

# Hofstede's Dimensions: A High-Level Analytical Tool for Working Internationally

John W. Bing, Ed.D.

## Background

One of the success stories in the always tentative relationship between academic scholarship and business and industry is to be found in the area of cross-cultural business training. In the early eighties, company training for international staff was rare, and employees were often sent to the far ends of the earth with little information as to what they would find there, much less how to successfully conduct business.

Such training was often anecdotal, with returned employees or others dominating programs with "war stories," personal experiences suffered or enjoyed at the far corners of the world. Such programs not only lacked depth; they seldom gave an accurate picture of the places and people under review.

Over the past ten years there has been a change in business sentiment towards increasing the availability of international training. The largest global companies have by-and-large determined that the cost of not training relocating employees is too high in terms of early returnees and low productivity; and the programs themselves have increasingly relied on research rather than anecdotes as fundamental learning blocks.

## Program Types and Levels

The programs offered to employees of international businesses today may be categorized according to their levels, or in terms of the tools utilized. Note that the cross-cultural training described in Levels II and III provides participants with a framework that enables them to deal with situations not covered directly in the training, whereas Level I training usually does not.

### Level I

These programs offer the "Do's and Don'ts" of international business, often mixing information about etiquette with advice on

what types of business gifts to give and how to best form business relationships in other countries. They also may provide specific information about travel, banking, embassies, etc. These programs are most useful for employees with little or no international business experience. In the words of the old fable, these programs provide people with fish, rather than teaching them how to fish. At the end of these programs, participants have a good idea of how to conduct specific business transactions, but little idea how to generalize to other situations.

### Level II

Level II programs teach participants how to fish; that is, they provide analytic tools which can be used to understand the relationship between culture and business. They do this by providing models of cultures based on research in the field of comparative sociology or anthropology. Participants learn to understand social and business transactions by applying these analytic tools, and are often tested through the use of critical incidents or case studies. At the end of these programs, participants are able to analyze general culture-based business transactions to determine how, in a specific culture, the business transaction might be different from the transaction in their own cultures.

### Level III

At this level, specific information (typical of Level I) and analytic tools (provided in Level II) are brought to bear on:

1. Specific business problems or opportunities (such as sales or marketing, mergers or acquisitions) within the area of these employees' professional scope
2. Assisting employees with relocation to other countries
3. Decision-making at upper levels (e.g., where to locate a new plant in a region)

At the end of these sessions, participants are able to apply the analytic tools and specific country, regional, and culture-based information to business problems in their areas of expertise.

a tested, analytic tool to provide participants improved skills in conducting international business.

## The Hofstede Dimensions

Geert Hofstede is Professor Emeritus of Management, University of Limburg at Maastricht, the Netherlands and the founder and first Director there of the Institute for Research on Intercultural Cooperation (IRIC). His work *Culture's Consequences* is a pioneering work in sociology, the first approach to utilize survey research to provide quantitative comparisons in over fifty countries on the influence of culture in the workplace.

The five Hofstede Dimensions, which follow, have been utilized in Level II and III programs and represent the highest levels of scholarship; that is, their relationship to real cultural variables has been established through research and testing. They represent a kind of cultural map of the world. These dimensions have been researched through questionnaires and the results yield numeric values by which countries can be compared. From that research has come didactic tools, including a questionnaire which helps individuals understand their own cultural profiles. Knowing one's own cultural profile assists individuals in understanding others, and in understanding how business transactions may differ according to the four dimensions.

Hofstede's five dimensions (as described and interpreted in the [Culture in the Workplace Questionnaire™](#) system, a didactic tool used in instructional programs) are:

- **Individualism:** The degree to which action is taken for the benefit of the individual or the group.
- **Power Distance:** The degree to which inequality or distance between those in charge and the less powerful (subordinates) is accepted.
- **Certainty:** The extent to which people prefer rules, regulations and controls or are more comfortable with unstructured, ambiguous or unpredictable situations.
- **Achievement:** The degree to which we focus on goal achievement and work or quality of life and caring for others. This dimension also tracks the relative masculine and feminine influences in the workplace.
- **Time Orientation:** The extent to which members of a society are prepared to adapt themselves to reach a desirable future vs. the extent to which they take their guidance from the past and focus on fulfilling their present needs and desires.

These dimensions, then, along with the research-based quantitative data and the questionnaire, are useful for Level II and III programs as