# CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE Faculty of Economics and Management

Department of Management



# **DIPLOMA THESIS**

# **Cultural Differences in Motivation and Job Satisfaction**

# in a Multinational Organization

A Comparative Study of French and Czech Employees

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# **Declaration of Integrity**

I declare that the Diploma thesis "Cultural Differences in Motivation and Job Satisfaction in Multinational Organization" was done solely by me. All the literature and underlying materials are presented in the "Bibliography" section.

Prague, 31<sup>th</sup> March, 2011

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Zuzana Hudáková

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# **Cultural Differences in Motivation and Job Satisfaction in a Multinational Organization**

A Comparative Study of French and Czech Employees

# Kulturní rozdíly v motivaci a spokojenosti zaměstnanců v mezinárodní společnosti

Studie srovnávající francouzské a české zaměstnance

## Summary

This diploma thesis deals with the cultural differences in motivation and job satisfaction. It examines diversity among employees in a multinational organization.

The theoretical overview explains the concept of culture and refers to the cultural differences around the world. It clarifies well known motivational theories and gives details on several compensation and rewarding techniques. The overview also includes theory of job satisfaction at work and points out on cultural differences in satisfaction of workers in several countries. The final part of the theory deals with motivation and job satisfaction specific for two particular countries: the Czech Republic and France.

The practical part examines the differences between French and Czech national culture in the particular multinational organization. The analysis is composed of three parts: the first deals with differences in hierarchy of needs; the second examines the national culture's characteristics according to Hofstede's dimensions and the third one investigates current job satisfaction among employees. Finally, the recommendations based on the analysis are suggested.

# **Keywords:**

Culture, Motivation, Job Satisfaction, Employees, Cultural Diversity, Cultural Intelligence, Hofstede's dimensions

## Souhrn

Tato diplomová práce se zabývá kulturními rozdíly v motivaci a spokojenosti zaměstnanců na pracovišti.

Zkoumá rozmanitost a rozdílnost mezi zaměstnanci v nadnárodní organizaci. První část rozebírá teoretické poznatky o kultuře, motivaci a spokojenosti zaměstnanců, taktéž vysvětluje známé motivační teorie a poukazuje na kulturní rozdíly ve spokojenosti lidí na pracovišti v několika zemích. Závěr teoretické části je věnován situaci právě v České republice a ve Francii.

Praktická část analyzuje rozdíly mezi francouzskými a českými zaměstnanci v konkrétním podniku a soustřeďuje se na odlišnosti v jejich motivaci a spokojenosti. Praktická část se skládá ze tří sekcí: první se zabývá rozdíly v žebříčku potřeb, druhá zkoumá rozdílné vlastnosti obou kultur na základě Hofstedeho výzkumu a třetí část analyzuje rozdíly ve spokojenosti mezi zkoumanými skupinami. Závěr praktické části se věnuje doporučením pro management, která vzniklá na základě analýzy dat.

# Klíčová slova:

Kultura, motivace, spokojenost, zaměstnanci, kulturní rozdíly, kulturní inteligence, Hofstedeho dimenze

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# 1. Introduction

One of the most difficult tasks that managers from international organizations have to face is the motivation of individuals from different cultures. Culture, "the software of the mind - mental programming" as Geert Hofstede refers to it, is the crucial subject that guides the individual's actions, beliefs, values and ideas. The national culture is the key principle of the way people expect to be treated and represents their codes of behavior. Individual motivation is at the core of understanding the behavior in a workplace and plays an important role across the nations. Looking into various cultures around the world, there are differences in people's personal drives; what motivates one person, does not have to be the stimulus for another one. Thus, the relation between organizational culture and national cultural norms of particular employees plays significant role in their commitment to the organization. Personnel are more likely to feel loyal, comfortable and perform well when the organizational culture is consistent with their national culture.

Global organizations especially are facing the problem of cross-cultural differences among their employees – not only with regards to motivational strategies, but also regarding leadership, management style, compensation structures or job security. The challenge is to find an approach that supports the variety of different individual and cultural beliefs carried by people and which makes them effective at work.

Even though cross-cultural study is not the newest topic in the field of motivation, investigations in this area improved during the 1990s. The motivational research was criticized for being focused on American population only and therefore most of the well-known theories are culturally bound. New culture based approaches to work motivation come up with innovative management practices that fit national culture and offer solutions to improve the knowledge and competence in managing across cultural borders.

It becomes a necessity to understand cross-cultural differences and similarities in order to run multinational organizations effectively.

# 2. Objectives, Methodology and Hypotheses

# 2.1. Objectives

The main objective of this thesis is to examine if there are significant differences in motivation and job satisfaction between two different national cultures cooperating within an international organization – namely between the Czech and French employees. If these differences are discovered, then the goal is to refer to them and suggest recommendations to optimize the working environment based on the specific needs both culture have.

# 2.2. Main Hypotheses

Based on literature and issues discussed in relation to national culture, the following hypotheses were formulated:

Hypothesis 1) There are significant differences in the needs hierarchy between the Czech and French employees.

Hypothesis 2) There are significant differences between the Czech and French group in the individualism – collectivism dimension.

Hypothesis 3) There are significant differences between the Czech and French group in the power distance dimension.

Hypothesis 4) There are significant differences between the Czech and French group in the uncertainty avoidance dimension.

Hypothesis 5) There are significant differences between the Czech and French group in the masculinity/femininity dimension.

Hypothesis 6) There are significant differences between the Czech and French group in the job satisfaction.

# 2.3. Methodology

The diploma thesis was compiled based on available information. Materials for the theoretical part were acquired in libraries (in the US as well as in the Czech Republic), from various periodicals, but also from web sources. The most important and most interesting information was processed and on the basis of a descriptive method the basic concepts and characteristics were explained.

The methodology of the diploma thesis is based on common methodological processes which arise from essential thought processes. The following methods were employed for the study:

- Observation method;
- Descriptive method;
- Comparative method;
- Abstraction;
- Analysis;
- Data collection, classification and selection.

Three basic methods for information and data collection were used in the thesis; mainly literature search, questionnaire and interview.

The preparation and evaluation of the questionnaire survey can be described in the following stages (Svatošová, et al., 2009):

- 1. Establishment of the project research;
- 2. Definition of entities, establishment of the essential basic data set and the concept of the selection;
- 3. Elaboration of the questionnaire;
- 4. Analysis of the collected material and its generalization.

The survey is scored on the five-point Likert scale; the questions that examine the aspects of cultural differences based on Hofstede's research are based on the questionnaire used in his studies. The detailed methodology of the questionnaire is provided in the chapter Research and Sampling.

One of the goals of the questionnaire analysis is to study whether there is significant dependency between the Czech or French culture and the intensity of the particular answer. To test such a hypothesis, the  $\chi^2$  independency test is used. Unfortunately, the study does not fulfill the conditions of the test (Svatošová, et al., 2009): "*The proportion of the theoretical frequency of less than 5 shall not exceed 20% and none of the theoretical frequencies shall be less than 1.*" If this condition is not fulfilled, the test cannot be executed. The Table 12 and Table 13 and in Appendix 1 represent the example of the theoretical frequency calculations for one pivot table.

Thus, the methods used in the practical part of the diploma thesis are: frequency of occurrence, comparison of averages, graphs, and analyses based on pivot tables.

In order to study the variance, there were used both quantitative method (in the form of a structured questionnaire with multiple choice questions) as well as qualitative method (in the form of informal interviews with the HR manager of the organization).

# 3. Literature Overview

# 3.1. The Concept of Culture

The word culture comes from the Latin *colere* with its meaning "to inhabit, to cultivate, to honor", and in general it refers to human activity and the symbolic structures that give such activity significance.

Sir Edward B. Tylor, an English anthropologist, in his 1871 book *Primitive Culture* defines culture as *"that complex whole which includes knowledge, belief, art, morals, law, custom, and any other capabilities and habits acquired by a man as a member of society".* 

In 1958, cultural researcher Raymond Williams wrote in his book *Culture and* Society that culture is a "set of distinctive spiritual, material, intellectual and emotional features of society or a social group, and that it encompasses, in addition to art and literature, lifestyles, ways of living together, value systems, traditions and beliefs".

A 2002 article by the United Nations agency UNESCO quotes this definition and agrees with it.

In their book, Haviland et al. (2008) characterize culture in following points:

- Culture is learned and acquired.
- Culture is shared and transmitted.
- Culture is social.
- Culture is ideational.
- Culture gratifies human needs.
- Culture is adaptive.

Culture is a problematic issue for many managers since it is inherently ambiguous and often difficult to understand. Without being aware of this, we may violate the cultural norms of another country. People from different cultures may feel uncomfortable in each other's presence without knowing the exact reason.

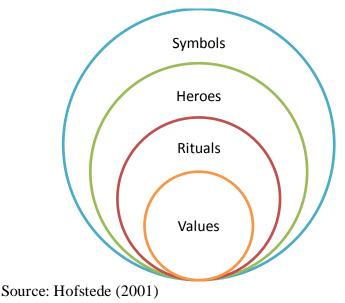
#### Ethnocentrism and Parochialism

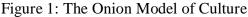
Ethnocentrism and parochialism are perhaps the most serious barriers to cultural adaptability. Ethnocentrism can be defined as assuming that the ways one's own culture are the best ways of doing things. Ethnocentric view appears when one particular ethnic group views itself as superior to others. There is a strong tendency to perceive an out-group more homogeneous than an in-group. People should be careful not to over generalize about features that they see, when observing a culture. Parochialism is defined as assuming that the ways of one's own culture are the only ways of doing things. Comparison to other cultures to one's own creates an evaluative stereotype that forms the basis of these constructs. A person with a parochial perspective view the world solely through his/her own perspective and does not recognize other people's different ways of living and working (Burke, et al., 2006).

However, no nation can afford to act as if it was alone in the world or as if it was superior to other nations (Adler, 2008).

## 3.1.1. The Onion Model of Culture

There are many ways how to visualize the concept of culture, but one of the most popular models is the one of Geert Hoftede, based on an onion, see Figure 1.





The Model of the Cultural Onion is made of three layers around a core. The core stands for the values of a certain culture, which are not changing a lot. Each of the layers includes the lower level or is a result of the lower level. The core mostly remains the same. Therefore it is still interesting to learn from history. Even if something seems to be outdated, it still can subconsciously play a role in a modern society. According to this view, culture is like an onion that can be peeled, layer-by layer to reveal the content (Hofstede, 2001).

The first layer around the core is described as rituals. Rituals are collective activities. Examples include ways of eating meals, getting married or greeting and paying respect to others. German people like to shake hands often, Malay tenderly touch the fingertips and then point it to the heart (Hofstede, 1991).

The subsequent layer - Heroes, are people, alive or dead, real or imaginary, who possess characteristics that are highly prized in a culture and thus serve as a model for behavior. Example of these could include is Dracula, Batman, or Asterix in France (Hofstede, 1991).

The third layer is represents the symbols. These are words, gestures, pictures or objects that carry a particular meaning only recognized as such by those who share the culture. Nowadays most symbols appear as brands like BMW, Apple or Louis Vuitton, however, they may have also other features, e.g. flags, architecture or traditional clothing (Hofstede, 1991).

All three layers can be trained and learned through practices except for the core: the inner cultural values (Good vs. Bad, dirty vs. clean, ugly vs. beautiful, unnatural vs. natural, abnormal vs. normal). Values are acquired early in our lives. These beliefs, norms and attitudes are much harder to recognize without a deeper analysis and thorough understanding of each of these layers and how they interact (Hofstede, 1991).

## **3.1.2.** The Organizational Culture

Organizational culture represents one level at which a society's culture can be examined. Edgar Schein (2004) defines it as *"the system of shared actions, values and beliefs that develops within an organization and guides the behavior of its members"*. In the business setting, this system is often referred to as the *corporate culture*. Most significantly, management scholars and consultants increasingly believe that cultural differences can have a major impact on the performance of organizations and the quality of work life experienced by their members (Schemerton, et al., 2004).

Studies of organizational culture proliferated during the 1970s and 1980s. Part of the motivation to examine organizational culture at that particular time stemmed from the success of the Japanese economy. Various studies were conducted comparing Japanese companies with their American counterparts. These studies found that the causes of the Japanese success were not related to the expected factors such as the size of the enterprise, its structure or technology, but to the nature of the social relationships that existed in Japanese companies. Moreover, these relationships were reinforced by the national culture (Ellis S., 2003).

These early findings stimulated a flow of research activity into culture and probably the best known and most influential of the subsequent publications was that of Peters and Waterman (1982) in *Search of Excellence*. They claimed to have identified eight basic principles underpinning the culture of their "excellent" organizations. Among these were ideas which have now permeated "manager-speak" throughout the world: "a bias for action"; and "close to the customer" (Ellis S., 2003).

#### 3.1.3. The Relationship Between Organizational and National Culture

Over the last decade, managers and researchers have increasingly recognized the importance of organizational culture as a socializing influence and climate creator. Unfortunately, rather than enhancing the understanding of national cultures, the understanding of organizational culture has often tended to limit it. Many managers believe that organizational culture moderates or erases the influence of national culture. They assume that employees working for the same organization – even if they come from different countries – will behave more similarly than differently. They implicitly

believe that national cultural differences only become important in working with foreign clients, not in working with international colleagues, not in working with international colleagues within their own organization (Adler, 2008).

The organizational culture does not erase or diminish the national culture. Employees and managers bring their cultural background and ethnicity to the workplace. As described later, Hofstede found striking cultural differences within a single multinational corporation. In his study, national culture explained 50 percent of the differences in employees' attitudes and behaviors. National culture explained more of the differences than did professional role, age, gender, or race (Adler, 2008).

#### **3.1.4.** Cultural Intelligence

New theories are beginning to address the cultural void in motivation theories. *Cultural intelligence*, according to Earley (2003), refers to "*a person's capability to adapt effectively to new cultural contexts*". The three aspects of cultural intelligence – cognitive, motivational, and behavioral – help to explain motivation as well as other managerial behaviors (Earley, et al., 2003).

*Cognitive aspects* of cultural intelligence include thinking, learning and strategizing. They explain how we learn to think. Cultural intelligence helps us to understand how our perceptions can aid or hinder our cross-cultural understanding when faced with new situations (Earley, et al., 2003).

*Motivational aspects* of cultural intelligence include effectiveness, confidence, persistence, value congruence, and the level of affinity or attraction toward a new culture. Motivational aspects of cultural intelligence explain how strongly we hold our particular cultural values and norms toward a new culture when encountering it for the first time (Earley, et al., 2003).

*Behavioral aspects* of cultural intelligence include a person's range of possible actions and responses that can be used in intercultural encounters, as well as the ability to acquire new behaviors when needed (Earley, et al., 2003).

According to Alon et al. (2005), cross-cultural intelligence is the ability to switch ethnic and/or national contexts and quickly learn new patterns of social interaction with appropriate behavioral responses. This competence is essential to work effectively in multicultural environments. Thus, linking future career paths and global business success with cultural competence is important for Human Rerources to emphasize, with the goal that managers are motivated to acquire new behaviors and skills and understand the benefits of learning from different cultures.

Although definitions of "intelligence" are culture bound, developing the cognitive, motivational, and behavioral aspects of cultural intelligence can powerfully increase international managers' efficacy when interacting across cultures. Culturally intelligent managers suspend judgment and understand the nuances of diverse situations, while striving to contain their instinctive ethnocentrism (Triandis, 2006).

# 3.2. Understanding of Differences in Culture

When studying culture, a variety of different tools and dimensions can be used for cultural analysis and classification. The following are the main theories of culture.

## 3.2.1. Hofstede's Dimensions of National Culture

Geert Hofstede (1991), a Dutch management researcher, studied values of people and made a 40-country research, which was later extended to more than 60 countries around the world. The people in his study worked in the local affiliates of IBM, one of the largest multinational corporations, and thus represented almost perfectly matched samples. However, they differed in their nationality. Hofstede discovered significant differences in the behavior and attitudes of employees and managers from each country. He found out, that national culture clarifies the differences in work-related values and attitudes more than does the position within the company, profession, age or gender. Hofstede found out that there are four dimensions on which managers and employees vary: individualism versus collectivism, power distance, uncertainty avoidance, and masculinity versus femininity. Together they build so-called four-dimensional figure of differences among national cultures. In late 1980, the fifth universal dimension was added. It was labeled as the long term versus short term orientation. The Table 1 illustrates various countries and their index values of each Hofstede's dimension.

Country	PDI	IDV	MAS	UAI	LTO
Czech Republic	57	58	57	74	13
France	68	71	43	86	39
Germany	35	67	66	65	31
China	80	20	66	40	118
Spain	57	51	42	86	19
Sweden	31	71	5	29	33
United Kingdom	35	89	66	35	25

Table 1: Index values of Hofstede's dimensions regarding various countries

Source: (Hofstede, 1991)

#### 3.2.1.1. Individualism versus Collectivism

Individualism exists when people define themselves mostly as independent individuals and make their own engagements to themselves. Individualism indicates social networks in which people are focused primarily on taking care of themselves and their close (nuclear) family. They focus mostly on their self-interest. The ties between individuals are loose. Collectivism, on the other hand, is characterized by strong and cohesive social networks or in-groups, often extended families, in which people strongly distinguish between their own society and other groups. According to Hofstede (1991), in collective societies "the interest of the group prevails over the interest of the individual". Collectivistic cultures even expect group members to look after them, protect them and give them security and safety as an exchange for their unquestioning and lifelong loyalty to the group. This kind of mutual dependent relationship between the person and the in-group is both practical and psychological (Hofstede, 1991).

Collectivism characterizes such cultures as the Chinese, in which people believe that the will of the society should designate members' beliefs and behavior. On the other side, free will, self-interest and self-determination, describe individualistic cultures such as the United States, where people believe that each person should determine their own beliefs and behavior. Cultural beliefs become self-fulfilling in every nation. People from individualistic cultures often believe that certain universal values should be shared by all. Collectivistic people, on the other hand, understand and accept that different groups may have different values. Most North Americans consider democracy as an ideal political form of government that should be shared by all countries worldwide. Many people from collectivistic cultures find such an attitude both hard to understand and to accept (Hofstede, 1991).

Individualistic societies control their members through internal pressure (e.g. guilt) and place more emphasis on individual self-respect. However, collectivist cultures control their members more through external societal pressure (e.g. shame) and place more importance on fitting in harmoniously and saving face. In many ways the two orientations forego individual freedom against collective protection (Adler, 2008).

According to Hofstede (1991), employed persons in an individualistic culture are expected to act according to their own interest, and work should be organized in such a way that their self interest conforms to the employer's interest. In collectivistic cultures, it is typical to hire an employee who comes from the in-group and will act according to the best interest of the in-group. This interest does not have to be his or her individual interest, however. The self-effacement belongs to the normal expectation of such society. In individualistic societies, family relationships at work are considered unsuitable, because they may lead to a conflict of interest. Management in an individualistic society is based on an individuals' performance, thus the appraisal should be given individually. However, in collectivistic cultures, we deal with management of groups. Therefore, if the work group functions as an emotional ingroup, incentives and bonuses should be given t the group and not to individuals. Discussing a person's performance openly with them in front of others may be felt by the subordinate as an unacceptable loss of face. To state which of the traits is "better" is very parochial and ethnocentric. Individualism and collectivism complement each other, with their relationship being "essentially circular with two starting points". Trompenaars et al. (1998) highlight the fact, that individualistic and collectivistic cultures go through ... [the same] cycles, but starting at different points [with each reversing what the other considers to be ends and means]. The individualistic culture sees the individual as "the end" and improvements to collective arrangements as the means to achieve it. The collectivist culture sees the group as its end and the improvements to individual capacities as means to that end" (Trompenaars, et al., 1998).

#### **3.2.1.2.** Power Distance

The second cultural dimension, power distance, is defined as "the extent to which less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally". Moreover, it informs us about dependence relationships in a country. According to Hofstede (1991), in small-power-distance countries, in which employees are not afraid to express their ideas and bosses are not often paternalistic or autocratic, employees prefer a consultative style of decision making: a boss usually discusses and consults with his or her subordinates before the final decision is made that affects their work. Countries with small power distance index (PDI), such as Denmark and Israel, are characterized by limited dependence of subordinates on bosses and by preference for consultation. That means independence between boss and subordinate, because there is relatively small emotional distance between them. Subordinates do not hesitate to approach and contradict their bosses; superiors should be accessible for their subordinates. Privileges for higher-ups are ineligible.

In countries, such as India, Poland, and Venezuela, with the opposite power distance scale, where employees are afraid to disagree with their bosses, employees prefer a boss who decides autocratically or paternalistically. Subordinates are considerably dependent on their bosses. In high-power distance countries the emotional distance between subordinates and their bosses is large: subordinates are unlikely to directly approach and contradict their bosses. Moreover, the hierarchical system is based on this existential inequality. Subordinates are expecting to being told what to do and consider bypassing their bosses to be insubordination. The supervisory personnel is structured into tall and steep hierarchical pyramids, superiors are entitled to privileges, and contacts are supposed to be initiated by the superiors only. Titles, status, and formality command more importance in high power distance countries (Hofstede, 1991).

Many countries that score high on the individualism index score low on the power distance index, and vice versa. In cultures, in which people hold common goals and beliefs, strong patriarchal structures with strong moral authority are common (Hines, 1973).

#### **3.2.1.3.** Uncertainty Avoidance

The third cultural dimension, uncertainty avoidance, is defined as "the extent to which people in a society feel threatened by ambiguity and therefore try to avoid ambiguous situations by providing greater certainty and predictability". According to Hofstede (1991), uncertainty avoiding societies have more formal laws and informal rules controlling the rights and duties of employers and employees. They also have more internal regulations controlling the work process. At the workplace these people tend to work hard or at least to be always busy. When doing business with cultures of high uncertainty avoidance, patience is a must. They tend to start up the business with distrust for their contact.

Furthermore, Alder (2008) adds that offering lifetime employment is much more common in high uncertainty avoidance countries, such as Greece, Japan, and Portugal, whereas high job mobility occurs more commonly in low uncertainty avoidance countries. People from societies with weak uncertainty avoidance believe that many problems can be solved without formal rules. They tend to work hard if there is a need for it, but they also like to relax. Hofstede (1991) encores, that uncertainty accepting countries have an equally strong belief in common sense and in generalists.

Employees in high power-distance/ low uncertainty-avoidance countries, such as Singapore, tend to view their organizations s traditional families. Therefore, bosses from such a society take care of their employees in exchange for the employees' loyalty. In low power-distance/high uncertainty-avoidance countries, such as Israel and Austria, organizations tend to operate highly predictably without needing a strong hierarchy (Adler, 2008).

#### **3.2.1.4.** Masculinity and Femininity

The fourth dimension, masculinity/femininity, divides cultures into (1) societies that are focused more narrowly on career and material success, and (2) societies that are more broadly concerned with the quality of life. Countries with high masculine index emphasize assertiveness and the acquisition of money and things, while not showing particular concern for people. The roles of men and women are strictly and narrowly defined. On the other hand, societies with high femininity index emphasize relationships among people, concern for others, and the overall quality of life. The gender roles overlap and are much less rigid (Adler, 2008).

#### **3.2.1.5.** Short and Long Term Orientation

Hofstede's new dimension, based on the study of Michael Bond in Hong Kong, is defined as follows: "long term orientation stands for the fostering of virtues oriented towards future rewards, in particular perseverance and thrift. It's opposite pole, short term orientation, stands for the fostering of virtues related to the past and present, in particular, respect for tradition, preservation of 'face' and fulfilling social obligations". This dimension was added to distinguish the difference between the Eastern and Western way of thinking. The main characteristics of long term orientation societies include the already mentioned persistence, thrift, as well as having a sense of shame. The short term orientation societies are represented by personal steadiness and stability, respect for tradition and reciprocation of greetings, favors and gifts (Hofstede, 1991).

#### 3.2.1.6. Critical View on Hofstede's Cultural Dimensions

Hofstede's analysis is vulnerable on a number of counts. Three main issues are usually brought up as problematic.

Firstly, his theory assumes that national territory and the limits of a given culture correspond. But cultural homogeneity cannot be taken for granted in countries which include a range of culture groups, such as the United States, Brazil, Switzerland, Belgium, or Spain. Secondly, Hofstede's informants worked within a single industry (the computer industry) and a single multinational organization. This is misleading for two reasons. In any one country the values of IBM employees are typical only to a small group (educated, generally middle class, city-dwelling); other social groups (for

instance unskilled manual workers, public sector employees, family entrepreneurs, etc.) are more or less unrepresented. Also, people work for IBM for different reasons in different cultures. In the United States, a lifetime career in a multinational might be generally desirable, however, elsewhere, it may be less so. Finally, there are also technical difficulties in Hofstede's research. Intuition suggests that some of the connotations listed overlap (Mead, 2005).

For instance (Hofstede, 1991):

*Small power distance* Powerful people try to look less powerful than they are.

*Large power distance* Powerful people try to look as

impressive as possible.

Everybody is supposed to be modest. *Masculine* 

Feminine

Men are supposed to be assertive, ambitious, and tough.

One of the strongest critical views was forwarded by Brendan McSweeney (2002), described in his article "Hofstede's model of national cultural differences and their consequences: A triumph of faith - A failure of analysis".

McSweeney criticizes Hofstede for being "inconsistent in sometimes claiming to have identified national cultures per se and yet sometimes to have identified differences between national cultures" (McSweeney, 2002).

McSweeney is also concerned that Hofstede's work has persuaded others to believe that influential national cultures exist. Therefore, McSweeney asserts, that Hofstede's project is "*a misguided attempt to measure the immeasurable*". Basically, McSweeney is taking an objection at "*the plausibility of a determinate relationship*" between national culture and uniform national actions (McSweeney, 2002).

### 3.2.2. Schwartz Value Survey

Since Hofstede's (1991) study, several surveys of values have been administered. An American-Israeli researcher Schwartz together with Bilsky (1990), and consequently with Sagie (2000), conducted a series of studies on the content and structure of human values. The content of values refers to the criteria people use to evaluate events and select courses of action. Structure is the organization of these values based on their similarities and differences. Initially, Schwartz and his colleagues identified three universal human requirements: (1) the nature of the relationship between the individual and the group; (2) the preservation of the society itself; and (3) the final problem related to the relationship of people to the natural world. From these requirements that all societies share, they derived 56 values that reflected various ways of satisfying these needs. Respondents in 20, later 40 countries were asked the extent to which each value was a guiding principle in their lives. The results were mapped separately for each country through a statistical procedure. This analysis showed that values clustered into 10 groups called values types (Thomas, 2008).

Of the 56 original values, 45 were determined as consistent across cultures and thus the same in all cultures. The results of this study strongly suggest that the structure of values is consistent across cultures, which means there is a similar relationship between values in all cultures. On close examination, these 10 value types can be seen as a refinement of Hofstede's earlier work. For example, tradition, security, and conformity are value types consistent with collectivism, whereas achievement, self-direction, and hedonism are representative of individualism (Thomas, 2008).

This framework does not indicate which value dimensions are most important in each culture. However, it captures a broad range of value dimensions that are important in all cultures and establishes that the meanings of these values are consistent across cultures. To define cultural dimensions at the level of national culture, Schwartz and colleagues performed a multidimensional scaling analysis on the correlations between the average ratings of the 45 universal values in a number of different samples in 63 countries.

This analysis yielded seven value types:

- Egalitarianism: recognition of people as moral equals
- Harmony: fitting in with the environment
- Embeddedness: people as embedded in the collective
- Hierarchy: legitimating of unequal distribution of power
- Mastery: exploitation of the natural or social environment
- Affective autonomy: pursuit of positive experiences
- Intellectual autonomy: independent pursuit of own ideas

The study generates a two-dimensional graphic representation of the relationship between countries on all seven dimensions simultaneously, see Figure 2.

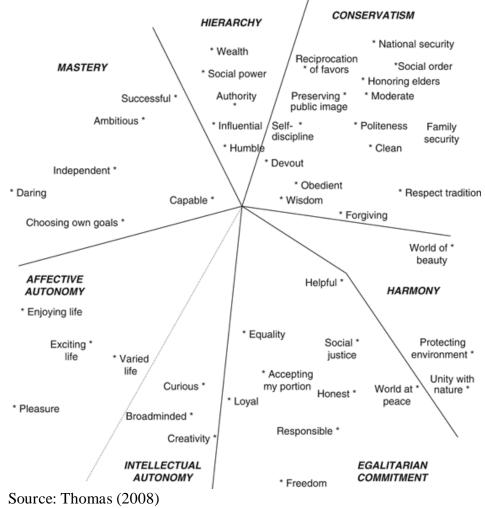


Figure 2: Organizational structure of values

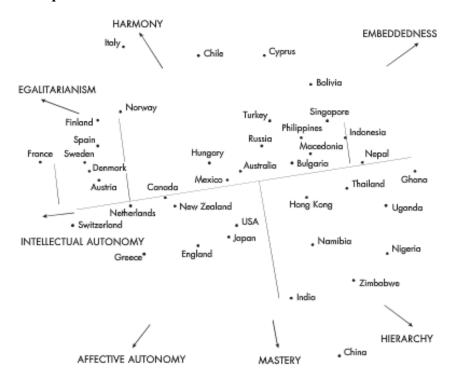


Figure 3: Co-plot of value dimensions across national cultures

An example of a comparison of samples of teachers is shown in Figure 3.

As shown in Figure 2 and Figure 3, the location of country samples along the seven value vectors points to their relationship to each other. The direction of the vector indicates the increasing importance of the value type in relationship to the center of the diagram. Because the co-plot summarizes the position of each country on seven value types on only two dimensions, the graphic location of each country is not perfect. Overall, however, it generally offers an accurate representation of the relationship of countries to each other, and studies with other samples have shown very similar patterns of relationships (Thomas, 2008).

Source: Thomas (2008)

#### **3.2.3.** Laurent: Power and Relationships

Professor André Laurent (1983) studied the philosophies and behaviors of managers in nine Western European countries, the United States, and three Asian countries. Laurent asked managers from each country to describe their approaches to more than 60 common work situations. He focused on three areas: (1) how far the manager carries his or her status into wider context outside the workplace, (2) the manager's capacity to bypass levels in the hierarchy; and (3) the manager as expert in contrast to the manager as facilitator. Laurent found more pronounced cultural differences among employees from around the world working within the same multinational company than among those working for organizations in their native lands (Adler, 2008).

#### Status

The research shows that in France and Italy the manager carries his status also into activities, which are outside his or her workplace. However, managers in Denmark or Great Britain are much less able to apply their organizational status to influencing their non-work relations. In general, the expatriate manager who expresses his or her status as thought at headquarters may confuse subordinates with different expectations of authority.

#### Task and Relationship

In response to the statement, "In order to have efficient work relationships it is often necessary to bypass the hierarchical line", Laurent found large and consistent differences across cultures. Swedish managers see the least problem with bypassing. They are task oriented and value getting the job done; to Swedes, solving problems means going directly to the person most likely to have the needed information and expertise, and not necessarily to their boss. As shown in the table, most Swedish managers believe that a perfect hierarchy - in which their boss would know everything – is impossible; they therefore view bypassing as a natural, logical, and appropriate way for employees to work efficiently in today's complex and rapidly changing organizations.

By contrast, most Italians, being more relationship oriented that the Swedes, consider bypassing the boss as an act of insubordination. Most Italian managers believe that frequent bypassing indicates a poorly designed organization. Italians therefore respond to bypassing by reprimanding the employee or redesigning the hierarchical reporting structure, see Figure 4 (Adler, 2008).

Figure 4: "In order to have efficient work relationships it is often necessary to bypass the hierarchical line."

More Task Oriented						Iore Relationship Oriented			
Disagreement Rate Across Countries									
Sweden	United	Great	France	Netherlands	Germany	Indonesia	Italy	China	Spain
Sweden	States	Britain							
26 %	32%	35 %	43 %	44 %	45 %	51 %	56%	59 %	74 %

Source: Adler (2008)

#### Authority Systems

The third area of research focuses on the manager as expert in contrast to the manager as facilitator. According to Laurent (1983), in a traditional Asian organization, the superior should be able to provide specialist answers to technical questions. The Asian manager who cannot answer questions loses status. At the opposite extreme, for example in Sweden, it is more important that the manager should be able to tap sources of expert power, perhaps elsewhere in the company, than give all the answers him/herself. The Swedes are less inhibited about approaching an outsider for advice.

Laurent considers the national origin of Asian, European, and North American managers significantly influencing their view on how effective managers should manage their subordinates. How managers see the system in the organization varies according to their country of origin (Laurent, 1983).

#### **3.2.4.** Trompenaars's Seven Dimensions of Culture

Fons Trompenaars is a Dutch theorist focusing on the field of cross-cultural management. Together with Charles Hampden-Turner, Fons Trompenaars developed a model of differences in national cultures, which was presented in his book: *"Riding the Waves of Culture"* (1997). There are some similarities in Hofstede's and Trompenaars's findings; however Trompenaars identified a different set of cultural dimensions. His model includes seven dimensions that show how people in different national cultures interact with each other.

#### Universalism versus Particularism

Dimension Universalism vs. Particularism expresses how a society applies rules of morals and ethics. Universal societies such as the United States, where there is a belief that what is good or true can be discovered; in a business situations Americans will want to rely on a contract to communicate the terms or a contract and to define the relationship between the parties. On the other side, in particularistic societies, such as China, people look at relationships and circumstances in a specific situation to decide what is right or ethically acceptable. For Chinese, not the legal contract, but the situation and the particular individuals involved are what define relationship (Hofman, 2009).

#### Individualism versus Collectivism

In individualistic countries such as Canada, the United Kingdom and France, people make their own decisions and reach success alone. Individualism is characterized by frequent use of "I". There is a strong emphasis on personal achievements, responsibility and decision-making. Employees are expected to defend their interests and to promote themselves. Asian collectivist cultures perceive it as short-sighted, selfish and not supportive. They strongly emphasize group thinking in terms of "we". In collectivistic cultures a direct confrontation will be always avoided. The wealth of the company, group and country is placed before and is more important than the individual one's. In Czech organizations generally, decisions are often made at the top of the company.

Even though managers may not be involved in making decisions, they may give the impression of having been consulted when relaying information to their subordinates (Mead, 2005).

#### Neutral versus Emotional

This dimension describes how the emotions are expressed by societies. In affective cultures such as China people express their emotions more naturally; people smile, talk loudly and greet each other with enthusiasm, sometimes even overact. According to Hofman "emotional cultures show their reactions immediately verbally and/or non-verbally by using mimic and gestures in the form of body signals. They do not avoid physical contact, which is well known especially from Italians and Spanish when meeting each other very enthusiastic and with raised voices". On the contrary, neutral cultures usually hide their emotions, don't show them in public and tend to be reserved. They do not express precisely and directly what they are really thinking. Hofman (2009) adds: "this can lead to misunderstandings with more emotional societies, to read between the lines and get the message".

## Specific versus Diffuse

Another dimension expresses the way we handle our relationships. Does it happen in a specific way, or do we see our relationships as changing? Diffuse cultures, such as Germany, France, and China are concerned with keeping people's face. They have high degree of privacy and share just a low percentage with public. It is very important in diffuse cultures to build up close relationships in business life. On the other hand, the more specific societies, such as the United States, show a small degree of privacy that is kept in private and share very easily and freely with public sectors, such as clubs (Mead, 2005).

#### Achievement versus Ascription

According to Hofman (Hofman, 2009), "status describes the positioning of individuals/groups in their society. The fundamental/base can be what someone DOES or what someone IS." In countries, such as the United States, Germany and Finland, where achievement is more prevalent, people are measured by how successful they are

in their jobs and what an individual has done. People are awarded status based on their skills, knowledge, accomplishments and performance. Achievers must continue to prove their worth. In ascription cultures, status is attributed to who a person is, meaning his or her age, gender and social connections. Senior employees of a company are highly respected because of who they are and their length of service for the company. The main differences in this dimension affect who is expected to speak in a particular situation and how much weight might be put on their words (Hofman, 2009).

#### Sequential versus Synchronic

In sequential cultures like the United States, people tend to do one activity at a time. Appointments are strictly kept, with a strong preference for following plans. In synchronous cultures like France and Mexico, people usually do more than one activity at a time. Appointments are approximate, subject to change at any moment (Workman, 2008).

#### Internal versus External Control

In an internalistic culture, such as Germany, the United States, people believe that what happens to them is under their own control. Many Asian countries have an external culture in which the environment is believed to shape their destiny (Mead, 2005).

## 3.3. Comparison of the Czech and French National Culture

In this chapter, the scores of various Hofstede's dimension regarding both cultures are discussed. In Figure 5 these two cultures were plotted against each other. Further is made the comparison of these cultures based on the Trompenars's cultural study.

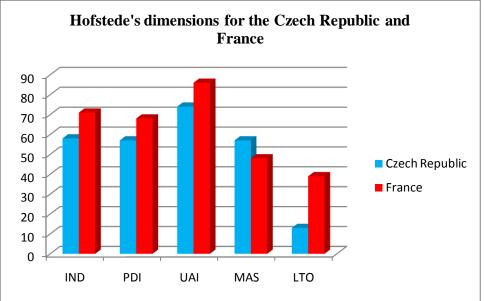


Figure 5: Hofstede dimensions' scores for the Czech Republic and France

Source: (Hofstede, 2001)

#### Power Distance (PDI)

France scores 68 points on the power distance in Hofstede's study, 24 % higher than the world average. Higher power distance French society is more centralized with tall, hierarchal organization structure featuring a high proportion of supervisors who give orders at the lower levels. There is no upward flow of communication. The relationship between boss and subordinate is rarely close or personal and class divisions within society are accepted in higher power distance societies. The hierarchy is very important and employees are seen as frequently afraid of disagreeing with their bosses and bosses as autocratic or paternalistic. It is often called *"Eiffel Tower management approach"* (Hofstede, 1991). The Czech Republic has a PDI score of 57 which is 20 % above the midpoint. It shows a bit lower power distance culture compared to France but still high in power distance especially when compared to countries such as the United States. Kolman et al. (2003) in their research stress "an egalitarian attitude as one of the most typical attitudes of the Czech society." Moreover, liberal democracies are the norm. On the other hand, Kolman et al. (2003) add that "Czech managers tend to see themselves as individuals who are preordained to lead, which would correspond with a larger power distance". The authors also point out on a distrust of authority resulting from the previous communist period. However, "this is not necessarily an indication of a small power distance, but can be explained as counter-dependent reaction: not satisfied with the performance of a leader subordinates in a large power-distance culture may go to the extreme of altogether rejecting authority" (Kolman, et al., 2003).

#### Individualism (IND)

France's score of 71 in individualism is high, 65 % more than the world average. This indicates that individuality and individual rights are dominant. Individuals tend to form relationships with larger numbers of people, but with the relationships being weak. Everyone is expected to look after himself or herself and his or her immediate family. French are highly individualistic in way that they tend to focus on their own tasks. They require considerable freedom to adopt their own approaches to the job performed. (Hofstede, 1991).

The individualism score of 58 for the Czech Republic points out to a society that is medium collectivist in nature. Conformity is expected and perceived positively. The ties between individuals are strong and the family is given more weight. Members lean towards collective responsibility. Rules provide stability, order, obedience (Hofstede, 1991).

Kolman (2003) stresses the individualistic aspect of the Czech culture based on historical sources, such as Husite movement in the fifteen century, where individual rights and responsibilities were emphasized.

#### Uncertainty Avoidance (UAI)

With regard to this dimension, France scores high with 86 points, which is higher than the world UAI average by 34 %. The French strongly resist changes to their traditional beliefs and institutions. Laws, rules and regulations are the ways in which society tries to prevent uncertainties in the behavior of people. The emotional need for laws and rules in a strong uncertainty avoidance society can lead to rules or ruleoriented behaviors that ate purely ritual, inconsistent or even dysfunctional (Hofstede, 1991).

The Czech Republic with the score of 74 belongs to countries with medium high scores, represented by low tolerance for unstructured situations; more forward thinking and practical approach is often taken (Hofstede, 1991). Kolman (2003) addresses this as "possible part of a heritage of the socialist era, in which the emphasis was on equality and security of living standards rather than on their absolute level".

#### Masculinity (MAS)

According to Hofstede analysis, France scored low in masculinity index with 48 points. It means the French society is feminine, has a lower level of differentiation and inequity between genders and places more emphasis on caring for others and quality of life (Hofstede, 1991).

The Czech Republic with the score of 57 belongs to the countries with an average masculinity score. It indicates that a country experiences a small degree of gender differentiation. Males tend to dominate a significant portion of the society and power structure. Society places greater value on success, money and material possessions (Hofstede, 1991).

#### Long Term Orientation (LTO)

According to Hofstede (2001), France is rather short-term oriented culture with the score of 39. They respect traditions rather than circumstances, efforts should produce quick results (Hofstede, 1991).

Based on Kolman's finding (2003), the Czechs are more short-term oriented, with the score of 13. Moreover, "many managers opt for short-term profits, and spend much time looking backwards rather than planning for the future", he adds.

The following is the comparison of these cultures based on the Trompenars's cultural study.

#### Universalism vs. Particularism

In Trompenars's study, France with score of 73 % (where 100 % stands for extreme universalism) belongs to particularistic countries. French place more emphasis on relationships than rules. They believe that circumstances dictate how ideas and practices are applied. Therefore, ideas and practices cannot be applied the same everywhere. It is said, that in France relationship drives the business not that business drives the relationship, thus it is very important to build rapport with the French counterpart.

According to Trompenaars (1998), Czech culture is rather universalistic (83 %). Czech use agreements and contracts as the basis for doing business, however, some deals are based upon friendships.

#### Neutral vs. Affective Relationships

Both cultures are rather neutral. Emotions are held in check and not publicly displayed. People try not to show their feelings in public or in business dealings.

#### Specific vs. Diffuse Relationships

Both France as well as the Czech Republic is in the mid specific dimension. Specific cultures show a strong separation between work and private life. Invitations to public spaces are common.

#### Achievement vs. Ascription

France with the score of 33% belongs to middle-achievers according to Trompenars's study. It means, French award status based not only upon accomplishments and merits, but also upon social position, age, and university diploma.

However, the Czech Republic, with the score of 13 %, is rather ascription-oriented culture. Czechs award status based largely on their status, titles, age.

# 3.4. The Nature of Work Motivation

Nowadays, in the global world we live in, a workplace is much more competitive than before. Its long-term success and existence is dependent on behavior, effort and motivation of individuals who are a part of the organization. People are the organization's best asset and their biggest potential liability. Thus it is very important to inspire employees to give their best to the company they work for. Managers who know how to energize their subordinates to attain high productivity and high-quality work are very valued and appreciated at the workplace. In global organizations, there are often very different influences within employees themselves as well as those coming from the environment that encourages them to perform better. What motivates one person does not necessarily have to work for another. What motivates us today does not have to motivate us tomorrow. What works as a motivator in one country, or for one individual, cannot be applied generally in all cultures and to all individuals. Everyone has their own values, behavior and commitment, arising from the culture he or she lives in. Thus, according to Harvey (2009) motivation is a dynamic concept rather than a static one.

Motivational theories attempt to explain the nature of motivation in order to find out what motivates people and help explain the behavior of certain people at a certain time. These theories are all at least partially true. However, there is no single theory that could be generalized for all situations and behaviors. Thus, all these different motivation theories collectively provide a system, in which we are able to answer the question how to motivate employees best. We are therefore left to decide about the magnitude and relevance of these theories in a particular work situation.

Schemerton et al. (2004) defined motivation as follows: "Motivation refers to the individual forces that account for the direction, level, and persistence of a person's effort expended at work. Direction refers to an individual's choice when presented with a number of possible alternatives (e.g., whether to exert effort toward product quality or toward product quantity). Level refers to the amount of effort a person outs forth (e.g., a lot or a little). Persistence refers to the length of time a person sticks with a given action (e.g., to try to achieve product quality and give up when it is found difficult to attain)".

According to Geen (1994), "motivation is the reason or reasons for engaging in a particular behavior, especially human behavior studied in psychology and neuropsychology. The reasons may include basic needs such as food or a desired object, goal, state of being, or ideal. The motivation for behavior may also be attributed to less-apparent reasons such as altruism or morality." As far as Geen (1994) is concerned, motivation refers to "the initiation, direction, intensity and persistence of human behavior".

# 3.4.1. Types of Motivation

## Intrinsic and Extrinsic Motivation

Researchers have separated extrinsic rewards from intrinsic rewards. Intrinsic rewards are positively valued work outcomes that the individual receives directly as a result of task performance or activity itself. It exists within the individual, for example, a feeling of achievement after accomplishing a particularly challenging task. On the contrary, extrinsic rewards are positively valued work outcomes given to the individual by some other person, for example money, grades, and threat of punishment.

## **Drives and Motives**

Steve Ellis et al. (2003) in their book differentiate between drives and motives. A drive is an internal force that produces motivated behavior. For instance, all animals have an instinctive desire for survival and, to this end, have drives to eat and to reproduce. Thus, eating and mating are examples of behavior motivated by the drives of hunger and reproduction respectively. Both of these, however, are motivated by the more fundamental survival instinct. The word "drive" directs our attention to the fact that motivation is something that pushes us into action. A motive is something we acquire through learning. Thus at work we might work hard for the motive of promotion because we have learned that this is often the reward for doing so. The chief difference between drives and motives is that drives are often conceptualized as unconscious and, therefore, to some extent beyond our control. Thus, while we can stop ourselves from eating, we cannot stop ourselves from being hungry. On the contrary, motives are what we acquire as we learn what sorts of things earn us rewards. A baby learns that crying

brings its mother, so will use this to draw her attention to itself. However, we acquire motives through drives. The reason the baby cried in the first place was because it was hungry.

# 3.5. Motivational Theories and their Application at the Workplace

The organizational behavior research on how reward systems affect individuals has focused on two topics: Motivation and Satisfaction. These two topics need to be well understood and effectively managed in order for a reward system to motivate excellent behavior and satisfy excellent employees. Thousands of studies have been done on employee motivation and employee satisfaction. Each attempts to explain why human beings behave in the ways they do and what managers can do to encourage certain types of behavior while discouraging others (Lawler, 2000).

The theories of motivation can be divided into three broad categories: reinforcement, content and process theories. Although each type of theory contributes to the understanding of motivation, none offers a complete explanation (Schemerton, et al., 2004). Moreover, not all of them are universal, since they do not adequately address the factor of culture. Each of theory mentioned further is enriched with the critics and determination about whether they are universal or culture bound.

# **3.5.1.** Reinforcement Theories

Reinforcement theories stress the means through which the process of directing an individual's behavior by manipulating its consequences takes place. They aim the attention on the observable rather than what is inside an employee's head. Thus, the reinforcement techniques are based on observing individuals to see which work related outcomes are highly valued. The manager can change the obvious motivation of employees by providing a systematic set of consequences to shape the direction, level and persistence of individual's behavior (Schemerton, et al., 2004).

#### **3.5.1.1.** Organizational Behavior Modification (OB Mod)

Schemerton et al. (2004) define the OB Mod as follows: "OB Mod is the systematic reinforcement of desirable work behavior and the non-reinforcement or punishment of unwanted work behavior".

OB Mod includes four basic reinforcement strategies: Positive reinforcement, Negative reinforcement (or Avoidance), Punishment and Extension.

## **Positive Reinforcement**

B. F. Skinner and his supporters advocate positive reinforcement – *the administration of positive consequences that tend to increase the likelihood of repeating the desirable behavior in similar settings*. There is a difference between positive reinforcers and rewards. Recognition, for example, is both a reward and a potential positive reinforcer. Recognition becomes a positive reinforcer only if a person's performance later improves. Sometimes, rewards turn out not to be positive reinforcers (Schemerton, et al., 2004).

To have maximum reinforcement value, a reward must be delivered only if the desired behavior is exhibited. That is the reward must be contingent on the desired behavior. This principle is known as the *Law of contingent reinforcement*. Finally, the reward must be given as soon as possible after the desired behavior. This is known as the *Law of immediate reinforcement* (Schemerton, et al., 2004).

If the desired behavior is specific in nature and is difficult to achieve, a pattern of positive reinforcement, called *shaping*, can be used. Shaping is defined as *the creation of a new behavior by the positive reinforcement of successive approximations leading to the desired behavior* (Schemerton, et al., 2004).

Positive reinforcement can be given according to either continuous or intermittent schedules. *Continuous reinforcement* administers a reward each time a desired behavior occurs. *Intermittent reinforcement* rewards behavior only periodically. These alternatives are important because the two schedules may have very different impacts on behavior. In general, continuous reinforcement elicits a desired behavior more quickly than does intermittent reinforcement. At the same time, continuous reinforcement is more costly in the consumption of rewards and is more easily extinguished when

reinforcement is no longer present. In contrast, behavior acquired under intermittent reinforcement lasts longer upon the discontinuance of reinforcement than does behavior acquired under continuous reinforcement. In other words, it is more resistant to extinction (Schemerton, et al., 2004).

## Negative Reinforcement (Avoidance)

A second reinforcement strategy used in OB Mod is Negative reinforcement or Avoidance – *the withdrawal of negative consequences, which tends to increase the likelihood of repeating the desirable behavior in similar settings*. This strategy is also called *Avoidance* because its intent is for the person to avoid the negative consequence by performing the desired behavior (Schemerton, et al., 2004).

# Punishment

A third OB Mod strategy is Punishment. Unlike positive reinforcement and negative reinforcement, punishment is not intended to encourage positive behavior but to discourage negative behavior. Formally defined, punishment *is the administration of negative consequences or the withdrawal of positive consequences that tend to reduce the likelihood of repeating the behavior in similar settings* (Schemerton, et al., 2004).

### Extinction

The final OB Mod reinforcement strategy is Extinction – *the withdrawal of the reinforcing consequences for a given behavior*. This strategy decreases the frequency of or weakens the behavior. The behavior is not "unlearned", it simply is not exhibited. Since the behavior is no longer reinforced, it will reappear if reinforced again. Whereas positive reinforcement seeks to establish and maintain desirable work behavior, extinction is intended to weaken and eliminate undesirable behavior (Schemerton, et al., 2004).

In conclusion, the reinforcement strategies are all designed to direct work behavior toward practices desired by the management. Both positive and negative reinforcement are used to strengthen the desirable behavior of improving work quality when it occurs. Punishment is used to weaken the undesirable behavior of high error rate and involves either administering negative consequences or withdrawing positive consequences. Similarly, extinction is used deliberately to weaken the undesirable high error rate behavior when it occurs. Finally, these strategies can be used in combination as well as independently (Schemerton, et al., 2004).

Managerial use of these approaches is not without criticism, however. For example, some reports on the success of specific programs involve isolated cases that have been analyzed without the benefit of scientific research designs. It is hard to conclude definitely whether the observed results were caused by reinforcement dynamics. In fact, one critic argues that the improved performance may well have occurred only because of the goal setting involved – that is, because specific performance goals were clarified, and workers were individually held accountable for their accomplishments (Locke, 1977).

Another major criticism rests with the potential value dilemmas associated with using reinforcement to influence human behavior at work. For example, some critics maintain that the systematic use of reinforcement strategies leads to a demeaning and dehumanizing view of people that stunts human growth and development. A related criticism is that managers abuse power of their position and knowledge by exerting external control over individual behavior. Advocates of the reinforcement approach attack the problem head on: they agree that behavior modification involves the control of behavior, but they also argue that behavior control is an irrevocable part of every manager's job (Schemerton, et al., 2004).

## **3.5.2.** Content Theories

Content theories focus foremost on individual needs, it means on physiological and psychological lacks that we feel an impulse to reduce or eliminate. These theories propose that managers should create a workplace that responds positively to individual needs. According to these theories, poor performance, undesirable behaviors, low satisfaction and the like can be caused by needs that are not satisfied on the job. Content approach identifies job satisfaction as an important need for an individual (Schemerton, et al., 2004).

According to Harvey (2009), these theories work best in case of challenging work executed by intelligent and independent people and work least well in places where technology prevents the worker from having control over his/her work or in places where there are weak self-actualization needs.

Four of the better known content theories have been proposed by Abraham Maslow, Clayton Alderfer, David McClelland, and Frederick Herzberg. Each of these scholars offers a slightly different view of the needs individuals may bring with them to work (Schemerton, et al., 2004).

## 3.5.2.1. Hierarchy of Needs

In 1943, psychologist Abraham Maslow first introduced his concept *Hierarchy of* needs in his paper A Theory of Human Motivation (Maslow, 1943) and his subsequent book, Motivation and Personality (Maslow, 1970). It was based upon his clinical experiences with humans, rather than prior psychology theories of his day from leaders in the field of psychology such as Freud and B.F. Skinner, which were largely theoretical or based upon animal behavior. The basis of Maslow's theory of motivation is that human beings are motivated by unsatisfied needs, and that certain lower needs need to be satisfied before higher needs can be addressed. Per the teachings of Abraham Maslow, there are general needs (physiological, safety, love, and esteem) which have to be fulfilled before a person is able to act unselfishly. These needs were dubbed *deficiency needs*. While a person is motivated to fulfill these basal desires, they continue to move toward growth, and eventually toward self-actualization. The upper two levels are called *motivation needs*. The satisfaction of these needs is quite healthy, while preventing their gratification makes us ill or act evilly. As a result, for adequate workplace motivation, it is important that leadership understands which needs are active for individual employee motivation. In this regard, Abraham Maslow's model indicates that basic, low-level needs, such as physiological requirements and safety, must be satisfied before higher-level needs, such as self-fulfillment, are pursued. As depicted in this hierarchical diagram, also called Maslow's Needs Pyramid, when a need is satisfied it no longer motivates and the next higher need takes its place (Green, 2000).



Figure 6 represents five different levels in Maslow's hierarchy of needs:

Source: Green (2000)

### **Physiological Needs**

These include the most basic needs that are vital to survival, such as the need for water, air, food and sleep. Maslow believed that these needs are the most basic and instinctive needs in the hierarchy because all needs become secondary until these physiological needs are met.

# Security Needs

Security needs include needs for safety and security. Security needs are important for survival, but they are not as demanding as the physiological needs. Examples of security needs include a desire for steady employment, health insurance, safe neighborhoods and shelter from the environment.

## Social Needs

These include needs for belonging, love and affection. Maslow considered these needs to be less basic than physiological and security needs. Relationships such as friendships, romantic attachments and families help fulfill this need for companionship and acceptance, as does involvement in social, community or religious groups.

## Esteem Needs

After the first three needs have been satisfied, esteem needs becomes increasingly important. These include the need for things that reflect on self-esteem, personal worth, social recognition and accomplishment.

#### Self-actualizing Needs

This is the highest level of Maslow's hierarchy of needs. Self-actualizing people are self-aware, concerned with personal growth, less concerned with the opinions of others and interested in fulfilling their potential.

Unfortunately, research evidence fails to support the existence of a precise five-step hierarchy of needs. The needs more likely operate in a flexible hierarchy. Some research suggests that higher order needs (esteem and self-actualization) tend to become more important than lower order needs (psychological, safety, and social) as individuals move up the corporate ladder (Schemerton, et al., 2004).

Moreover, when the hierarchy of needs is examined across cultures, values such as social needs and esteem needs become more important. Hofstede (2001) and Trompenaars (1998) have shown that the Maslow's theory does not always hold for all employees all around the world. For instance, in countries higher on uncertainty avoidance (such as Greece and Japan) as compared with those lower on uncertainty avoidance (such as the United States), security motivates employees more strongly than does self-actualization. As a result, employees in high-uncertainty-avoidance countries often consider job security and long-term employment more important than holding a more interesting or challenging job. Also contrasting with the American pattern, social needs often dominate the motivation of workers in countries such as Denmark, Norway, and Sweden that stress the quality of life (Hofstede's femininity/quality-of-life dimension) over materialism and productivity (Hofstede's masculinity/career success dimension). People in more collectivistic countries, such as China, tend to stress social needs over the more individualistic ego and self-actualization needs stressed in countries such as the United States (Adler, 2008).

Economically developing countries, in contrast to the United States and most advanced economies, often exhibit relatively high uncertainty avoidance, low individualism, high power distance, and a relatively low emphasis on career success. Clearly, the motivation of employees from more collective-oriented cultures differs from that of their more individualistic counterparts. Numerous research studies testing the hierarchies of needs in different cultures demonstrate similar, but not the identical, rank ordering in diverse cultures. Although the conflicting patterns of research findings fail to offer definite conclusions, they strongly indicate that we should not assume that the rank ordering of motivational needs holds universally (Adler, 2008).

In summary, studies have found that an individual's frame of reference will determine the order of importance of their needs. It has also been found that an individual's frame of reference is partially determined by one's culture. Therefore, it can be said that an individual's needs, their importance and the ways in which they are expressed, are partially bound by culture (O'Reilly, et al., 1973).

## 3.5.2.2. ERG (Existence, Relatedness, and Growth) Theory

Clayton Alderfer's *ERG Theory* is also based on needs but differs from Maslow's theory in three basic respects. First, the theory divides Maslow's five need categories into three: existence needs – desire for physiological and material well-being concerning basic material existence motivators; relatedness needs – desire for maintaining and satisfying interpersonal relationships, such as internal esteem needs and social needs; and growth needs – desire for continued personal growth and development, such as self-actualization and external esteem needs. Second, whereas Maslow's theory argues that individuals progress up the needs hierarchy, ERG theory emphasizes a unique frustration-regression component. An already satisfied lower level need can become activated when a higher level need cannot be satisfied. Thus, if a person is continually frustrated in his or her attempts to satisfy growth needs, relatedness needs can again appear as key motivators. Third, unlike Maslow's theory, ERG theory contends that more than one need may be activated at the same time. A lower motivator does not need to be essentially satisfied before one can proceed to higher motivators (Schemerton, et al., 2004).

Alderfer also believed that there were three general needs (rather than a hierarchy) where two could be important at any one time. In particular, the theory's allowance for regression back to lower level needs is a valuable contribution to human thinking. It may help to explain why in some settings, for example, worker's complaints focus on wages, benefits, and working conditions – things relating to existence needs. Although these needs are important, their importance may be exaggerated because the worker's job cannot otherwise satisfy relatedness and growth needs. ERG theory thus offers a more flexible approach to understanding human needs than does Maslow's strict hierarchy (Schemerton, et al., 2004).

The ERG theory also clarifies differences in need preferences between particular cultures better than Maslow's Need Hierarchy. The structure of needs can vary all around the world. This flexibility is explained by a wider extent of observed behaviors (Adler, 2008).

Critics of both two theories hold an opinion, that (1) there are other needs and motives, which are also important and have not been addressed here – such as need for feedback, autonomy, or curiosity; and (2) they explain the topic easily, but are nearly impossible to use in the field (Deresky, 2000).

#### 3.5.2.3. Theory X and Theory Y

Douglas McGregor in his book *The Human Side of Enterprise* (1960) claimed that managers "*tend to judge employees using one of two basic sets of assumptions about human nature*". Theory X represents a negative view of human nature and constructs people as lazy and unambitious, irresponsible and require a "carrot and stick" to motivate them. Many managers tend towards Theory X, and generally get poor results. O the other hand, Theory Y assumes individuals are creative, responsible and having both the desire and the potential for self-fulfillment through work. Giving people just responsibility and autonomy will motivate and develop them and thus will produce better performance and results. McGregor's Theory Y assumptions developed positive management style. That means, when people were treated well at work, the likelihood that they would respond positively and as expected was much higher (Chapman, 2009). The Figure 19 in Appendix 2 summarizes the main ideas of this theory.

Similarly to other motivational theories, also McGregor's theory was developed in the United States and does not consider the aspect of different managerial approaches among cultures, thus it is culture-bound (Schemerton, et al., 2004).

## 3.5.2.4. Acquired Needs Theory

In his *Acquired-needs theory*, David McClelland proposed that an individual's needs are "*shaped over time as a result of life experiences*". These needs come under three general categories:

- Need for achievement (nAch) the desire to do something better or more efficiently, to solve problems, or to master complex tasks;
- Need for affiliation (nAff) the desire to establish and maintain friendly and warm relations with others;
- Need for power (nPower) the desire to control others, to influence their behavior, or to be responsible for others.

A person's motivation in a particular job is influenced by these three types of needs. McClelland's theory is also known as the *Three need theory* or as the *Learned needs theory* (Schemerton, et al., 2004).

McClelland encourages mangers to learn how to identify the presence of nAch, nAff, and nPower in themselves and in others and to be able to create work environments that are responsive to the respective need profiles (Schemerton, et al., 2004).

The theory is particularly useful because each need can be linked with a set of work preferences. A high-need achiever will prefer individual responsibilities, challenging goals, and performance feedback. A high-need affiliator is drawn to interpersonal relationships and opportunities for communication. The high need-for-power type seeks influence over others and likes attention and recognition. If these needs are truly acquired, it may be possible to acquaint people with the need profiles required to succeed in various types of jobs. For instance, McClelland found that the combination of a moderate to high need for power and a lower need for affiliation is linked with senior executive success. High nPower creates the willingness to have influence or impact on others; lower nAff allows the manager to make difficult decisions without undue worry over being disliked (Schemerton, et al., 2004).

The majority of cross-cultural research on content theories has focused on higherorder needs, such as achievement or self-actualization, while neglecting lower-order needs. However, most people, even in developed world, may be engaged primarily in meeting lower-order needs, not developing satisfying social relationships, seeking personal achievement, or pursuing self-actualization. That is, societal stratification in many societies affects the dominant needs of individuals. Thus the things that motivate people in different strata of society may be quite different across cultures (Mullins, 2007).

## **3.5.2.5.** Two-factor Theory

To better understand employee attitudes and motivation, Frederick Herzberg performed studies to determine which factors in an employee's work environment caused satisfaction or dissatisfaction. He investigated the motivation of 203 accountants and engineers from different industries in Pittsburgh, Pennsylvania. He used the critical incident method and then published his findings in the 1959 book *The Motivation to Work*. The studies included interviews in which employees were asked what pleased and displeased them about their work. Responses to the interview were generally consistent, and revealed that there were two different sets of factors affecting motivation and work – *The two-factor theory of motivation and job satisfaction*. Herzberg found that the factors causing job satisfaction (and presumably motivation) were different from those, causing job dissatisfaction. He developed the *Motivation-Hygiene theory* to explain these results. He called the satisfiers - *Motivators* and the dissatisfiers - *Hygiene factors*, using the term "*hygiene*" in the sense that they are considered maintenance factors that are necessary to avoid dissatisfaction but that by themselves do not provide satisfaction, see Figure 20 in Appendix 3.

The hygiene factors can be related roughly to Maslow's lower needs and the motivators to Maslow's higher level needs. Hygiene factors are associated with the job context or work setting; that is, they relate more to the environment in which people work than to the nature of the work itself. Among the hygiene factors perhaps the most surprising is salary. Herzberg found that low salary makes people dissatisfied, but that

paying them more does not necessarily satisfy or motivate them. In the two-factor theory, job satisfaction and job dissatisfaction are totally separate dimensions. Therefore, improving a hygiene factor, such as working conditions, will not make people satisfied with their work; it will only prevent them from being dissatisfied. Motivator factors are related to job context – what people actually do in their work (Schemerton, et al., 2004).

According to Herzberg, when these opportunities are not available, low job satisfaction causes a lack of motivation and performance suffers. Herzberg suggests that often work should be arranged in the following ways: job enlargement, job rotation and/or job enrichment as a way of building satisfiers into the job content. The notion is well summarized in this statement by Herzberg: "If you want people to do a good job, give them a good job to do" (Schemerton, et al., 2004).

More recent research has questioned Herzberg's two categories. Studies have shown, for example, that people sometimes continue a particular course of action because they have made a prior public commitment to it and not because it continues to be rewarding (Adler, 2008).

Similarly, two people, who gain intrinsic satisfaction from a particular activity, switch to explaining their motivation in extrinsic terms after having received an extrinsic reward (often labeled as retrospective sense-making or the "over justification hypothesis"). Others indicate that some behavior is random and neither as goal oriented nor as rational as many American motivation theories would suggest (Pfeffer, 1982).

Hofstede again points out that culture influences factors that motivate and demotivate behavior. According to his dimensions, it is not surprising that the highly individualistic, productivity-oriented cultures have focused on job enrichment (the restructuring of individual jobs to increase productivity); whereas the more quality of life oriented and slightly more collectivistic societies have developed socio-technical systems and new approaches to the quality of working life, such as the restructuring of employees into groups to achieve the same ends (Adler, 2008).

Furthermore, researchers found that citizens of Asia, Canada, Europe, Latin America and the West Indies cited certain extrinsic factors as satisfiers with greater frequency than did their American counterparts (Adler, 2008).

In addition to other motivation theories, the universality of Herzberg's two-factor theory cannot be assumed. In every culture, certain factors act as motivators and other act as demotivators. Specific motivators and their relative importance are unique to each culture and, all too frequently, to each situation. Managers entering a new culture should observe which factors appear important and not assume that their prior experience in other cultures is transferable (Adler, 2008).

# **3.5.3. Process Theories**

Process theories attempt to identify the relationships among the dynamic variables which make up motivation. They emphasize the thought or cognitive processes that are running in the people's minds and that influence their behavior. Process approach investigates why a person behaves in a particular way in relation to available rewards and work opportunities (Mullins, 2007).

These theories have also been criticized for being culture-bound, because they contain certain inbuilt assumptions that are themselves culturally derived (Schemerton, et al., 2004).

## **3.5.3.1.** Expectancy Theory

The Expectancy Theory of Victor Vroom (1964) emphasizes that people act in ways they believe will lead to rewards they value. Unlike Maslow and Herzberg, Vroom does not concentrate on human needs, but rather focuses on outcomes. In his theory he argues that individuals are mostly rational decision makers who think about the consequences of their actions and act in their own best interests. He views people as proactive, future-oriented, and motivated to behave in a particular way when they feel there is a good chance that the behavior will lead to valued rewards (Lawler, 2000). A person is motivated to the degree that he or she believes that (1) effort will yield acceptable performance, (2) performance will be rewarded, and (3) the value of the rewards is highly positive. The interactive combination of all three subjects influences motivation. Thus, some key concepts are defined in terms of probabilities.

The probability assigned by an individual that work effort will be followed by a given level of achieved task performance is called *Expectancy*. Expectancy would equal 0 if the person felt it were impossible to achieve the given performance level; it would equal 1 if a person were 100 percent certain that the performance could be achieved.

Instrumentality is defined as the probability assigned by the individual that a given level of achieved task performance will lead to various work outcomes. Instrumentality also varies from 0 to 1.<sup>1</sup>

*Valence* is the value attached by the individual to various work outcomes. Valences form a scale from -1 (very undesirable outcome) to +1 (very desirable outcome). Vroom posits that motivation (M), expectancy (E), instrumentality (I), and valence (V) are related to one another by the equation:

$$M = E \times I \times V$$

This multiplier effect means that the motivational appeal of a given work path is sharply reduced whenever any one or more of these factors approaches the value of zero. Conversely, for a given reward to have a high and positive motivational impact as a work outcome, the expectancy, instrumentality, and valence associated with the reward all must be high and positive (Schemerton, et al., 2004).

From the cross-cultural point of view, expectancy theory does not specify exactly which rewards will motivate particular groups of workers. In this sense, the theory allows for the fact that the rewards and their link to performance are likely to be seen as quite different in different cultures. It helps to explain some apparently counterintuitive findings. In countries where individualism dominates, for example, employees see their relationship with the organization from a calculative perspective; whereas in collectivist societies, the ties between the individual and the organization rely on a moral

<sup>&</sup>lt;sup>1</sup> Strictly speaking, Vroom's treatment of instrumentality would allow it to vary from -1 to +1.

component. Clearly, people become committed to organizations for very different reasons in individualistic and collectivistic societies. Employees with collectivist values make organizational commitments because of their personal ties to managers, owners, and co-workers and much less because of the nature of the job or the particular compensation scheme. The valence of various rewards people want from work also varies greatly across cultures, because is determined by cultural values. As discussed in reference to the needs hierarchy, security is very important to some people, congenial relationships are paramount for others, whereas for some individual status and respect will be dominating (Adler, 2008).

Managers themselves must determine the level and types of reward most sought after by a particular group. Moreover, expectancy theory assumes that individuals have control over their performance and the outcomes they will work for and that their employer has the ability to identify and provide valued rewards. However, these factors can vary across cultures. For instance, the idea that we are in control of our own destiny is not universally held (Mullins, 2007).

## **3.5.3.2.** Equity Theory

Equity theory is based on the phenomenon of social comparison and is best applied to the workplace through the writing of J. Stacy Adams. Adams argued that when people gauge the fairness of their work outcomes relative to others, any perceived inequity is a motivating state of mind. Perceived inequity occurs when someone believes that the rewards received for their work contributions compare unfavorably to the rewards other people appear to have received for their work. When such perceived inequity exists, the theory states that "people will be motivated to act in ways that remove the discomfort and restore a sense of felt equity" (Schemerton, et al., 2004).

Felt negative inequity exists when "an individual feels that he or she has received relatively less than others have in proportion to work inputs". Felt positive inequity exists when "an individual feels that he or she has received relatively more than others have".

When either feeling exists, the individual will likely engage in one or more of the following behaviors to restore a sense of equity (Schemerton, et al., 2004):

- Change work inputs (e.g. reduce performance efforts);
- Change the outcomes (rewards) received (e.g. ask for a raise);
- Leave the situation (e.g. quit);
- Change the comparison points (e.g. compare self o a different co-worker);
- Psychologically distort the comparisons (e.g. rationalize that the inequity is only temporary and will be resolved in the future);
- Take actions to change the inputs or outputs of the comparison person (e.g. get a co-worker to accept more work).

The following Table 2 illustrates the inequity.

Perceived Ratio Comparison	Employee's Assessment
$\frac{Outcomes A}{Inputs A} < \frac{Outcomes B}{Inputs B}$	Negative Inequity (under-rewarded)
$\frac{Outcomes A}{Inputs A} = \frac{Outcomes B}{Inputs B}$	Equity
$\frac{Outcomes A}{Inputs A} > \frac{Outcomes B}{Inputs B}$	Positive Inequity (over-rewarded)

#### **Table 2: Equity Theory**

Person A is the employee, and the person B is a relevant other or referent.

Source: Own processing (Schemerton, et al., 2004)

The equity comparison intervenes between the allocation of rewards and the ultimate impact on the recipients. What may seem fair and equitable to a group leader, for example, might be perceived as unfair and inequitable by a team member after comparisons are made with other teammates. Furthermore, such feelings of inequity are determined solely by the individual's interpretation of the situation. It is not the reward-giver's intentions that count, but it is how the recipient perceives the reward that will determine actual motivational outcomes (Schemerton, et al., 2004).

Research indicates that people who feel they are overpaid (perceived positive inequity) increase the quantity or quality of their work, whereas those who feel they are underpaid (perceived negative inequity) decrease the quantity or quality of their work. The research is most conclusive with respect to felt negative inequity. It appears that people are less comfortable when they are under-rewarded than when they are over-rewarded. Such results, however, are particularly tied to individualistic cultures in which self-interests tend to govern social comparisons. In more collectivistic cultures, such as those of many Asian countries, the concern often runs more for equality than equity. This allows for solidarity with the group and helps to maintain harmony in social relationships (Schemerton, et al., 2004).

Mullins (2007) believes it is fairly clear that the preference for equity in reward allocation is related to the extent of hierarchy (power distance) in society (Mullins, 2007).

# 3.6. Managing and Motivating Cultural Diversity

Motivation is a process of satisfying needs, which depend on individual situation or background. It is one of the key concerns in companies across the globe. Nevertheless, what motivates one employee may not be the motivator for another. According to research, good salary and interesting work content belong to the most important factors of motivation. However, regarding other factors, there is discrepancy in the order of motivators, depending on individual education, culture, social background, financial circumstances and other contexts in which an individual works. In this process, identification of the work values of particular culture plays an important role, because the work values shape the organization in many ways. The circumstances and values of a particular culture can influence the order and importance of needs. Suitable research in this context with the help of a structured questionnaire, validated by professionals, will strongly help managers to understand what factors are instrumental in motivating (Mullins, 2007).

Culture guides choices by giving meaning and ascribing value to motivational variables. That is, cultural values reflect individual's needs but also prescribe the behavior required to satisfy those needs. Therefore, we should expect that members of different cultures would respond to different motivating factors in their intercultural interactions. For example, for people from individualistic cultures, differentiation and individual rewards might be central motivating factors, whereas these would have a negative effect in a culture that values equality and cooperation. Central to understanding the nature of motivation in different cultures is the way in which people define themselves, their self-concept (Thomas, 2008).

## The Model of Cultural Self-representation

Miriam Erez and her colleague Christopher Earley (1993) introduced the *Model of* cultural self-representation to guide employee behavior and managerial practices in cross-cultural environment. They claim that people "strive to fulfill values for self-enhancement, efficacy, and self-consistency". Their model is based on individualism vs. collectivism and high vs. low power distance. Self-enhancement reflects the motive of maintaining a positive cognitive and affective state about the self; the motive of self-

efficacy is the desire to perceive oneself as competent and efficacious; self-consistency is the desire to sense and experience coherence and continuity (Erez, et al., 1993).

The self and self-motives are shaped by the cultural values and they set the standards and criteria for self-evaluation. These criteria vary across cultures. The collective self is more visible in collectivistic cultures. Therefore, motivational practices are evaluated based on the fulfillment of collective self-derived needs. In collectivistic cultures self-fulfillment is expressed by contributing to group success. Whereas in individualistic countries, the private self is salient and the motivational potential of various techniques is evaluated according to their fulfillment of the private self-derived needs, for instance, experiences by personal achievements (Latham, 2007).

Latham (2007) recommends human resource managers to design and implement motivation and reward system according to these following principles:

(1) identify the cultural characteristics of a country regarding collectivism/ individualism and power distance; (2) understand yourself and the cultural values you represent; and (3) understand the meaning of various managerial practices in each country. Projecting values onto people from other cultures that differ on the above key dimensions can create dysfunctional consequences in terms of employee motivation, interpersonal communication, and overall performance (Latham, 2007).

In different cultural environments different motivational techniques are expected to be effective. Managers who are aware of their own cultural values can transfer this knowledge and develop understanding of other people's values and motives. Once they identify the cultural characteristics of people from other cultures, they can develop a better understanding as to how employees in foreign cultures would react to various managerial approaches (Erez, et al., 1993).

In summary, cultural differences might be expected in motivation based on a person's internal representation of self. Although all people might be motivated by self-interest, a fundamental difference is the role others play in how people define themselves. That is, people are differentially motivated depending on whether they view themselves as independent of or independent with others. In intercultural interactions, this motivational difference influences behavior throughout this interaction sequence (Thomas, 2008).

# 3.7. Designing Incentives with Regard to Cross-cultural Differences

Incentives and rewards are an integral part of motivation in a corporation. Recognizing and understanding different motivational methods across cultures leads to the design of appropriate reward systems. Rewards usually fall into five groups: financial, social status, job content, career, and professional. The relative significance of one or more of these five categories varies across cultures, from country to country (Steers, et al., 2010).

Managers in individualistic cultures often emphasize extrinsic rewards, such as pay and promotions. Benefits tied to personal achievement and individual-based incentives give employees desired work independence and personal responsibility for task accomplishment. At the same time, intrinsic rewards are highly emphasized by mangers in highly collectivistic cultures. Benefits have the form of group-based incentives, and are tied to organizational commitment and loyalty (e.g. camaraderie). Moral persuasion and group norms work as motivators. Team building is focused on collective task accomplishment (Steers, et al., 2010).

Managers in career-success-oriented cultures often encourage competitive work environments within the organization to stimulate employees' best effort. Very often there are used performance-based incentives with largely monetary and symbolic rewards (e.g. impressive job titles). One of common strategies in such cultures is also showcasing high performers and encouraging employees to "think big" and overcome obstacles. By contrast, managers in quality-of-life-oriented cultures often encourage cooperation and team effort for collective results instead of competition. Respect for tradition, seniority or membership based incentives are also common within work groups (Steers, et al., 2010).

Regarding power distribution, hierarchical cultures tend to stress specific job requirements and top-down directives to subordinates, with primarily extrinsic rewards for compliance and loyalty. Job requirements and directives to employees are usually clear and direct. Decisive and powerful leaders typically run most organizations. In such cultures, managers often prefer unquestioning subordinate compliance with their directives. Participation in decision making is typically low. Egalitarian cultures, on the other hand, often emphasize the use of power equalization models, tend to stress employee involvement in helping to determine the best means to achieve corporate objectives, with a greater (though not exclusive) emphasis on intrinsic rewards and minimal salary differentials between groups of employees. Decision making is frequently based on widespread employee participation and involvement. Finally, leaders are often flexible and collaborative (Steers, et al., 2010).

Regarding uncertainty, social control, and incentives, rule-based cultures tend to reward strict adherence to clearly publicized rules and regulations that are applied uniformly to all employees; rewards are often based on objective or quantitative criteria. In the other side, relationship-based cultures tend to allow for extenuating circumstances or personal relationships in evaluating performance; rewards are often based on subjective or qualitative criteria (Steers, et al., 2010).

# 3.8. Major Job Attitudes

In this chapter, the major job attitudes are explained. The focus is especially on job satisfaction; however, also job involvement and organizational commitment are explained as these attitudes are related to important outcomes, such as productivity, staff turnover and morale.

# **3.8.1.** Job Involvement

Kanungo (1982) defines job involvement as "*psychological identification with a job*". This definition means that a job-involved person sees her or his job "*as an important part of his or her self-concept*" (Lawler, et al., 1970) and that jobs "*define one's self-concept in a major way*" (Kanungo, 1982).

Job involvement has been noticeably linked to absenteeism and to turnover or resignation. Nevertheless, it more consistently predicts turnover than absenteeism. However, a number of other attitudes and behaviors have also been linked to job involvement (Kanungo, 1982).

# **3.8.2.** Organizational Commitment

Organizational commitment is generally defined as a positive orientation towards the workplace (rather than simply one's work role). Many researchers have attempted to define organizational commitment in ways that might render it amenable to measurement. Porter, Steers, Mowday and Boulian (1974) define organizational commitment as "a strong belief in and acceptance of the organization's goals and values, a willingness to exert considerable effort on behalf of the organization, and a definite desire to maintain organizational membership".

# **3.8.3.** Job Satisfaction

Job satisfaction has been a central issue in organizational research for decades. Many studies examine the possible cause of job satisfaction. Some people enjoy their work and some work just because they must. Spector (1997) defines job satisfaction as "the degree to which people like their jobs". If an individual perceives his/her job as being interesting, meaningful, and challenging, he/she will have a favorable attitude for it and his/her motivation will be higher. According to Locke (1984), job satisfaction is a "pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences". The concept generally refers to a variety of aspects of the job that influences an individual level of job satisfaction with it. These usually include attitudes toward pay and benefits, coworkers and supervision, working conditions, career opportunities, job security and the job itself.

There are many methods for measuring job satisfaction. Examples of the very widely used methods include:

- − Job Descriptive Index (JDI)<sup>II</sup>
- Job Satisfaction Survey  $(JSS)^{III}$
- Occupational Stress Indicator (OSI)<sup>IV</sup>

<sup>&</sup>lt;sup>II</sup> created by Smith, Kendall, & Hulin in 1969

<sup>&</sup>lt;sup>III</sup> Warr, et al. (1979)

<sup>&</sup>lt;sup>IV</sup> Cooper et al. created in 1987

They involve questions or statements asking respondents to indicate what they think and/or feel about their job as a whole, so-called global satisfaction and/or specific aspects of it such as pay, work activities, career prospects and relations at the workplace, so-called facet satisfaction (Arnold, et al., 2004).

Hackman & Oldham (1976) studied how particular job characteristics impact on job outcomes, including the job satisfaction. In the *Job Characteristics Model* they state there are five core job characteristics:

- Skill variety
- Task identity (whole task)
- Task significance (on lives of others)
- Autonomy (choice and discretion)
- Feedback (information on own performance)<sup>V</sup>

These job characteristics impact the experienced meaningfulness of work, experienced responsibility for work outcomes, and knowledge of the actual results of work activity. According to Hackman et al. (1976), when these critical psychological states are experienced, work motivation and job satisfaction will be high.

A lot of research has been done on the relationship between job satisfaction and work performance. However, it has failed to establish a strong direct link between job satisfaction and workplace behavior. According to Harvey (2009), although job satisfaction is a predictor of work performance, it is not a strong one. She shows that job satisfaction accounts for approximately 19% of the variance in job performance. The reasons why job satisfaction and performance are relatively independent of each other are those; firstly, variations in job satisfaction cannot lead to variations in productivity (machine work) and secondly, occurred correlations may be false in the way that both may be linked with other factors.

<sup>&</sup>lt;sup>v</sup> Harvey (2009) also adds the goal-setting to this list.

In 1955 Brayfield and Crockett impressed the world of industrial psychology by finding an average correlation between job satisfaction and productivity of only + 0.15 from the 26 studies published up until then. The latest analysis of 217 separate correlations (in 74 studies) also found an overall correlation of + 0.15. The correlation is greater for supervisory or professional jobs, moreover, in the jobs performance depends less on external pressures (wage incentives or assembly-line speeds), and more on motivation, creativity and helpfulness. Job satisfaction is also correlated with other kinds of desirable behavior at work; there is less sabotage, stealing, doing work badly on purpose, and spreading rumors or gossip to cause trouble (Argyle, 1989).

Figure 7 provides an example of a measure of job satisfaction from the OSI, which contains all of the elements that usually make up a job satisfaction measure.

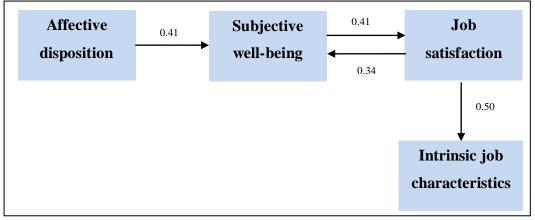


Figure 7: The Causal Model of Job Satisfaction

Source: Arnold et al.(2004)

## 3.8.3.1. Cultural Differences in Job Satisfaction

Given the changing work force demographics and the increased globalization of businesses, managers are increasingly concerned with understanding the difficulties associated with managing employees from different cultures. These factors point out a practical concern for understanding cultural differences in the nature of exchange relationships between employees and their employer and their responses to low job satisfaction in particular (Mullins, 2007). Even though job satisfaction appears to be a relevant concept across cultures, it does not mean there are no cultural differences in job satisfaction. According to Jex et al. (2008), relatively few studies have examined cross-cultural differences in job satisfaction. However, research shows that employees in Western cultures have higher level of job satisfaction than those in Eastern cultures. This result is not because Western employees have better jobs and are more positive (or less self-critical), although both factors are probably at play, but because individuals in Eastern cultures value negative emotions more than do individuals in Western cultures, whereas those in Western cultures tend to emphasize positive emotions and individual happiness (Jex, et al., 2008).

Paul Spector in his book refers to another example; work conditions might be better in some countries than others. They might also be attributable to different expectations of people. For example, Americans tend to believe that they should advance at work. When they do not, they are likely to be dissatisfied with promotion opportunities. In other countries, people might accept the fact that they are not likely to e promoted, so they are not unhappy when promotions are not available. Biases can also be a factor in these studies (Spector, 1997).

When viewed from the job characteristics perspective, there are several presumable explanations for cross-cultural differences in job satisfaction. For example, there is considerable evidence of cross-cultural differences in values investigated by Geert Hofstede. The primary implication of these cross-national differences in value preferences is *"that cross-cultural difference in job satisfaction may be due to differences in what employees desire from their jobs"*. Jex at al. (2008) suggest, that *"cultural differences can be at least partially attributed to the fact that employees in different cultures seek different things from their jobs, and may place different levels of importance on different job facets"*. Moreover, cross-cultural differences in job satisfaction may also be impacted by cross-national differences in actual job conditions. Because of economic and political differences, employees in different cultures may differ greatly in the quality of their on-the-job experiences (Jex, et al., 2008).

Cross-cultural differences can also be viewed through the lens of the social information-processing approach to job satisfaction. For example, it is possible that in addition to values differences, cross-cultural differences may exist in the degree to which social influence processes are salient to employees. One might speculate that in an individualistic society such as the United States, social information may have a relatively minimal impact, and job satisfaction may be only weakly related to prevailing cultural values. In contrast, in a more collectivistic society such as Japan, social influence processes may be much more important (Jex, et al., 2008).

### **3.8.3.2.** Average Job Satisfaction

It is generalized that positive or negative job attitudes are results of the employee's interpretation of the fairness of the reward received. Because of this people expect that variations in job satisfaction levels vary considerably within each country. However, this is only logical in view of the differences that are normally found across individuals, jobs and organizations. Even so, it is possible on an aggregate level to ask where employee job satisfaction tends to be higher or lower on a country-by-country basis. As shown in Table 14 in Appendix 4, the results are not unpredictable. The most satisfied employees are not found in richer countries or the countries of a particular continent. They are not found in countries that claim certain religious affiliations. Nor are they found exclusively in either large or small countries. Instead, the most satisfied employees tend to be found in those countries where the prevailing management systems and motivational programs are compatible with and supportive of local cultures. These findings caution against a presumed "best practices" approach to management across diverse cultures or a one-size-fits-all approach to motivation. Ignoring cultural influences on employee work behavior is clearly done at a manager's and an organization's peril (Steers, et al., 2010).

# 3.9. Job Satisfaction and Employee Motivation in the Czech Republic

# Job Satisfaction

According to research made by Vašková et al. (2005), more than two-thirds of employees in the Czech Republic are satisfied with their employment. However, the scope of their satisfaction varies and correlates to sector, occupational classification and type of employment contract. There are almost irrelevant differences in factors such as age, gender, employment rate (full or part-time) or company size.

According to the study (Vašková, et al., 2005), the most satisfied with their employment are people who work in the finance and insurance sector, the public sector, or in education, science, research and culture. On the contrary, people working in the sectors of construction, manufacturing, agriculture and forestry respond the lowest degree of satisfaction. Moreover, when analyzing the type of employment contract, the study reveals that employees with open-ended contracts are more satisfied with their work than employees with fixed-term employment contracts. Czech employees are most satisfied with the organization of the work day and its length; the physical working environment and interest of the work are following. However, only 40% of employees are satisfied with their salary compensation and only one-third explicitly reported being satisfied with their wages. The opportunity of advancement, requalification and training ranked lowest in satisfaction. Although more than one half of employers offered training, Czech employees showed that they were not satisfied with the quality or usefulness of the training.

Despite the fact that employee job satisfaction in the Czech Republic is relatively high, when compared across cultures; Czech employees are not really satisfied with the quality of work conditions for their work. Only 10% are satisfied, while employees in Denmark are 61% satisfied (Akhtara, et al., 2010). However, the research on this topic varies. Different study by J. Cabrita and H. Perista (2006) shows, that more than 60% of Czech employees are satisfied at work. Similar values are proved by another study (Libora, 2007) done by one of the largest research institutes – Ipsos, according to which more than 60% of employees are satisfied at work.

#### **Employee Motivation**

In the study made by Ipsos organization (2007), it was found, that the motivation has decreasing trend by every third employee (30 %). Employees under 25 years old considered their motivation as decreasing (38 %), and in organizations with over 5 000 employees it was almost half of total number of employees (48 %) who considered the motivation as decreasing. Motivation is increasing only by 13 % of employees, mostly by managers.

According to Vašková et al. (2005), pay remains the most important motivational source for Czech employees, followed by interpersonal relationships in the workplace. Employees in blue-collar professions place a higher importance on employee benefits, whereas career expertise and helpfulness to colleagues is valued by employees in more advanced positions. Vašková et al. add that while women are motivated more by interpersonal relationships and work-life balance, men place higher values on pay for motivational factors.

# 3.10. Job Satisfaction and Employee Motivation in France

#### Job Satisfaction

The research by J. Cabrita and H. Perista (2006) measuring job satisfaction in European countries brings very interesting results. When French employees were questioned about the satisfaction they draw from their current job, 48% employees answered that reasons for satisfaction dominate, as opposed to 11% who state reasons for dissatisfaction and 41% find that the two balance out. This average covers quite major differences but not according to gender, even though the situation of women in the workplace and jobs differs greatly from that of men. Job satisfaction is above all linked to the level of qualifications. It is maximal amongst people with a degree, minimal among those without qualifications. If one considers a socio-professional category, the most satisfies are: managers and self-employed professionals, followed by middle management and artisans/traders, then farmers, white-collar workers and, finally, blue-collar workers. The most dissatisfied are, amongst others, retail employees, non-qualified handling workers, the police and the army.

The research shows that job satisfaction does not strictly grow with age: the over sixties are the most satisfied at work whereas 18-25 year olds are the least; but 26-35 year olds show the strongest satisfaction, just after sixty year olds. What unsatisfied employees want to change the most, by far, is their wage level, then their profession itself, their working hours, their promotion possibilities and co-workers. As for satisfied people, it is above all their profession that they want to keep (62 %), then their co-workers (36 %), their work place (33 %) and their working hours; only 30 % absolutely want to maintain their salary (Cabrita, et al., 2006).

Regarding quality of life at work, the degree of satisfaction expressed by employees working for the private sector concerning recognition of their merits by the company in which they work is quite high. Satisfaction is very high in terms of autonomy and responsibilities given (84 %). Satisfaction is high in terms of recognition of professional experience (68 %), recognition of involvement in their work (64 %) – in particular for managers and self-employed professionals (72 %) and in small companies employing fewer than 50 people (70 %). Satisfaction is also quite high in the recognition of training efforts (63 %). Satisfaction is more ambivalent concerning possibilities of professional development: only 54% of employees in the private sector are satisfied with their possibilities of professional development (down 7 points on 2004). Amongst 25-34 year olds, satisfaction only reaches 45 % and 38 % among unqualified employees (Cabrita, et al., 2006).

#### **Employee Motivation**

The research made by Frédérique Lavanant (2010) reveals a contradiction in French organizations. According to the study, *"French businesses are not giving employee engagement the attention it needs. As a result they're missing an opportunity to release the untapped potential in their workforce. Whilst most board executives recognize that the de-motivated employees present one of the top three threats to their organizations, it's a subject that's rarely discussed at board level", she concludes. Perhaps they are happy that overall motivation levels are reasonably high. After all, the study showed that 82% of French employees are engaged, prepared to put in extra effort for their firm. While it sounds high, though, this level is nonetheless amongst the lowest in Europe. But what should concern French employers more is the fact that workers are struggling to turn their motivation into productive action. More than half of employees in the survey feel <i>enabled* – the term for having everything you need to get the job done. The rest are finding it difficult to work effectively. This not only means frustration for employees – it is damaging productivity by depriving businesses of a reservoir of human potential (Lavanant, 2010).

# 4. Case Study

The chapter deals with characteristics of the analyzed organization, explains its organizational structure, values and corporate culture. The SWOT analysis focuses on the human capital. Detailed information about both job positions follows. The final part of this chapter deals with brief introduction of the research and sampling.

# 4.1. Characteristics of the Organization

The name of the company is not mentioned at the request of the management of the organization due to data protection issues, and the firm is thus labeled as ABC.

The company ABC was founded in the United States in 1996 and has more than 40 offices in 21 countries, including North and South America, Europe, Asia/Pacific and Australia. Initially, the main focus of the company's activity was on the development of software for administration of reserve auctions.

Currently, ABC is the market leader in providing comprehensive solutions in the area of cost management including global sourcing and supplier procurement. ABC's customers include companies in the following fields and industries: energy, financial, high-tech, manufacturing, pharmaceuticals telecommunications, automotive and transport, as well as the public sectors. More than 340,000 companies around the globe use the ABC's solutions to simplify inter-enterprise commerce and enhance results.

The ABC operates on the Czech market since 2004 in order to respond to growing customer demand. The Czech branch currently employs almost 90 employees from the Czech Republic, Slovakia, France, Belgium, the Netherlands, Spain, Italy, Portugal, the US, the United Kingdom, Belorussia, Russia, and Kazakhstan. The French and the Czech nationalities dominate over the other. The average age of employees is between 25 and 35 years, both men and women are covered.

#### **Organizational Structure**

The organization of the company is based on a matrix structure which sets up teams from different departments, and thus creates two or more intersecting lines of authority. It means there is neither direct leadership nor a managing director in the Czech branch. Some employees report directly to their supervisors or directly to the headquarters in the US. According to the management of the organization, such system provides flexibility, creativity and allows quick response in the environment by giving unique attention to particular projects or problems. On the other hand, the matrix structure seems to be complex in the way that some employees may be confused as to whose authority has the priority.

#### Corporate Culture at ABC

The organization ABC is influenced by the American corporate culture. It is characterized by relaxed, opened and optimistic atmosphere, in which employees act friendly and polite. The corporate culture is very progressive, but also resilient and flexible. The communication across the organization is very smooth and simple, since the hierarchy is flat. Qualities such as courage and appetite for risk and new situations are highly valued. However, it also respects and encourages the cultural individuality of each employee. Indeed, these cultural differences are essential in order to serve the customers from different countries according to their ideas or needs. The employee from a particular culture understands and serves his/her client from this culture according to the common cultural values and beliefs they both share.

The Senior Vice President from the department of Human Resources and Business Development points out that: "for the last decade, we've been on a mission to change the way that business is done globally. And this requires a special team of highly motivated and talented individuals. Our employees work hard and we strive to create an environment in which they can thrive every day. We recognize that our people are our greatest asset and we are unrelenting in our focus to keep them happy." In hiring, the mission is to recruit, develop, and retain the best talent, while cultivating an inclusive environment that enables and encourages all employees to contribute to their full potential. ABC is deeply committed to a culture of diversity that leverages the unique talents, perspectives, and experiences of all employees. The result is a team that reflects the global audience ABC serves.

Teamwork is an essential part of ABC. The company success depends on employees who share a commitment to innovation and creativity, working together in a dynamic, rewarding environment.

Employees of ABC are a very close-knit family, and the management tries to maintain a small-company feel.

#### **Company's Values**

ABC is not an ordinary company, rather, as it focuses on revolutionizing of global commerce. Every ABC employee has a voice and the opportunity to impact the company's direction. The company's values are excellence, initiative, and innovation.

#### **ABC's Human Resources Strategy**

According to the HR manager of the Czech branch, the motivation system is based on employees' results. The workers are first trained in order to administer their job properly. The quality of their output is visible from the initial part of the project and has the impact on the results and therefore on the whole project. This is one of the essential motivators in the company. Of course, internal promotions are also very useful.

## ABC's Competitive Benefits

The comprehensive and competitive benefits package represents ABC's significant investment in the employees. An integral component of the dedication to excellence, it also recognizes and rewards outstanding performance.

In addition to health and welfare benefits-including medical, dental, vision, life, and disability insurance coverage for employees and their dependents – ABC offers attractive benefits not commonly found elsewhere. For example, an employee stock-purchase plan to allow employees to prepare for their retirement.

The paid time off (PTO) policy is also very competitive: 25 PTO days for full-time employees, plus paid holidays and one floating holiday, then luncheon vouchers, the free time vouchers and health care in private health care facilities. Moreover, ABC currently offers a winter break between the Christmas and New Year's Day holidays. Recognizing the importance of work/life balance, ABC encourages employees to enjoy all of their PTO.

# 4.2. SWOT Analysis with Regard to Human Capital

### Strengths

- Well qualified and skilled employees willing to do their job properly
- Employees, who are committed, loyal, responsible and willing to over work
- Employees satisfaction from the job
- Unique flexibility caused by multiculturalism of employees

## Weaknesses

- Insufficient level of flexible or fast reactions on quickly changing demands of customers
- Not satisfactory level of ability to set up well timed and clear conditions of the relationship with clients
- Low quality of detailed project planning
- Unclear internal communication

# **Opportunities**

- Development of the employees' skills by various trainings, courses
- Promotion of outstanding performance across the branches
- Mergers or strategic alliances with other organizations may bring new innovative ideas about international human resources management

## Threats

- Quickly changing demand
- Other organizations may attract employees
- Immigrants from abroad may leave back to their home country

# 4.3. Brief Job Description of Both Positions

The participants of the survey hold one of the following job positions. In order to understand the specifics of both mentioned occupations, the job description according to the international O\*NET database is used:

## Individual Contributor

- Maintain the network server
- Test and evaluate hardware and software to determine efficiency, reliability, and compatibility with existing system
- Design and implement systems, integration of technologies, and network architecture
- Assist users to diagnose and solve data communication problems
- Monitor the system and provide security measures
- Cooperate with other engineers, programmers, and top-level managers
- Train users in use of equipment
- Individual contributor do not have any direct subordinates and reports directly to manager/team leader

## Manager – Team Leader

- Modify existing software to correct errors, allow it to adapt to new hardware, or to improve its performance.
- Confer with systems analysts, engineers, programmers and others to design system and to obtain information on project limitations and capabilities, performance requirements and interfaces.
- Analyze user needs and software requirements to determine feasibility of design within time and cost constraints.
- Consult with customers about software system design and maintenance.
- Supervise the work of programmers, technologists and technicians and other engineering and scientific personnel.
- Coordinate software system installation and monitor equipment functioning to ensure specifications are met.

- Obtain and evaluate information on factors such as reporting formats required, costs, and security needs to determine hardware configuration.
- Manager/ team-leader manages his team of 3 to 16 individual contributors and reports directly to senior manager or straightly to headquarters in the US depending on the project

# 4.4. Research and Sampling

This chapter presents the method and the procedure used to explore and investigate the significant differences between French and Czech employees as a national culture's impact on the organizational culture. The aim of the research is to confirm or to refuse the hypotheses.

The reason why these two particular cultures were selected and then compared is simple; these two nationalities create the majority of employees at the lower managerial positions (either Individual contributor or Manager – Team leader) of the ABC company.

The sample of this study consists of employees of either Czech or French nationality. Samples were fully collected from the Czech branch of ABC. The questionnaires were sent by email to each participant of this survey and submitted online. They were available to fill in more than for a month. The person responsible for the delivery and the collection was the HR consultant of this company, with whom the author was in frequent touch.

There are 14 French employees and 16 Czech employees at the Czech branch of ABC, holding the positions either of an Individual contributor or a Manager – Team leader. All 30 questionnaires were successfully submitted and returned. The sample thus represents the whole basic data set (all French and all Czech employees on the certain job level, at the certain branch).

After the data gathering, the analysis of the results was conducted. The analysis is divided into three parts in accordance with the structure of the questionnaire.

#### The questionnaire

The questionnaire is formed and based on the theoretical information (for detail view see Appendix 5). It is the main resource for information about the attitudes and opinions of the employees regarding the motivation and job satisfaction. It is composed of four parts: the first one contains of general identification questions such as the type of position and the nationality; the second focuses on the hierarchy of needs; the third one examines the national culture's characteristics according to the Hofstede's dimensions and the fourth investigates the current job satisfaction among the employees.

All survey questions were scored on the five-point Likert scale (5-4-3-2-1) with different response categories, such as from "Strongly agree" to "Strongly disagree" and from "Of utmost importance" to "of very little importance". In order to analyze them and to understand the relations between them, the answers were weighted according to the following rule:

- 1 = strongly agree/ of utmost importance;
- 2 = agree / very important;
- 3 = undecided/ of moderate importance;
- 4 = disagree/ of little importance;
- 5 = strongly disagree/ of very little or no importance.

Weights of 5, 4, 3, 2, and 1 were given for favorable statements in the order of their favorableness and for unfavorable statements, the scoring system is reversed. Thus, if one selects "Strongly Agree" response for a favorable statement, he/she gets a score of 5 and for the same response, if the statement is unfavorable one gets a score of 0. Only for the "Undecided" response, one gets always a score of '2' whether a statement is favorable or unfavorable.

## Limitations

The study conducted is limited to 100 % of the employees of one branch of one multinational organization only and it may not represent the whole French or Czech attitudes.

# 5. Analysis of Results, Observations and Recommendations

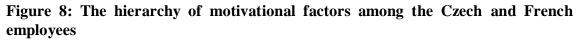
In this chapter, the general findings and observations are analyzed. All 30 questionnaires were taken into consideration while analyzing the data. Respondents were instructed that their responses to the questionnaire would be confidential and kept anonymous.

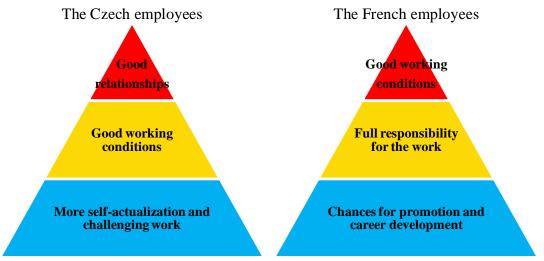
# 5.1. Analysis of the Hierarchy of Motivational Needs

When analyzing the needs' hierarchy of the personnel, the following hypothesis was formulated:

Hypothesis 1: There are significant differences in the needs hierarchy between the Czech and French employees.

The participants had the possibility to choose the level importance of 11 potential motivational factors, such as employment security, good working conditions, etc. The goal of this part was to examine if there are significant differences in the hierarchy of motivational factors. The following Figure 8 summarizes the findings.





Source: own calculations based on the research results

#### The Czech Respondents

The Czech employees consider these three factors as the utmost important when thinking about their ideal job:

- Having good relationships with other colleagues;
- Having good working conditions;
- Having more self-actualization and challenging work.

They also believe it is very important to have a job that leaves sufficient time for personal or family life with chances for promotion and career development. The need for involvement in work-related decisions is central as well. However, the statement "to have full responsibility for the work" lag behind those self-actualization needs. This indicates the Czech respondents want to be involved in decision making, but they do not want to take full responsibility for their results.

The Table 3 shows the counted averages of the Czech respondents' answers regarding the importance they give to the following statements. In order to see, whether the average follows the mostly used answer, the mode (the value that occurs most frequently in a data set) was counted as well.

STATEMENT	Average/ (Mode)
Good relationship with other colleagues	4.7/ (5)
Good working conditions	4.6/ (5)
More self-actualization and challenging work	4.2/ (4)
Job that leaves sufficient time for your personal or family life	4.0/ (4)
Chances for promotion (career development)	4.0/ (4)
Be involved in work-related decisions	3.8/ (4)
Full responsibility for your work	3.8/ (4)
Employment security	3.6/ (4)
Collective responsibility	3.3/ (4)
Job with clear instructions and list of tasks to perform	2.6/ (3)
Job with routine tasks	1.7/ (1)

Table 3: The calculated	averages of the	<b>Czech respondents</b> <sup>2</sup>	answers

Source: own calculations based on the research results

The factors that seem to demonstrate little importance among the Czech employees are:

- Collective responsibility;
- Job with clear instructions and list of tasks to perform;
- Job with routine tasks.

However, in the case of collective responsibility it is not possible to clearly assess if this factor belongs in fact to the needs of little importance or moderate one, because the mode is 4, which means that the response "very important" occurred the most.

Similarly, "the job that leaves sufficient time for personal or family life" is on the fourth place in order, yet the mode is 4, which means the Czech personnel considers this factor as very important.

Employment security belongs to the factors with moderate importance.

#### The French Respondents

The French employees consider the following factors as the utmost important when thinking about their ideal job:

- Having good working conditions;
- Having full responsibility for the work.

On the third place we have to consider more factors which have almost the same value for the French respondents:

- Having chances for promotion and career development;
- Having more self-actualization and challenging work;
- Be involved in work-related decisions.

All the factors mentioned above go together and represent self-actualization needs.

The Table 4 shows the counted averages of the French respondents' answers regarding the importance they give to the following statements. In order to see, whether the average follows the mostly used answer, the mode was counted as well.

Average/ (Mode)
4.7/ (5)
4.4/ (5)
4.1/ (4)
4.1/(4)
4.1/(4)
4/ (4)
3.7/ (4)
3.6/ (4)
3.2/ (4)
2.5/ (1)
1.6/ (1)

 Table 4: The counted averages of the French respondents' answers

Source: own calculations based on the research results

The factors that seemed to show least importance among the French employees are the same as among the Czech employees:

- Collective responsibility;
- Job with clear instructions and list of tasks to perform;
- Job with routine tasks.

Similarly as in the case of Czech employees, it is not very clear how to interpret in reality the importance of collective responsibility for the respondents. Even though the average value is 3.2 only, the mode regarding this factor is 4, which represents very important issue.

Also, "the job that leaves sufficient time for the personal or family life" is on the sixth place in order based on averages, yet the mode is 4, which means the French personnel mostly marked this factor as very important.

Employment security together with good relationship with other colleagues belongs to the factors with moderate importance.

We can conclude there are evident differences in hierarchy of needs between the Czech and French employees. The Czech workers value the most the good relationships with other colleagues, and are more oriented on the environment they work in. While the French refer to more career oriented needs and prefer not only good working conditions but also full responsibility for the work and career development.

The research shows there is also some analogy in regards of the hierarchy of needs, obviously regarding the needs with least importance. To conclude, we support the hypothesis of the hierarchy of needs.

# 5.2. Analysis of the Cultural Differences Based on Hofstede's Study

In this part, the research focuses on the comparison of both cultures in terms of Hofstede's cultural dimensions.

#### Individualism

When analyzing the individualism/collectivism dimension, the following hypothesis was formulated:

*Hypothesis 2: There are significant differences between the Czech and French group in the individualism – collectivism dimension.* 

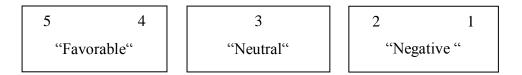
The French culture scores high in individualism according to Hofstede's study, thus we can assume that the French scores will reflect the individualism. On the other hand, the Czech culture is rather collectivistic and therefore we can expect that collectivism will be exhibited by the Czech employees.

For this purpose the following statements were chosen:

- I consider it important to try and stand out from the rest (this may be during meetings, presentations or discussions);
- As an employee, I perform best when operating in a group and anonymously;
- Praise should always be directed to a team rather than individuals.

The first statement is focusing on individualism, the second and the third one are directing on collectivism. To examine and analyze them, the answers of the first statement were quantified conversely, i.e.: 1=strongly agree, 2=agree, 3=undecided, 4=disagree, 5=strongly disagree.

In order to investigate them, the responses were collapsed into condensed categories:



First, the percentage favorable (the percentage of 5-4 responses) and the percentage negative (the percentage of 2-1 responses) were computed. Then, the net negative response for each question was calculated. Averaging these scores across all questions provides the individualism index.

Based on the calculations, the Table 5 and Table 6 were created.

Table 5: Individualism index of the Czech employees

				Net negative
STATEMENT	Favorable	Neutral	Negative	response
I consider it important to try and stand				
out from the rest. <sup>VI</sup>	25.0 %	37.5 %	37.5 %	12.5 %
As an employee, I perform best when				
operating in a group and anonymously.	12.5 %	31.3 %	56.3 %	43.8 %
Praise should always be directed to a				
team rather than individuals.	12.5 %	6.3 %	81.3 %	68.8 %
	I	ndividual	ism index	0.42

Source: own calculations based on the research results

<sup>&</sup>lt;sup>VI</sup> The responses were converted

The individualism index of 0.42 tells that there are by 42 % more Czech employees who disagree with these statements than who agree with them.

Similarly, the individualism index of 0.79 tells that there are by 79 % more French employees who disagree with these statements than who agree with them.

			Net negative
Favorable	Neutral	Negative	response
0 %	28.6 %	71.4 %	71.4 %
0 %	7.1 %	92.9 %	92.9 %
7.1 %	14.3 %	78.6 %	71.4 %
I	ndividual	ism index	0.79
	0 % 0 % 7.1 %	0 % 28.6 % 0 % 7.1 % 7.1 % 14.3 %	0 % 7.1 % 92.9 %

Table 6: Individualism index of the French employees

Source: own calculations based on the research results

From this finding we can conclude, that (1) there are much more French respondents who disagree with these statements, and (2) the French employees behave more individualistic than their Czech colleagues.

A detailed analysis of each statement follows below.

#### I consider it important to try and stand out from the rest

More than 71 % of the French respondents are positive about this statement, almost 29 % are undecided. None of the French respondents disagreed with this statement. On the other hand, only 37.5 % of their Czech colleagues are favorable about this statement, the same percentage (37.5 %) of them is undecided, and 25 % disagree or strongly disagree with the statement (see Figure 9).

<sup>&</sup>lt;sup>VII</sup> The responses were converted

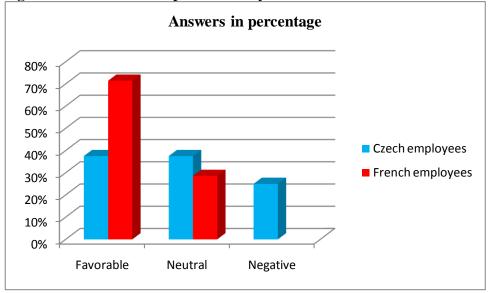


Figure 9: I consider it important to try and stand out from the rest

These findings strongly support Hofstede's conclusions. Based on the study of the survey answers, we can consider the French employees being strongly individualistic. Furthermore, the French employees at ABC are in fact much more individualistic than their Czech colleagues. The approach of the Czech employees is rather ambiguous and thus we can just confirm that regarding this statement the Czech employees have low to moderate level of individualism.

#### As an employee, I perform best when operating in a group and anonymously

None of the French employees agrees with the statement; only 7 % are undecided and almost 93 % are negative about it. Concerning the Czech employees, only 12.5 % of them are in agreement with this statement, 31 % are undecided and more than 56 % are unfavorable about this statement (see Figure 10).

Source: own calculations based on the research results

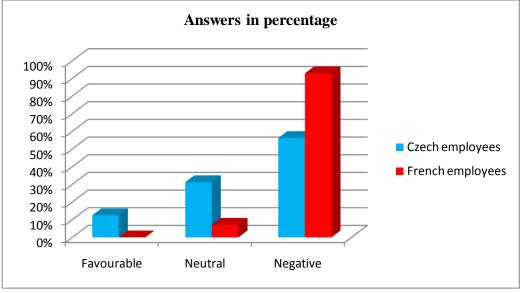


Figure 10: As an employee, I perform best when operating in a group and anonymously

Source: own calculations based on the research results

This again refers to the differences in individualism-collectivism approach between the French and Czech personnel. Even though only minority of the Czech employees agreed with this fact, the majority of the Czech respondents is smaller compared to the French group. In fact, the Czech employees enjoy both: working in a group and being collectively responsible for certain assignments, as well as being individually in charge of particular tasks.

#### Praise should always be directed to a team rather than individuals

Only 21 % of the French employees are either undecided or positive about this statement, whereas the remaining 79 % of them are negative about it. With regards to the Czech employees, only 19 % are either undecided or favorable about it, and more than 81 % of them are unfavorable (see Figure 11).

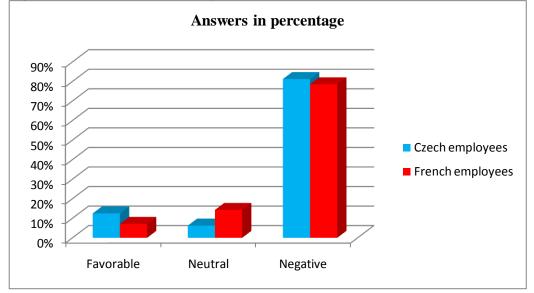


Figure 11: Praise should always be directed to a team rather than individuals

Source: own calculations based on the research results

This finding reflects strong individualism of the French employees and shows that even though the Czech employees are more collectivistic in nature, they also tend to illustrate strong individualistic features.

## **Power Distance**

When analyzing the power-distance dimension, the following hypothesis was formulated:

Hypothesis 3: There are significant differences between the Czech and French group in the power distance dimension.

The French culture scores high in power distance according to the Hofstede's study, thus we can expect higher power distance index by the French employees. On the other hand, the Czech culture is characterized by a flatter organization structure and therefore we expect lower power distance index. When designing the questionnaire for the research, the following statements were used to examine the beliefs of participants regarding the power distance dimension:

- Subordinates are expect to be told what to do;
- I consider bypassing my boss as insubordination;
- My supervisor asks me for my input to help make decisions.

In order to analyze and examine the situation regarding the power distance, the answers of the third statement were quantified conversely compared to other two statements. The responses were then collapsed into condensed categories: favorable, neutral and negative and the power distance index was calculated, see Table 7 and Table 8. When calculating the power distance index, the net favorable response was used.

STATEMENT	Favorable	Neutral	Negative	Net Favorable response
Subordinates are expected to be told what to do.	37.5 %	12.5 %	50.0 %	-12.5 %
I consider bypassing my boss as insubordination.	31.3 %	25.0 %	43.8 %	-12.5 %
<i>My supervisor asks me for my input to help make decisions.</i> <sup>VIII</sup>	68.8 %	25.0 %	6.3 %	62.5 %
		Power dist	ance index	0.125

Table 7: Power distance index of the Czech employees

Source: own calculations based on the research results

The Power distance index of 0.125 tells that there are by 12.5 % more Czech employees who agree with these statements than those who do not.

VIII The responses were converted

From Table 8 we can see the French team is represented by higher power distance. There are by 29 % more of them who agree with these statements than those who do not.

STATEMENT	Favorable	Neutral	Negative	Net Favorable response
Subordinates are expected to be told what to do.	28.6 %	21.4 %	50.0 %	-21.4 %
I consider bypassing my boss as insubordination.	50.0 %	35.7 %	14.3 %	35.7 %
<i>My supervisor asks me for my input to help make decisions.</i> <sup>IX</sup>	78.6 %	14.3 %	7.1 %	71.4 %
	0.29			

Table 8: Power	· distance	e index of	the F	rench	employe	es
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Source: own calculations based on the research results

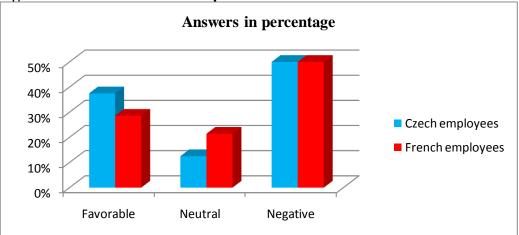
Based on both indexes we can conclude there are significant differences in power distance index between both nationalities.

A detailed analysis of each statement follows.

Subordinates are expected to be told what to do

In this case, 50 % of the Czech employees are negative about the statement, almost 37.5 % are favorable and 12.5 % are undecided. Similarly, 50 % of the French workers are unfavorable about it, almost 29 % are positive and 21 % are neutral, see Figure 12.

Figure 12: Subordinates are expected to be told what to do



Source: own calculations based on the research results

<sup>&</sup>lt;sup>IX</sup> The responses were converted

It indicates that employees in ABC, both Czech and French, are more independent and self-reliant.

#### I consider bypassing my boss as insubordination

Almost 44 % of the Czech staff is negative about the statement, 31 % are favorable; and 25 % are neutral. Whereas only 14 % of the French participants are negative about it; 50 % are positive; and 36 % are undecided (see Figure 13).

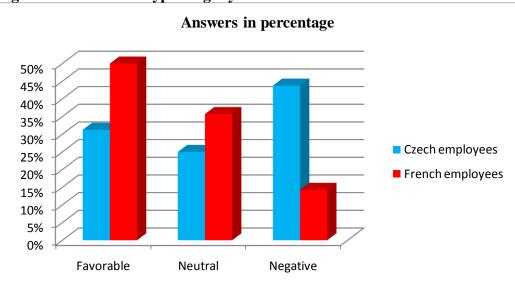


Figure 13: I consider bypassing my boss as insubordination

The above results point toward differences in power distance. They demonstrate that the Czech employees show lower level of power distance than their French colleagues. The French team members reveal a significantly higher importance attached to hierarchy in the organization, compared to their Czech colleagues.

Source: own calculations based on the research results

#### My supervisor asks me for my input to help make decisions

Almost 69 % of the Czech employees are positive about the statement; 6 % are unfavorable; and 25 % are undecided. In the same way, almost 79 % of the French personnel are favorable; 7 % of them are negative; and 14 % are neutral (see Figure 14).

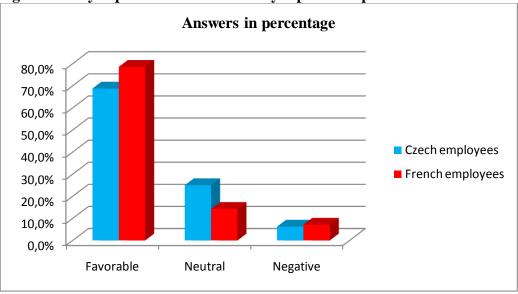


Figure 14: My supervisor asks me for my input to help make decisions

Source: own calculations based on the research results

These results support the finding of the first statement of this part – namely that we are dealing here with more autonomous and self-reliant employees. Respondents of both cultures answered very similarly in regards of these two statements and this may be due to the American corporate culture, or because the groups are too small to follow the defined roles.

#### **Uncertainty Avoidance**

When analyzing the uncertainty-avoidance dimension, the following hypothesis was formulated:

Hypothesis 4: There are significant differences between the Czech and French group in the uncertainty avoidance dimension.

This dimension concerns the level of acceptance for uncertainty and ambiguity within a society. Both countries have in general rather higher uncertainty avoidance score, thus we can expect that both of the studied cultures will show analogous results. Nevertheless, in detail, the French culture scores 86 and the Czech 74 in uncertainty avoidance, thus we suppose that the French personnel have lower tolerance for uncertainty and ambiguity and thus are more rule-oriented.

In this case, only one statement was used to examine the uncertainty avoidance level by both cultures:

- I feel uncertain about the future of my job.

From the answers of the respondents the net negative response was calculated, it also represents the uncertainty avoidance index (UAI<sub>CZECH</sub> = 0.38; UAI<sub>FRENCH</sub> =0.57). These numbers cannot tell us which of these cultures has low or high uncertainty avoidance; however, they compare the Czech and French responses to give us the idea about which one of these groups feels more or less uncertain about the future of the job.

From the Table 9 we can see that more than 62.5 % of the Czech participants are unfavorable about the statement. Only 25 % of them are positive about it; and 12.5 % are neutral. The French participants (71.4 %) are even more negative about it, with 14.3 % being undecided.

	The Czech Employees	The French employees
Favorable	25 %	14.3 %
Neutral	12.5 %	14.3 %
Negative	62.5 %	71.4 %
(Net negative response)	(37.5 %)	(57.1 %)
Uncertainty avoidance index	0.375	0.57

<b>T</b> 11 A	<b>T</b> 1		• 1	• •
Table 9	: []	ncertainty	avoidance	index

Source: own calculations based on the research results

The net negative response tells us that there are by 37.5 % more Czech employees who responded negatively compared to those, who answered positively about this statement. Regarding the French employees, there are by 57.1 % more French respondents who answered negatively compared to those, who replied positively.

Based on the calculations we can conclude both groups of participants feel safe about the future of their job, however, the Czech employees at ABC company have higher uncertainty avoidance index compared to their French colleagues. It means that the French people at ABC feel safer regarding their job future.

The Figure 15 points out on similar attitudes among the Czech and French participants. The majority of respondents feel safe about the future of the job.

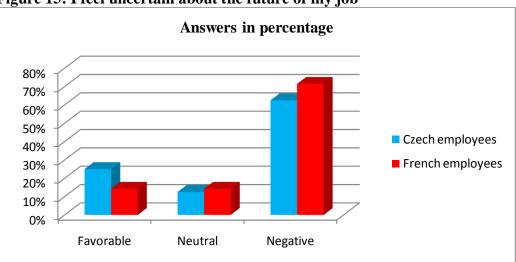


Figure 15: I feel uncertain about the future of my job

Source: own calculations based on the research results

In order to examine the above statement in more details, the author focused on differences between the two job positions. From the Figure 16 it is obvious, that supervisors (managers - team leaders) feel slightly less uncertain about the future of their jobs compared to their subordinates; 80 % of them are unfavorable about this statement. On the other hand, subordinates, represented by individual contributors are less sure about their future; almost one quarter of them is positive about the statement.

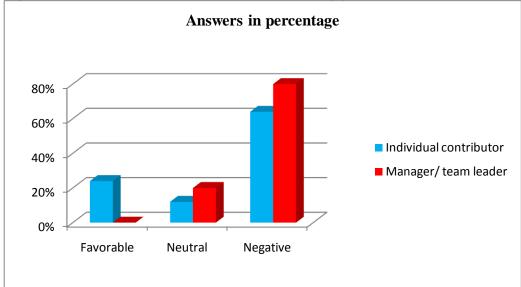


Figure 16: I feel uncertain about the future of my job

Source: own calculations based on the research results

There are many reasons why the feelings about the future of the job vary among the respondents. The higher confidence demonstrated by individuals at managerial positions may arise from their stable situation, longer commitment and loyalty to the company, which altogether gives them the self-assurance about the future of their jobs.

## Masculinity

When analyzing the masculinity dimension, the following hypothesis was formulated:

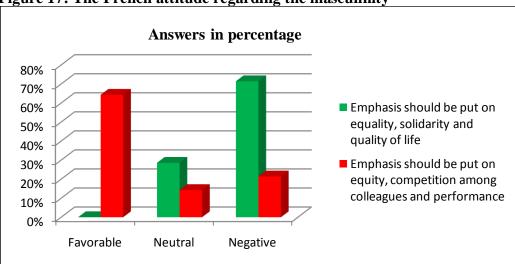
*Hypothesis 5: There are significant differences between the Czech and French group in the masculinity/femininity dimension.* 

In order to study the cultural orientation regarding masculinity, following two statements were selected to study the differences:

- Emphasis should be put on equity, competition among colleagues and performance;
- Emphasis should be put on equality, solidarity and quality of life.

Based on the Hofstede's research, we should expect more feminine characteristics by French employees and stronger masculine features by their Czech colleagues.

The expectation is however not approved in the analyzed company. As we can see from the Figure 17, more than 70 % of the French employees are unfavorable about the statement: *"Stress should be put on equality, solidarity and quality of life"*. None of them agreed with it, and almost 30 % of them could not decide.





Source: own calculations based on the research results

Moreover, almost 64 % is positive about the second statement: "*Emphasis should be put on equity, competition among colleagues and performance*". This finding strongly contradicts the French characteristics regarding the masculinity dimension.

On the other hand it goes together with the results from the hierarchy of needs of French participants. They underlined the importance of chances for promotion and career development much more than, for example, job that leaves sufficient time for the personal or family life. Also, it is important to mention, that the sample is relatively young, the age of participants is between 25 to 35 years. Therefore we can expect that these employees are in the stage of their life, where they want to grow professionally and develop their skills and knowledge, or in other words, to climb the development ladder. Mostly, they yet do not have the required experience to hold more mature and senior positions which usually offers space for solidarity, equality and quality of life.

When it comes to the Czech respondents, based on Hofstede's research, we would assume that the Czech personnel would emphasize competition among colleagues, value success and material possessions; and thus would be in agreement with the statement that emphasizes *"equity, competition among colleagues and performance"*. This hypothesis is indeed confirmed by the survey. The Figure 18 shows that the Czech participants are much more masculine and performance oriented.

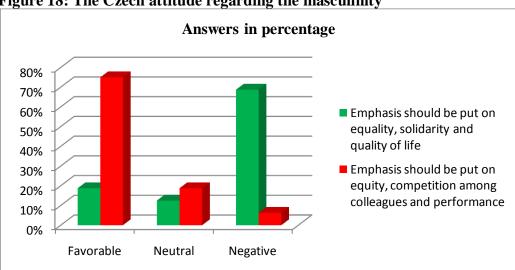


Figure 18: The Czech attitude regarding the masculinity

Source: own calculations based on the research results

Around 75 % of the Czech employees are positive about the statement that stresses equity, competition among colleagues and performance and in contrast, 69 % are unfavorable about the statement highlighting the equality, solidarity and quality of life.

Similarly as with the French employees, we cannot really tell whether their masculine orientation is based on their personal attitude or rather because of their current situation where they prefer career development to quality of life.

# 5.3. Analysis of the Job Satisfaction

When analyzing the job satisfaction of the personnel, the following hypothesis was formulated:

*Hypothesis 4: There are significant differences between the Czech and French group in the job satisfaction.* 

The following six statements were selected for the analysis of the job satisfaction of the surveyed employees:

- I am satisfied with my overall job security;
- I am satisfied with the company as a place to work;
- I feel that I am valued and affirmed by this company;
- I am satisfied with the work environment;
- Overall, I am satisfied with my job;
- I would definitely suggest this company to a friend as a good place to work.

In order to analyze them, the responses were again collapsed into three condensed categories: favorable, neutral and negative. Based on net favorable response, the job satisfaction index was calculated.

Regarding the Czech employees, the calculated job satisfaction index is 0.80 (see Table 10). It shows that there are by 80% more generally satisfied Czech employees than the unsatisfied ones. When looking at particular statements, it is obvious that the overall job security together with the company as a place to work bring the most employees' satisfaction. On the other hand, the lowest net favorable response (69 %) concerns the statement *"I feel that I am valued and affirmed by this company"*.

STATEMENT	Favorable	Neutral	Negative	Net positive response
I am satisfied with my overall job security.	94 %	6 %	0 %	94 %
I am satisfied with the company as a place to work.	94 %	0 %	6 %	88 %
I feel that I am valued and affirmed by this company.	75 %	19 %	6 %	69 %
I am satisfied with the work environment.	81 %	13 %	6 %	75 %
Overall, I am satisfied with my job.	81 %	13 %	6 %	75 %
I would definitely suggest this company to a friend as a good place to work.	81 %	19 %	0 %	81 %
	Czech	Job Satisfa	ction Index	0.80

 Table 10: The net favorable response and the job satisfaction index regarding the

 Czech employees

Source: own calculations based on the research results

When analyzing the French group of the respondents, it was discovered, that the job satisfaction index of French employees (0.71) is significantly lower than Czech one, see Table 11. Such a result is mostly caused by the weak net favorable response regarding the work environment and feelings of affirmation and being valued by the company.

Table 11: The net favorable response	and the job	o satisfaction	ı index	regarding the
French employees				

STATEMENT	Favorable	Neutral	Negative	Net positive response
I am satisfied with my overall job security.	93 %	7 %	0 %	93 %
I am satisfied with the company as a place to work.	93 %	0 %	7 %	86 %
I feel that I am valued and affirmed by this company.	71 %	7 %	21 %	50 %
I am satisfied with the work environment.	71 %	7 %	21 %	50 %
Overall, I am satisfied with my job.	79 %	14 %	7 %	71 %
I would definitely suggest this company to a friend as a good place to work.	86 %	7 %	7 %	79 %
French Job Satisfaction Index				0.71

Source: own calculations based on the research results

Similarly as in the case of the Czech group, also the French one feels strong overall job security and is generally very satisfied with the company as a place to work. Surprisingly, 7 % of the French personnel would definitely not suggest this company to a friend as a place to work.

To conclude, both Czech as well as French employees are generally satisfied about their jobs. The job security and the place they work at bring them the most fulfillments, on the other side; there is a space for improvement from the managerial side towards the subordinates who feel they are not appropriately valued and affirmed by the company.

Moreover, the study does not examine the employees' satisfaction with pay or with rewards in general, thus it is hard to see and to understand what is behind the negative answers.

## 5.4. Recommendations

The aim of this chapter is to suggest and propose ideas for improvement, which arise from the analysis provided. The outcome of the study gives an idea about the current situation in the organization regarding the employees' motivation and satisfaction. And it therefore might be used as a base for further assessments of the internal environment at ABC. Nevertheless, to develop a rewarding system which attracts and motivates personnel requires special attention; solicitous observations and deeper assessment is needed.

The discrepancy in the job satisfaction between the Czech and the French employees may arise from a mixture of aspects, such as management styles, job security and compensation structures, career development, performance evaluation and motivational strategies. This study points out to the circumstantial evidence of the cultural differences only.

#### **Recommendations Regarding the Czech Employees**

Regarding the hierarchy of needs, the factors that place the most important role in the Czechs' career are relationships with other colleagues, the working conditions and self-actualization together with work challenge. Moreover, based on the job satisfaction analysis, it is apparent, that ABC might improve the concern for its employees. The Czechs are likely to react positively when the management: (1) improve communication across all departments, (2) emphasize the human values, treating the employees as human beings and stressing their development and involvement in decision making.

Based on Hofstede's cultural dimensions, the following ideas arise. In order to motivate the Czech workers the right way, the following aspects have to be considered.

Firstly, the Czech employees at ABC enjoy working individually as well as in teams. They want to take individual responsibility, and are good at working autonomously; nonetheless, they are also effective in group projects. This complete approach allows motivating them by various approaches; rewards might be directed either to individuals or to the team. On the other hand, from the study it is obvious, that the Czech personnel strongly disagreed with the statement: "praise should always be directed to a team rather than to individuals". Based on this, we can conclude that Czech employees are more likely to positively respond to individual recognition and individual rewards. Finally, the Czech workers should be aware of the fact, that their much more individualistic French colleagues will be less willing to collaborate with them in a group project.

Secondly, the Czechs at ABC company express lower power distance, especially in the case of boss-subordinate relationship. They believe in egalitarianism and thus do not consider bypassing their supervisor as insubordination. They entrust subordinates with important assignments and expect to be involved in decision making. Therefore, directive approach will not really work; rather more informal manners should be used. This might be an issue when collaborating with groups of higher power distance, such as the French, who expect usual respect and deference. Thirdly, the Czech respondents express masculine features. Similarly to the French colleagues, their priorities are achievement and self-actualization rather than family, relationships or quality of life. However, the provided analysis of the hierarchy of needs suggests to strongly consider the working conditions and good relationships with others, which are essential for the Czech employees. Consequently, the rewards should be based not only on performance and achievement, but also on other non-pay aspects, such as work activities, training, health, safety and well-being, or work-life balance issues.

#### **Recommendations Regarding the French Employees**

In order to motivate the French employees the right way, the following aspects have to be taken into consideration.

Regarding the hierarchy of needs, the factors that play the most important role in the French people's career are good working conditions, chances for promotion, career development and other aspects connected with promotion, self-actualization and full responsibility. Moreover, based on the job satisfaction analysis, there is definitely a demand from the employees' side for improving the working environment. The French individuals are also likely to respond to more job challenge, involvement in decision making, and recognition for accomplishments.

Based on Hofstede's cultural dimensions, the following ideas arise. Firstly, the French employees at ABC act highly individualistically; they strive for personal achievement and individual goals. They consider it important to stand out from the rest. They expect to work on their own and take the responsibility for their results. Moreover, they are not motivated when operating in a group and anonymously. Thus, (1) individual assignments; (2) individual recognition; and (3) self-actualization and challenging work are essential when encouraging them for greater performance. On the other hand, group discussions, to increase a team spirit of the French personnel, may improve the relations with other collectivistic cultures.

Keeping the above in mind when organizing work will definitely generate positive outcome. Additionally, those employees from more collectivistic cultures have to be aware of these differences, harness them in the right way, (i.e. not to push French people into projects with group responsibility where they cannot express their individual proficiency), so that both parties can gain from the diversity.

Secondly, the French individuals at ABC express higher power distance, especially in the case of boss-subordinate relationship. They consider bypassing their supervisor as insubordination. However, they take initiative in making decisions and, moreover, do not expect to be told what to do. Therefore, the following recommendations might be useful: (1) give clear and explicit goals and objectives; (2) set the level of responsibilities and place the boundaries of the decision making; (3) and show respect and deference to the supervisor. The French might be motivated by the career growth in the hierarchy and thus taking more responsibility for the results.

Thirdly, the French respondents express masculine features. Their priorities are achievement and self-actualization rather than family, relationships or quality of life. Even though this is not a typical French feature, the workforce at ABC consists of relatively young people, who might prefer building their career to family life. Consequently, the rewards should be based on performance, success, achievement, autonomy, influence, and authority.

With regards to the job satisfaction of the Czech and the French employees, both nationalities express high job satisfaction in general, however, they show lower satisfaction with how the organization values them. The concern for employees should be definitely improved. The management should encourage people to get better at what they are already good at. Employees have to identify themselves with organizational strategy and goals; have sense of engagement in the organization and feel their work is important and valuable.

Moreover, to get the real picture of the employee satisfaction, it is recommended to extend the area of questions and survey also other important motivators, such as for example pay. Nevertheless, the ABC's comparative advantage is based on the human capital, its uniqueness and competencies of personnel. Thus, it should concentrate on ensuring good and fair working conditions.

In conclusion, in order to motivate these employees for achieving better results and higher performance, it is crucial to take into account these features, learn and gain from them to attain not only friendlier atmosphere but also competitive advantage. A positive perception of diversity, valuing unique individuals, and specific approach to each client, can bring added value to each project and thus to the whole company. On the other hand, the most essential principles must be equal for each employee with no regards to his or her individual beliefs.

# 6. Conclusions

This chapter details the findings and observations made during the analysis of the differences in motivation and job satisfaction between the two national cultures within an international organization. This section also makes conclusions about the hypotheses set in the beginning of the research.

There are many motivational theories which have evolved during the last centuries, but there is none which takes into account the effect of culture. The theories fail to notice the importance of cultural and societal features. What works as a motivator in one society may be a constraint for another. An organization with no or little interest in cultural values may be affected by various problems caused by unsatisfied employees, such as higher turnover, lower productivity and lower commitment or morale.

In the diploma thesis various motivational theories were described. The author pays attention to their application with regards to culture and collects information whether they are culture bound or not. New research regarding motivation addresses the aspect of culture and refers to cultural intelligence. It is represented by the capability to be aware of the cultural differences, accept them and quickly adapt to them when necessary. A part of literature review deals with specific features of both Czech and French national culture.

Based on the theory, the hypotheses and the questionnaire were created. The questionnaire gives a deep look at the cultural beliefs of the Czech and the French staff members, surveys the situation regarding their needs and satisfaction at work. It helps to understand what stimulates the individuals and how to utilize their potential. To be aware of the particular employees' needs, to understand them and to create a rewarding system based on them, providing greater job satisfaction and thus, for example, lower probability of employees' turnover.

On the topic of the hierarchy of needs, we conclude there are evident differences in hierarchy of needs between the Czech and French employees. Good relationships with colleagues are much more valued by the Czech workers than by the French ones. Similarly, the French consider having full responsibility for the work as one of the utmost important factors, whereas the Czech employees seem to attach only moderate importance to it. According to the survey, the Czech personnel need to have a job that leaves sufficient time for their personal or family life and believe it is very important for them. On the contrary, this factor holds lower positions in terms of significance among the French staff. Therefore, we confirm and support the hypothesis of the hierarchy of needs.

The findings, which arise from the analysis based on Hofstede's dimensions, both support, as well as decline the hypothesis set at the beginning of the research.

First of all, with regards to individualism/collectivism dimension, we can conclude there are significant differences between the Czech and the French groups with regards to this dimension (IND<sub>CZECH</sub>=0.42; IND<sub>FRENCH</sub>=0.79). Thus, we can support the second hypothesis. The study also supports the general characteristics assumed by Hofstede's research about both cultures. The French staff behaves strongly individualistic; perform best when operating individually and with individual responsibilities. The Czech employees, on the other hand, do not follow so strict individualistic traits; they are able and willing to work in group assignments as well as separately, however, prefer being rewarded individually for their individual contribution.

Secondly, even though the differences in the power distance are rather small (PDI<sub>CZECH</sub>=0.125; PDI<sub>FRENCH</sub>=0.29), we support the third hypothesis. Moreover, the study also supports Hofstede's cultural characteristics of both cultures regarding the power distance. The French employees of ABC emphasize seniority, hierarchy and authority in work-related relations. They consider bypassing the boss as insubordination. On the contrary, the Czech workers are more liberal with this regard, and avoiding their manager does not reflect their indiscipline.

Thirdly, when dealing with uncertainty avoidance, there are significant differences regarding the Czech and French personnel (UAI<sub>CZECH</sub>=0.375; UAI<sub>FRENCH</sub>=0.57). However, there arises a question whether it is possible to evaluate uncertainty index

based just on one simple statement. The survey offers only one statement examining an aspect, which focuses just on the feelings about the future of the job. No other aspects, such as feelings about unstructured, risky or ambiguous situations, are provided. Therefore, the conclusion regarding this dimension is following: it is impossible to evaluate this element due to insufficient evidence regarding the uncertainty avoidance.

Fourthly, when referring to masculinity/femininity dimension, we deny the hypothesis. There are almost none differences in masculinity traits. Both cultures stress the importance of equity, assertiveness and competition among colleagues. This finding, indeed, contradicts Hofstede's features about the French culture regarding the masculinity. In general, the French culture is considered as feminine with emphasis on relationships and quality of life. However, this unexpected feature of the French employees at ABC company may arise from the organizational culture which is based upon the American corporate ideas and flat organizational structure with informal relations and with focus on performance.

The findings about the job satisfaction support the hypothesis set at the beginning of the research. The Czech employees display higher job satisfaction compared to their French colleagues ( $JSI_{CZECH}=0.80$ ;  $JSI_{FRENCH}=0.71$ ). The biggest difference arises from their satisfaction with the work environment, which is considerably lower compared to the Czech attitude. In general, both nationalities are generally satisfied at ABC, nevertheless, are less favorable about their felling of being valued and affirmed by the company.

Overall, the study supports four and denies one of the six hypotheses set in the beginning of the research; the hypothesis dealing with uncertainty avoidance was not accepted neither denied since the study does not offer sufficient evidence of support.

In general, the research shows that studying cultural differences among various groups is important. Rather than tolerate diversity in the workplace, the top management should stimulate the cultural uniqueness of each individual and be more flexible regarding stereotypes. Otherwise, people will face misunderstandings and conflicts when dealing with colleagues of different cultural background. Happy people perform better and are more successful in the workplace, thus ABC should take the findings into consideration and focus on improvement of working conditions.

As far as the suggestions for improvement coming from this thesis are concerned, diversity and unique individuals should be the key when managing and motivating the employees in multicultural environment.

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# 8. Appendices

# Appendix 1: The proportion of the theoretical frequencies for the $\chi^2$ test

# Table 12: Pivot table and theoretical frequencies for the statement: Prise should always be directed to a team rather than individuals

	Czech Employees	French Employees	Total amount (n. <sub>i</sub> )
Strongly disagree	4	4	8
Disagree	9	7	16
Undecided	1	2	3
Agree	2	1	3
Strongly agree	0	0	0
Total amount (n. <sub>j</sub> )	16	14	30

Source: Own calculations

n <sub>0j</sub>	Czech Employees	French Employees
Strongly disagree 8,53		7,47
Disagree	1,6	1,4
Undecided	1,6	1,4
Agree	4,27	3,73
Strongly agree	0	0

Table 13: The proportion of the theoretical frequencies for the  $\chi^2$  test

Source: Own calculations; the grey color highlights the columns with the value lower than 5

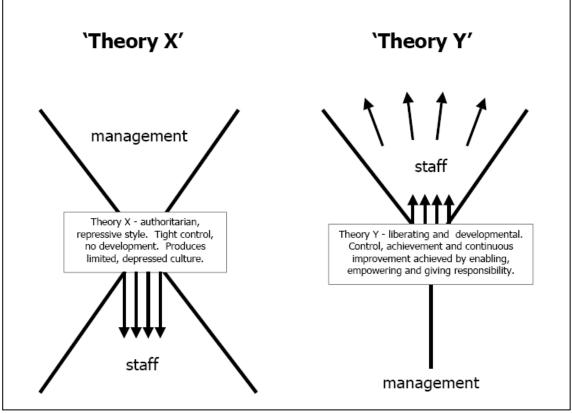
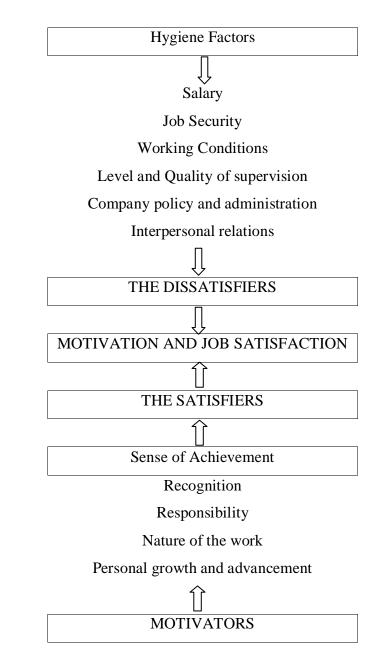


Figure 19: Douglas McGregor's XY Theory

Source: Chapman (2009)

## Appendix 3: Representation of Herzberg's Two-factor Theory

#### Figure 20: Representation of Herzberg's Two-factor Theory



Source: Mullins (2007), page 457

# Appendix 4: Average job satisfaction

Table 14: Ave	erage job satisfa	ction levels for se	elect countries
---------------	-------------------	---------------------	-----------------

Countries	Percentage of employees reporting high job satisfaction	Countries	Percentage of employees reporting high job satisfaction
Denmark	61	United Kingdom	38
Norway	55	Austria	36
Ireland	49	France	24
Germany	48	Czech Republic	11
Slovenia	40	Hungary	9

Source: Steers, et al. (2010)

#### Appendix 5: Questionnaire

#### CULTURAL DIFFERENCES IN MOTIVATION AND JOB SATISFACTION

Dear Sir/ Madame,

I am a student at Czech University of Life Sciences conducting research in cultural differences regarding motivation and job satisfaction. I am currently collecting data for the research and want to analyze cultural differences in motivation between French and Czech employees.

May I kindly request you to consider completing a short 10-minute survey about your motivation and cultural beliefs? Your response is extremely important to inform the research and me personally.

Your participation in this study is completely voluntary and your replies are confidential. No personal or identifying information that may be associated with your answers. Only aggregated responses will be shared.

There is no right or wrong answer in this survey. Therefore, you should not be worried about making mistakes. Please give answers that best describe your own beliefs.

Thank you for your willingness to participate in this study.

Cordially, Zuzana Hudáková

#### Please, circle your nationality and position you hold:

Nationality:	Position:
Czech	Manager/ team leader
French	Individual contributor

#### A: Regarding your IDEAL job, how important would it be to you to have:

#### (Please circle one number for each statement)

<b>5</b> = of utmost importance	4 = very important	<b>3</b> = of moderate importance
---------------------------------	--------------------	-----------------------------------

1.	Employment security	5	4	3	2	1
2.	Job that leaves sufficient time for your personal or family life	5	4	3	2	1
3.	More self-actualization and challenging work	5	4	3	2	1
4.	Full responsibility for your work	5	4	3	2	1
5.	Job with routine tasks	5	4	3	2	1
6.	Job with clear instructions and list of tasks to perform	5	4	3	2	1
7.	Be involved in work-related decisions	5	4	3	2	1
8.	Chances for promotion (career development)	5	4	3	2	1
9.	Good relationship with other colleagues	5	4	3	2	1
10.	Collective responsibility	5	4	3	2	1
11.	Good working conditions	5	4	3	2	1

B: Regarding your IDEAL job, to what extent do you agree or disagree with each of the following statements?

#### (Please circle one number for each statement)

5 = strongly agree 4 = agree 3 = undecided 2 = disagree 1 = strongly disagree

1.	Praise should always be directed to a team rather than	5	4	3	2	1
	individuals					
2.	As an employee, I perform best when operating in a group	5	4	3	2	1
	and anonymously					
3.	I consider it important to try and stand out from the rest. (This	5	4	3	2	1
	may be during meetings, presentations or discussions)					
4.	My supervisor asks me for my input to help make decisions	5	4	3	2	1
5.	I consider bypassing my boss as insubordination	5	4	3	2	1
6.	Subordinates are expected to be told what to do	5	4	3	2	1
7.	I feel uncertain about the future of my job	5	4	3	2	1
8.	New and ambiguous situations are challenging for me	5	4	3	2	1
9.	Stress should be put on equality, solidarity and quality of life	5	4	3	2	1
10.	Stress should be put on equity, competition among colleagues	5	4	3	2	1
	and performance					

C: Regarding your CURRENT job, to what extent do you agree or disagree with each of the following statements?

#### (Please circle one number for each statement)

5 =strongly agree	<b>4</b> = agree	<b>3</b> = undecided	2 = disagree	<b>1</b> = strongly disagree

1.	I am satisfied with my overall job security	5	4	3	2	1
2.	I am satisfied with the company as a place to work	5	4	3	2	1
3.	I feel that I am valued and affirmed by this company	5	4	3	2	1
4.	I am satisfied with the work environment	5	4	3	2	1
5.	Overall, I am satisfied with my job	5	4	3	2	1
6.	I would definitely suggest this company to a friend as a good	5	4	3	2	1
	place to work					

#### Thank you very much for your cooperation!

Table 15: Re	esults of the surv	ev – part A: Hi	erarchy of needs

ID	Position	Nationality		STATEMENTS									
ш	1 051001	rationality	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.
1	Individual contributor	Czech	4	4	4	3	1	2	4	4	4	3	4
2	Manager/ team leader	Czech	4	4	5	4	1	2	5	5	4	2	4
3	Individual contributor	French	3	3	3	5	1	3	3	4	4	2	4
4	Individual contributor	French	4	3	4	5	1	2	5	5	4	4	5
5	Individual contributor	Czech	3	3	5	3	1	2	4	4	4	3	5
6	Individual contributor	French	4	4	5	5	1	3	4	4	3	4	5
7	Individual contributor	French	5	4	4	4	1	1	4	3	3	4	5
8	Individual contributor	French	4	3	4	5	1	3	5	5	4	3	4
9	Individual contributor	Czech	5	4	4	4	1	4	4	4	5	5	5
10	Individual contributor	Czech	5	4	5	4	1	3	5	5	5	3	5
11	Individual contributor	French	4	5	4	3	2	2	4	5	4	2	4
12	Individual contributor	Czech	3	4	5	4	3	3	4	5	5	4	4
13	Individual contributor	Czech	2	4	4	4	1	2	4	4	5	3	4
14	Individual contributor	French	3	4	5	5	1	1	4	4	4	4	5
15	Individual contributor	Czech	4	4	5	5	2	3	3	4	5	4	5
16	Individual contributor	Czech	5	4	4	4	3	4	4	5	4	3	5
17	Individual contributor	French	3	5	4	4	1	2	3	3	4	4	5
18	Individual contributor	Czech	4	4	4	3	2	3	4	5	5	4	5
19	Individual contributor	Czech	1	4	4	3	4	1	1	1	5	1	5
20	Individual contributor	French	4	5	4	4	2	2	3	4	3	2	5
21	Individual contributor	French	4	2	5	5	1	3	5	5	4	2	5
22	Manager/ team leader	French	4	5	3	4	3	2	4	3	4	4	5
23	Manager/ team leader	French	4	4	4	5	2	3	4	4	3	3	4
24	Individual contributor	Czech	3	5	4	4	3	3	4	3	5	4	4

25	Individual contributor	Czech	4	5	2	3	1	1	4	2	4	1	4
26	Individual contributor	French	3	4	4	4	3	4	4	4	4	4	5
27	Individual contributor	French	2	5	4	4	2	4	5	5	4	3	5
28	Manager/ team leader	Czech	2	2	5	5	1	4	3	5	5	4	5
29	Manager/ team leader	Czech	5	5	3	4	1	1	4	4	5	4	4
30	Individual contributor	Czech	4	4	4	3	1	3	4	4	5	4	5

# Table 16: Results of the survey – part B: Hofstede'S dimensions

ID	Position	n Nationality		-		STA	ГЕМЕ	INTS			
ш	1 USILIOII	Nationality	1.	2.	3.	4.	5.	6.	7.	8.	9.
1	Individual contributor	Czech	1	2	2	1	3	1	2	2	4
2	Manager/ team leader	Czech	2	2	4	3	1	1	2	2	4
3	Individual contributor	French	1	1	3	2	4	2	2	1	5
4	Individual contributor	French	1	2	1	1	3	2	1	2	3
5	Individual contributor	Czech	2	2	2	2	4	3	2	3	4
6	Individual contributor	French	2	1	2	1	5	4	2	3	4
7	Individual contributor	French	2	2	2	2	3	3	3	2	5
8	Individual contributor	French	1	1	2	2	4	4	2	3	4
9	Individual contributor	Czech	2	2	3	4	5	3	3	2	5
10	Individual contributor	Czech	1	1	2	1	5	4	4	2	4
11	Individual contributor	French	2	1	2	2	2	2	2	3	4
12	Individual contributor	Czech	4	3	2	2	3	4	4	1	4
13	Individual contributor	Czech	2	2	3	1	3	2	2	2	4
14	Individual contributor	French	3	1	3	2	2	2	1	2	4
15	Individual contributor	Czech	4	5	4	3	3	1	1	1	3
16	Individual contributor	Czech	1	3	4	2	1	4	4	5	1
17	Individual contributor	French	2	2	2	3	4	2	2	1	2
18	Individual contributor	Czech	2	3	3	2	2	2	2	4	4

10	Individual	a 1							-		
19	contributor	Czech	1	1	1	3	1	4	5	2	4
20	Individual contributor	French	2	3	1	2	5	3	2	3	3
21	Individual contributor	French	3	2	1	2	3	2	3	2	2
22	Manager/ team leader	French	4	2	3	3	4	2	2	1	5
23	Manager/ team leader	French	2	2	2	2	3	4	2	2	4
24	Individual contributor	Czech	2	4	3	2	1	4	2	1	4
25	Individual contributor	Czech	3	3	3	2	2	2	2	2	3
26	Individual contributor	French	1	2	3	2	3	4	4	1	5
27	Individual contributor	French	2	2	1	4	4	3	4	2	2
28	Manager/ team leader	Czech	2	2	4	2	2	2	3	4	3
29	Manager/ team leader	Czech	2	1	1	2	4	2	2	2	4
30	Individual contributor	Czech	2	3	3	3	4	4	2	3	4

# Table 17: Results of the survey – part C: Job satisfaction

			STATEMENTS							
ID	Position	Nationality	1.	2.	3.	4.	5.	6.		
1	Individual contributor	Czech	4	4	4	3	4	5		
2	Manager/ team leader	Czech	4	4	4	4	4	4		
3	Individual contributor	French	5	4	2	4	3	4		
4	Individual contributor	French	5	5	5	5	5	5		
5	Individual contributor	Czech	4	4	5	4	5	4		
6	Individual contributor	French	4	5	4	5	5	5		
7	Individual contributor	French	4	4	4	4	4	4		
8	Individual contributor	French	5	5	4	4	5	5		
9	Individual contributor	Czech	4	4	4	4	4	4		
10	Individual contributor	Czech	5	5	3	3	3	3		
11	Individual contributor	French	5	5	5	5	5	5		
12	Individual contributor	Czech	4	4	3	4	4	4		
13	Individual contributor	Czech	4	4	4	4	4	4		
14	Individual contributor	French	4	5	5	5	5	5		
15	Individual contributor	Czech	4	5	4	5	4	5		
16	Individual contributor	Czech	4	2	2	4	2	4		
17	Individual contributor	French	4	4	2	2	2	4		
18	Individual contributor	Czech	4	5	4	5	4	5		
19	Individual contributor	Czech	4	5	3	4	4	3		

20	Individual contributor	French	4	5	4	4	5	5
21	Individual contributor	French	3	4	4	4	4	4
22	Manager/ team leader	French	4	4	3	2	4	4
23	Manager/ team leader	French	4	5	5	5	5	5
24	Individual contributor	Czech	3	4	4	4	4	4
25	Individual contributor	Czech	4	5	4	4	4	4
26	Individual contributor	French	4	4	4	3	3	3
27	Individual contributor	French	4	2	2	2	4	2
28	Manager/ team leader	Czech	5	5	4	4	4	5
29	Manager/ team leader	Czech	4	4	4	2	3	3
30	Individual contributor	Czech	4	4	4	4	4	4