

CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE

Faculty of Economics and Management

Department of Economics



Diploma thesis

**How culture affects doing business: Case study of China
and U.S.A.**

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CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE

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European Agrarian Diplomacy

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How culture affects doing business: Case study of China and U.S.A.

Objectives of thesis

The aim of thesis is to analyze and compare Chinese business culture and the U.S.A business culture according to Hofstede's cultural dimensions, Trompenaars dimensions of culture and ten major areas of business life from the personal cultural profile.

Methodology

The methodology of this thesis is based on descriptive and comparative analyses and different methods of investigation.

The proposed extent of the thesis

Approx 60-80 pages

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Culture, business, ethics, foreign countries, differences, China, U.S.A,

Recommended information sources

Hofstede Geert, Hofstede Gert Jan, Minkov Michael, Cultures and Organizations: Software of the Mind, McGraw-Hill, 2010, U.S.A., ISBN-13: 978-0071664189

Lewis, Richard D., When cultures collide: leading across cultures, Nicholas Brealey Publishing; 3rd Edition edition, Finland, 2005, ISBN 13: 978-1904838029

Richard M. Steers, Carlos J. Sanchez-Runde, Luciana Nardon, Management Across Cultures: Challenges and Strategies, Cambridge University Press, U.S.A., 2010, ISBN-13 978-0-511-68356-5

Tomalin Barry and Nicks Mike, The World's Business Cultures and How to Unlock Them, Thorogood Publishing, London EC2A 3DU, UK, 2007, ISBN 978-185418369-9

Trompenaars Fons and Hampden-Turner Charles, Riding The Waves of Culture: Understanding Diversity in Global Business, McGraw-Hill; 2 edition, 1997, ISBN-13: 978-0786311255

Trompenaars Fons and Peter Woolliams, Business Across Cultures, Capstone Publishing Ltd (a Wiley Company), 2003, England, ISBN 1-84112-474-5

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Declaration

I hereby declare that I have worked on the diploma thesis titled How culture affects doing business: Case study of China and U.S.A. completely on my own under supervising of Ing.Richard Selby, Ph.D. and that literature and other information sources I have used or cited are listed in the References section and cited in the text.

In Prague, March 13th 2015

.....

Nikiti Alexandr

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How culture affects doing business: Case study of China and U.S.A.

Jak kultura ovlivňuje podnikání: Případová studie Číny a Spojených států amerických

Summary

This work examines the differences of Chinese business culture and U.S.A. business culture. In order to achieve this objective this work closely examines in the theoretical part the concept of culture, Hofstede's cultural dimensions theory, Trompenaars seven dimensions of culture and the personal cultural profile. In practical part of this work cultures are compared with each other using the Hofstede's five dimensions of national cultures, Trompenaars seven dimensions of culture and ten major areas of business life from the personal cultural profile. Subsequently the similarities and differences between the cultures in Hofstede's five dimensions of national cultures, Trompenaars seven dimensions of culture and ten major areas of business life are found out.

Keywords

Culture, business, China, U.S.A., comparison of cultures, ethics, foreign countries

Souhrn

Tato práce zkoumá rozdíly mezi Čínskou kulturou podnikání a Spojených států amerických kulturou podnikání. V zájmu dosažení tohoto cíle v teoretické části práce jsou zkoumány pojmy jako kultura, Hofstedová teorie kulturních dimenzí, sedm Trompenaarsových dimenzí národních kultur a osobní kulturní profil. V praktické části této práce jsou kultury vzájemně porovnávány pomocí Hofstedových pěti dimenzí národních kultur, Trompenaarsových sedmi dimenzí národních kultur a deseti hlavních oblastí z podnikatelského života z osobního kulturního profilu. Následně jsou zjištěny podobnosti a rozdíly mezi kulturami v Hofstedových pěti dimenzích národních kultur, v Trompenaarsových dimenzích národních kultur a deseti hlavních oblastí podnikatelského života.

Klíčová slova

Kultura, podnikání, Čína, Spojené státy americké, srovnání kultur, etika, zahraniční země

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1. Introduction

As worldwide trade and business increase, there is an increasing effort on the part of global organizations and even nations and governments to get better communication and dialogue. It is becoming ever more obvious that in chase of this goal it is desirable not only to study foreign languages on a much greater scale but to show an understanding of other peoples' habits, societies and culture. (2) If we want to do commerce internationally it isn't enough just to know and apply a worldwide business model. We have to understand the culture of those we are dealing with. (1)

In today's modern world if the business desires to increase internationally it is necessary to be represented in many different countries and to deal with foreign corporations. Personal and training departments of several big businesses have invested big sums of capital in cross-cultural and internationalization programs and briefings for those employees who will represent them in a foreign country. (2)

This diploma thesis is looking at two completely dissimilar countries and cultures of China and U.S.A. China and U.S.A. are two biggest economies in the world. China is one of the major countries for outsourcing and both countries are the biggest overseas investors. Many U.S. companies are investing huge amounts of money in China and also Chinese investments in the U.S. are growing rapidly. The trade and business between these two nations is already very wide but still there are many new business possibilities which can be discovered. Therefore, it is vital to introduce Chinese business culture to U.S. businessman to let them know more about China. On the other side it is also necessary to introduced U.S. business culture to Chinese businessman. In this way, both sides could know more about each other. This will provide the opportunity for them to do well in trade and business cooperation.

2. Objectives of bachelor thesis, methodology

Objective of this diploma thesis is to compare Chinese business culture and U.S.A. business culture according to five Hofstedes dimensions of national cultures, Trompenaars seven dimensions of culture and ten major areas of business life from the personal cultural profile, and then to find out in which Hofstedes dimension, Trompenaars dimensions and which categories of cultural profile these countries differ or coincide and to decide whether these cultures are different or similar.

Aim of this work is to look more closely on these two completely dissimilar cultures from the business points of view. A complete description and comparison of these cultures should provide help those who would like to do commerce with China or U.S.A., and also it may help out Chinese who wishes to do business in the U.S.A. or Americans who want to do business in China.

Theoretical part of diploma thesis would consist of definitions of the culture concept, short overview of three levels of uniqueness in human mental programming, explanation of symbols and values, explanation of Hofstede's cultural dimensions theory, overview of five dimensions of national cultures, explanation of Trompenaars seven dimensions and explanation of the personal cultural profile. Theoretical part is essential for having fundamental understanding about cultural concept and values, cultural theories and cultural profiles; this information would allow comparing these nations in the practical part of diploma thesis.

Based on the information from the theoretical part is created practical part, where Hofstedes and Trompenaars cultural dimensions and categories of cultural profile are involved to accomplish demanded objectives. Theoretical knowledge is utilized in procedure of assessment China and U.S.A. according to five Hofstede's cultural dimensions, seven Trompenaars dimensions and ten major areas of business life from the personal cultural profile.

In the first part of practical part China and U.S.A are compared according to five Hofstede's cultural dimensions: *power distance index, individualism index, masculinity versus femininity, uncertainty avoidance index, and long-term orientation.*

In the second part of practical part China and U.S.A are compared according to seven Trompenaars dimensions: *universalism versus particularism, individualism versus collectivism, specific versus diffuse, neutral versus affective, achievement versus ascription, time orientation & sequential time versus synchronous time and internal-external control.*

In the third part of practical part China and U.S.A are compared according to *communication style, working style, discussion style, business attitude, leadership style, business relationship, decision-making style, basis for decision-making, attitude to time and work/life balance.*

Based on comparison according to Hofstede's cultural dimensions theory, Trompenaars seven dimensions and the personal cultural profile, conclusions are determined.

Methodological approach is wide as possible. Two main methods which are used in this diploma thesis are *descriptive method and comparative method.* Descriptive *method* is used in theoretical part of thesis as well as in practical part of thesis; it primarily serves to classify all the basic concepts as well as to classify key cultural characteristics of both cultures. Comparative method is just used in practical part of thesis where China and U.S.A. are compared with each other according to five Hofstedes dimensions of national cultures, Trompenaars seven dimensions and ten major areas of business life from the personal cultural profile. Comparative method serves essentially for comparison of these nations as well it helps to discover similarities and dissimilarities among them.

This thesis develops and extends the author's work from his Bachelor's thesis (9) previously defended at this university. Of necessity, some of the basic theory is repeated, but the research is completely different, covering different cultures and using different methodologies.

3. Literature Review

3.1. What is Culture

Geert Hofstede defined culture as "the collective programming of the mind that distinguishes the members of one category of people from another."⁽⁴⁾ According to Lewis "the key expression in this definition is collective programming. Although not as sinister as brainwashing, with its connotations of political coercion, it nevertheless describes a process to which each one of us has been subjected since birth."⁽²⁾

Hofstede claims that culture has two meanings, "first definition of the culture in Western languages commonly means 'civilization' or 'refinement of the mind' and in particular the results of such refinement, like education, art, and literature."⁽⁴⁾ This is 'culture in the narrow sense; **'culture one'**. Second definition of the culture is common among social anthropologists and it corresponds to a much broader use of the word, basically in this definition culture is seen as mental software **'culture two'**."^(4, 9)

Hofstede explains that "in social anthropology, 'culture' is a catchword for all those patterns of thinking, feeling, and acting referred to in the previous paragraphs. Not only those activities supposed to refine the mind are included in **'culture two'**, but also the ordinary and menial things in life: greeting, eating, showing or not showing feelings, keeping a certain physical distance from others, making love, or maintaining body hygiene."⁽⁴⁾ Also it very important to mention that "the culture is a collective phenomenon, because it is at least partly shared with people who live or lived within the same social environment, which is where it was learned."^(4, 9)

Since the birth of child parents already made their first culturally based decision- where the baby will sleep. In many Asian countries baby sleeps in the same room as parents and cradle is located invariably close to its mother for at least couple of years. In Britain and U.S.A baby is putted already from the beginning or after few months to

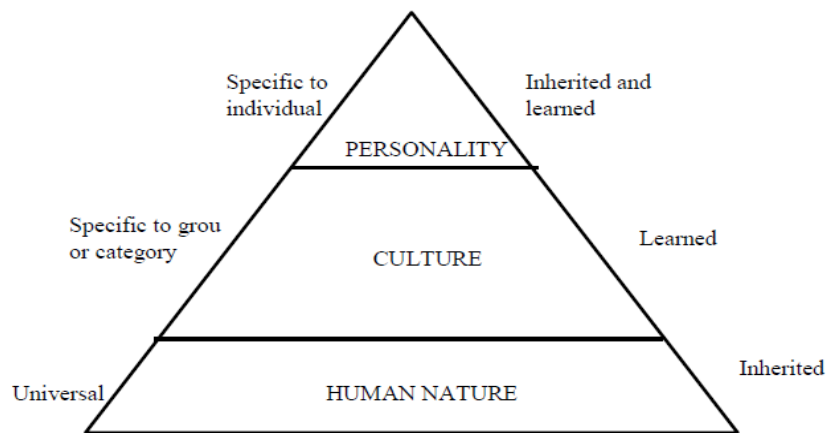
separate room. It is obvious that these two babies from two totally different cultures have already from their born totally different cultural attitudes. In the case of Asian baby, it will be much more dependent on the family and it will be not able to solve the problems in the same manner as the American baby. (2, 9)

According to Hofstede "values are among the first things children learn - not consciously, but implicitly. Development psychologists believe that by the age of 10, most children have their basic value system firmly in place, and after that age, changes are difficult to make."(4) Lewis explains that "since young age parents and teachers obviously give children the best advice they can to prepare them for successful interactions in their own culture and society, where good and bad, right and wrong, normal and abnormal are clearly defined."(2) Since these cultural principles were gained so early, a lot of them stay senseless to those who hold them. It is maybe unlucky in one common sense that every society gives its kids a diverse set of directions, every equally valid in their own surroundings, thus they can't be argued or discussed, nor can they be directly observed by outsiders. They can only be derived from the way community does something under various situations. As we get older, these learned communal approaches turn out to be our core beliefs, which we find nearly impossible to discard. We look upon others' beliefs and habits as weird, mainly because they are not the same as ours. (2, 4, 9)

3.2. Three Levels of Uniqueness in Human Mental Programming

It has already confirmed long time ago that culture is learned by particular group or class of people and that it differs among different nations, it derives from one's social surroundings and not from one's genes. It is also extremely important to state that culture must be differentiated from human nature on one side, and from the personal character on the other. On the other hand we have feeling that all people are the same in their core inside, there is such a thing as a universal human characteristics. (2, 9)

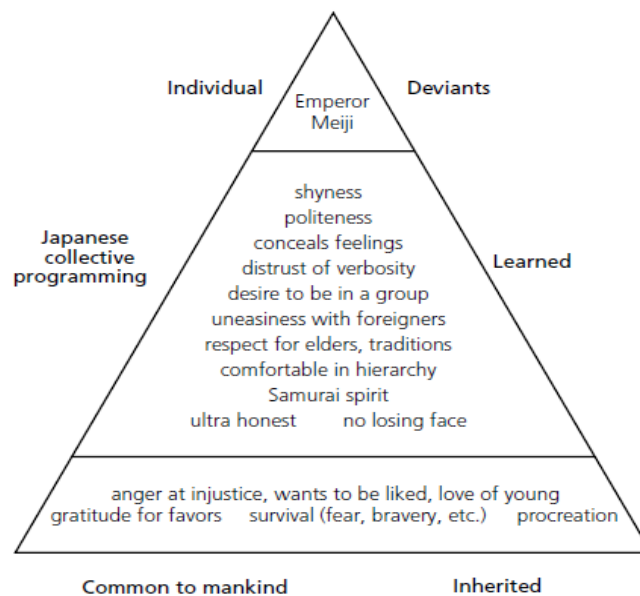
Figure 1. Three Levels of Uniqueness in Human mental Programming



Source: Hofstede Geert, Hofstede Gert Jan, Minkov Michael, Cultures and Organizations: Software of the Mind (4)

According to Figure 1 Hofstede claims that all people have general characteristics which they share without distinction of nationality, these general characteristics are called "human nature". One part of human nature is inherited and second part is universal for everyone. These include fright, rage, need to interrelate with other people and many other essential psychological functions. Culture as I already explained is according Hofstede learned and it varies among different countries, basically speaking culture is what an every person does with these feelings. Every society can respond totally differently in the similar conditions even though at first sight the inherited and universal characteristics can be very similar. (4, 9) The top section adds individual characteristics; this is called personality. A number of people can very distinguish from the rest of group. This people can be very gifted and have totally distinct look on the things. Among their basic characteristics can be mentioned "personal originality, extra powers of perception, stubbornness or even genius. Such people often become famous for their idiosyncrasies, and a few have actually changed the course of their nation's destiny (e.g., King Henry VIII, Kemal Atatürk, Emperor Meiji of Japan)." (2, 9)

Figure 2.Example of Human Mental Programming: Japan



Source: Lewis, Richard D., When cultures collide: leading across cultures (2)

It is also very important to mention the term Cultural relativism. According Hofstede, "there are no scientific standards for considering one group as intrinsically superior or inferior to another. Cultural relativism affirms that one culture has no absolute criteria for judging the activities of another culture as low or noble."(4, 9)

3.3. Symbols, heroes, rituals, and values

According to Hofstede cultural dissimilarities manifest themselves in several ways. In his "onion diagram" he explains manifestations of culture at different levels of depth. We can envision diagram as a genuine onion with four layers where layers reveals four elements of culture. "The first three layers of diagram, symbols, heroes, rituals represent the portion of culture which is visible to other cultures. These are the practices of a given culture but their cultural meaning may not be obvious to those who are not a part of that culture." (4, 9)

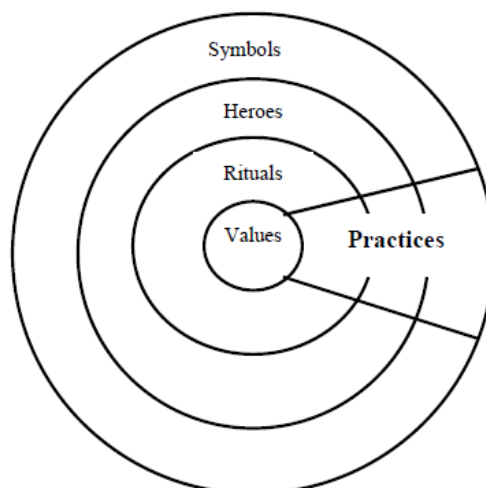
At the external level of culture are located symbols. Symbols are most noticeable to outsiders and can be effortlessly exchanged among other cultures. According to Hofstede

"symbols are words, gestures, pictures or objects that carry a particular meaning which is only recognized by those who share the culture. The words in a language or jargon belong to this category, as do dress, hairstyles, Coca-Cola, flags and many others. New symbols are easily developed and old ones disappear. Heroes are persons, alive or dead, real or imaginary, who possess characteristics which are highly prized in a culture, and who thus serve as models for behavior. Every culture or country has different heroes for example Snoopy or Superman in the USA and Asterix in France."(4, 9)

Rituals represent the third layer. They are "collective activities, technically superfluous in reaching desired ends, but which, within a culture, are considered as socially essential: they are therefore carried out for their own sake. Ways of greeting and paging respect to others, social and religious ceremonies are examples." (4, 9)

The last and deepest layer of diagram is represented with individual and collective values of the group. According Hofstede "values are broad tendencies to prefer certain states of affairs over others. Values are feelings with an arrow to it: they have a plus and a minus side. Basically they deal with: evil vs. good, dirty vs. clean, ugly vs. beautiful, unnatural vs. natural, abnormal vs. normal, paradoxical vs. logical, irrational vs. rational."(4, 9)

Figure 3. The 'onion diagram': Manifestations of culture at different levels of depth



Source: Hofstede Geert, Hofstede Gert Jan, Minkov Michael, Cultures and Organizations: Software of the Mind (4)

3.4. Hofstede's cultural dimensions theory

In the 1970s and 1980s Geert Hofstede did very wide research and study about the differences in values and beliefs among different cultures. He collected survey data about the values from many different countries. The survey included people in over 50 countries and over 100,000 individuals around the globe. The collected scores were used for comparison of values in different countries and regions. The survey consisted of 32 questions. The asked questions were mainly about beliefs and values. The results showed very significant and stable country effects and were therefore retained for analysis. All of the participants of the survey worked in local subsidiaries of multinational corporation – IBM. (4, 9)

Hofstede have found that "a statistical analysis of the answers on questions about the values of similar IBM workers in different countries revealed common problems, but with solutions differing from country to country, in the following areas."(4, 9)

1. "Social dissimilarity, including the relations with powerful individuals "(4, 9)
2. "The connection between the individual and the collective"(4, 9)
3. "Concepts of masculinity and femininity: the social consequences of having been born as a boy or a girl"(4, 9)
4. "Ways of dealing with uncertainty, relating to the control of anger and the expression of feelings"(4, 9)

The 4 essential problem areas which were mentioned before are basically the four Hofstede's dimensions according to which he conducted his research. A dimension is a feature of a particular society that can be calculated and compared with other cultures or societies. Hofstede created these cultural dimensions to be able to see the differences in the way citizens in diverse countries understand their cultural environment and behavior. In his research Hofstede was able to gather data for forty different countries. Later on he expanded his research for fifty three countries and regions. For comparison of different countries and regions his four dimensions were expressed as an index scores with a scale

which runs from 0 to 100. The 4 dimensions deal with different questions and problems that are important in sociology, politology, anthropology and ethnology. All problematic areas Hofstede has bunched together and categorized to dimensions which he named as **power distance, collectivism versus individualism, femininity versus masculinity, and uncertainty avoidance**. Jointly these dimensions represent a four-dimensional (4-D) model of dissimilarities between nationwide cultures. Later on Hofstede has added his fifth dimension of cultural dissimilarities among national cultures which was about **long-termism and short-termism**. (4)

3.5. Dimensions of national cultures

3.5.1. Power Distance Index (PDI)

PDI is mainly about distribution of power between people in society. It deals with a question whether weaker members of society are willing to accept that power is dispersed unevenly. According to Hofstede "the fundamental issue here is how a society handles inequalities among people. People in societies exhibiting a large degree of power distance (high PDI ranking) accept a hierarchical order in which everybody has a place and weaker members of the culture have to accept this situation with no further justification. In societies with low power distance (low PDI ranking), people strive to equalize the distribution of power and demand justification for inequalities."(4, 12)

3.5.2. Individualism Index (IDV)

The individualism index is mainly about the issue of how do people interact with each other in particular culture and whether individual is more important than the collective. We can distinguish among individualistic and collectivistic cultures. In individualism society everyone is expected to look after himself. In such a society ties between members of society are usually very loose and collective interest has no value. A high IDV ranking shows that independence and rights of individual are supreme within a

given culture. On the other side a low IDV ranking represents cultures with more collectivist nature where close ties and relationships between members of society are very important. (4) According to Hofstede "collectivism, represents a preference for a tightly-knit framework in society in which individuals can expect their relatives or members of a particular in-group to look after them in exchange for unquestioning loyalty."(12)

3.5.3. Masculinity (MAS)

Masculinity determines cultural diversity according to what gender roles are considered appropriate for that culture. We can distinguish between masculine and feminine types of cultures. In masculine societies big importance is placed on material success and life achievement. The sex roles are sharply distinguished and there is sympathy for the strong. Also these cultures usually live in order to work. In feminine society is everything opposite. (4) According to Hofstede "femininity, stands for a preference for cooperation, modesty, caring for the weak and quality of life. Society at large is more consensus-oriented. In the business context Masculinity versus Femininity is sometimes also related to as "tough versus gender" cultures."(12)

3.5.4. Uncertainty Avoidance Index (UAI)

This dimension deals with a fact that our future is unknown and there would be always some uncertainty and ambiguity about it. Different cultures behave differently in uncertain situations and some cultures are more relaxed and easy going in uncertain situations and some cultures are not relaxed at all in such a situations. The definition of uncertainty avoidance says that it is the degree of nervousness between the members of a particular culture in the face of unknown and ambiguous situations. Cultures with high UAI score don't like unstructured and ambiguous situation. They would be much more nervous in such situations than cultures with lower UAI score and thus show more emotions and aggression. (4, 9) According to Hofstede "countries exhibiting strong UAI (high UAI score) maintain rigid codes of belief and behavior and are intolerant of

unorthodox behavior and ideas. Weak UAI (low UAI) societies maintain a more relaxed attitude in which practice counts more than principles." (12)

3.5.5. Long-Term Orientation (LTO)

According to Confucius philosophy and work Hofstede have created his long term orientation dimension. This dimension deals with a question whether particular culture maintains some connections with its own past while solving and making decisions of the present and the future. Long term orientation concentrates on the amount the culture accepts, or does not accept long-term dedication to traditional values. A high LTO score shows that the country or a culture undertakes to the principles of long-term liabilities and admiration for traditions and where long-term remunerations are expected as a consequence of today's diligent work. A low LTO score shows that the country or culture does not support the idea of a long-term, traditional orientation and citizens expect short-term remunerations from their today's work. (4)

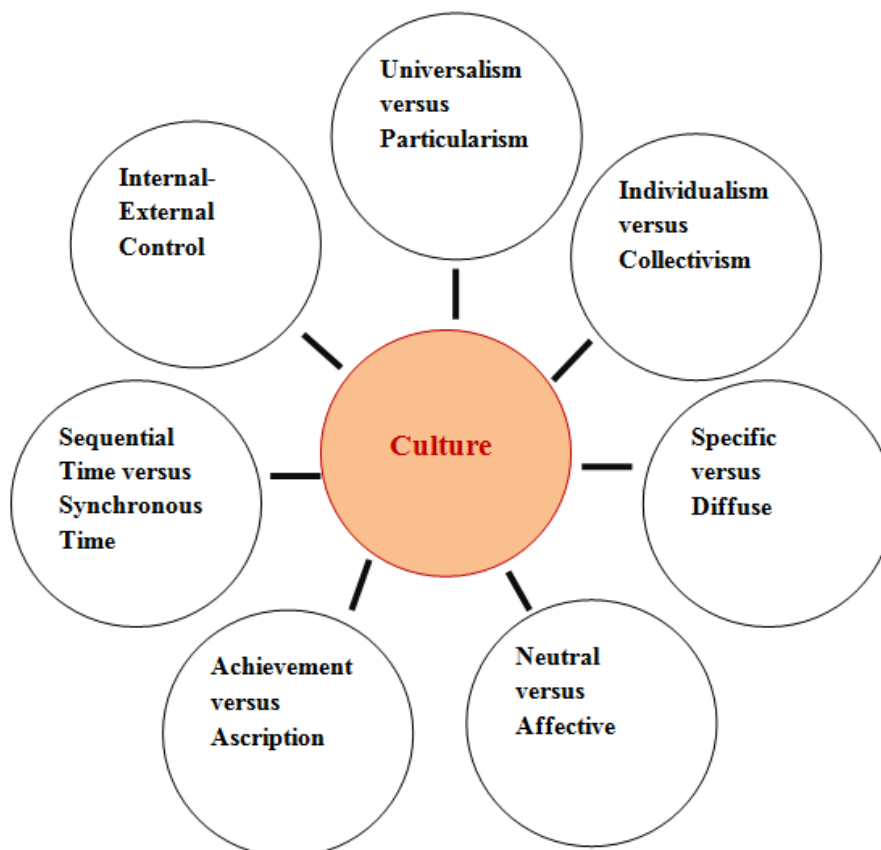
3.6. Trompenaars dimensions

Fons Trompenaars is a Dutch organizational theorist, consultant, motivational speaker, trainer and writer in the branch of cross-cultural communication. He graduated from the Free University of Amsterdam in the field of Economics and later he received Ph.D. from Wharton School, University of Pennsylvania. In 1997 he published with Hampden-Turner book, "*Riding the Waves of Culture*" where they explained their famous "*Seven Dimensions of Culture*". This model was explaining national cultural differences in organizations and it also explained that to manage all these intercultural differences in businesses is the main task for international managers (3, 13).

Trompenaars and Hampden-Turner created a model after 10 years researching the values of people in many cultures around the globe. The research was based on giving people questionnaire. They sent questionnaires to more than 46,000 managers in 40 different countries. The method used in questionnaire was to give interviewer dilemmas or contrast tendencies. Every dilemma consisted of 2 options that were explained as

indicators for basic attitudes and values. Trompenaars define dilemma as “two propositions in apparent conflict. In different words a dilemma illustrate a situation whereby one has to choose between two good or desirable options. For example: On the one hand, we need flexibility, whilst on the other hand, we also need consistency.”⁽³⁾ Around 500 utilizable responses per state were collected, facilitating the authors to create divergences among national cultures. They found out that people from different cultures aren’t arbitrarily dissimilar but that people are different in very specific, even predictable, ways. The reason for that is because every culture has different set of values, core beliefs and way of thinking. Trompenaars and Hampden-Turner categorize seven linked processes defined as dilemmas. A culture differentiates itself from others by choosing one side of dilemmas. The seven, universal dimensions of cultures are shown below in the Figure 4. (3, 13, 5).

Figure 4. The seven, universal dimensions of cultures



Source: Trompenaars Fons and Hampden-Turner Charles, Riding The Waves of Culture: Understanding Diversity in Global Business⁽³⁾

The model can be used for understanding different cultural backgrounds. This can be very useful for international managers who are working with international staff for preventing any misunderstandings between workers and for improvement of relationship between working staff. The model also explains that one culture is not better or worse than another culture, people from different cultures just have different procedures how to solve the problems and tasks. (3, 7)

3.6.1 Universalism versus Particularism (Rules versus relationships.)

The first dimension deals with a dilemma whether do individuals have a tendency to follow universal rules or do they have a preference for a flexible approach for special situations?(5).

For Universalist societies broad rules and obligations are a strong source for moral references. Universalists tend to follow the rules in all situations, even if the friend or family member is involved. Rules come prior to the relationship. Right is right and wrong is wrong and deal and agreement is always fixed and there is clear distinction what is lie and what is true. (5) According to Trompenaars "they look for the one best way of dealing equally and fairly with all cases. They assume that the standards they hold dear are the right ones and they attempt to change the attitudes of others to match."(5) A Universalist would say about Particularists, "you can't believe them since they will every time help their friends." (5, 15)

For Particularist societies broad rules and obligations are less important than relationships and particular people involved. Individuals believe that particular situations and circumstances are much more important than general rules.

A treaty is the foundation for an agreement, rather than being fixed forever—because people and conditions can change after you have signed; basically this means that you can reinterpret the circumstances. According to them relationships (family, friends) and bonds are much stronger than any abstract rule and the system that they live by is mainly made from relationships. Particularist would say about Universalists, "you can't trust them because they would not even help a friend."(5, 7)

3.6.2. Individualism versus Collectivism (The group versus the individual.)

The second dimension deals with a dilemma whether does the culture promote individual achievement and originality or is the focus on the bigger group leading to coherence and agreement? Basically it is the clash among what each of us desires as an individual, and the interests of the group that we are members. (3, 5) It is important to mention that this dimension is very similar as the Hofstede's Individualism Index.

The definition of individualism is a prime orientation to the self. In Individualistic society citizens put the individual before the group; it leaves people free to contribute to the group whenever they wish or want. This means that individual joy, realization and wellbeing prevails and citizens take their own decisions and lead their lives as they want to. Also in such a culture people are free to make their own faults, and there is modest loss of face when you do. (3, 5, 15)

Collectivism has been described as a main orientation to common goals and objectives. It places the importance on communal prosperity and judges individuals by how they contributed to welfare of a group. In mainly collectivistic cultures, people put the group before the individual. Thus, the individual is responsible to act in ways which serve community. In doing so, personal wants are automatically forbidden. Keeping face in relation to the community or family is very important, and loss of face has to be avoided as much as possible. (3, 5, 15)

3.6.3. Specific versus Diffuse (How far to we get involved?)

The third dimension deals with a dilemma of personal relationship in business. It asks the question what is the level of connection of personal relationship and business (high = diffuse, low = specific)? Is it possible that from particular business project more diffuse relationship may build up or do you need to get to know your trade partners prior you can do any serious business with them? (5)

In specific oriented-nations a manager divides the task relationship he has with his employee and separates it from other dealings, basically this means that people separates work and personal lives. The contract is put before personal worries; the job is more

important than any relationships. People can develop close relationships but they should not have big impact on work objectives. If any relationships are created, it is only a bonus, but not a precondition of successful cooperation. They believe that fellow workers can successfully work without having good relationships. (5, 15)

In diffuse oriented-cultures the good relationship with work colleague is very important. They spend the same amount of time on developing good relationship as on doing real business; these two issues overlap each other very intensively. The people tend to spend great amount of time together with their work colleagues and business partners outside of the working hours. They believe they if you want to do successfully business together you need to have good relationship with your partner. Diffuse cultures tend to have lower turnover of the staff because of the importance of "loyalty". They don't have a tendency to head hunt the employee with particular business skill from competition. (3, 5, 15)

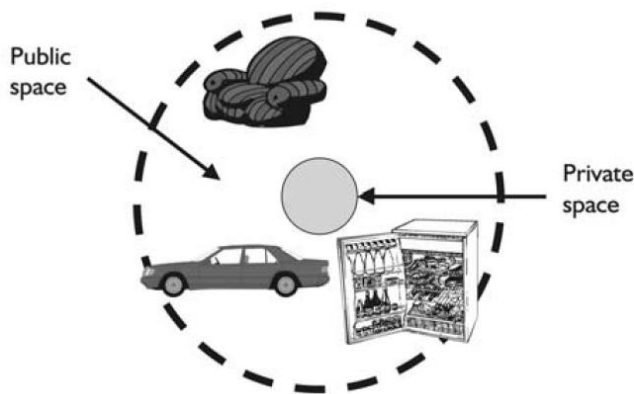
It is also critical to recognize what kind of "life spaces" each culture has. Kurt Lewin, the German-American psychologist "represented the personality as a series of concentric circles with life spaces or personality levels between."⁽³⁾ Most private spaces are close to the centre and most shared and public spaces are at the outer level of the circle. (3)

He defined two types of circles with different life spaces. First type of life spaces are represented by an American culture, this is U-type circle (Figure 5) and second type of life spaces are represented by a German culture which he calls the G-type circle (Figure 6). U-type circle have much more public space and for a stranger it is very easy to enter this space. Colleagues who come into any of these spaces are not necessarily close friends. This reason why people thinks that Americans are so friendly is because it very easy for stranger to enter the public space; the public space in an American culture is very big. (3, 5)

On the other hand G-type circle is very different; we can see here the thick line on the outside which is the boundary for a stranger and the public space is very small in comparison with a U-type circle. The private spaces are large and diffuse. All this basically means that it is much harder for stranger to enter the public and private spaces, but because the public space is so small ones the stranger cross the thick line on the outside he is considered as a friend and you let him or her into all, or practically all, your private spaces. It is important to mention that these two cultures just represent two different philosophies

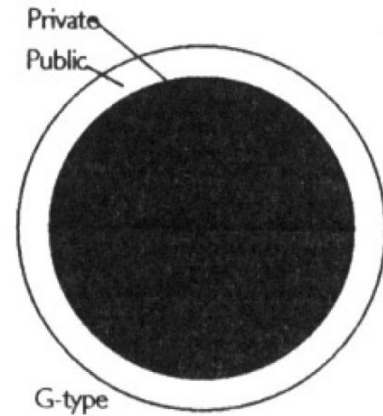
of life spaces and it is possible to assign every culture to a similar circle with slight differences. (3, 5)

Figure 5. U-type circle



Source: Trompenaars Fons and Peter Woolliams, *Business Across Cultures* (5)

Figure 6. G-Type circle

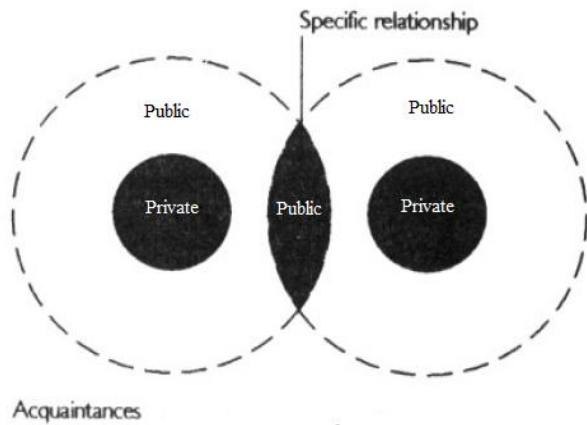


Source: Trompenaars Fons and Hampden-Turner Charles, *Riding The Waves of Culture: Understanding Diversity in Global Business* (3)

When same oriented cultures are doing business together there is usually no clash in relationships; if two specific oriented-cultures are doing business together they understand that they are only acquaintances and the life space of interaction is only public space (Figure 7). In the case of diffuse oriented-cultures the relationships are much more private and close (Figure 8). However if two differently oriented culture are doing business together the danger zone can develop (Figure 9). The problem between overlap among U-type and G- type is that U-type sees something as impersonal however G-type sees it as highly personal and private. (3, 5) You can't blame Italians as "originators of mad ideas" with no deeply affecting their whole system. According to Trompenaars "when Americans "let in" a German, Spaniard or Italian coworker into one section of their public space and demonstrate their usual openness and friendliness, that person may presume that they have been admitted to diffuse private space. They may expect the American to demonstrate the

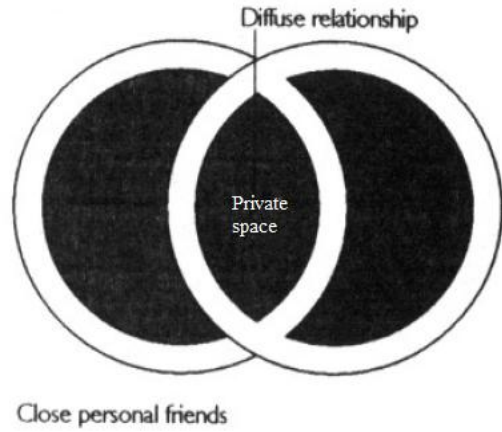
same companionship in all life spaces and be offended if he or she comes to their city without calling them."⁽³⁾

Figure 7. Specific relationship



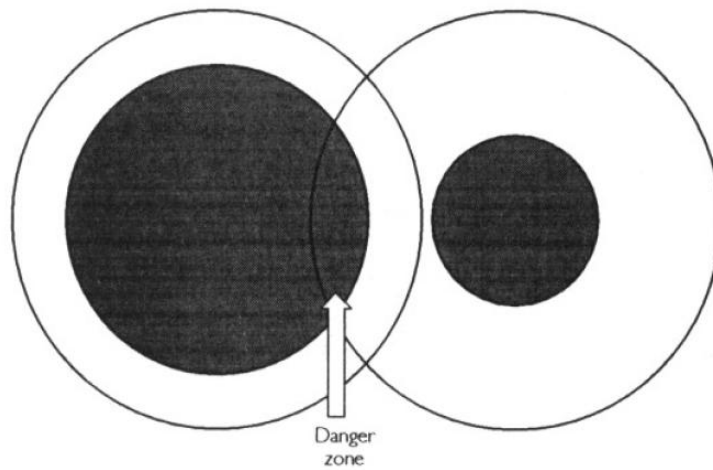
Source: Trompenaars Fons and Hampden-Turner Charles, Riding The Waves of Culture: Understanding Diversity in Global Business (3)

Figure 8. Diffuse relationship



Source: Trompenaars Fons and Hampden-Turner Charles, Riding The Waves of Culture: Understanding Diversity in Global Business (3)

Figure 9. The Danger zone: the specific-diffuse relationship



Source: Trompenaars Fons and Hampden-Turner Charles, Riding The Waves of Culture: Understanding Diversity in Global Business (3)

3.6.4. Neutral versus Affective (Do we display our emotions?)

The fourth dimension deals with a dilemma whether people can control their emotions or do they show their emotions openly? In relationships emotions play a very crucial role. The quantity of observable “emoting” is main difference between cultures. According to Trompenaars "overly neutral or affective (expressive) cultures have problems in doing business with each other. The neutral person is easily accused of being ice-cold with no heart and on the other hand the affective person can be seen as out of control and inconsistent."(5)

In neutral oriented cultures people tend to not show their emotions. The amount of feelings and emotions which are manifested is for that reason minimal. Although the people do have their emotions, they are controlled. (3, 5)

On the other side affective cultures like to show their emotions. Business meetings involve fury, pleasure, passion, smiling, grimacing, scowling and gesturing. If you are angry at work, you can show your feelings and it would be acceptable or even welcomed. (3, 5)

3.6.5. Achievement versus Ascription (Do we have to confirm ourselves to obtain status or is it given to us?)

All cultures give particular members superior position than to others, alerting that extraordinary awareness must be focused upon such persons and their actions. The fifth dimension deals with a dilemma whether status and authority is based on the performance or is it more determined by which university you were attending, your age, gender, and family background? Basically saying this dilemma deals with a question whether individuals must work hard in order to receive the status or status is simply given to him. (3, 5, 15)

Achievement-oriented cultures judge people according to what a person have recently accomplished. Achieved position has got to be confirmed every time and status will be given as a result. In ascription-orientated culture the status is given according to birth, kinship, gender, age, family, education. Here status is not based on what a person

has achieved (what you do) but it is given on the basis of the person's being (who you are).
(3, 5)

This dilemma is clearly a big challenge while business companions have dissimilar measures and traditions for how to promote an employee in the company to a higher position. According to Trompenaars "in achievement-oriented cultures, your position is best secured by what you deliver. In the worst case, you are only as good as your last performance. In ascribed cultures, seniority and long-term loyalty are very much more important." (3, 5)

3.6.6. Time-orientation and Sequential Time versus Synchronous Time

Just as dissimilar cultures have diverse suppositions about how people relate to each other, so they have different approaches to time. The sixth dimension deals with a dilemma whether people organize their time in a sequential way, which means doing one task at a time, or in parallel, doing many tasks at once?

In sequential time oriented cultures people like to organize events in orders; people organize their time sequentially and do only one thing at a time. The big importance is placed on punctuality, planning, and staying on schedule. In such a society, "time is money," and people do not like when their timetable is thrown off. (3, 5)

In synchronous time oriented cultures people do many things at once, they frequently work on numerous projects at once, and view plans and obligations as flexible. Usually they are less insistent upon punctuality and they also believe that time is flexible and intangible. Also they usually see the past, present, and future as interlacing periods. (3, 5)

The sixth dimension deals also with a question how the cultures assign to the past, present and future, whether community share a short-term or a long-term time horizon and how the time horizon is long. (3, 5, 13)

According to Kluckhohn and Strodtbec we can identify three types of culture:

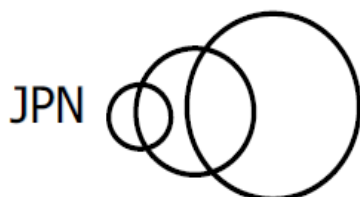
- 1) Present-oriented (timeless, tradition less and ignores the future)

- 2) Past-oriented (most important is to maintain and restore traditions in the present)
- 3) Future-oriented (imagine a more pleasing future and sets out to realize it)⁽⁵⁾

For identifying whether culture assigns itself more to the past, present or future Tom Cottles "Circle Test" is used. In circle test participants have to think about the past, present and future in shape of circles. They have to draw the past, present and future on a paper and can arrange those circles however they want to. The circles can be different size and the space between them depends on how participant sees the relationship between past, present and future. As an example how this test looks like the results of Japan circle test (Figure.10) and the results of France circle test (Figure.11) are shown. With a circle test we can determine how important is for particular culture past, present and future: big circle means important and small circle means unimportant. The absence of zone relatedness means that there is no connection between past, present and future. If circles are touching each other but not overlapping this means that they are not sharing regions of time between them. Partial overlap of circles means that they are sharing regions of time between them. Simply put: the more circles overlap the stronger link and stronger interrelatedness has particular circle with a past or with a future and vice versa. To understand how to interpret the results of circle test it is useful to look at Table 1. ⁽³⁾

For identifying whether people share a short-term or a long-term time horizon, Cottles "Time horizon test" is used. In this test participants have to choose number from 1 to 7 (1=seconds, 7=years) to indicate their time horizon for past, present and future. ⁽³⁾

Figure 10.Example of Circle test for Japan



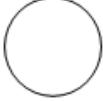

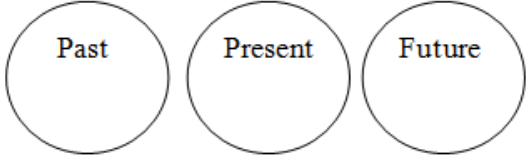
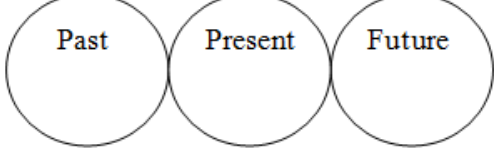
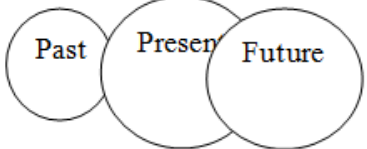
Source: Trompenaars Fons and Peter Woolliams, Business Across Cultures ⁽⁵⁾

Figure 11.Example of Circle test for France



Source: Trompenaars Fons and Peter Woolliams, Business Across Cultures ⁽⁵⁾

Table 1.Explanation of Circle test

	Important
	Unimportant
	Same importance for past, present and future but with absence of zone relatedness (no connection between past, present and future)
	Same importance for past, present and future but without shared regions of time between them
	Unimportant past with weak link to present and important present with strong link to moderately important future

Source: (3), Own processing

3.6.7. Internal–External Control (Do we control our environment or we are subjugated to it?)

The sixth dimensions deals with a dilemma whether people believe that the environment can be controlled or they believe that the environment controls them.

Internal-control oriented cultures have an internal locus of control and a mechanistic view of nature; they believe that they can manage nature or their surroundings to attain their goals. According to them environment is complicated but can be managed with the right proficiency. This includes how they work with co-workers and within corporation. People will allow others to expand their proficiencies and make possible for them to control their learning processes. They set clear goals and objectives and try to agree on

them with other people. They are open to conflicts and arguments and permit individuals to engage in constructive conflict. Usually Western cultures share extremely internally-controlled orientations.

External-control oriented cultures have an organic view of nature and external locus of control. They believe that environment and nature controls them and in order to achieve their goals they have to work with their environment. According to them humankind is viewed as one of nature's forces and be supposed thus live in harmony with the surroundings. People are focusing their actions on other people and their try to avoid the conflict situations as much as possible. People very frequently need appeasement that they're doing a right job. External control model is much older concept than Western mechanistic model.

3.7 The Personal Cultural Profile

The personal cultural profile is a way which enables to understand business behavior and business style of dissimilar countries and cultures. Each culture has a unique manner of communication; some of cultures have a preference for direct communication style whereas other likes more an indirect communication style. Whether particular culture is formal in their business dealing or whether they prefer to have hierarchical structure in the work, this is the issue of working style. Some cultures prefer formal style and other informal style. Opinion about whether to change something or apply new methods in a workplace is also a big issue, several countries which prizes customs have more traditional view point, while countries which like innovations and are not frightened to be unsuccessful are considered to be progressive. How diverse cultures bargain and decide about something is as well topic regarding which can be printed hundreds of pages. In countries where good relationships with relatives are deemed as an extremely important the collective decision making style is general feature, on the other side in cultures where individual rights and freedoms are more crucial than welfare of group individualistic decision making style is more common. (1, 9)

In total there are 10 main areas of business life by which diverse cultures can be evaluated. This 10 main areas of business life include communication style, working style,

discussion style, business attitude, leadership style, business relationship, decision-making style, basis for decision-making, attitude to time and work/life balance. For each category, there is a word or phrase on each side of a row of ten squares. The middle square represents a neutral approach and the far left or right an extreme one. (1, 9)

Figure 12. The Personal Cultural Profile

Communication

1 COMMUNICATION STYLE

Direct Indirect

2 WORKING STYLE

Formal Informal

3 DISCUSSION STYLE

Fast-moving Slow and measured

4 BUSINESS ATTITUDE

Progressive Traditional

5 LEADERSHIP STYLE

Flat Vertical

6 BUSINESS RELATIONSHIP

Relationship Task

7 DECISION-MAKING STYLE

Individualistic Collective

8 BASIS FOR DECISION-MAKING

Facts Instincts

9 ATTITUDE TO TIME

Scheduled Flexible

10 WORK/LIFE BALANCE

Live to work Work to live

Source: Tomalin Barry and Nicks Mike, *The World's Business Cultures and How to Unlock Them* (1)

3.7.1. Communication style

Communications style is the first category from the personal cultural profile. It is one of the most important and confusing business style among the categories of the business styles. We can differentiate direct communication style and indirect communication style. (1, 9)

Between the essential features of the cultures with direct communication style is that they don't like to talk about unimportant things, they want to discuss the relevant stuff as soon as possible. Second feature is that they are straight and denounce all about what they don't have the same opinion. Third characteristic is face disagreement; they don't hide facial emotions and would show disapprobation with their visage. Last characteristic is that they would mention all problems openly. Between the countries with direct communication style we can consider Germans, the British and Russians. (1)

Between the basic features of the cultures with indirect communication style is that they want to talk about negligible irrelevant things which just surround the main topic. Second feature is that they don't want to criticize something they don't agree about; the rule is it is much preferable to save face in rough situations. Third characteristic is to stay away from face disagreements; they hide facial emotions and try not to show disapprobation through their face. Last characteristic is that they would address all problems sideways-on and not directly. Between the countries with indirect communication style can be considered countries of the Far East. Particularly very famous is Japan. (1, 9)

3.7.2. Working style

Working style is the second area of business styles from the personal cultural profile. We can differentiate between formal working style and informal working style. (1, 9)

Between the essential distinctiveness of the cultures which have formal working style is that they have a preference to be dressed in business dress. It is not very common to see somebody to wear casual clothes in work. A second feature is the habit to use titles and surname. It is very rare that people call each other by first name in work. Third

characteristic is closed door; this means that if the director of the corporation has formal working style it is regarded rude to knock him on a door without a predetermined time for an appointment. Last feature is the preference to use a more formal style of speech without any colloquial language and jokes. The examples of countries with formal working styles are Russians, Germans, French and Czechs. Generally speaking countries with formal working style are typically those which "differentiate among the formal and informal pronoun 'you'." (1, 9)

Between the basic features of the cultures with informal working style is that they like to 'dress-down', this means that they don't like to wear casual clothes in work. Second feature is that they don't like to use titles and surname, rather they call their co-workers and business partners with first names. Third characteristic is open plan/open door. This basically means that unlike in a formal working style it is possible to visit manager without predetermined time for appointment and request him/her for advice or help. Last characteristic is preference of a more familiar and intimate style of speech. The countries which correspond to this approach are for example North Americans, Dutch and British. (1, 9)

3.7.3. Discussion style

Discussion style is the third category of business styles from the personal cultural profile. Discussion style means how fast conversation between cultures flows. We can distinguish cultures on fast moving and slow and measured. (1, 9)

A first characteristic of the cultures with fast moving style is that they interrupt more. Second feature of them is that they don't like to speak slowly, rather they talk more and quickly. Third feature is that the conversation during the meeting has to keep moving, what basically means that they don't like to wait and that they have to respond quickly on any question. Last feature is that they don't like silence during the conversation. The examples of cultures with fast moving discussion style are Spaniards, Portuguese, and Italians. Basically speaking all South America has fast moving discussion style. (1, 9)

The first feature of the cultures with slow and measured discussion style is that they never interrupt someone during conversation. Second feature is that they prefer measured

tone and pace during the meetings. Third feature is that pauses are acceptable between sentences. Last feature is that they are tolerant to silence during business meetings.

Representatives of these cultures are Germans, British and Asian countries. (1, 9)

3.7.4. Business attitude

Business attitude is the fourth category of business styles from the personal cultural profile. There exist two different attitudes to business; first one is progressive attitude and second one is traditional attitude. (1, 9)

The first characteristic of the cultures with progressive business attitude is that they embrace change in their business. If they have possibility to apply new method or approach in their business they would always go for it. Second characteristic is that they like to apply new technologies. They always want to be the first in innovation of new ideas and new technologies. Third characteristic is that they always try to replace old organizational methods for new one. They are trying to develop new managerial methods and procedures. Last characteristic is that they replace old subordinates for younger one. They always head hunt young talented employees, thus injecting company with new blood. (1, 9)

Cultures with traditional business attitude are cultures which honored their traditions. According to Tomalin Barry "Traditional cultures are more cautious. They believe that if something ain't broke, don't fix it: tried and trusted is best. In some cultures, such as Japan, parts of India and, some would say, the UK, a cycle of change exists and innovation can't be hurried. They believe that traditional ways work and must be respected." (1) The first characteristic of the cultures with traditional business attitude is that the change needs to be based in present practice. Second characteristic is cautious in adopting new technology. Third characteristic is that they are very careful with new solutions rather they prefer already tried and tested solutions. Fourth characteristic is that they don't like to change stuff, they prefer old loyal working staff. (1, 9)

3.7.5. Leadership style

Leadership style is the fifth category of business styles from the personal cultural profile. Leadership style is about hierarchy, company structure and respect between people.

There are two different approaches to leadership style; we can distinguish them on flat and vertical. (1, 9)

The first characteristic of a culture with flat leadership style is that subordinates can communicate directly with the managers and other employees who have higher status than they have. The second characteristic is the community decision; it basically means that if there is some important decision which has to be made all business community decides about that. Third characteristic is two-way feedback; it means that if an employee has done a good job he will be praised for it, what of course motivates him to do next tasks even better. Fourth characteristic is strict line management reporting system. (1, 9)

On the other hand vertical leadership style has everything vice versa. The first characteristic is that employees in the company communicate through hierarchy unlike in flat leadership; it means that there are more management levels and communication through all this levels of management can be sometimes very complicated. Second characteristic is that all decisions are made only by one leader, he can consult this decision with his subordinates but still in the end only one person makes a decision. Third characteristic is top down feedback. The last characteristic is dotted line matrix reporting. (1, 9)

3.7.6. Business relationship

Business relationship is the sixth category of business styles from the personal cultural profile. It is probably the most important style which has to be understood very well. There are two approaches among the cultures we can distinguish. First approach says that first has to be established good relations between partners and then the real business can start. Second approach is only about task and it doesn't care about relationships. Although it is important to mention that business relationship style is looking at the same issue as Trompenaars specific vs diffuse dimension.

The first rule of cultures with relationship model is that first good relationships have to be established and after that only the real business begins. Second rule is that they would not work with partner until they would like and trust him. Third rule is that they

takes an interest in understand his business partner. Fourth rule is that my business partner has to be also my friend. (1, 9)

The first rule of cultures with task model is that they don't want to spend time with building relationships; they mainly focus on getting the job done. Second rule is that they don't have to know partner very well and still they can begin with small deals and later if everything goes according to plan they can begin with bigger deals. Third rule is that they focus on tasks rather than people. Last rule is that business and friendship don't mix together. (1, 9)

3.7.7. Decision-making style

Decision-making style is the seventh category of business styles from the personal cultural profile. It helps us to understand how certain culture makes their business decisions. There are two approaches among the cultures we can distinguish. First approach is individualistic decision-making style and second approach is collective decision making-style. (1, 9)

The first rule of cultures with individualistic decision-making style is that they are risk takers. The second rule is that first they make a decision by their own and then they try to persuade their partners and colleagues. Third rule is that manager can make own decisions within job description and budget description. Last rule is that manager is responsible for implementations and decisions which he made. (1, 9)

The first rule of cultures with collective decision-making style is that they are risk averse. The second rule is that they don't make a decision without having a consensus with their colleagues, only after consensus they make a decision. Third rule is that all decision and budgets has to be agreed with top management. Last rule is that for all decisions and implementation is responsible collective not individual. (1, 9)

3.7.8. Basis for decision-making

Basis for decision-making style is eighth category of business styles from the personal cultural profile. It helps us to understand upon which basis cultures are making

their decisions. There are two different approaches for basis for decision-making. We can distinguish between cultures which make their decisions upon facts or upon instincts. (1, 9)

The first rule of cultures which makes their business decisions upon facts is that they make decisions on basis of data and figures. Second rule is that personal connections with business partner are not important for decision making. Third rule is that they have strict criteria-based system upon which decisions are made. Last rule is that agreements between partners are independent of hospitality or gift giving. (1, 9)

On the other hand cultures which make their business decisions on instincts have everything vice versa. The first rule is that they make business decisions on intuition and instincts. Second rule is that personal connections with business partner are very important for decision making. Third rule is that don't like to change their business partners, rather they prefer to work with people who they know and trust. Last rule is that business dealings and agreements are accompanied with hospitality and gift giving. (1, 9)

3.7.9. Attitude to time

Attitude to time is ninth category of business styles from the personal cultural profile. It explains how certain culture can deal with time and what attitude to time it has. We can distinguish between cultures that have scheduled attitude to time or flexible attitude to time. (1, 9)

The first rule of cultures which have scheduled attitude to time is that they are always time conscious. Second rule is that these cultures are very punctual; it is very unlikely that they would come late on a business meeting. Third rule is that they create their schedule by the clock; it means that their daily schedule is very precise in terms of time. Last rule is that every meeting or activity is apportioned precisely and always ends exactly on schedule. It can never happen that the negotiations last longer than they should. (1, 9)

On the other hand cultures which have flexible attitude to time do everything just in opposite way. First rule is that they are very relaxed about time; they just don't worry too

much about time. Second rule is that they are not punctual; it is very probable that they can come late on business meeting which was agreed. Third rule is that they make their schedule on activity and not by the clock. Last rule is that if they have business meeting they don't care how long it would take before both partners would agree, basically saying completing the business is more important than the schedule. (1, 9)

3.7.10. Work/Life Balance

Work/Life balance is tenth category of business styles from the personal cultural profile. It is the balance which explains what kind of attitude to work and how diligent at work is certain culture. There are two different approaches to Work /Life balance, we can distinguish them on cultures which live to work or work to live. (1, 9)

First characteristic of cultures which have live to work balance is that the overtimes in work can be common. Second characteristic is that they can take work home and it is admired. Third characteristic is that out of hours phone contacts are tolerated. Forth characteristic is that weekend or holiday working is normal. (1, 9)

Cultures which work to live balance have everything vice versa. First characteristic is that the overtimes in work are very rare. Second characteristic is that they don't take work home and if they do it is criticized. Third characteristic is that out of hours phone contacts are not tolerated and forth characteristic is that weekend or holiday working is abnormal and exceptional. (1, 9)

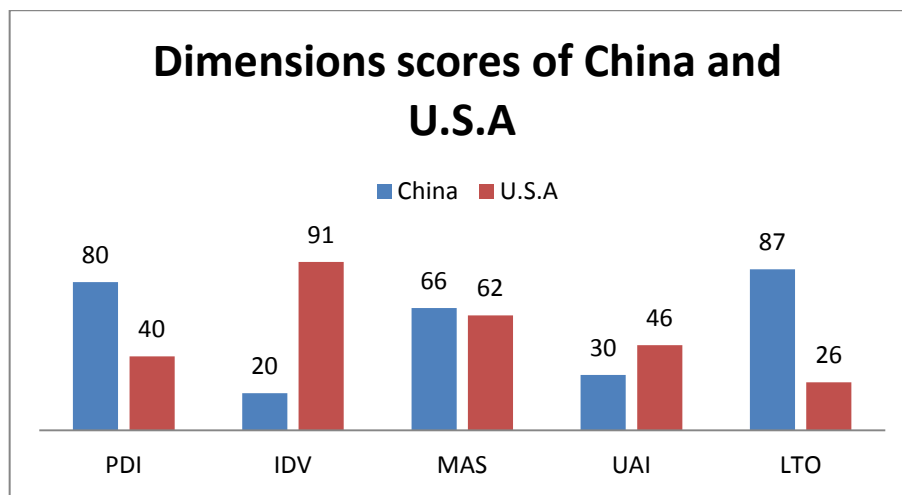
4. Comparison of dimensions of national cultures and personal cultural profiles of China and U.S.A

4.1. Comparison of Hofstedes dimensions of national cultures of China and U.S.A

In this passage of practical part of diploma thesis both nations would be compared according Hofstedes dimensions of national cultures. In chart 1 dimensions scores of China

are compared with dimensions scores of U.S.A. In the case of U.S.A we must take into account the fact that the country has many minorities which represents a big portion of U.S. population. The minorities tend to keep their own traditions and behavioral patterns thus not every American would behave the same way.

Chart 1. Dimensions of national cultures of China and U.S.A



Source: (4, 12), Own processing

4.1.1. Comparison of China and U.S.A according to Power Distance Index (PDI)

PDI of China

According to Hofstede's study China has very high power distance index value. The PDI score for China is 80 and it occupies seventh place in the ranking. All this essentially means that in China "there is big power distance between individuals and that inequality of power and wealth exists within the society and that the less powerful members of the society have to accept this situation."⁽⁴⁾ The reasons for such a high power distance are laid in Chinese history. In the past an emperor had all the power and ordinary residents had practically no power at all. This trend remained after China became a communist country. In such a country centralization is also very popular. The most of foreign direct investments goes to big cities. There are also big differences in a development and life standards between different regions of China which also strengthens high power distance.

(4, 8, 12) Hofstede have found that "the subordinate-superior relationship tends to be polarized and there is no defense against power abuse by superiors. Individuals are influenced by formal authority and sanctions are in general optimistic about people's capacity for leadership and initiative. People should not have aspirations beyond their rank."⁽¹²⁾

PDI of U.S.A

PDI score of the U.S.A. is 40 and the occupied ranking is 38th place. According to the score the U.S. is mildly to lower hierarchical society. All this indicates that the "society de-emphasizes the differences between citizen's power and wealth. In these societies equality and opportunity for everyone is stressed."⁽⁴⁾ The Americans premise of liberty and justice for all. This is illustrated by a clear accent on equivalent civil rights in all aspects of American society and government. In such a country decentralization is present. Inside of American businesses, hierarchy is established only for ease, seniors are easy to get to and managers rely on individual employees and teams for their knowledge. According to Hofstedes "both superiors and subordinates expect to be consulted and information is shared frequently. At the same time, communication is informal, direct and participative to a degree. Americans are accustomed to doing business or interacting with people they don't know well."^(4, 12)

Comparison of China and U.S.A by PDI

If we have to compare China and U.S.A according to Power Distance Index we would not find any resemblances between China and U.S.A in PDI. These countries are in contradictions. China has PDI score of 80 and is considered as very hierarchical society and the U.S.A has PDI score of 40 and is middle to lower hierarchical society. These countries have completely different history and age. All this played a big role in development of these countries. China is one of the oldest countries on the planet which always had a ruler in front of it; even today the situation is the same because of communistic regime. On the other hand the U.S.A is very young country which since establishment had proposed the democratic principles and equality of citizens in front of law. These are the biggest reason why these countries are so different in PDI.

4.1.2. Comparison of China and U.S.A according to Individualism Index (IDV)

IDV of China

According to Hofstede's study China has very low individualism index value. The IDV score of China is 20 and it occupied 49th place in ranking. This indicates that China is "highly collectivist in its nature with close ties among its members. In such a country collective interests prevail over individual interests."⁽⁴⁾ From birth children in China are taught to think in terms of 'we'. In-group deliberations have an effect on recruitments and advancements with closer in-groups (such as family) are receiving favored treatment. Worker commitment to the company (but not automatically to the co-workers in the organization) is low. ⁽⁴⁾ The main reason why China is collectivist country is because of key organizing principle in Chinese society Confucianism. In Confucianism the family is the essential element of society, and praised the virtues of hierarchy and filial piety. According to Lewis "collectivism originated in the early agrarian economies and is enhanced in the teachings of Confucius; it is not a product of communism, although the Communist Party and regime found it useful."⁽²⁾

IDV of U.S.A

According to Hofstede's study U.S.A has the highest individualism index value in the world, they occupied 1st place in ranking. Individualism score of U.S.A. is 91, compared with the world average of 43. In such a society ties between individuals are loose: everyone is expected to look after himself or herself and his or her immediate family and shouldn't repose (too much) on authorities for assistance. Since birth children in U.S. are taught to think in terms of 'I', thus individuality and individual rights are paramount within the society. ⁽⁴⁾ Staff likes to go it on its own without revision with the head office. Everything goes unless it has been limited. The "American dream" concept is one of reasons why U.S.A has the highest individualism score in the world. It says everyone can achieve whatever he wants, if he works hard, regardless of his status. "^(4, 12)

Comparison of China and U.S.A by IDV

If we have to compare China and U.S.A according Individualism index we would not find any similarities between them. These countries are in contradictions because IDV

score of China is 20 and it is highly collectivist country and IDV score of U.S.A is 91 and it is highly individualistic country.

4.1.3. Comparison of China and U.S.A according to Masculinity (MAS)

MAS of China

According to Hofstede's study China has high masculinity score. The masculinity score for China is 66 and it occupied 10th place in world ranking. This indicates that China is highly masculine society where big importance is placed on material success and life achievements. In such a society the sex roles are sharply distinguished and there is also sympathy for the strong. Masculinity in Chinese society can be seen everywhere. Hofstede explains that "the need to ensure success can be exemplified by the fact that many Chinese will sacrifice family and leisure priorities to work. Service people (such as hairdressers) will provide services until very late at night. Leisure time is not so important. The migrated farmer workers will leave their families behind in faraway places in order to obtain better work and pay in the cities. Another example is that Chinese students care very much about their exam scores and ranking as this is the main criteria to achieve success or not." (4,12)

MAS of U.S.A

According to Hofstede's study U.S.A has high masculinity score. The masculinity score for U.S.A is 62 and it occupied 18th place in world ranking. This indicates that U.S.A is highly masculine society where big importance is placed on success. The success in American point of view is defined by the "winner" or "best-in-the-field". In such a society the sex roles are sharply distinguished and there is also sympathy for the strong. (4, 12)

Hofstede explains that this American combination reflects itself in "behavior in school, work, and play are based on the shared values that people should "strive to be the best they can be" and that "the winner takes all". As a result, Americans will tend to display and talk freely about their "successes" and achievements in life. Many American assessment systems are based on precise target setting, by which American employees can

show how well a job they did. There exists a “can-do” mentality which creates a lot of dynamism in the society, as it is believed that there is always the possibility to do things in a better way.”⁽¹²⁾

Comparison of China and U.S.A by MAS

If we look at masculinity scores for both countries we would find that they are very close to each other. China has score value of 66 and U.S.A has score value of 62. Both countries are highly masculine and they are driven by competition, achievement and success. The only argument for motivation in both countries is that people want to be the best and they are willing to sacrifice their leisure time for work time. Both nations live in order to work.

4.1.4. Comparison of China and U.S.A according to Uncertainty Avoidance Index (UAI)

UAI of China

China has low uncertainty avoidance index score. The uncertainty avoidance score for China is 30. If we look at the ranking we would find that China is among the countries with the lowest scores in the world. This indicates that China is the "country that has less concern about ambiguity and uncertainty and has more tolerance for a diversity of opinions."⁽⁴⁾ According to Hofstede's "truth may be relative though in the immediate social circles there is concern for Truth with a capital T and rules (but not necessarily laws) abound. None the less, adherence to laws and rules may be flexible to suit the actual situation and pragmatism is a fact of life. The Chinese are comfortable with ambiguity; the Chinese language is full of ambiguous meanings that can be difficult for Western people to follow. Chinese are adaptable and entrepreneurial."⁽¹²⁾

UAI of U.S.A

According to Hofstede's U.S.A has low uncertainty avoidance index score. The uncertainty avoidance score for U.S.A is 46 which is below world average and "as a consequence, the perceived context in which Americans find themselves will impact their behavior more than if the culture would have either scored higher or lower"⁽¹²⁾. Americans are willing to accept new ideas and original products. They also like to try novel or unusual

things whether it concerns to equipment, trade practices or foodstuff. They are more easy-going of thoughts or opinions from anybody and let the freedom of expression. They don't like many rules and on the same time if compared with high score cultures are much less emotionally expressive. (12)

Comparison of China and U.S.A by UAI

If we look at uncertainty avoidance index score for both countries we would find that they are not far away from each other. China has score value of 30 and U.S.A has slightly higher score value of 46. Both countries have low uncertainty avoidance index value which basically means that they have less concern about uncertainty and have more tolerance for a diversity of opinions.

4.1.5. Comparison of China and U.S.A according to Long-Term Orientation (LTO)

LTO of China

China has very high long-term orientation score. The long-term orientation score for China is 87. If we look at the ranking we would find that China is on the second place in the world. This means that China is a "country which prescribes to the values of long-term commitments and respect for tradition and where long-term rewards are expected as a result of today's hard work." (4) According to Hofstede China is very pragmatic culture where truth depends on many circumstances such a time, situation and context. Chinese are able to adapt their traditions very easily to changed conditions, "a strong propensity to save and invest thriftiness, and perseverance in achieving results." (12)

LTO of U.S.A

U.S.A has low long-term orientation score. The long-term orientation score for U.S.A is 26. If we look at the world rankings we would find that U.S.A belongs among the states with a lowest LTO scores. This means that U.S.A is a normative society "which does not reinforce the concept of a long-term, traditional orientation and people expect short-term rewards from their work." (4) According to Hofstedes Americans are analyzing company performances on a short term-basis, with profit and loss being checked on

quarterly basis. Employees are pushed by managers to perform good results in a short period of time. "Americans have very strong ideas about what is "good" and "evil". This may concern issues such as abortion, use of drugs, euthanasia, weapons or the size and rights of the government versus the States and versus citizens. The US is the one of few in the world countries where, since the beginning of the 20th century, visiting church has increased."⁽¹²⁾

Comparison of China and U.S.A by LTO

If we have to compare China and U.S.A according to long-term orientation we would not find any similarities between these countries. These countries are in contradictions because China has LTO score of 87 which is one of the highest scores in the world and the U.S.A has LTO score of 26 and it belongs among the countries with the lowest LTO scores. Chinese prescribes to the values of long-term rewards for their work and on the other hand Americans expect short-term rewards from their work.

4.2. Comparison of Trompenaars seven dimensions between China and U.S.A

In this passage of practical part of diploma thesis both nations would be compared according to Trompenaars seven dimensions of national cultures. Trompenaars was using for his research dilemma questions which were asked in many different countries. Upon the responders answers the differences between cultures were estimated. In the case of U.S.A we must take into account the fact that the country has many minorities which represents a big portion of U.S. population. The minorities tend to keep their own traditions and behavioral patterns therefore not every American would behave the same way.

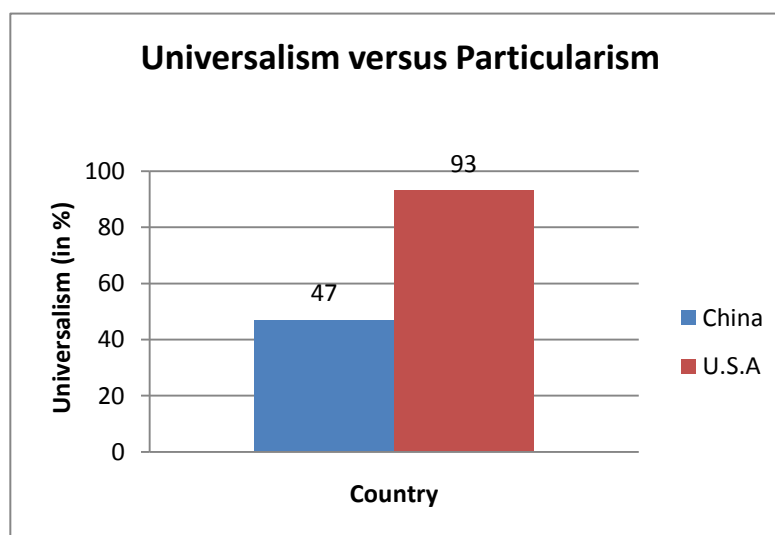
4.2.1. Comparison of China and U.S.A according to Universalism versus Particularism

Dilemma question

Trompenaars tested managers all over the world with following dilemma question.

"You are a passenger in a car driven by a close friend. He hits a pedestrian. You know he was going at least 35 miles per hour in an area of the city where the maximum speed allowed is 20 miles per hour. There are no witnesses. His lawyer says that if you are prepared to testify under oath that he was only driving at 20 miles per hour it may save him from serious consequences."⁽⁵⁾

Chart 2. The car and the pedestrian, percentage of respondents indicating that their friend has no or only some right to expect help, and that the respondent would not help their friend



Source: (3, 5), Own processing

Universalism versus Particularism in China

If look at chart 2 we would find that China has low Universalism score. The Universalism score for China is 47%. This means that 47% of responders would not help their friend if some accident happens and 53% of responders would help their friend if some accident happens. According to this information we can say that China is Particularist society where broad rules and obligations are less important than relationships and particular people involved. ^(5, 7) Chinese would lie in order to protect their friends or family members and they would never denounce against them in front of the court.

Friendship and family relationships are very important in China thus friends or family members has right to expect help.

Universalism versus Particularism in U.S.A

If look at chart 2 we would find that U.S.A has a very high Universalism score. The Universalism score for U.S.A is 93%. This means that 93% of responders would not help their friend if some accident happens and only 7% of responders would help their friend if some accident happens. According to this information we can say that U.S.A is Universalist society where broad rules and obligations are a strong source for moral references. (3, 5) It is very possible that Americans would denounce against their friends or family members in front of the court. Friendship and family relationships are not as important as in China case therefore friend or family member can't automatically expect help.

Comparison of China and U.S.A by Universalism versus Particularism

If we have to compare China and U.S.A according to Universalism versus Particularism we would not find any similarities between these countries. In case of China 53% of responders would help their friend if some accident happens and in case of U.S.A only 7% of responders would help their friend if some accident happens, therefore China is Particularist society and U.S.A is Universalist society.

4.2.2. Comparison of China and U.S.A according to Individualism versus Collectivism

Dilemma question

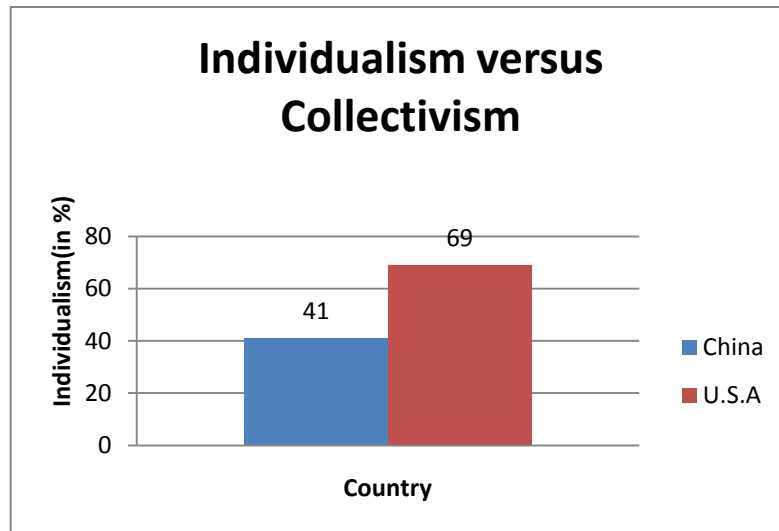
Trompenaars tested managers all over the world with following dilemma question.

"Two people were discussing ways in which one could improve the quality of life." (5)

A: One said, "It is obvious that if one has as much freedom as possible and the maximum opportunity to develop oneself, then the quality of one's life will improve as a result." (5)

B: The other said, "If the individual continuously takes care of his fellow human beings the quality of life will improve for everyone, even if it obstructs individual freedom and individual development."(5)

Chart 3. The quality of life: Percentage opting for individual freedom (possibility A)



Source: (3, 5), Own processing

Individualism versus Collectivism in China

If we look at chart 3 we would see that China has low Individualism score. The Individualism score for China is 41%. This means that 41% of responders think that individual freedom is more important than obligation to take care of friends and relatives and 59% of responders think that obligation to take care of friends and relatives is more important than individual freedom. According to this information we can say that China is Collectivist society which places the importance on communal prosperity and judges individuals by how they contributed to welfare of a group. In Chinese culture, people put the group before the individual. (3, 5)

Individualism versus Collectivism in U.S.A

If we look at chart 3 we would find that U.S.A has high Individualism score. The Individualism score for U.S.A is 69%. This means that 69% of responders think that individual freedom is more important than obligation to take care of friends and relatives and 31% of responders think that obligation to take care of friends and relatives is more important than individual freedom. According to this information we can say that U.S.A is Individualistic society which put the individual before the group; it leaves people free to contribute to the group whenever they want to. (3, 5)

Comparison of China and U.S.A by Individualism versus Collectivism

If we have to compare China and U.S.A according to Individualism versus Collectivism we would not find any similarities between these countries. In case of China 41% of responders think that individual freedom is more important than obligation to take care of friends and relatives and in the case of U.S.A 69% of responders think that individual freedom is more important than obligation to take care of friends and relatives therefore China is Collectivistic society and U.S.A is Individualistic society.

4.2.3. Comparison of China and U.S.A according to Specific versus Diffuse

Dilemma question

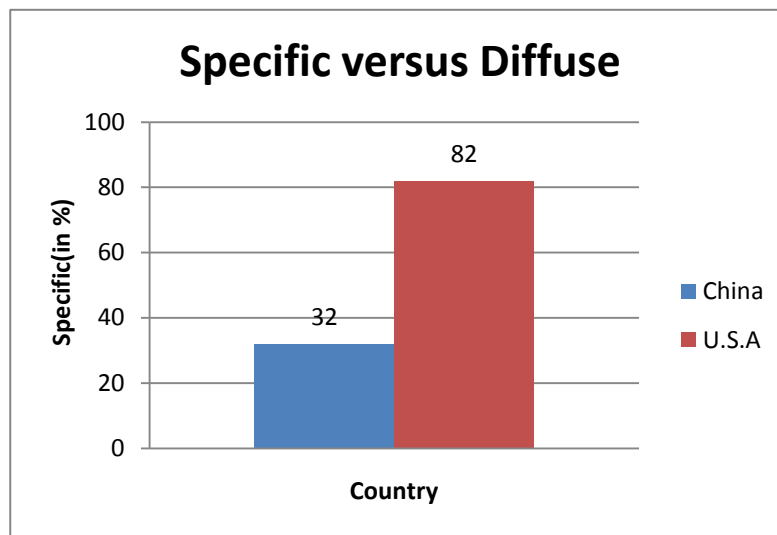
Trompenaars tested managers all over the world with following dilemma question.

"A boss asks a subordinate to help him paint his house. The subordinate, who does not feel like doing it, discusses the situation with a colleague."(3)

A: The colleague argues: "You don't have to paint if you don't feel like it. He is your boss at work. Outside he has little authority."(3)

B: The subordinate argues: "Despite the fact that I don't feel like it, I will paint it. He is my boss and you can't ignore that outsider work either."⁽³⁾

Chart 4. Paint the house: Percentage of respondents who would not help the boss



Source: (3), Own processing

Specific versus Diffuse in China

If we look at chart 4 we would find that China has low Specific score. The Specific score for China is 32%. This means that only 32% of responders would not help the boss to paint the house and 68% of responders would help the boss to paint the house. According to this information we can say that China is a Diffuse society in which good relationships with work colleagues are very important. Chinese spend the same amount of time on developing good relationship as on doing real business. (3, 5)

Specific versus Diffuse in U.S.A

If we look at chart 4 we would find that U.S.A has very high Specific score. The Specific score for U.S.A is 82%. This means that 82% of responders would not help the boss to paint the house and only 18% of responders would help the boss to paint the house.

According to this information we can say that U.S.A is a Specific society in which good relationships with work colleagues are not crucial for successful business. Manager divides the task relationship he has with his employee and separates it from other dealings, basically this means that people separates work and personal lives. (3, 5)

Comparison of China and U.S.A by Specific versus Diffuse

If we have to compare China and U.S.A according to Specific versus Diffuse we would not find any similarities between these countries. In case of China only 32% of responders would not help the boss to paint the house and in the case of U.S.A 82% of responders would not help the boss to paint the house therefore China is Diffuse society and U.S.A is Specific society.

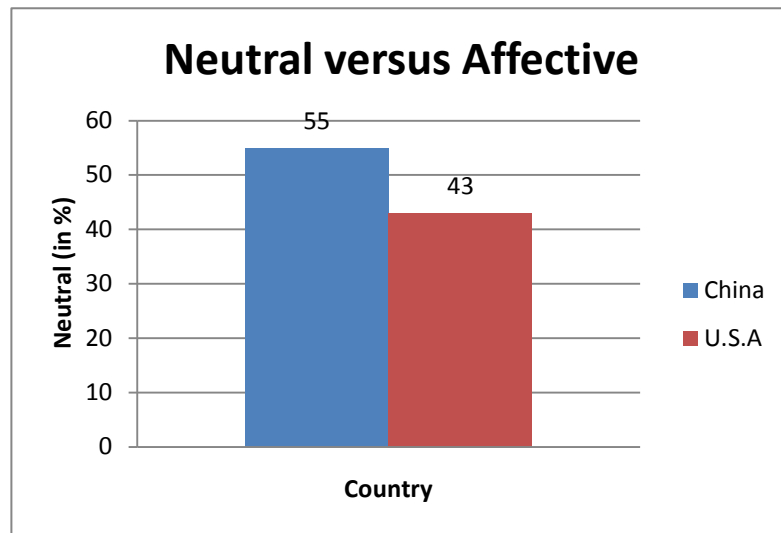
4.2.4. Comparison of China and U.S.A according to Neutral versus Affective

Dilemma question

Trompenaars tested managers all over the world with following dilemma question. He asked participants *"how they would behave if they felt upset about something at work."*(3) Participants had to answer whether they would show their feelings openly or not?

In this dilemma question Trompenaars didn't get very high results in percentages. On the list of countries which would show their emotions the highest result is 81% and already 5th country on the list have only 64%. The countries in a middle of the list have around 40%. (3) According the Trompenaars countries which have over 50% have to be considered more or less as a neutral even though it may sound a bit illogical.

Chart 5. Feeling upset at work: Percentage of respondents who would not show emotions openly



Source: (3), Own processing

Neutral versus Affective in China

If we look at chart 5 we would find that China doesn't have very high Neutral score, however it is considered by Trompenaars as the 7th most neutral country out of 49 examined countries. The Neutral score for China is 55%. This means that 55% of responders would not show their emotions openly and 45% of responders would show their emotions openly. According to Trompenaars the most of Asian countries have to be considered as Neutral, thus China have to considered as a Neutral society also. In Chinese society the very important principle is to not lose face, thus they would never start to argue with their business partners. According to Chinese it is always better to avoid conflict by not showing too much of emotions. (3, 5, 15)

Neutral versus Affective in U.S.A

If we look at chart 5 we would find that U.S.A has moderate Neutral score. According to Trompenaars research U.S.A is 23th most neutral country out of 49 examined countries, thus it is somewhere in the middle of the list. The Neutral score for U.S.A is

43%. This means that 43% of responders would not show their emotions openly and 57% of responders would show their emotions openly. According to this information we can say that U.S. is mildly affective society. Americans tend to express their emotions; however these emotions are not as intensive as in the case of Latin countries. Americans try to control themselves more so that emotions don't affect their rational decision making. (3, 5, 15)

Comparison of China and U.S.A by Neutral versus Affective

If we look at neutrality scores for both countries we would find that they are not so far away in the scores, however according to the ranking list China is 7th most neutral country in the world and U.S. is 23th most neutral country. China with its neutrality score of 55% is considered by Trompenaars as neutral society and U.S.A with its 43% is considered as a mildly affective society, thus we can say that this countries don't have too many similarities.

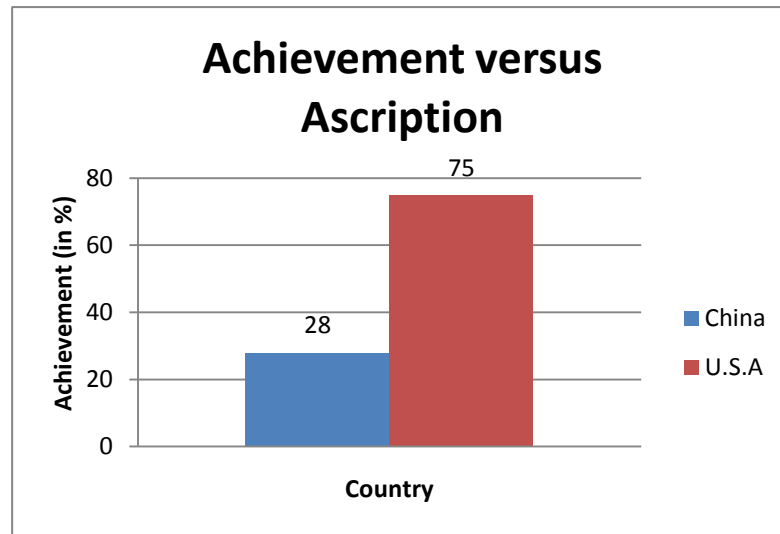
4.2.5. Comparison of China and U.S.A according to Achievement versus Ascription

Dilemma question

Trompenaars "measured the extent of achieving versus ascribing orientations in diverse nations, using the following statement. Responders had to mark it on a five-point scale (1 = strongly agree, 5 = strongly disagree)."⁽³⁾

"The most important thing in life is to think and act in the ways that best suit the way you really are, even if you do not get things done."⁽³⁾

Chart 6. Acting as suits you even if nothing is achieved:
Percentage of respondents who disagree



Source: (3), Own processing

Achievement versus Ascription in China

If we look at chart 6 we would find that China has low Achievement score. The Achievement score for China is 28%. This means that only 28% of responders disagree with ascribed status without any real achievements and 72% of responders agree with ascribed status without any real achievements. According to this information we can say that China is an ascription-orientated society where status is given according to birth, kinship, gender, age, family or education. (3, 5)

Achievement versus Ascription in U.S.A

If we look at chart 6 we would find that U.S.A has high Achievement score. The Achievement score for U.S.A is 75%. This means that 75% of responders disagree with ascribed status without any real achievements and only 25% of responders agree with ascribed status without any real achievements. According to this information we can say that U.S.A is an achievement-oriented society where position has got to be confirmed every time and people are judged according to what a person has recently accomplished. (3,5)

Comparison of China and U.S.A by Achievement versus Ascription

If we have to compare China and U.S.A according to Achievement versus Ascription we would not find any similarities between these countries. In case of China only 28% of responders disagree with ascribed status and in case of U.S.A 75% of responders disagree with ascribed status therefore China is an ascription-orientated society U.S.A is an achievement-oriented society.

4.2.6. Comparison of China and U.S.A according to time orientation and Sequential Time versus Synchronous Time

Time orientation

For determination whether people share a short-term or a long-term time horizon Trompenaars used Cottles time horizon test. He asked participants *"to consider the relative significance of the past, present and future. They were asked to indicate relative time horizons for the past, present and future by giving a number :"*⁽³⁾

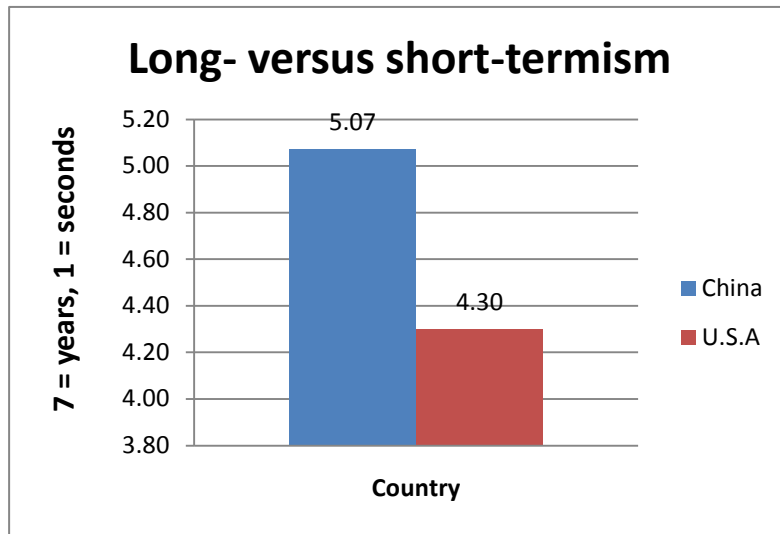
7=years 6=months 5=weeks 4=days 3=hours 2=minutes 1=seconds

"My past started ago, and ended ago."⁽³⁾

"My present started ago, and ended from now "⁽³⁾

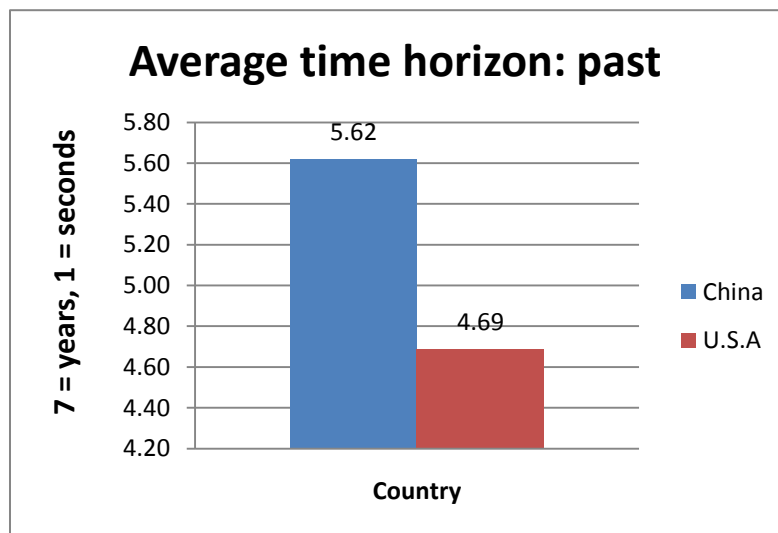
"My future started from now, and ended from now."⁽³⁾

Chart 7. Long-versus short-termism: time horizon



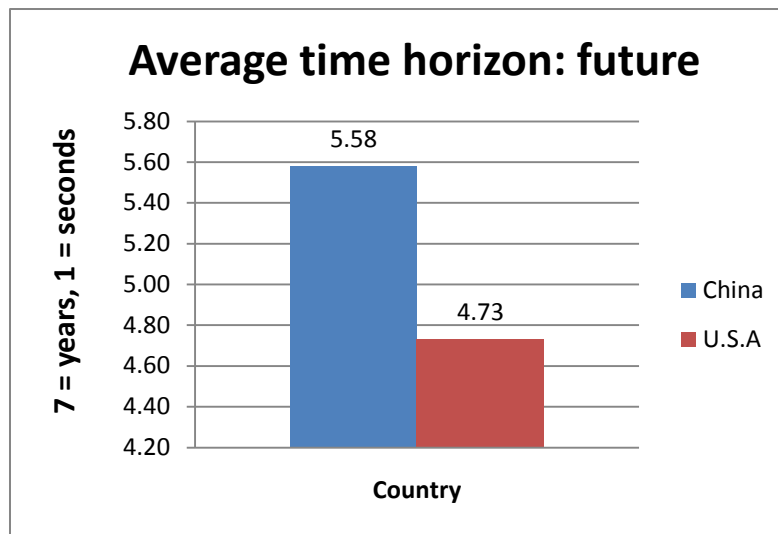
Source: (3), Own processing

Chart 8. Average time horizon: past



Source: (3), Own processing

Chart 9. Average time horizon: future



Source: (3), Own processing

For identifying whether culture assigns itself more to the past, present or future Trompenaars used "Circle Test". Participants had to draw 3 circles which would represent past, present and future. They could arrange those circles however they wanted to and the size of circles could be also different.

Figure 13. Circle test of China



Source: Trompenaars Fons and Hampden-Turner Charles, Riding The Waves of Culture: Understanding Diversity in Global Business(3)

Figure 14. Circle test of U.S.A



Source: Trompenaars Fons and Peter Woolliams, Business Across Cultures (5)

Time orientation in China

If we look at Figure 13 we would find out that for Chinese, past, present and future have the same importance (the circles are the same size), however there is absence of zone relatedness which means that there is no connection between past, present and future. Because all 3 time spaces are not interrelated we can say that Chinese don't believe that things which you do today have an impact on tomorrow. Things which have been done in past don't have necessary an impact on present and what have been done in past can't be changed in present. We can't really define whether China is past-oriented, present-oriented or future-oriented-culture because all time spaces are equally important for Chinese.

If we look at Chart 7 we would find that Chinese have relatively long-term vision of time. The result for China is 5.07. This means that Chinese sees time in weeks. However we must not forget that this is the average. Looking at Chart 8 and Chart 9 we would see that the result for average time horizon for past is 5.62 and the result for average time horizon for future is 5.58. These scores are higher than score of average for time horizon (Chart 7). In reality Chinese can look at their time horizon even in a longer time periods than weeks. Because China is one of the oldest civilizations and its history is thousands years old, the Chinese may look back in past with hundreds or thousands of years. The past is for them very important because in those times they had one of the greatest civilizations. If they make plans for future it is not unusual for Chinese to create a 100 years business plan. According to mentioned information China is country with long-term vision of time.

Time orientation in U.S.A

If we look at Figure 14 we would find out that for Americans past is unimportant and there is absence of zone relatedness between past and present. The lack of relatedness between past and present means that things which have been done in past can't be changed and also past don't have necessary an impact on present. The present has moderate importance and is overlapping the very important future. The overlapping between present and future means that the things which we do today have an impact on tomorrow. Thus we can say that U.S.A is future-oriented culture which sets their goals and realize them in present to create pleasing future.

If we look at Chart 7 we would find that U.S.A has relatively short-term vision of time. The result for U.S.A is 4.30. This means that Americans sees time in days. Looking at Chart 8 and Chart 9 we would see that the result for average time horizon for past is 4.69 and the result for average time horizon for future is 4.73. These scores are higher than score of average for time horizon (Chart 7), but still we can say that Americans tend to have more short term vision of time. Because U.S.A is relatively young country and it doesn't have very old history the past is not very important for it. If Americans make a business plan for the future they usually make it only maximum few years ahead, but in most time they make annual business plans with quarterly reports. According to mentioned information U.S.A is country with short-term vision of time.

Comparison of China and U.S.A by time orientation

If we have to compare China and U.S.A according to time orientation we would not find any similarities between these countries. Countries share opposite time horizons, China has a long-term vision of time horizon and U.S.A has a short-term vision of time horizon. If we look at countries time orientations we would also not find any similarities as U.S.A is future-oriented culture and in case of China it was not possible to define what kind of orientation it has, because all time spaces are for Chinese equally important.

Sequential Time versus Synchronous Time in China

China is considered as synchronous time oriented culture which share nonlinear concept of time. Synchronous cultures tend to be less punctual and less schedule oriented, however in Chinese case there are some exceptions. If you make an appointment with your Chinese business partner at 10.00 a.m. he would probably not remember the exact time when he has an appointment with you, he would only know that he has an appointment with you this morning around 9.30-10.30 a.m., however this depends on how important person you are for him. For Chinese, interpersonal relationships are much more important than exact schedules; depending on your status and relationships you can enter sooner or later. If you are important person you can afford to come later but if you don't have any

status than it is good for you to come earlier for the appointment. On the other hand regular subordinates can't come late to the work or to the appointments with boss, as it may be seen as an insult. In China everything depends on a particular situation. Chinese are also used to work on many projects and the plans and deadlines are viewed more or less as flexible. (5)

Sequential Time versus Synchronous Time in U.S.A

U.S.A is considered as a sequential time oriented culture. Americans share a linear concept of time. Time is made of as a series of intervals which are marked off by separate dots on a line leading from the past to the present and to the future. The appointments are planned with exact dates and times. Schedules are taken very seriously and tolerance for delays is very low. Usually Americans focus only on one activity or a project at time. (5)

Comparison of China and U.S.A by Sequential Time versus Synchronous Time

If we have to compare China and U.S.A according to Sequential Time versus Synchronous Time we would not find any similarities between these countries. China is considered as a synchronous time oriented culture where deadlines are more or less approximate and working on many projects is usual. On the other hand U.S.A is a sequential time oriented culture where appointments are planned with exact times and deadlines are taken seriously.

4.2.7. Comparison of China and U.S.A according to Relationship with the environment (internal-external control)

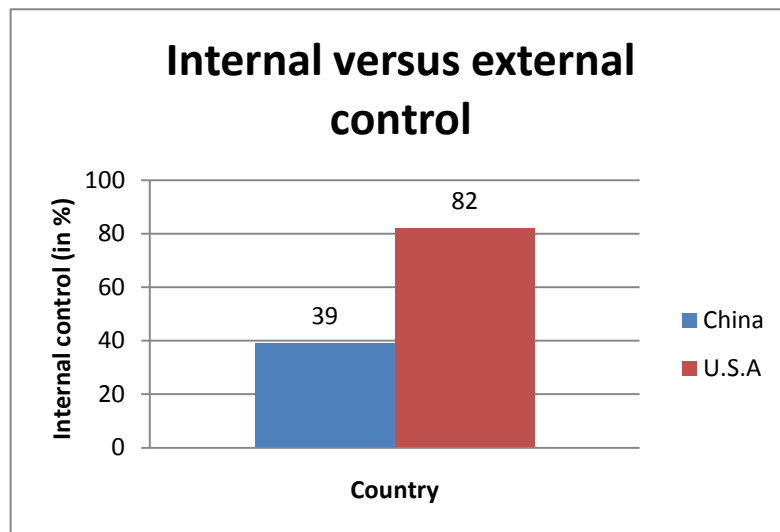
Dilemma question

Trompenaars tested managers all over the world with following dilemma question.

A: "What happens to me is my own doing."⁽³⁾

B: "Sometimes I feel that I do not have enough control over the directions my life is taking."⁽³⁾

Chart 10. The captains of their fate: Percentage of respondents who believe what happens to them is their own doing



Source: (5), Own processing

Relationship with the environment (internal-external control) in China

If we look at chart 10 we would find that China has low Internal control score. The Internal score for China is 39%. This means that 39% of responders believe that what happens to them is their own doing and 61% of responders don't believe that what happens

to them is their own doing. According to this information we can say that China is external-control oriented culture which believes that environment controls them and they can't control it. (3, 5)

Relationship with the environment (internal-external control) in U.S.A

If we look at chart 10 we would find that U.S.A has very high Internal control score. The Internal score for U.S.A is 82%. This means that 82% of responders believe that what happens to them is their own doing and only 18% of responders don't believe that what happens to them is their own doing. According to this information we can say that U.S.A is internal-control oriented culture which believes that they can manage nature or their surroundings to attain their goals. (3,5)

Comparison of China and U.S.A by Relationship with the environment (internal-external control)

If we have to compare China and U.S.A according to relationship with environment (internal-external control) we would not find any similarities between these countries. In case of China only 39% of responders believe that what happens to them is their own doing and in case of U.S.A 82% of responders believe that what happens to them is their own doing, therefore China is an external-control oriented culture and U.S.A is an internal-control oriented culture.

4.3. Comparison between personal cultural profiles of China and U.S.A

In this part of practical part of diploma thesis China and U.S.A would be compared by personal cultural profiles of both cultures. In figure 15 China and U.S.A are compared in all ten major areas of business life. The whole third section of the practical part of this diploma thesis is based on findings in Figure 15.

4.3.1. Comparison of China and U.S.A according to Communication style

Communication style in China

If we look at figure 15 we can see that China has an indirect communication style. This means that Chinese would not express the disagreement with their business partners. To avoid disagreements with their counterpart they would not say directly that they don't agree. Chinese would never say everything what they have in their mind, because otherwise it can offend the counterpart and the rule is, it is better to save face in tough situations. Introductions in China are formal and polite, so be ready to take enough of time over them on your first visitation. According to Tomalin Barry "Chinese rarely say 'no'. Be aware that 'Yes' in China means 'I hear you' and not 'I agree.' A Chinese may also say 'yes' where Britons or North Americans would say 'no'. Show commitment and enthusiasm to your project, and repeat your key points several times. Don't assume that silence means acceptance, and avoid asking personal opinions."⁽¹⁾

Communication style in U.S.A

If we look at figure 15 we can see that U.S.A has a direct communication style. This means that Americans would express all their disagreements with their business partners. If they don't agree with you they would criticize everything what they don't like. During meetings strong eye contact is very important and hands should be shaken firmly. Americans can appear too confident to many Europeans and usually they are also much louder than them. They don't like to speak about unimportant stuff and they want to make deal as fast as possible. According to Lewis "Americans try to extract an oral agreement at the first meeting. They ask "Have we got a deal?" They want to shake hands on it. The other party often feels the matter is far too complex to agree on the spot. They want *yes* in principle and will work out details later. But they can be very tough in the details and check on everything in spite of apparent trust." ^(1, 2)

Comparison of China and U.S.A according to Communication style

If we have to compare China and U.S.A according communication style we can see that they differ from each other. China has an indirect communication style and U.S.A has direct communication style. We would not find any similarities between these countries in communication style.

4.3.2. Comparison of China and U.S.A according to Working style

Working style in China

If we look at figure 15 we can see that China has a formal working style. Formal working style cultures usually prefer formal style of speech without any humor. They also don't like when a person is calling them with a first name. Chinese are very sensitive to titles and you should always use the title such as Director or Engineer. After title surname always comes first. If a title of a counterpart is unknown for you call him Mr. and her Mrs. until you know the title. Chinese also prefer to dress formally. (1) According to Tomalin Barry "they appreciate conservative suits and ties, and dislike loud colors. Women tend to wear high-necked blouses and low heels."(1)

Working style in U.S.A

If we look at a figure 15 we can see that U.S.A has moderately informal working style. Informal working styles cultures don't like very much formal style of speech. They prefer more relaxed way of doing business and humor is welcomed on presentations. According to Tomalin Barry "Americans appreciate an informal style and humor, but make sure that your jokes and light-hearted asides don't drift into that area of dark Brit humor that can provoke blank stares."(1) Also the use of first name without any titles is welcomed. Americans tend to use first name from the first day they meet you. But don't be deceived: the use of first name after first meeting doesn't mean that your proposal would not be criticized and you would not be asked hard questions. (1, 6)

Comparison of China and U.S.A according to Working style

If we compare China and U.S.A according to working style we can see that they differ from each other. China has a formal working style and U.S.A has informal style. We would not find any similarities between these countries in working style.

4.3.3. Comparison of China and U.S.A according to Discussion style

Discussion style in China

If we look at figure 15 we can see that China has slow and measured discussion style. Slow and measured discussion style cultures tend to speak slowly with measured tone and pauses between the sentences. Chinese never scurry with conversation. Before they say something they have to think about it very carefully. Also they never interrupt the person who is speaking as it may be considered as impolite. According to Lewis "the pace of negotiations will be slow and repetitious. The time frame is too long for Westerners, who may see the slow-down techniques as bargaining ploys."⁽²⁾

Discussion style in U.S.A

If we look at figure 15 we can see that U.S.A has fast-moving discussion style. Fast-moving discussion style cultures tend to speak fast without pauses between the sentences. It is very common that Americans can interrupt the person, who is speaking, as it is not considered as impolite. They like to make a deal as fast as possible and usually meetings have a fast pace. ⁽¹⁾ According to Tomalin Barry "the pace is brisk – 'Time is money' – and you should be open about your aims from the start. People are not always well prepared for meetings, and papers are not always read beforehand, but this won't stop them from commenting on your proposals."⁽¹⁾

Comparison of China and U.S.A according to Discussion style

If we compare China and U.S.A according to discussion style we can see that they differ from each other. China has slow and measured discussion style and U.S.A has fast-moving discussion style. We would not find any similarities between these countries in discussion style.

4.3.4. Comparison of China and U.S.A according to Business Attitude

Business Attitude in China

If we look at figure 15 we can see that China has a traditional business attitude. In general, cultures with such an attitude are more cautious to changes. Chinese don't like to change the methods and processes which have been proven by time. They don't have extremely traditional business attitude, so in their case they might try a new technology or new management methods, but with a great cautiousness. Because they place great emphasis on family and friendship concept they would not change their old loyal employees for younger candidates, even so they may have better knowledge and skills. (1, 2)

Business Attitude in U.S.A

If we look at figure 15 we can see that U.S.A has a progressive business attitude. In general we can say that cultures with such an attitude like changes and are not afraid to try new methods and processes. Because U.S.A has one of the highest Individualism score the individuality and freedom for subordinates is very important. Individuals have a lot of freedom; however they are also responsible for failures. If an employee is not "hitting his numbers" he would be very soon replaced by a more capable worker. The loyalty of employee to company is not as crucial as his or her performance. Americans are always aware of upcoming technology and are trying to implement it as fast as possible to have a competitive advantage. (1) According to Tomalin Barry "when you working with Americans try not to appear old-fashioned or slow, or get into too much detail."(1)

Comparison of China and U.S.A according to Business Attitude

If we compare China and U.S.A according to business attitude we can see that they differ from each other. China has a traditional business attitude and U.S.A has a progressive business attitude. We would not find any similarities between these countries in their business attitudes.

4.3.5. Comparison of China and U.S.A according to Leadership Style

Leadership Style in China

If we look at figure 15 we can see that China has a vertical leadership style. Vertical leadership style cultures tend to communicate through hierarchy and many management levels. One of the reasons why China has a vertical leadership style is because it has very high power distance score. Most Chinese companies have usually several management levels and the communication between all this levels can be sometimes very complicated. The speed of communication depends on who do you know in the company and how good relationships you have with that particular person. Tomalin explains "Chinese teams are groups of specialists working under a leader, who may not himself be a specialist but will have links to the head of the company."⁽¹⁾ Because China is an ascription-orientated society, the company's leader has usually its position because of family status, wealth or connections. According to Tomalin Barry "one potential difficulty for visitors is that a manager's authority is often based on his wealth and family background, rather than purely on his competence at the job."⁽¹⁾

Leadership Style in U.S.A

If we look at figure 15 we can see that U.S.A has a flat leadership style. In general we can say that in cultures with flat leadership style subordinates can much more easily communicate with managers and co-workers. One of the reasons why U.S. has flat leadership style is because it has low power distance score. Americans have what is known as a matrix management environment. In such an environment there are less management

levels and formal procedures, thus it is much easier and faster for subordinate to get information what he/she needs. Because U.S.A is an achievement-oriented society the leader occupies his position in a company for his achievement and not because of a family status. (1) According to Tomalin Barry "American managers are expected to lead in a way that generates confidence in the workforce. Tough leaders who get results are particularly admired."(1) In particular an autocratic leadership style is not very popular in America; inspiring leaders are the ones which are most respected and valued. (1)

Comparison of China and U.S.A according to Leadership Style

If we compare China and U.S.A according to leadership style we can see that these countries are completely different. China has a vertical leadership style and U.S.A has a flat leadership style. We would not find any similarities between these countries in their leadership styles.

4.3.6. Comparison of China and U.S.A according to Business Relationship

Business Relationship in China

If we look at figure 15 we can see that China has a relationship approach for business relationships. Chinese business depends heavily on good relationship with their business partners; relationships are much more important than tasks. The great emphasis is placed on to get know the business partner well. Meetings in China are very prolonged; this allows people to get know each other better. Because China is a Diffuse society with a very high long-term orientation score and relatively long-term vision of time, business for them is not a short-term affair. If Chinese do not like their business partner and don't see him as a suitable one for a long-term cooperation, they would not do the business with him. According to Lewis "negotiations in China are important social occasions during which one fosters relationships and decides if the people on the other side of the table are suitable partners for the long run. The Chinese, who have been doing business for 4,000 years, certainly are."(2, 10)

Business Relationship in U.S.A

If we look at figure 15 we can see that U.S.A has a task relationship approach for business relationships. For Americans more important are tasks than good relationships. Because U.S.A is a Specific society; the good relationships with work colleagues are not crucial for successful business, however good relationships between partners can develop. The reason why Americans don't see relationships as important as Chinese do is because of a very low long-term orientation score and the vision of time which is relatively short-term. They don't see necessary their business partner as a partner for another next ten or twenty years. If Americans would find next year a more suitable partner they would start to cooperate with him instead of the old one. Close relationship can sometimes only harm the business as a person would not like to change his counterpart even if he or she gets much better offer from another businessman; thus Americans try not to mix together business and friendship. (2, 6)

Comparison of China and U.S.A according to Business Relationship

If we compare China and U.S.A according to business relationship approach we can see that these countries are in contradiction. China has a relationship approach for business relationships and U.S.A has a task relationship approach. We would not find any similarities between these countries in their business relationship approach.

4.3.7. Comparison of China and U.S.A according to Decision-Making Style

Decision-Making Style in China

If we look at figure 15 we can see that China has a collective decision-making style. Decisions in China are made very slowly. The reason for that is because of a long-termism. If Chinese would hurry with decisions it might have bad consequences for a company in the long run. Because China is a collectivist society, the group interests are much more important than individual interest. The consensus in decision making is very important. Before the decisions are made, there have to be a consensus among the most influential

people in the company. Only after consensus the boss can make a final decision upon which he agreed with his colleagues. Unlike in most collective decision-making style cultures, where for all decisions is responsible collective, in China the boss has responsibility for decisions which has been made. Usually the best boss for Chinese is a benevolent autocrat who tells subordinates what they have to do. Subordinates have very little freedom in decision making, everything what they want to do have to be discussed and agreed with top management. (1, 2)

Decision-Making Style in U.S.A

If we look at figure 15 we can see that U.S.A has an individualistic decision-making style. The Americans have relatively short-term vision of time and decisions which are made usually don't have such a long-term character as in the case of China, thus they can be made much faster. In the U.S. -'Time is money' –and the meetings are organized only for decision making and the pace of meeting is very fast. The decision making process have different process than in China. According to Tomalin Barry "managers are expected to arrive at decisions only after consulting their teams and colleagues."⁽¹⁾ However this doesn't mean that there have to be consensus. Manager usually asks the teams and colleagues for opinion about the decision which has to be made, but then he decides completely on his own. Top manager can decide completely opposite of what was suggested by the colleagues, but also he has all the responsibility for that decision. Because U.S.A is an individualistic society, subordinates have much more freedom in their decision making. In most cases they can decide on their own without an approval from top management. According to Lewis "Americans are individualistic; they like to go it alone without checking with the head office. Anything goes unless it has been restricted."^(2, 10)

. Comparison of China and U.S.A according to Decision-Making Style

If we compare China and U.S.A according to decision-making style we can see that these countries are completely different. China has a collective decision-making style and U.S.A has an individualistic decision-making style. We would not find any similarities between these countries in their decision-making styles.

4.3.8. Comparison of China and U.S.A according to Basis for Decision-Making

Basis for Decision-Making in China

If we look at figure 15 we can see that basis for decision-making in China is almost on a boundary between both approaches, however if look more closely we can see that it tends to be oriented little bit more to instincts side. This means that during decision making process Chinese tend to use their instincts little bit more, however they also take in to account real facts and numbers. The reason why Chinese tend to use more they instincts when they make decision is because they are Diffuse society where relationships with business partners are very important. If they don't like body language or just feel that there is something wrong with their partner, they would not make a deal with that person even if the numbers and figures from that contract would look outstanding. Chinese always organize the banquet for their business partners because this helps with socialization of both parties and also with decision making, as it can help to sense the true intensions of the counterpart. (1)

Basis for Decision-Making in U.S.A

If we look at figure 15 we can see that basis for decision-making in U.S.A is based on facts. Their approach is on a far left; therefore they don't use their intuition while doing business at all. For Americans most important in decision making process are data and figures. Because U.S.A is a Specific and task oriented society, good relationships with their business partners are not decisive. If they see that deal has some interesting promises and it is valid in terms of legal issues they would go for it, even so counterpart might be not very sympathetic to them. In the view of American successful business don't depend necessary on hospitality or gifts; they might be well perceived but they are not decisive for successful deal. (1)

Comparison of China and U.S.A according to Basis for Decision-Making

If we compare China and U.S.A according to basis for decision-making we can see that these countries significantly differ. China is more instinctively oriented; however figures are also important for them but not decisive. If they feel bad intention from their business partner they would not rely on good numbers. On the other hand Americans are on an extreme left in their profile and therefore they make decisions only upon a figures and data without any reliance on intuition.

4.3.9. Comparison of China and U.S.A according to Attitude to Time

Attitude to Time in China

If we look at figure 15 we can see that China has more scheduled attitude to time. The Chinese attitude to time is not extremely on a left therefore this means that there can be some degree of flexibility. Generally we can say that China is schedule oriented and punctual society, however in China everything depends upon a situations. The relationships and status play in China crucial role. If subordinate is ordered for appointment with a manager he has to be there on time, however, if a person with a high status is ordered for appointment, he may have a delay and it would not be considered as rude. Also if two people are waiting for appointment out of a door, always the person with higher status would enter first. For subordinates it is never allowed to come late. If there is a meeting or banquet it is very important to be on time for everyone. The length of negotiations during meeting is flexible; more important is procedure. The deadlines and plans are also viewed as flexible. (1, 2) According to Tomalin Barry "the Chinese are punctual at work and for social engagements, and cancellation or lateness may be seen as insulting unless good reasons are given. Keep your schedule light to allow for long meetings. Office hours tend to be 9am-5pm with a half day on Saturday, although a five-day working week is becoming more common. The deadlines are regarded as flexible."(1)

Attitude to Time in U.S.A

If we look at figure 15 we can see that U.S.A has extremely scheduled attitude to time. Americans schedule their appointments by exact date and time. It is considered rude if someone is late. According to Tomalin Barry "punctuality is regarded as crucial in the USA, because time is equated to money."⁽¹⁾ The deadlines are taken seriously and delay is not allowed.

Comparison of China and U.S.A according to Attitude to Time

If we compare China and U.S.A according to attitude to time we can see that both countries have scheduled attitude to time. The U.S.A has extremely scheduled attitude and China has moderately scheduled attitude. In case of China there exists some degree of flexibility in time for appointments and deadlines and in case of U.S.A everything is very strict and no delays are allowed.

4.3.10. Comparison of China and U.S.A according to Work/Life Balance

Work/Life Balance of China

If we look at figure 15 we can see that Chinese work/life balance is extremely live to work oriented. One of the reasons why it is like this is because China is masculine society where success is very important. For Chinese the meaning of life is work, leisure is not important.

Work/Life Balance of U.S.A

If we look at figure 15 we can see that work/life balance of U.S.A is also live to work oriented, however it not as extreme as in the China case. The one of the reasons why U.S. has such a balance is the same as in the case of China, the U.S.A is also masculine society with big importance placed on success.

Comparison of China and U.S.A according to Work/Life Balance

If we compare China and U.S.A according to work/life balance we can see that both countries have the same live to work attitude. In China case work/life balance is extremely live to work oriented and in U.S.A case it is only moderately live to work orientated.

5. Conclusion

The main objective of this diploma thesis is to compare Chinese business culture and U.S.A business culture and to find out whether they differ or coincide. To achieve this objective it was necessary to be familiar with Hofstede's dimensions of national cultures, seven Trompenaars dimensions and the personal cultural profile. In the theoretical part of this thesis all these concepts were systematically explained.

From the first glance it may seem that Chinese business culture and U.S. business culture have to be very different. The truth is that these cultures are really very different. From the results of the practical part of this thesis we can clearly see that these two cultures don't have many similar features. If we evaluate these two countries according to five Hofstede's dimensions of national cultures we can see that they have very close results in 2 dimensions and they differ in 3 dimensions. More precisely China and U.S.A have very similar results in Masculinity versus Femininity (MAS) and Uncertainty Avoidance Index (UAI) and they differ in Power Distance Index (PDI), Individualism Index (IDV) and Long-Term Orientation (LTO).

MAS identify cultural variability based on what are considered appropriate gender roles for that culture. According to results China has MAS score of 66 and U.S.A has MAS score of 62. Both countries are masculine societies where social sex roles are sharply differentiated and importance is attached to achievement and material success.

UAI is the level of anxiety within the members of a society in the face of unstructured or ambiguous situations. Both countries have very close scores and are between the countries with the lowest scores of UAI. Based on the results UAI score of China is 30 and UAI score of U.S.A is 46. This means that they have less concern about uncertainty and have more tolerance for a diversity of opinions.

PDI is the extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally. Based on results PDI score of China is 80 and PDI score of U.S.A is 40. China has very high PDI score which means that there exist huge power distance between individuals and that inequality of power and wealth exists within the society. U.S.A is mildly to lower hierarchical society which de-emphasizes the differences between citizen's power and wealth.

IDV is the degree to which people in a country or region learn to interact with each other. Based on results IDV score of China is 20 and IDV score of U.S.A is 91. China has very low IDV score; therefore it is highly collectivist country where close ties among members of society are very important and collective interests prevail over individual interests. U.S.A has the highest IDV score in the world, thus it is highly individualistic country where ties between individuals are loose.

LTO focuses on the degree the society embraces, or does not embrace long-term devotion to traditional values and to long-term rewards for their work. Based on results LTO score of China is 87 and LTO score of U.S.A is 26. China is among the countries with the highest scores of LTO. Chinese are long-term oriented and expect long-term rewards from their work. U.S.A is among the countries with the lowest LTO scores and Americans are short-term oriented and expect short-term rewards from their work.

If we evaluate China and U.S.A according to seven Trompenaars dimensions we would find that they differ in all 7 dimensions. More precisely China and U.S.A differ in: universalism versus particularism, individualism versus collectivism, specific versus diffuse, neutral versus affective, achievement versus ascription, time orientation & sequential time versus synchronous time and internal–external control.

The first dimension deals with a dilemma whether do individuals have a tendency to follow universal rules (universalism) or do they have a preference for a flexible approach for special situations (particularism)? The result from universalism versus particularism dimension shows that China is particularist society where broad rules and obligations are less important than relationships and particular people involved. On the

other hand U.S.A is universalist society where broad rules and obligations are a strong source for moral references.

The second dimension deals with a dilemma whether group is more important (collectivism) or individual (individualism)? The result from individualism versus collectivism dimension shows that China is collectivist society which places the importance on communal prosperity before individual prosperity and judges individuals by how they contributed to welfare of a group. On the other hand U.S.A is individualistic society which put the individual before the group and it leaves people free to contribute to the group whenever they want to. Although we can notice that Trompenaars achieved the same results as Hofstede in his IDV which is almost the same dimension as individualism versus collectivism.

The third dimension deals with a dilemma of personal relationship in business. We can distinguish among cultures which do care about relationship with their business partner (diffuse) and which don't care about good relationship (specific). The result from specific versus diffuse dimension shows that China is a diffuse society in which good relationships with work colleagues are very important. Chinese spend the same amount of time on developing good relationship as on doing real business. On the other hand U.S.A is a specific society in which good relationships with work colleagues are not important. Americans separate work and personal lives.

The fourth dimension deals with a dilemma whether people can control their emotions (neutral) or do they show their emotions openly (affective)? The result from neutral versus affective dimension shows that China is neutral society where people are not showing their emotions and U.S.A is mildly affective society where people are showing their emotions; however these emotions are more controlled so they don't affect their rational decision making.

The fifth dimension deals with a dilemma whether do we have to confirm ourselves to obtain status and authority (achievement) or are they given to us (ascription)? The result from achievement versus ascription dimension shows that China is an ascription-orientated society where status is given according to birth, kinship, gender, age, family or education and is not based on what a person has achieved. On the other hand U.S.A is an

achievement-oriented society where position has got to be confirmed every time and people are judged according to what a person has recently accomplished.

The sixth dimension deals with a dilemma whether people are doing one task at a time (sequential time) or they are doing many tasks at once (synchronous time)? Also this dimension deals with a question how the cultures assign to the past, present and future and whether community shares a short-term or a long-term time horizon? The result from time orientation & sequential time versus synchronous time dimension show that China is synchronous times oriented culture with long-term time horizon and where past, present and future have the same importance. On the other hand U.S.A is a sequential time oriented culture with short-term time horizon and future orientation.

The seventh dimensions deals with a dilemma whether people believe that the environment can be controlled (internal-control) or they believe that the environment controls them (external-control). The results from internal–external control dimension shows that China is external-control oriented culture which believes that environment controls them and the U.S.A is internal-control oriented culture which believes that they can manage nature or their surroundings to attain their goals.

According to the results from cultural profiles of China and U.S.A these two countries have similarities in 2 areas of business life and they differ in 8 areas of business life. More precisely China and U.S.A coincide in attitude to time and work/life balance and they differ in communication style, working style, discussion style, business attitude, leadership style, business relationship, decision-making style and basis for decision making.

Attitude to time explains how certain culture can deal with time and what attitude to time it has. Cultures can have scheduled attitude to time or flexible attitude to time. Both countries have scheduled attitude to time. The U.S.A has extremely scheduled attitude where everything is very strict and no delays are allowed and China has moderately scheduled attitude where some flexibility in time for appointments and deadlines may be allowed.

Work/Life balance explains what kind of attitude to work and how diligent at work certain culture is, we can distinguish it on live to work or work to live balance. Both

countries have live to work balance which means that they enjoy work, however in Chinese case the balance is more extreme and thus it can lead to workaholism.

Communication style can be distinguished on direct and indirect. Chinese have indirect communication style and would not express the disagreement with their business partners. Americans have direct communication style and thus they would express all their disagreements with their business partners directly.

Working style can be distinguished on formal and informal. China has a formal working style and therefore Chinese dress formally, they use titles and surnames and speech is formal without humor. Americans have moderately informal working style and therefore they have everything more or less vice versa than Chinese.

Discussion style means how fast conversation between cultures flows. We can distinguish it on fast moving and slow and measured. Chinese have slow and measured discussion style, therefore they never interrupt someone during conversation and they speak slowly with measured tone and pauses between the sentences. Americans have fast-moving discussion style, therefore they have everything vice versa than Chinese.

Business attitude tells us what kind of view has a certain culture on business. We can distinguish it on traditional attitude and progressive. Chinese have a traditional business attitude therefore they are more cautious to change and adaptation of new technology, also they would not change their old loyal employees for younger more skilled candidates. Americans have a progressive business attitude therefore they have everything more or less vice versa than Chinese.

Leadership style is about hierarchy, company structure and respect between people. Chinese have a vertical leadership style. They communicate in a company through hierarchy and many management levels, therefore communication can be slow and inefficient. Americans have flat leadership. They have less management levels and therefore subordinates can much more easily communicate with managers and co-workers.

Business relationship can be distinguished on relationship approach and task approach. Chinese have a relationship approach. Chinese business depends heavily on good relationship with business partners; relationships are much more important than tasks.

Americans have a task relationship; therefore tasks are more important for them than good relationships. For Americans good relationships are not important during business and they don't guarantee successful business.

Decision-making style is about whether individual or collective makes a decision. We can distinguish between individualistic or collective decision-making style. Chinese have collective decision-making style where consensus in decision making is very important. In China subordinates have very little freedom in decision making. Americans have individualistic decision-making style. The consensus is not important and subordinates have much more freedom in their own decision making.

Basis for decision making can be upon facts or upon instincts. Chinese are more oriented to instinct side in their basis for decision making. They use their instincts little bit more, however they also take in to account real facts and numbers during their decision making process. Americans are extremely oriented on facts in their basis for decision-making. They don't use their intuition at all; they only rely on data and figures.

The results of this diploma thesis confirm that business culture of China and business culture of U.S.A are very different. These two countries don't have many similar characteristics and the business between these two cultures is affected by big cross-cultural differences. Chinese who want to do business with Americans and Americans who want to do business with Chinese have to study very carefully all the differences between their cultures so they don't get into an uncomfortable situations while doing business with each other.

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7. Appendix

7.1. List of shortcuts

PDI - Power Distance Index

IDV - Individualism Index

MAS - Masculinity

UAI - Uncertainty Avoidance Index

LTO - Long-Term Orientation

7.2. List of figures, charts and tables

Figure 1: Three Levels of Uniqueness in Human mental Programming

Figure 2: Example of Human Mental Programming: Japan

Figure 3: The ‘onion diagram’: Manifestations of culture at different levels of depth

Figure 4: The seven, universal dimensions of cultures

Figure 5: U-type circle

Figure 6: G-Type circle

Figure 7: Specific relationship

Figure 8: Diffuse relationship

Figure 9: The Danger zone: the specific-diffuse relationship

Figure 10: Example of Circle test for Japan

Figure 11: Example of Circle test for France

Figure 12: The Personal Cultural Profile

Figure 13: Circle test of China

Figure 14: Circle test of U.S.A

Figure 15: The Personal Cultural Profiles of China and U.S.A

Chart 1: Dimensions of national cultures of China and U.S.A

Chart 2: The car and the pedestrian, percentage of respondents indicating that their friend has no or only some right to expect help, and that the respondent would not help their friend

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Chart 5: Feeling upset at work: Percentage of respondents who would not show emotions openly

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Chart 7: Long-versus short-termism: time horizon

Chart 8: Average time horizon: past

Chart 9: Average time horizon: future

Chart 10: The captains of their fate: Percentage of respondents who believe what happens to them is their own doing

Table 1: Explanation of Circle test