“Drawing wrong borderlines: the concept of culture in a pluralist management world”

AUTHORS
Dr. Gerhard Apfelthaler
Harry Domicone

ARTICLE INFO
Dr. Gerhard Apfelthaler and Harry Domicone (2008). Drawing wrong borderlines: the concept of culture in a pluralist management world. Problems and Perspectives in Management, 6(2)

RELEASED ON
Monday, 28 July 2008

JOURNAL
"Problems and Perspectives in Management"

FOUNDER
LLC “Consulting Publishing Company “Business Perspectives”

NUMBER OF REFERENCES
0

NUMBER OF FIGURES
0

NUMBER OF TABLES
0

© The author(s) 2021. This publication is an open access article.
SECTION 2. Management in firms and organizations
Gerhard Apfelthaler (Austria), Harry Domicone (USA)

Drawing wrong borderlines: the concept of culture in a pluralist management world

Abstract
The history of comparative management is rich with different approaches to culture. Though most writers recognize that culture is a very complex, blurry, and not fully comprehensible concept, much of the extant literature is still teeming with attempts to offer clear-cut analyses of different cultures. Generally, these models are primarily structured along geographic or political dimensions and created by measuring along a continuum one or more static variables in isolation along a continuum. This paper introduces an alternative view of culture in the context of comparative management – the grid-group-model (GGM) – and seeks to establish a more adequate theoretical basis towards a combination of analytic-positivist and interpretive-subjectivist as well as static and dynamic approaches. It is posited that this integrated approach may offer a useful tool for managers as well as spur academics toward future related research.

Keywords: culture, cross-cultural management, dimensions of culture, cross-cultural communication.

JEL Classification: M10, M16

Introduction. The borderless world and a culture of borders
Globalization is a fact and the borderless world has become reality, at least in the area of international management. Ever since the sweep of internationalization took firms global, the ideas of cross-cultural management as global management and the cross-cultural manager as a global manager have been present in academic ponderings and in the reality of the practitioner’s world (e.g. Hamel & Prahalad, 1985; Bartlett & Ghoshal, 1987a and 1987b; Jelinek & Adler, 1988; Yip, 1989; Ohmae, 1989; Adler & Bartholomew, 1992; Simons et al., 1993; Trompenaars, 1994; Czinkota et al., 2004; Bartlett & Ghoshal, 2006; Daniels & Radebaugh 2006). These discussions, together with interrelated topics in human resource management (e.g. Pieper, 1990; Moran, Harris & Stripp, 1993; Dowling/Schuler, 1998), organization theory and strategic management (e.g. Doz, 1986; Hamel & Prahalad, 1985; Kogut, 1985a, 1985b; Doz & Prahalad, 1999; Bartlett & Ghoshal, 1987a and 1987b; Bartlett & Ghoshal, 2006); project management (Zwikael, Kazuo, & Globerson, 2005); matters related to trust (Schoorman, Mayer, & Davis, 2007), and ethical considerations (Martin, Cullen, Johnson, & Parboteah, 2007); or marketing (e.g. Levitt, 1983; Keegan, 1984; Ohmae, 1989; Czinkota & Ronkainen, 1990). Trade barriers have been substantially reduced, management practices are increasingly homogenized, spreadsheet software operates in much the same way in Bangkok and New York, and more or less everybody speaks some sort of “Esperanto-English” (Shenton, 1992).

If there is a single remaining obstacle to the integration of global management practices, it is culture. Both multinational corporations and business schools have responded to this without hesitation and have readily volunteered to assist with the appealing concept of cross-cultural management. In teaching and research academics around the globe have been willing to redesign their program curricula. They have introduced the comforting idea of the concept of culture as the culture of the nation-state and culture as context, thus fostering the widely-held belief that “with advances in communications and technology, the world is becoming a more homogeneous, integrated, and interdependent place, and with this process, the truly exotic, and the vision of difference is held out, is disappearing” (Marcus & Fischer, 1986).

Pioneering researchers took the issue further and dared to tackle the core of the problem of ethnic culture in organizational contexts (e.g. Trompenaars, 1994; Trompenaars, 2003; Hofstede, 2001, 1993, 1989, 1984 and 1983; Ronen & Shenkar, 1985; Triandis, 1983, 1972). However, by isolating “intangibles of culture” (Hofstede, 1984) and by focusing exclusively on the form of culture that ends at geographical borders, these and many other researchers have not only subjected themselves to a number of methodological problems (e.g. Nasif, Al-Daaj, Ebrahim & Thibodeaux, 1991; Gudykunst & Kim, 1984), but they also have been accused of emptying culture of its deeper meaning. Primarily using quantitative methodology they have been criticized for having “over-invested in contingency, mistaking the ethnocentric rationality of acultural theories for the force of reason in matters of cultural value as such” (Smith, 1996). As a result, they have been supporting in social science what they despise in political history: they simply substituted scientific
universalism for “cultural imperialism” (Grubbs, 2000). Measuring the other, the foreign, the primitive with its neat and sophisticated instruments, social science has only been satisfying its own set of ethnocentric assumptions on which its theories are based (Geertz, 1973). At best, existing studies have been creating a rather suggestive closeness to different cultures (Negt, 1988) by giving us a Polaroid-like picture with a narrow view of culture, limited in time and space, and, in addition possibly providing a picture that is rather out of focus. In detail, the main criticisms that can be levied against most of the existing approaches to culture in comparative management and international business are:

Culture is only treated as a variable, an environmental factor, just like differing laws, regulatory environments, or technological standards. Most studies fail to recognize the broader, encompassing character of culture.

By not recognizing that one can only see what he (she) has learned to see, most researchers have exerted some degree of “symbolic violence” (Bourdieu, 1996) or ethnocentrism over the cultures which they study. While there may be an emphasis on phenomena that matter to the researcher’s own culture, phenomena of significance in the studied culture might be completely ignored (Geertz, 1973).

Most models follow objectivist-analytic approaches and base general insights on whole cultures solely upon the separate analyses of a few selected dimensions. However, when it comes to culture, the whole is always more than the sum of its parts.

Over many years a certain weakness in theoretical and methodological rigor in past studies has been criticized (Cheng, 1994). On a more paradigmatic level, doubts have also been raised that through an over-use of quantitative and the apparent lack of qualitative methodology most research tends to confirm hypotheses rather than to portray reality (Smith, 1996).

A rather static and determinist view of culture is produced by not recognizing that cultures change over time and “estimating a moving, dynamic, indeed living variable” (Klitgaard, 1997; Tafoya, 1984). Indeed, cultures are created, interpreted and revised by humans on a continual basis, rather than being determining their behavior (Berger & Luckmann, 1966; Blumer, 1969).

It is often ignored that the mere knowledge of culture has only limited effects on the actual efficiency of cross-cultural communication. More bluntly put, cultures do not interact; individuals do (Scollon & Wong-Scollon, 1995). The so-called “cognitivist fallacy” (Geertz, 1973) in comparative management has brought about an over-emphasis on the anatomy of cultures that misses the actual practice of social activities (Harvey, 1997, p. 145), while there is still a clear lack of interest in the processual dimension of cross-cultural interaction (Kim, 1984).

Most models postulate that one man belongs to one single culture only; as is to be shown later in this paper, individuals most of the time belong to multiple cultures (Apfelthaler & Karmasin, 1997a, b). Cultural differences are often introduced as explanations for poor performance (Klitgaard, 1997) and thus misused to justify value-statements rather than to bridge gaps between cultures.

Surprisingly, almost all research on culture or comparative management starts out by saying that national borders have become obsolete (Wilson & Donnan, 1998) but still uses nations as the primary unit of analysis (Kelley, Whatley, Worthley & Chow, 1995). By focusing on ethnic or even national culture, the research of culture is reduced to a problem of drawing the right borderlines; by not acknowledging that culture is a pluralist concept in itself, other forms of culture, such as organizational (e.g. Schein, 1996; Triandis, 1983; or Administrative Science’s special 1983 issue on culture), professional (e.g. Eveleth, Cullen, Victor & Sakano, 1995) or generational cultures (e.g. Scollon & Wong-Scollon, 1995) are simply not taken into consideration.

Whereas it can be claimed that many of the criticized efforts have succeeded in making culture a topic of international management instruction and research, they have, at the same time, not sufficiently provided to the body of knowledge by their continuing to attempt to reduce this multidimensional phenomenon to a concise and comparable cultural residue. Moreover, they are often criticized for failing to provide useful and adequate implications for practicing managers. In an increasingly borderless world, researchers in comparative management and international business have set out to research the borders of cultures and – since they were difficult to explicate – created a culture of borders. This leaves us armed with loads of survey data on minute details of almost every culture on the planet and, yet, the “comparative management jungle” Schollhammer spoke of almost 40 years ago (Schollhammer, 1969) is still out there, as lush, healthy and impenetrable as ever. Ultimately this provides little of value for practicing managers, as they seek to navigate their organization through increasingly multicultural business environments.

Besides the more analytic-objectivist view of culture, a number of researchers showed promising interest in alternative approaches to culture already
in the early 1980s, when the study of organizational culture reached one of its peaks. Speaking of culture as a multitude of concepts (Smirich, 1983) or as a social process (Jelinek et al., 1983), arguing against the common external views of culture, and introducing a more subjective view of culture (e.g. Brislin, 1986; Gudykunst, 1984; Triandis et al., 1972) an interesting body of research began to develop. Unfortunately the message went largely unheard in the world of international business, which opted for the more convenient approaches, briefly above.

Significantly, in a number of disciplines, such as anthropology, sociology, and communication, cultural studies have again become very popular in the most recent years, and the mantra “culture matters” (Ellis & Thompson, 1997) has acquired new meaning. Jeffrey Alexander, a sociologist, characterizes the bottom line of this new stream by saying that “every action, no matter how instrumental and reflexive vis-à-vis its external environment, is embedded in a horizon of meaning” (Alexander, 1996). His conclusion is that there can be no sociology of culture, but only cultural sociology. If, culture, indeed is this horizon that provides meaning, then cultures do not follow geographical or political borders; instead, they are communities of meaning (Cohen, 1985; Wuthnow, 1984) or symbolic universes (Berger & Luckmann, 1966). Therefore, Alexander’s argument must also be true for management theory and management as a practice. Cultures are pluralist concepts, not more nor less than different from other concepts of reality (Kluckhohn, 1962), as has already been recognized by a number of scientists. Yet, examinations of organization cross-cultural phenomena, while recognizing that cultural actions can be contingency-based and dynamic, continue to address culture as nationally-derived (e.g., Molinsky, 2007).

Given all of the extant research and the fact that many approaches have merit, theoretical considerations as well as empirical evidence on cultural failures in international business (e.g. Bird & Dunbar quoted after Bhagat & Prien, 1996; Landis & Bhagat, 1996; Dowling & Schuler, 1990), still suggest that something is missing in cross-cultural studies, especially in cross-cultural management and/or comparative management. What is needed is an integrated multidimensional approach to examining and understanding culture, with the objective of providing a useful framework to developing prescriptions for managing in an increasingly pluralistic world.

1. Towards an integration

Ever since Harbison & Myers (1959) started the inquiry into comparative management, competing approaches such as the Environmental, the Behavioral, the Open Systemic, and Culture-anchored approach (for an early overview see Prasad, 1995) have been tested and criticized for quite a number of years, and new pathways have been demanded (e.g. Nasif, Al-Daeaj, Ebrahimi & Thibodeaux, 1991; Tafoya, 1984). A number of researchers have suggested alternatives that view culture from different angles, such as the Contextual Approach (Cheng, 1994; Cheng, 1989), the Institutional Dominant Model (Culpan, 1991), or the Contingency Approach (Punnett & Shenkar, 1994). However, two very valuable streams of research – anthropology and sociology – have never managed to capture management theory’s attention. There, promising attempts have been made to analyze culture from a less reductionist perspective (e.g. Kluckhohn, 1949, 1962, 1972; Kroeber, 1952; Garfinkel, 1967; Geertz, 1973, 1983; Douglas, 1975, 1985, 1986a, 1986b and 2003; Worsley, 1984; Cohen, 1985; Alexander & Seidman, 1990; Thompson, Ellis & Wildavsky, 1990; Featherstone, 1992; Braudel, 1993; Faure & Sjoestedt, 1993; Berger, 1995). Instead, they all are based on an understanding of culture as a holistic entity, which makes it difficult, if not impossible, to dissect them and deliver statistically significant quantitative results on selected variables or dimensions. Instead, they more or less subscribe to ethnographic methodologies, the results of which usually are case studies or, as Geertz calls the, “thick descriptions” (Geertz, 1973). Among these alternatives, one of the most interesting, but seldom discussed approaches to culture is known as the “Grid-Group-Model” (GGM), “Cultural Theory” (e.g. Rippel, 2002), or – as Mars & Frodsick (1997) call it – the “Theory of Cultural Complexity” (TTCC), developed by the British anthropologist Mary Douglas (Douglas, 2003, 1986a, 1986b, 1985, 1975; Douglas/Wildavsky, 1982; Douglas/Isherwood, 1975). Surprisingly, the GGM, which is a synthesis of a number of intellectual developments that try to capture the “informal logic of actual life” (Geertz, 1973) has only recently managed to capture the attention of anyone outside a small circle of anthropologists and political scientists. The GGM does not define culture as a residual category in the meaning of artifacts, habits and beliefs, but as an “essence, the universal solvent through which politics, technology and social choice are dissolved into one another” (Schwarz & Thompson, 1990), thus leaving the common analytic-objectivist approach of many models behind. It recognizes that boundaries are always relational and situational and never absolute (Cohen, 1985).

The GGM is based on the answers to two central questions (“Who am I?” and “How should I behave?”), which form, according to Douglas, the basis of any culture. Through these questions, an integration of culture into a societal context (Cheng,
is attempted. According to Douglas (Douglas, 2003), cultural identity (“Who am I?”) is formed by an individual’s relationship with a certain group (“group dimension”) and the boundaries they erect between themselves and the outside world (Lima & Castro, 2005) as well as the importance of certain beliefs (“grid dimension”). On the group dimension increasing group influence indicates growing strength of the group boundary, and an increased difficulty of entry. It describes the extent to which an individual is morally coerced by others (Douglas, 2003). An institution like an army barracks is an example of a high group environment, whereas being housebound alone in a tower block apartment building represents low group context (Mars & Frosdick, 1997). The “grid dimension” describes the degree to which an individual is subject to specific social prescriptions – not just values and norms, but beliefs about the empirical world, in general (Ellis, 1993). This addresses the second question (“How should I behave?”) of correct behavior in specific situations (without getting entangled in analytical questions on the material content of these behavioral prescriptions). The Hindu caste system, for instance, represents a high grid context, whereas the free lifestyle of the U.S. West Coast is a good example of a low grid context (Mars & Frosdick, 1997). Both increasing group and grid influence, therefore, indicate increasing limits on individual options and thereby create a “way of life” (Thompson, Ellis & Wildawsky, 1990), i.e., culture.

Although the design of a matrix bears the danger of misunderstanding the GGM as just another normative typology of culture, these dimensions combine (see Figure 1) into four basic archetypical forms of culture or rationalities (Lima & Castro, 2005): Individualist, Hierarchist, Egalitarian and Fatalist. As Douglas and many others acknowledge, it is possible to conceive of other cultures, but they also stress that the four archetypes are really the only ones that can sustain themselves so that they endure over time.

![Fig. 1. The 4 archetypes of the Grid-Group-Model (GGM)](image)

- Individualist cultures, or markets in which market exchange processes are central, primarily emphasize the freedom of individuals. They care for results and efficiency, not for relationships between individuals. Instead of group values being imposed on the individual, autonomy, ego-
ism, pragmatism and self interest are regarded. The best representations of the individualist culture are the entrepreneur and the (relatively) independent professional (Mars & Frosdick, 1997).

- Hierarchies “are made up of bounded social groups, each of which is in an orderly and ranked relationship with each other” (Schwarz & Thompson, 1990). The results in such a culture are less important than the order, which is usually maintained through the use of institutionalized sanctions. Goals are mostly long-term; procedures are established in guidelines and collective memory, all making hierarchic cultures not very receptive for change, even when change is necessary. Distinctive ranks (either based on seniority or job description) are usually found in such highly formalized cultures, often in conjunction with differentiating job titles, uniforms, or badges.

- Egalitarian cultures value the importance of fraternal and sororal cooperation toward a “higher” purpose over anything else. Social relationships, often limiting individual freedom for the sake of equality and justice, are key values in such cultures. There is minimal division of labor and mostly there exist rather turbulent relationships between its members. The only way that egalitarian cultures can usually cohere is through building a stronghold of self-imposed values against an outgroup (Mars & Frosdick, 1997).

- Fatalists do not care for anything. Bound by strong values, they experience low autonomy and feel relatively isolated. Being a typical subordinate, the archetypal fatalist is someone doing the most routine of routine jobs (Mars & Frosdick, 1997) and who enjoys or endures the result of whatever happens to him or her.

Among other achievements (use of qualitative methodology, introduction of a native-view, interpretive perspective, culture seen not only as national/ethnic culture), an important contribution of the GGM is that it recognizes that the “selves” of most humans are divided and multifaceted (Bazerman et al., 1998; Walzer, 1994). As a consequence this means that – depending on the situation, on certain “defining moments” (Badaracco, 1998) – each individual (and each group) belongs to multiple cultures; or, to be more precise, individuals, frequently engage in cultural shifts (Thompson, Ellis & Wildavsky, 1990; Scollon & Wong-Scollon, 1995). A manager in a US company can be the Individualist go-getter when it comes to underselling the Asian competitors; he may be the Hierarchist in circumstances of organizational or strategic issues between headquarters and subsidiary; he may act as an Egalitarian if the issue at stake is a hazardous waste site which the city administration plans to locate in his community; and he may become a Fatalist when his job gets downsized. In contrast, Hofstede’s received approach towards understanding cultural differences, the same individual would always be represented by the same dot on a matrix, probably with high individualism, medium masculinity, rather weak uncertainty avoidance, and medium power distance traits (compare Hofstede, 1993, 1989, 1984, 1983, 2001). At this point it becomes apparent why an investment banker in downtown Buenos Aires may culturally be closer to an investment banker in New York than to an assembly line-worker in a suburban Argentine community. And it also becomes clear why clashes of cultures are not limited to the borderlines between national or ethnic cultures (see Figure 2 as an example for an individualist encountering other cultural archetypes).

The GGM acknowledges that our world, nations, and cultures, in themselves, are pluralist. Moreover, it recognizes that researchers have to be very careful about asking supposedly universal questions, applying standardized methods and, finally, drawing universal conclusions in the pursuit of culture. Recognition of this exigency can provide useful insight to practicing managers as well as lead to prescriptive approaches toward international management, in general. In the GGM, the role of culture suggests an estimated propensity that an individual will act in a certain manner at a certain point in space and time, all based on experiences and interpretations. It is, therefore, neither reductionist, ahistorical nor presentist (Ellis, 1993); nor is it one of the “reductive and totalizing theories that dissolve concrete particularities into a system of abstract concepts and relations” (Gardiner, 1996). Alternatively, it is situational, process-oriented, subjectivist, interpretive, or – in short – adequate for the research of culture. The GGM does not start out drawing borders, but the point of departure for its analysis is to identify shared behavior, artifacts, values, basic assumptions, the use of space, time, objects, resources, labor and information, and so forth (Mars & Frosdick, 1997) in “culturally loaded” situations (referring to the grid dimension), along with how group membership is acquired and maintained, what goals are pursued, what forms of communication are preferred, etc. (referring to the group dimension). After that, and only then, it researches which groups of people there are that share these common features. Herein lies one of the main differences between the GGM and most other approaches. Whereas other approaches study similar phenomena in different places (situations), the GGM studies different people in different places (situations). Rather than researching questions as if they were invariant across different cultural settings it recognizes the impor-
Problems and Perspectives in Management, Volume 6, Issue 2, 2008

The initial criticism directed against traditional approaches in comparative management included the issue of their rather static nature. A superficial examination of the GGM may suggest that it, also, is static. While this may be accurate in the sense that it provides a view of a culture only in a specific situation at a specific point in time, the GGM opens itself up to dynamism in two ways. First, the GGM does not propose to provide stable maps of a culture. The validity of results of analysis conducted using the GGM lasts only as long and as far as the analyzed situation reaches. Second, as a heuristic tool the GGM can be used to better understand and improve cross-cultural, communicative processes. As has been mentioned earlier, individuals frequently make culture shifts and communicate across cultural boundaries. In its foundations, this is not new to management theory. Mintzberg demonstrated this 25 years ago, and many studies since then have endorsed the concept that management’s main activity and task is communication (Mintzberg, 1973). Naturally, successful management must be about successful communication. And successful management across cultural boundaries must be about successful cross-cultural management. “The study of culture is the study of communication” (Carey, 1989; Denzin, 1992) suggests that the real issues of cross-cultural management are not (only) to be found on the level of the organization – emptied of all human influence – but more importantly on the level of the individual in the form of cross-cultural competence.

The pursuit of cross-cultural competence has some tradition, mostly in psychology (e.g. Landis & Bhagat, 1996, 1984; Brislin, 1990, 1986; Triandis et al., 1972) and communication research (Gudykunst & Kim, 1996, 1984) to augment the less developed occasions that it occurs in international business research (e.g. Bartlett & Ghoshal, 2006; Simons et al., 1993; Harris & Moran, 1989). However, it is still largely underdeveloped (Kim, 1984), and where

---

**Fig. 2. Individualist meets other cultures: most likely worst-case scenarios**

2. Cross-cultural competence: to know or not to know

The initial criticism directed against traditional approaches in comparative management included the issue of their rather static nature. A superficial examination of the GGM may suggest that it, also, is static. While this may be accurate in the sense that it provides a view of a culture only in a specific situation at a specific point in time, the GGM opens itself up to dynamism in two ways. First, the GGM does not propose to provide stable maps of a culture. The validity of results of analysis conducted using the GGM lasts only as long and as far as the analyzed situation reaches. Second, as a heuristic tool the GGM can be used to better understand and improve cross-cultural, communicative processes. As has been mentioned earlier, individuals frequently make culture shifts and communicate across cultural boundaries. In its foundations, this is not new to management theory. Mintzberg demonstrated this 25 years ago, and many studies since then have endorsed the concept that management’s main activity and task is communication (Mintzberg, 1973). Naturally, successful management must be about successful communication. And successful management across cultural boundaries must be about successful cross-cultural communication. “The study of culture is the study of communication” (Carey, 1989; Denzin, 1992) suggests that the real issues of cross-cultural management are not (only) to be found on the level of the organization – emptied of all human influence – but more importantly on the level of the individual in the form of cross-cultural competence.

The pursuit of cross-cultural competence has some tradition, mostly in psychology (e.g. Landis & Bhagat, 1996, 1984; Brislin, 1990, 1986; Triandis et al., 1972) and communication research (Gudykunst & Kim, 1996, 1984) to augment the less developed occasions that it occurs in international business research (e.g. Bartlett & Ghoshal, 2006; Simons et al., 1993; Harris & Moran, 1989). However, it is still largely underdeveloped (Kim, 1984), and where
it is developed it does not seem to offer a coherent understanding of effective cross-cultural communication beyond the call for openness toward divergent cultural experiences (Hannerz, 1990) provided. Most of the relevant approaches fail to recognize that “people at different points do something, and what they do is a result of how they define the situation in which they are called on to act” (Blumer, 1969). Individuals do this on the basis of formal (processual) rules and material information, which are the two dimensions of cross-cultural competence. Processual competence refers to the ability to apply the rules and guidelines (metanorms) of discourse. Sometimes also called conversational inference (Gumperz, 1977), this means that participants in a communication simultaneously interpret the preceding discourse and design their own contribution toward the continuation of it (Scollon & Wong-Scollon, 1995). Material competence deals with “technical” knowledge of the culture itself (law, language, customs, etc.) on the level of content. Cross-cultural research until now has largely focused on either one or the other dimension – not both. Research that only aims at identifying differences in cultural traits without knowledge on how to make use of such information, however, is as useless as information on formal rules without material knowledge. “To play the violin it is necessary to possess certain habits, skills, knowledge, and talents, to be in the mood to play, and (as the old joke goes) to have a violin. But violin playing is neither the habits, skills, knowledge, and so on, nor the mood, nor the violin”, comments Geertz on the interplay of the material and the processual competence (Geertz, 1973). Or, as Habermas has said “communicative acts can only be understood when we know the grounds on which they are acceptable” (Habermas, 1981). Moreover, as Pieper has demanded, a combination of a cognitive approach with a processual view is urgently needed (Pieper, 1990). Practicing managers are well aware that contextual as well as individual characteristics together form reactions to situations as well as prerogatives to act as a result of those decisions. Therefore, to be of value, any theory that addresses cross-cultural matters must also address both the contextual and individual components.

Within this context, the GGM can function as a framework for interpretation concerning the material dimension and eventually lead to managerial prescriptions. It has to be understood, though, that the material dimension which deals with artifacts of culture, is never more than a basis for interpretation (i.e., as one of many alternatives in the sense of the GGM). It is no final result and is only to be utilized in combination with the formal dimension (i.e., the processual rules for the ideal cross-cultural discourse) in a specific situation. It, in itself, is a tool to chart the course through “culture infested waters”, a model for mapping links between cultures and behavior (Cameron, 2001) which still needs to be supplemented by a processual instrument, a steering wheel that helps the international manager to keep on course. Therefore, though a useful tool and first step, the GGM is just one of many tools and steps that managers can use toward efficacious administration of their organizations.

As far as the formal (processual) dimension is concerned, Habermas's distinction between strategic and consensual communication (Habermas, 1981; 2002) proves quite useful. In his view, only the latter can guarantee ideal communication as a result, one that ends in mutual understanding rather than persuasion, which is what the international manager should strive for. Cultural differences become apparent when contradicting certainties and/or contradicting rationalities meet one another. Whereas the universalist, on the basis of his cultural predispositions, would tend to justify his/her actions and the values guiding these actions, and whereas the relativist would accept whatever comes along in such situations, the theory of discourse offers an alternative route. Together, discourse theory and the GGM aim at the integration of different interpretations of reality and rationality by interpreting situations on the basis of the GGM and by following certain processual rules in the actual communicative process. According to Habermas, these rules are (Habermas, 1981, 2002):

1. The intention to reach a universal (meta-cultural) position. Communication has long been acknowledged as a symbolic process by which shared reality (Carey, 1989) and community (Cohen, 1985) are produced. Discourse shall evoke communality which precedes all ethnocentric choice, in the sense of a priori predisposing the individual to stay loyal to his/her values and behavioral precepts (Baumann, 1996). Readiness to deliberately enter into a discourse that achieves the goal of reaching a meta-cultural understanding by following certain rules has to be the first and foremost prerequisite in effective cross-cultural communication. Significantly, any objection or lack of true commitment to the goal of consensus will minimize the chance of cross-cultural understanding. While “all traditions agree in according a certain authority to logic” (Thompson, Ellis & Wildavsky, 1990), discourse itself has, of course, a different place in different cultures, and each one of the 4 archetypes has its own approach to communication, as is shown in Figure 3.
Fig. 3. Most likely attitudes/positions of the 4 archetypes

Most of the cultural archetypes have a tendency to take discourse as a means of achieving their goals, i.e., as the strategic, and not the consensual communication of which Habermas wrote. And, related to that, each archetype has a different view on what success is, and whether conflict (which is a likely by-product of cross-cultural communication) is desirable or should be avoided by all means.

2. The acceptance of cultural differences. We can only interact in a culturally adequate way if we are aware of the plurality and diversity of views and if we are prepared to critically reflect upon our own culture. A high degree of openness and self-reflection (in order to establish transparency and openness) is therefore mandatory and results in the call for tolerance and non-judgmental awareness of differences. This is also referred to as cultural awareness, and this openness finally leads to the ideal state of value pluralism – the strong belief that different and incompatible forms of life are valuable. Of course, this is not an easy goal, since it requires the individual to sacrifice the personal values acquired and cherished in order to gain the missing value (Baumann, 1996), which is the value of consensus.

3. The respect for arguments brought forward by others, no matter what they imply. Schwarz & Thompson describe assert: “Our concern, therefore, should not be with which one is right (for that would be to insist that just one rationality had access to the truth) but rather with which is appropriate to the task at hand. There is no final solution; there is no rationality without its context; there is no complete knowledge” (Schwarz & Thompson, 1990). One of the arguments that could be raised against this demand is that the final result could as well be relativism in the sense of Geertz’s “if the Bugabuga can do it, why can’t we?” (Geertz, 1983). Indeed, a sound portion of relativism always has to be part of the deal. What this implies is not a „totalitarian relativism“ or a “judgmental relativism”, but rather a “relativism of meaning” (Giddens, 1993).

4. Rational and reasonable argumentation. Entering a discourse, the individuals involved must understand that the goal of their interaction is not to prevail but to reach understanding (Cooley, 1909) or consensus (Habermas, 1981,
In this context, the GGM provides a basis for understanding in the way that it enables interacting individuals to communicate to themselves or others the substance of the disagreement. Communication, just like culture itself, has to be understood as a dynamic process, which is never final, but living, changing and developing because both are driven by the individuals’ permanent definition, interpretation and re-definition of the situation. As Blumer has pointed out, “the human act is not a release of an already organized tendency; it is a construction built up by the actor” (Blumer, 1969). Individuals play a much bigger role in cross-cultural interaction than some researchers want to make us believe. This is also endorsed by Habermas, himself, who points out that “communication is more than just encoding and decoding of information” (Habermas, 1979). The individual is not at all determined by culture in a fatalistic way but, rather, uses culture as a point of departure for his action during which he perceives and creates his own view of (cultural) reality in a process of symbolic interaction. Rather than the individual’s communication being determined by culture, communication is the symbolically charged process (Habermas, 1981, 2002) through which culture and human relations exist and develop (Cooley, 1992). It is a process through which reality is created, negotiated, sustained and changed (Carey, 1989). The GGM, as a heuristic tool, simply helps to better understand the communicative process. Along this route, we finally arrive at the point of the idea of culture as negotiated order (Giddens, 1993) of a very volatile kind – an ever-changing, inter-subjectively created life-world (Wuthnow, 1984). What is offered is a new course for future cross-cultural management research and practice. No longer should we concern ourselves with (only) the material content of different cultures, but also with the processual dimension. It is not the information about cultures that bridge cultural differences, but the communicative process undertaken by the acting individual manager. The goal of comparative management research cannot be to enable managers to become natives or to mimic them through near-perfect data. “Only hopeless romantics or spies would be interested in that” (Geertz, 1973).

3. The Grid-Group Model put into perspective

Unfortunately, the GGM has not often crossed the border into management research. The few studies that have been undertaken using the GGM have been almost exclusively limited to the area of political science (e.g., Klitgaard, 1997), law (e.g. Douglas, 2003), environmental studies (e.g., Grendstad & Selle, 1997; Lima & Castro, 2005), or national policy and military strategists (e.g., Crider, 1999). Other writers (e.g., Berg, 2006) have used the GGM framework of Douglas for consideration in organization and professional studies. Occasionally there are studies addressing management-related topics, such as Douglas’s own, more philosophical inquiry into the nature of goods (Douglas & Isherwood, 1979), a study on consumer behavior in Austria (Karmasin & Karmasin, 1997), or a study on the occupational culture of chefs in a hotel chain (Cameron, 2001). Altman & Baruch (1998) used the GGM and case studies to demonstrate that characteristics related to specific professions were correlated to behaviors within those professions. More recently, the GGM was used to investigate and explain the viability of international strategic alliances (Patel, 2007), but within a severely restricted range (i.e., Indo-China/French alliances). Unfortunately, none of these studies seems to be substantively generalizable or offer managerial prescriptions. However, one seminal work, published more than ten years ago by Mars & Frosdick (1997) provides a prime example of how the GGM might contribute to the research of culture, stimulate additional inquiry, and ultimately prove to be of value to management practitioners.

Mars & Frosdick’s work focuses on the introduction of a software-based information management tool called the National Strategy for Police Information Systems (NSPIS) program in Britain. The introduction of this program involved such diverse bodies as the Association of Chief Police Officers (ACPO), the Association of City Councils (ACC), the Association of Metropolitan Authorities (AMA), the Police IT and Communication Suppliers Association (PITACSA), the British Home Office, especially the Home Office Police Advisory Group (PAGIT), and various police forces across the country. In their work the coordinators of the NSPIS program used established and well proven project management methodology. Nevertheless, there was one important area where they failed. The methodologies were deficient in recognizing differences in risk-perception and resulting attitudes towards change. Because of this apparent lacuna, the authors introduced the GGM and its cultural archetypes as an explanation of why and how people choose what to fear (e.g., they may fear change, which brings about uncertain futures), how to fear it, and how to cope with it (Wildavsky & Dake, 1990), or, in other words, how people select risks to defend their cul-
ture against and place blame on others (Mars & Frosdick, 1997). It was discovered that all the four archetypes of the GGM were actually represented in the program. The PITACSA was a clear example of an individualist culture, wanting to maximize its sales by pushing the program forward. Hierarchists were represented mainly by the program’s initiators, the ACPO, ACC, AMA and the PAGIT, who had set up a structure with distinct competencies, spans of control, report procedures, etc. that were so complex that it was almost impossible to create an organizational chart. The Fatalistic culture consisted of many police forces across the country, who showed apathy towards the program; they were basically enduring their fate, just waiting to half-heartedly execute whatever would be decided by higher authorities. And, finally, there was a minority of police forces representing the Egalitarian culture; they were developing their own rival software applications and refused to cooperate within the planned program (Mars & Frosdick, 1997).

Once these groups had been identified, a process of corporate discourse was initiated by the program coordinators. In a first workshop the cultural differences, especially in risk-perception and resistance to change, were discussed. It was made clear that there was no single right or wrong way, and that workshop participants (and participating organizations) had to enter into a consensual discourse in order to find a solution agreeable to each one of them. In following sessions, workshops, and general strategy design, the differences in values and attitudes were the ruling factor. Alternative views were brought into the open, and through carefully moderated negotiations they were finally bridged (Mars & Frosdick, 1997). Most interestingly, all the elements of Habermas’ principles for consensual discourse outlined above were present, although Mars & Frosdick did not use them as a frame of reference: the intention to reach a position agreeable to each participant or represented body, the non-judgmental acceptance of cultural differences, the respect for others’ arguments, as well as rational and reasonable argumentation. Though this example is an archetypal illustration of the tenets of the GGM, as elaborated by those upon whom its theoretical support is built, the fact that this research has not been replicated or extended is disappointing. Clearly, the body of knowledge and subsequent managerial studies and practitioner prescriptions would benefit from increased attention to theoretical and practical implications that may be made possible by additional consideration of the GGM.

To illustrate the potential usefulness of the GGM in international management settings, we will postulate a hypothetical example. Let’s assume that the setting described in the PITACSA study is cross-cultural (i.e., cross-national). We will further posit that it was a foreign corporation introducing the software-based information management program. Given the fact that the executives of that company were aware of possible cross-cultural differences, they would most likely be directed to Hofstede’s work (e.g. Hofstede, 1993, 1989, 1984, 1983 and 2001). They would determine that Britain’s culture can be characterized as showing small power distance (PDI), high individualism (IDV), weak uncertainty avoidance (UAI), and high masculinity (MAS) indices. Based on these insights one should expect a culture that is expansive, risk-taking, pragmatic, and not very resistant to change. Having found appropriate strategies to deal with the differences between their own national and Britain’s culture (or even having discovered that there are no differences at all), the executives of the foreign corporation would be viewing the assignment with ease, confidence and without any expectations of encountering a variety of views and management styles. In the implementation phase, however, they would find themselves totally unprepared for the challenges brought about by differing cultural behavior beyond the national level, best described by the four cultural archetypes of the GGM. To be fair, neither Hofstede nor many others ever claimed to provide solutions beyond the aggregate national level. But this, by itself, can certainly not be reason enough to ignore the richness and plurality of culture beyond that level. The GGM, in contrast, provides a powerful framework for analysis that integrates cultural and societal variables in such a context. Touching on a wide range of topics that include leadership style, stakeholder management, conflict management, change management, information management, motivation, absenteeism, as well as similar ones, the relevance of the GGM for the advancement of comparative management is obvious. Rather than static, bound by national borders cultural identifications, the GGM model could provide an analytical tool in management research that is not only multifaceted but also holistic.

4. Implications and call for future research

We have shown that the Group-Grid Model, increasingly employed in other social sciences for cross-cultural understanding, also has the potential to be of value to management scholars and practitioners, as well. Much of the extant cross-cultural management research addresses culture along one or more unilateral dimensions, as though the dimensions, themselves, could be considered in isolation from other cross-cultural dimensions. Alternatively, the GGM envelopes the interactive and dynamic relationships of cross-cultural interactions. As such, the GGM has the potential to provide a useful tool for management research and practice. Significantly, the GGM em-
braces an interactionist approach to cross-cultural and comparative management. The recognition of the existence of interaction between cultural dimensions is a necessary first step. However, the next step should be the application of the GGM to increased cross-cultural management research. This research can be within one or more of a variety of contexts, spanning one or more borders, or within a single or across multiple organizations. What is essential, however, is that the GGM be tested to determine whether it can provide a useful lens for better understanding the interactionist nature of cross-cultural and other multifaceted components of organization description, analysis, and, ultimately, managerial prescription.

5. Limitations

Although the GGM has been shown to be testable by individual-level data (Rippl, 2002), one should not expect it to readily reveal culture-maps of the world, widespread cross-cultural comparisons, or detailed breakdowns into dimensions of culture resulting from GGM analysis. Moreover, most of the GGM research and application has been in areas outside of management. Though the GGM has been used in other disciplines and contexts to provide useful, didactic, and interactionist understanding of behaviors, it has not yet been sufficiently tested within management settings. As such, its usefulness in managerial research and application is yet unknown. Further, the GGM, itself, is not yet a “cause for celebration, hand stands, drum rolls, Nobel prizes” (Ellis, 1993), instant social solutions (e.g. Douglas, 2003; Rippl, 2002), or “explanatory panacea, universal nostrum, good for all problems, like some quack medicine” (Thompson, Ellis & Wildavsky, 1990). This is especially true for the area of international comparative management, since the GGM has not yet been broadly applied to this domain. Indeed, more understanding is necessary to be fully cognizant of what international and/or cross-cultural managers really do. Perhaps it is time to stop measuring and start observing culture (Schein, 1996) and to use the GGM to extend Mintzberg’s (1973) or Kotter’s (1982) questions (“What do Managers do?”) to an international setting to better understand how managers are making sense of diversity in a global environment before we develop further theories. Clearly, a model developed for one paradigm or context may not be readily generalizable to another, but the interactionist capabilities of the GGM would suggest that, though limited in scope and managerial application, it should be considered, though its usefulness in these contexts is still awaits exploration.

Conclusion

Further use and development of the Group-Grid Matrix have been proposed to respond to the often demanded integration of the more static analytic-objectivist approach with more dynamic interpretive-subjectivist approaches (e.g. Kim, 1984). As such, management applications of the GGM may be a useful response to the dissatisfaction and/or fatigue increasingly expressed concerning inadequacy of existing theories of cross-cultural management. The GGM also opens doors to critical questions about cross-cultural and comparative management as a topic within international management theory. Specifically, if it is no longer geographical borders that matter, but, instead, we recognize symbolic boundaries that transcend national borders and determine that almost everything is “culture”, we may come to see that management (both as a theory and as practice) has always been cross-cultural. Indeed, it may be that management, in general, may be cross-cultural by definition, since often its ultimate goal is to communicate, to break down barriers, often to rationalize seemingly incongruent situations, to stretch the definition of what is possible, and to span boundaries of many natures. At that juncture, the cross-cultural manager would no longer be merely the international manager, traveling from one country to another, engaged in cross-border transactions, etc. Instead, the cross-cultural manager may just as well be an innovation manager, a marketing manager, or any other line manager, reconciling differences of all sorts, and even traveling between different departments of the same firm. The cross-cultural manager, then, more and more becomes a symbolic or interpretive manager of a new kind, working possibly only within a single context (Prasad, 1995). Then cross-cultural or comparative management may no longer be perceived as only a category within international management, but international management, itself, may become a special case of comparative and cross-cultural management. This understanding, together with more openness towards qualitative and interpretive approaches, may contribute towards a new paradigm in cross-national research that has been demanded for more than fifteen years (Roberts & Boyacigiller, 1984). In crossing a river, one either needs a bridge or stepping stones in order to be able to reach the opposite shore. The GGM is neither the opposite shore nor a bridge, but it may be a valuable stepping stone in a more advanced and deeper analysis of comparative management. As such, future management research using the Group-Grid Model is indicated, with the objective of expanding the body of theoretical knowledge as well as creating practitioner prescriptions for managing in a world that is increasingly complex and pluralistic.
References


