606	154.28505	0.00036	0.71250
3.55928	160.00000	0.00049	0.78902
3.55456	157.28792	0.00050	0.78902
4.98219	160.00000	0.00000	1.02287
4.96422	145.58957	0.00000	1.02287
8.04170	160.00000	0.00000	1.37104
8.02014	151.26095	0.00000	1.37104
5.59056	160.00000	0.00000	1.13689
5.58347	157.46799	0.00000	1.13689

Std. Error Difference	95% Confidence Interval of the Difference	
	Lower	Upper
0.17591	0.54681	1.24161
0.17554	0.54749	1.24093
0.16759	0.80379	1.46572
0.16841	0.80172	1.46779
0.21325	0.54074	1.38304
0.21428	0.53817	1.38561
0.20753	0.62063	1.44034
0.20792	0.61976	1.44121
0.19742	0.47779	1.25757
0.19748	0.47767	1.25769
0.19268	0.70514	1.46620
0.19309	0.70424	1.46711
0.19024	0.70783	1.45925
0.19092	0.70621	1.46087
0.19918	0.45298	1.23971
0.20002	0.45091	1.24177
0.17099	1.10529	1.78068
0.17183	1.10320	1.78278
0.17858	1.02873	1.73407
0.17942	1.02662	1.73618
0.18980	0.52242	1.27209
0.18936	0.52322	1.27129
0.19066	0.25761	1.01068
0.19033	0.25822	1.01007
0.21808	0.28973	1.15112
0.21850	0.28881	1.15205
0.17739	0.52619	1.22686
0.17733	0.52632	1.22673
0.19721	0.47180	1.25076
0.19803	0.46983	1.25273
0.19501	0.32738	1.09762
0.19542	0.32646	1.09854
0.22168	0.35123	1.22682
0.22197	0.35059	1.22746
0.20530	0.61741	1.42832
0.20605	0.61564	1.43010
0.17049	1.03433	1.70774
0.17095	1.03328	1.70879
0.20336	0.73528	1.53850
0.20362	0.73472	1.53906

**A.5.2.5.**

## **Scales Developed**



Rotated Component Matrix

	1	2	3	4	Factor	Factorb
Our organisations values are clearly reflected in our physical facilities	<b>0.62</b>	0.27	0.12	0.14	1	
The heroes of this organisation are kept meaningful to us even though some of them are no longer present	<b>0.70</b>	0.06	0.17	0.23	1	
Managers in this organisation often develop personal rituals through which they are identified by the organisation and their employees	<b>0.75</b>	0.00	0.21	0.03	1	
Members of senior management share stories that communicate a philosophy of what the organisation is all about	<b>0.60</b>	0.32	0.15	0.10	1	
Senior managers in our organisation typically establish traditions that focus peoples attention on important programs, goals, or organisation beliefs	<b>0.58</b>	0.24	0.06	0.26	1	
This organisation publicly rewards employees for work that furthers the goal of the organisation	<b>0.66</b>	0.36	0.12	-0.19	1	
At our management meetings small rituals are commonly observed	<b>0.61</b>	0.18	0.19	-0.01	1	
Our organisation has respected old-timers who possess a rich reservoir of company history at their fingertips and who share this through stories of the organisations past	<b>0.62</b>	0.25	0.19	0.09	1	
Nonconformity is accepted, even applauded, in this organisation, if the nonconformist produces outstanding work	<b>0.52</b>	0.08	0.07	0.29	1	
People in this organisation take seriously our important ceremonies	<b>0.62</b>	0.28	0.20	0.24	1	
There is an important tradition of mentoring in this organisation, so that newcomers and younger members of the organisation are successfully assimilated	<b>0.50</b>	0.37	0.17	<b>0.36</b>	1	4
We have certain ways of communicating with and relating to one another	0.27	<b>0.75</b>	-0.05	0.22	2	
There is a strong informal communication network that ensures that significant stories are widely shared within the organisation	0.21	<b>0.61</b>	0.13	0.03	2	
People in this organisation recognise a concept or ideal that symbolises what we stand for	0.10	<b>0.77</b>	0.18	0.13	2	
New employees are carefully orientated toward the organisations traditions, that is, the way things are done around here	0.12	0.09	<b>0.82</b>	0.13	3	
When someone does well in our organisation a great deal of recognition is provided, including appropriate ceremonies	<b>0.53</b>	0.01	<b>0.60</b>	0.16	3	1
In this organisation we have a number of well established traditions	0.23	0.18	<b>0.56</b>	0.36	3	
There are people in this organisation whose success serves as a model for other to follow	0.34	<b>0.44</b>	<b>0.55</b>	<b>-0.33</b>	3	-4
Our organisation has people who are good at telling the company's legends and folklore to newcomers	0.14	0.21	0.32	<b>0.74</b>	4	
Our senior managers traditionally participate in selecting new employees	0.48	0.10	0.00	<b>0.49</b>	4	

## **A.6 Cronbach's Alpha for Corporate and National Culture Scales.**

\*\*\*\*\* Method 1 (space saver) will be used for this analysis \*\*\*\*\*

RELIABILITY ANALYSIS - SCALE (ALPHA)

Statistics for	Mean	Variance	Std Dev	N of Variables
SCALE	348.0124	1205.2623	34.7169	79

Reliability Coefficients

N of Cases = 161.0

N of Items = 79

Alpha = .7837

**Reliability**

\*\*\*\*\* Method 1 (space saver) will be used for this analysis \*\*\*\*\*

COMPANY: 1 Irish

RELIABILITY ANALYSIS - SCALE (ALPHA)

Statistics for	Mean	Variance	Std Dev	N of Variables
SCALE	75.9634	160.4801	12.6681	20

Reliability Coefficients

N of Cases = 82.0

N of Items = 20

Alpha = .8865

COMPANY: 2 American

RELIABILITY ANALYSIS - SCALE (ALPHA)

Statistics for	Mean	Variance	Std Dev	N of Variables
SCALE	56.2125	175.8403	13.2605	20

Reliability Coefficients

N of Cases = 80.0

N of Items = 20

Alpha = .8395

## Reliability

\*\*\*\*\* Method 1 (space saver) will be used for this analysis \*\*\*\*\*

COMPANY: 1 IRISH

### RELIABILITY ANALYSIS - SCALE (ALPHA)

Statistics for	Mean	Variance	Std Dev	N of Variables
SCALE	345.6098	1116.6360	33.4161	79

#### Reliability Coefficients

N of Cases = 82.0

N of Items = 79

Alpha = .8216

COMPANY: 2 American

### RELIABILITY ANALYSIS - SCALE (ALPHA)

Statistics for	Mean	Variance	Std Dev	N of Variables
SCALE	350.5063	1300.3814	36.0608	79

#### Reliability Coefficients

N of Cases = 79.0

N of Items = 79

Alpha = .7558