Czech University of Life Sciences Prague

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Diploma Thesis

The Cultural Differences in Different Countries

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CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE

Faculty of Economics and Management

DIPLOMA THESIS ASSIGNMENT

Anastasia Lomtadze

Business Administration

Thesis title

The cultural differences in different countries

Objectives of thesis

The aim of the theses is define general differences between two selected countries at area of organisational culture.

Methodology

The theoretical part will include definitions of the terminologies used in culture management. This will be based on a review of current and standard literature. Methodology of the thesis is based on a research methodology which would be describing the framework of this thesis. Practical part will be focused on a chosen industry and a comparison of different cultures in chosen countries, including characteristic behaviours and firms cultures. Results will be compared with the theoretical data.

The proposed extent of the thesis

60 – 80 pages

Keywords

culture, organizational culture, organizational performance, cultural impact, diversity, organizational conflicts, management

Recommended information sources

ARMSTRONG, M. Personální management. Praha: Grada Publishing, 1999. ISBN 80-7169-614-5

Geert Hofstede, Gert Jan Hofstede, Michael Minkor 2010, Cultures and organizations: software of the mind, ISBN: 978-0-07-177015-6

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Expected date of thesis defence

2015/16 SS – FEM

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Declaration

      I declare that I have worked on my diploma thesis titled "The Cultural Differences in Different Countries" by myself and I have used only the sources mentioned at the end of the thesis. As the author of the diploma thesis, I declare that the thesis does not break copyrights of any their person.

In Prague on March 31st   _____

Acknowledgement

I would like to thank my supervisor Ing. Ladislav Pilař Ph.D. MBA for his assistance and important advice during the writing of this thesis. Thank to my family for giving me a chance to study in the Czech Republic and to my friends, who were next to me and supported me during my study period.

Kulturní odlišnosti v rozdílných zemích

Souhrn

Tato diplomová práce znázorňuje existující kulturní rozdíly po celém světě. Přezkoumaná literatura definuje organizační kulturu a její odlišnosti. Organizační kultura hraje velmi důležitou roli v podnikání, která může mít jak negativní, tak i pozitivní důsledky. Hlavním cílem této práce je ukázat, že každá země má jinou organizační kulturu, která ji vede k rozdílné organizační struktuře, procesům přijetí rozhodování a různorodým způsobům řešení problémů či přijímaní odlišných pracovních postojů.

Metodologie práce je založena na kvantitativním výzkumu, popisujícím rámec práce. Výzkum, který byl proveden ve dvou různých zemích, Rusku a USA, hraje hlavní roli při porovnání ostatních zemí. Na základě zjištěných informací a výsledků byl vyvozen závěr.

Uvedené nálezy z tohoto výzkumu mohou být užitečné pro mezinárodní organizace, podniky, zaměstnance a manažery, kteří pracují v různých zemích a také se potřebují vypořádat s problémy, způsobené kulturními rozdíly.

Klíčová slova: kultura, organizační kultura, organizační výkon (splnění), kulturní vliv(dopad), rozmanitost, organizační konflikty, management (řízení)

The Cultural Differences in Different Countries

Summary

This diploma thesis is about the existence of cultural differences around the world. The literature review defines organizational culture and its differences. Organizational culture plays very vital role in the business, and it might have a negative or positive outcome. The aim of the thesis is to show that each country has different organizational culture, which leads them to have different organizational behavior, decision-making process, and different ways of problem solving or job attitude.

The methodology of the thesis is based on a research methodology which would be describing the framework of this thesis. Research, which was done in two different countries: Russia and the USA, has played the main role in comparison to different countries. Based on the information and findings from research, was made a conclusion.

Information and results which are given in this thesis can be useful for international organizations, businesses, employees and managers who are working in different countries and might need to deal with problems, caused by cultural differences.

Keywords: culture, organizational culture, organizational performance, cultural impact, diversity, organizational conflicts, management.

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1. Introduction

Nowadays the process of interaction and integration among the people and companies is getting bigger and bigger. The number of people working abroad or for international companies are increasing, and employees and managers meet a lot of different cultures which are way too different but at the same time might be more or less familiar with them. To keep the name as being the international organization, companies need to understand the culture where they are working and try to create an atmosphere where all employees working from different countries can accept it. Organizational culture can have a remarkable impact on the organization, and only understanding of it can deal with this impact.

In this thesis is given a definition of the organizational culture from several authors, how cultures differ from each other and what kind of impact it might have on the organization or employees' performance. In academic research and education organization culture is one of the main issue. Culture is an abstraction; the forces that are created in social and organizational situations that derive from culture. Culture is very compelling for how companies and other organizations function. It is very crucial to understand cultural differences and diversity, which is the representation of people with distinctly different group affiliations. Understanding cultural differences will help managers to manage their employees in a right way and to have a high level of organizational performance because there is a direct link between human and organizational performance. For a better understanding of organizational differences layers of cultures also, can be used, which consists: artifacts – what we see; values – what they say and assumptions – what they believe.

In the further part of the thesis, there is given a definition of Hofstede's 5D mode, which is: power distance, individualism, masculinity, uncertainty avoidance and long-term orientation. During the comparison of different countries, we can see that some of them might have a high percentage of power distance and a low percentage of uncertainty avoidance or on the contrary. Herewith it is substantial to get some information about the organizational conflict,

what types of conflict do organizations have, what might be the reason and future outcomes of conflict. Managers need to understand from where the conflict is coming, what it may cause and how to manage it.

In the practical part of the thesis is given the comparison of two entirely different organizational culture, such as Russian and American culture. There were sent questionnaire in both countries and for the return of answers, was made data presentation and analysis, which helped to highlight the different way of thinking between these two nations. At the same time for better understanding in this thesis is used another data presentation and analysis from Nigeria and Sweden. Comparison of different countries with the different results gave the possibility to make a brief conclusion about cultural differences.

Reliance on the data presentation and analysis was made a conclusion, where once again is indicated the difference between four countries and is given some recommendations. Which might be useful for international organizations and for people who are working or willing to work abroad?

2. Objectives and Methodology

In this part of the thesis will be given what the aim is and how the methodology is done.

2.1. The Aim of the Thesis

The aim of the theses is define differences between two selected countries at area of organizational culture, look more closely at their organizations from the business point of view and achieve following objectives:

- Describe the organizational culture and its dimensions;
- Use Hofstede's five dimensions to connect theoretical and practical part;
- Understand cultural differences between the countries;
- Show communication level between managers and employees;
- Hierarchy existence in the company and its understanding within the employees;
- What kind of organizational conflicts can we meet and how can we deal with them;
- How culture can influence on our organization and how to solve problems caused by cultural differences.

2.2. Methodology of the Thesis

For writing theoretical part, there is used books from different authors. All this information might be utilized as a conceptual intelligence about organizational culture. There will be a discussion about organizational culture and its dimension, cultural differences and its diversity. Also, there is given the topic about organizational conflicts, what times of conflicts exist and how managers can manage internal conflicts. For better understanding and connecting all the theoretical knowledge to the real life practical part was created, which might be used as an additional source.

The main question of the thesis is "How organizational cultures differ from each other in different countries?" to answer this question there was used data analysis. In the practical part of the thesis was done a survey, which helped to get necessary data. The primary object was to compare Russian and American cultures to each other for a better understanding of cultural differences between countries. For the comparisons was created and distributed a

questionnaire to 180 workers in different companies from Russia and the USA. Results helped to get information what was submitted in the aim of the thesis. The results might be helpful for better understanding of the information given in theoretical part. To find out the connection between theoretical and practical part. All the information provided in literature review is utilized in the procedure of assessment Russia and the USA. There is given a brief explanation of this question in the conclusion part.

Objectives and Methodology might be useful for students, who is interested in this area, or thinking to work in international companies, for workers, who already have some working experience in their lifetime and can compare their background to the results given here.

3. Literature Review

In this part of the thesis will be a discussion about organizational culture in general which might be used as a prerequisite of the theoretical part.

3.1. Organizational Culture

Organization is the basis of existing management and managers. It is a group of people whose work is deliberately conducted a common goal. A group of people to be considered as an organization, it is necessary to have the following conditions. It is necessary to have at least two people who will consider themselves as a member of the group, there must be at least one goal, i.e. the desired result, which will be realized by each member of the group; one of the condition is that each member of the group will work together to achieve important goal for everyone.

Organizational culture is one of the major issues in academic research and education. Culture is an abstraction; the forces that are created in social and organizational situations that derive from culture. If we do not understand the operation of these forces, we become victim to them. (Schein, 2004). Schein introduced an influential approach; he criticized previous concepts of culture for remaining at the surface by concentrating on myths, symbols, and rituals. He viewed organizational culture as being rooted in group dynamics, as a learned product of group experience which evolves over time. He defines culture as the figure of underlying assumptions – discovered, developed or created by a given group as it learns to cope with its problems of external adaptation and internal integration, it has worked well enough to be considered valid and to be taught as the correct way to perceive, think, and feel in relation to those problems. Understanding organizational culture helps us to solve problems such as survival in and adaptation to the external environment and integration of its internal processes.

Each company has its organizational culture, which includes the philosophy and principles for controlling our business, values, standards of conduct, ways to solve problems and decision-making tools. Organization culture can be considered as a way of how people think and act, which have turned into behavior and from time to time became a tradition, and all workers in the company share it.

Culture is highly significant for how businesses and other organization function: from strategic change to everyday leadership and how managers and employees relate to and interact with customers as well, as how knowledge is created, shared, maintained and utilized.

Culture can be also defined as the common philosophies, ideologies, values, assumptions, beliefs, expectations, attitudes, and norms that knit a community together (Kilman, Saxton, 1986). It is an explanatory variable that distinguishes one organization from another (Sathe, 1985).

Organizational culture differs from corporate culture, being a wider and deeper concept, something that an organization "is" rather than what it "has". Organizational culture is the total sum of the values, customs, traditions and meanings that make a company unique. Corporate culture is often called "the character of an organization" since it embodies the vision of the company's pioneers or promoters. The values of a corporate culture can influence the ethical standards within a corporation, as well as managerial behavior. (Hill & Jones, 2001; Montana&Charnov, 2008).

A positive corporate culture could provide immense benefits to the organization, and thereby a leading competitive edge over other firms in the industry. However, a negative culture could have a negative impact on the organizational performance as it could deter firms from adopting the required strategic or tactical changes. Such type of culture could inhibit future changes in an organization. (Sadri & Lees, 2001).

Culture as a concept is thus an abstraction. People working for international companies must avoid the superficial models of culture and build on the deeper, more complex anthropological models. These models refer to a wide range of observable events and underlying forces, as shown in the following list (Schein, 2010):

- **Observed behavioral regularities when people interact**: it consists the language they use, the customs and traditions that evolve, the rituals they employ in a wide variety of situations;
- **Group norms**: the implicit standards and values that evolve in working groups;
- **Espoused values**: publicly announced principles and values that the group claims to be trying to achieve quality and leadership;

- **Rules of the game**: the tactic, unwritten rules for getting along in the organization, when a newcomer must learn to become an accepted member;\
- **Climate**: the way in which members of the organization interact with each other;
- **Embedded skills**: the special competencies shown by group members in accomplishing certain tasks, the ability to make certain things that get passed on from generation to generation;
- **Habits of thinking, mental models, linguistic paradigms**: the shared cognitive frames that guide the perceptions, thought, language used by the members of a group and are taught to new members in the early socialization process;
- **Shared meanings**: the emergent understandings that are created by group members as they interact with each other.

3.1.1. Cultural Differences

When we generalize about a group of people, we should take into the consideration that each has its own stereotype, each of them is unique, and before we make a conclusion about that person's attitude and motives, we should know more about this individuals. We must be very careful to avoid inappropriate stereotyping; it is unavoidable and helpful to reduce the complexities of different cultures to a simple set of ideas that we can manage.

Adler (2008) suggested that there are five things which we need to do in order to make sure that a stereotype is a help rather than a hindrance. (Hopkins, 2009):

- Acknowledge to ourselves that we are thinking of a stereotype, so that we are holding in our minds an image or a group rather than of an individual.
- Make the stereotype descriptive rather than judgmental, so it says something about what that group does, rather than that this characteristic is good or bad.
- Make the stereotype the first best guess about this group, based on limited, existing knowledge.
- Be prepared to modify our stereotype as we find out more about the group and its values and norms.
- Make the stereotype accurate and as good a description as possible of the group.

Cultural differences have always been demanding and controversial. The main reason for this argument lies within the lack of knowledge and understanding of cultures and the fallacy of race and ethnicity. Those who seek cultural diversity education should be able to distinguish the distinction between race and ethnicity as they explore cultural differences. The race is a social construct that unnaturally divides people into distinct groups based on characteristics such as physical appearance, ancestral heritage, and socioeconomic needs (Adams, 1997). Ethnicity is truly a matter of culture. It is related to aspects of culture such as language, behavioral patterns, religion, traditions, heritage, and geographic origins.

It is easy for us to see groups of people regarding their differences from us. They look different, speak a different language, act differently. When they say and do things that we do not like, we attribute it to who they are, to the idea that they are distinct in a significant way (Middleton, 2003).

Variation in the ways of life, ideology, traditions, clothing, arts, concept of time, and many other factors provide a basis for differences among cultures. The ethnocentric assumption that others see the world in the same way as we do people are confronted with cross-cultural misunderstanding. Cultures put forth such as powerful influence that many people demonstrate ethnocentrism, the tendency or belief in the superiority of one's ethnic group. We can meet cultural differences everywhere, in living conditions, relationships, emotions, working styles, teaching and so on.

One of the most useful concepts to understand cultural differences is Edward T. Hall's distinction of low-context and high-context cultures. It helps to know how negotiation proceeds, how agreements are specified and how workers are managed. The difference between high and low context cultures is how the message is read, with lots of background information or with the spelling out more of the information explicitly.

3.1.2 Cultural Diversity

Cultural diversity means the image, in one social system, of people with distinctly different group affiliations of cultural significance. On the other words, diversity is the quality of being different, a new culture of human behavior that honors people where they are, with what they know, how to acquire this knowledge, and how they apply it (Luhabe, 2001).

There are many kinds of diversity to be identified around the world. Cultural diversity involves the differences in the composition of members of an organization regarding nationality, race, gender, religion or age, in other words, an array of culture found among people from diverse backgrounds. Organizational behavior refers to the nature of interactions among individuals and groups within an organization. The positive influence of cultural diversity facilitates members of the team to build relationships and acknowledge each other regardless of their differences of origin and background.

The workforce in many nations of the world is becoming increasingly more diverse along such dimensions as gender, race, and nationality (Johnston, 1991). It is important to mention cultural differences when we talk about diversity. Cultural differences appear in social interactions, working together, or sharing a common cause. Culturally different workers represent diverse attitudes and various socio-economic standards, which from time to time may lead to problems among workers and employees. The first and foremost thing to do is to accept diversity and seek the ways that make us more comfortable with one another. We can highlight the main types of diversity, such as race, ethnicity, sex, gender, geographic diversity.

Nowadays it is paramount to aware and understand diversity, because the lack of education about diversity may be the reason of wrong feelings and tensions, such as having jitters, pressure or discomfort in the workplace. Self-awareness is a competent tool in diversity education, and should be accomplished along with understanding other peoples' ideas, beliefs, traditions, and sensitivities.

According to the logic of the model, by understanding the diversity climate we can predict effects on individual outcomes and ultimately effects of diversity on organizational effectiveness. It is very necessary for organizations to improve the diversity climate in order to tap fully the potential of all workers to contribute to organizational performance. The

existence of diversity may affect particular regulatory processes such as communications, creativity and problem solving, which are related to corporate performance.

Organizations need to understand that managing diversity has the potential to improve effectiveness. When diversity is properly managed, it is beneficial to organizations through an increase in workers' motivation and productivity. One of the significant management responses to increasing diversity in the workforce is greater use of flextime work scheduling. There is also evidence that work team productivity is improved by managing diversity. If work teams handle the diversity well, they will be able to make diversity an asset to performance, and if the difference is ignored or mishandled, it may become a detractor from performance (Adler, 1986). Organizations must also be ready to undertake current tasks and how individuals perceived such actions, which promoted the development of culturally diverse groups.

In order for companies to make changes and maintain a healthy relationship with global organizations, there must be an understanding among culturally diverse groups and this knowledge involved the development of a tactical partnership to address issues of cultural diversity and differing perspectives within organizations. This agreement facilitated further development of organizations and all participants involved because there was an equal adjustment on both sides of the equation to make such a relationship to work (Parkhe, 1991).

3.1.3. Impact of Culture

When an organization decides to take its business at international level, it cannot only rely on its current method of conducting business. Every country has a set of different variables, which can be new for an offshore company. Out of various reasons, in this part, we will consider the difference in culture.

Lee (2011) studied the impact of different culture in international organizations in the context of expansion into newer regions with different prevailing cultures and concluded that it is vital for any organization with the intention to move into new areas that the culture differences are understood and mapped in order to bridge the gap between business units performing in

multiple cultures. Lee mentioned that there are several factors, which affect the organization culture:

- The first and the foremost factor affecting culture is the **individual working with the team**. The employees in their way contribute to the culture of the workplace. The attitudes, mentalities, interests, perception and even the thought process of the employees affect the organization culture.

- **The gender of the employee** also affects the organization culture. Groups where male employees dominate the female counterparts follow a culture where late sitting is a typical feature. The male employees are more aggressive than the females who instead would be caring and soft hearted.

- **The nature of the business** also affects the culture of the organization. Stock broking industries, financial services, banking sector are all dependent on external factors like demand and supply, market cap, earning per share and so on. When the market crashes, these industries have no other option than to terminate the employees and eventually affect the culture of the place

- **The culture of the organization is also affected by its goals and objectives**. The strategies and procedures designed to achieve the targets of the group also contribute to its culture.

- **The clients and the external parties** to some extent also affect the work culture of the place. Organizations catering to UK and US Clients have no other option but to work in shifts to match their timings, thus forming the culture.

- **The management and its style of handling the employees** also affect the culture of the workplace. There are certain organizations where the management allows the employees to take their decisions and let them participate in strategy making. In such a culture, employees are attached to their management and look forward to a long-term association with the organization. The administration must respect the employees to avoid a culture where the employees just work for money and nothing else. They treat

the group as a mere source of earning money and look for a change in a short span of time.

Table 1. The impact of the culture

Individual working with the organization	Gender of the employee	Nature of the business
Nature of the business	Clients and external parties	Management and style of handling the employees

Source: own input

3.2. Organizational Culture and Performance

Organizational performance can be expressed as equal to human resources performance, from which we can say that the role of behavior is major because it is a significant contributor to "human performance." "Resources" on the other hand, relate primarily to economic, material and technical factors in an organization.

If an organization wants to achieve a high level of performance, it will be possible for efficient utilization of its total resources.

The relationship between organizational culture and organizational performance has been an important topic of discussion. Some studies have been devoted to examining the role of culture as corporate resource or asset which affects performance. Kotter and Heskett found that the content of culture was important in affecting superior performance in addition to the strength of the culture.

Nowadays, firms are required to achieve a high level of performance across various dimensions of competitive performance (quality and innovation), and only those who can reach high performance across multiple dimensions will prosper (Flynn, 2004). For each

organization, it is important to know what cultural characteristics are most closely associated with performance excellence in different dimensions.

Organizations have different strategic directions in terms of competitive performance and, Therefore, managers need to understand the fit between a particular culture and certain types of performance. Whether an organization is striving to achieve leadership through innovation, quality, or both, managers stand to benefit from understanding the cultural elements that tend to be most strongly associated with high performance in their chosen areas of emphasis.

A high culture has a positive influence on organizational performance. Widely shared and strongly help values enable management to predict employee reaction to certain strategic options thereby minimizing the scope for undesired consequences (Ogbonna, 1993). Competitive and innovative culture traits are directly linked to performance while community and bureaucratic culture characters are not directly related to performance.

3.2.1. Measurement of Organizational Performance

To measure organization performance we can use two concepts, efficiency, and effectiveness. As Drucker mentioned in his book, effectiveness is the foundation of success – efficiency is the minimum condition for survival when success will be achieved. Efficiency is concerned with doing things right; effectiveness is doing the right things. (Drucker, 1975).

While measuring the organizational performance in terms of productivity, often the relationship between physical outputs and inputs, used in the production process, is utilized. This physical process productivity pertains to the efficiency. Efficiency is concerned not only with the labor input and materials but also with the plant and equipment. The efficiency may be of two types – potential efficiency and actual efficiency. The potential efficiency relates to the extent to which energy investment in several forms such a supplies, power, etc. is required for the output of each unit while the actual efficiency relates to the extent to which the organization utilizes the energy at its disposal. (Dwived, 1995). On the other hand, we can say, efficiency involves only economic factors while effectiveness involves not only economic factors but also social and mental factors.

When we are speaking about the measurement of organizational performance, we need to pay attention to productivity and profitability. The exclusive reliance on the efficiency criterion is likely to discourage the investment, and short-term achievement of the organizational goal of productivity may not be adequate to support the survival of the organization in the end. Profitability is considered as the best overall indicator of a company's performance. Organizational performance is connected to employee job satisfaction. "Job satisfaction is a state of favorable or unfavorable feelings with which employees view their work" (Grunberg, 1976). Job satisfaction is positively related to higher productivity and negatively related to employee turnover and absenteeism.

3.3. Levels of Culture

For analyzing culture, we can use several different levels. On the other words, we can call degrees which can make cultural phenomenon visible to the observer. The major levels of cultural analysis are artifacts, values, and assumptions. (Schein, 1990). Organizational culture is manifested through a combination of these three features.

Table 2. The significant levels of culture

Artefacts	Values	Assumptions
Visible organizational structures and processes	Strategies, goals, philosophies	Unconscious, taken for granted beliefs.

Source: Organizational culture and leadership (Schein, 1990).

Schein explained that artifacts were the more stable or physical representation of culture, including the way employees dress, office layout, common language, jargon, the technology used, and rituals and ceremonies. Artifacts are easy to detect and recognize, but their interrelation remains challenging and ambiguous. "At the surface is the level of objects, which

includes all the phenomena that one sees, hears, and feels when one encounters a new group with an unfamiliar culture" (Schein, 2004).

In order to understand the meaning of these artifacts, we need to investigate the second level of culture, such as "espoused values," which are non-discussable assumptions supported by articulated sets of beliefs, norms and operational rules of behavior. Schein (1985) also emphases that values represents preferences for alternative outcomes as well as the means of achieving those outcomes, it can only be observed over time in order to understand why certain things are done in certain distinct ways. Assumptions are issues that have been taken for granted over the years and shared by the whole group; they may be resistant to change. Assumptions are widely recognized as ingrained subconscious views of human nature and social relationships that believed.

There is an emphasis on values, rather than assumptions or artifacts, as a measure of organizational culture in recognition of the fact that values are both more accessible than assumptions and more reliable than artifacts. (Howard, 1998).

Beliefs and values at the conscious level will predict much of the behavior that they can observe at the artifacts level. Espoused beliefs and values often leave vast areas of behavior unexplained, leaving us with a feeling that we understand a piece of the culture but still do not have the culture. To get at the deeper level of understanding and to predict future behavior correctly, we have to understand more fully the category of basic underlying assumptions.

Underlying assumptions tend to non-debatable and are extremely difficult to change.

3.4. Dimensions of National Culture

The usefulness of the concept of culture to explain cultural differences depends on being able to unpack it and identify its components as "culture is too global a concept to be meaningful as an explanatory variable" (Leung, 1989; Schwartz, 1994).

Identifying reliable dimensions to synthesize major distinguishing aspects of culture could be a significant contribution to cross-cultural research. They would provide an alternative to conceptualize and measure culture as a complex, multidimensional structure rather than as a simple categorical variable.

To compare different cultures we can use "dimensions", which measures aspects of culture relative to other cultures.

Hofstede's five national culture dimensions. Hofstede's "5 D model" is the most widely cited set of culture dimensions. This model came from studies of IBM first published in 1980. These five dimensions are power distance, individualism, masculinity, uncertainty avoidance, long-term orientation (Hofstede, 1997). These dimensions might be useful to understand how cultures differ on a variety of the main cultural attributes or dimensions. This approach brings about an exploration of cross-cultural similarities or differences. It makes easier to understand cultural values, compare values of one culture with another. Here is more detailed explanation of each dimension:

Power distance - shows us, when the less powerful members of society accept that power is unequally shared. This dimension reflects the consequences of power inequality and authority relations in society. It influences hierarchy and dependence relationships in the family and organizational context. Some nations accept high differences in power and authority between members of different social classes or occupational levels, while other countries do not.

Individualist-collectivist – measures the difference between societies where there are few ties beyond those of the nuclear family and those communities where people belong to strong, cohesive in-groups. (Black, 2004). It defines the relationships individuals have in each culture. In individualistic societies, individuals look after themselves and their immediate family only whereas in collectivistic cultures; individuals belong to groups that take care of them in

exchange for loyalty. In cultures oriented toward individualism, people tend to emphasize their individual needs and concerns and interests over those of their group or organization. The opposite is true in a collectivistic society; one is expected to interact with members of one's group. It is almost impossible to perceive a person as an individual rather than one whose identity comes from groups with which that individual is associated (Brorgislin, 1993).

Masculinity-Femininity – when men are concerned with material success and women are interested in the quality of life. On the other hand, we have feminine societies, when males and females are equally concerned with the quality of life. Dominant values in masculine countries are achievement and success and in feminine countries are caring for others and quality of life. High masculinity cultures tend to have more sex-differentiated occupational structures with certain jobs almost entirely assigned to women and others to men. There is also a stronger emphasis on achievement, growth, and challenge in jobs (Hofstede, 1991). In these cultures, people are also more assertive and show less concern for individual needs and feelings, a higher concern for job performance and a lower concern for the quality of the working environment. In countries high on the feminine dimension working conditions, job satisfaction, and employee participation are emphasized.

Uncertainty avoidance refers to "the extent to which people feel threatened by uncertainty and ambiguity and try to stay away from these situations" (Hofstede, 1991). The degree to which members of an organization or society strive to avoid uncertainty by reliance on social norms, rituals and bureaucratic practices to alleviate the unpredictability of future events. This dimension deals with the need for well-defend rules for prescribed behavior. The level of tolerance for ambiguity and uncertainty. Low ambiguity cultures tolerate various opinions and inconclusive or unsettled discussions. Change is accepted more freely. High uncertainty cultures like to apply rules to control ambiguity and uncertainty. If uncertainty emerges, it must be resolved. Societies high in uncertainty avoidance tend to prefer rules and operate in seemingly predictable situations as opposed to cases where the appropriate behaviors are not specified in advance. Those with high uncertainty avoidance prefer stable jobs, a secure life, avoidance of conflict, and have a lower tolerance for deviant persons and ideas.

Short-term\Long-term orientation - measures situation, where people favor a practical, future-oriented perspective over short-term thinking. Fostering of virtues oriented towards future rewards, in particular, perseverance and thrift (Hofstede, 2001).

Table 3. Hofstede's five national culture dimensions

Individualistic/Collectivistic	How personal needs and goals are prioritized versus the needs and goals of organization.
Masculine/ Feminine	There is a different rule for men and women in the masculine societies
Uncertainty Avoidance	How comfortable people feel when they are chaining the way of working or living, or if they prefer the known system
Power distance	The strength people are comfortable with influencing upwards. Accepting inequality in distribution on power in society
Time perspective	Long-term/short-term view, planning for future or present oriented.

Source: Cultural Dimension of Global Business (Ferraro & Brody, 2002)

3.5. Organizational Conflicts

Conflict is very critical for any manager. Conflict is a reality of everyone's life and should be considered a natural process that occurs daily. Conflict is good and necessary because it can stimulate innovative thinking when it is managed in the right way.

The conflict can be defined as a clash of opinions or disagreement between two or more parties in a particular issue. Conflicts can be caused because of incorrect management. Organizational conflicts can reduce the effectiveness of the organization.

There are several different definitions of conflict. One of them considers as the situation which generates incorruptible goals or values among the various parties; the conflict might be raised because of various conditions, such as the influence of a person and external factors.

(Bercovich, 1984). For Bercovitch conflict depends on the situation. It arises because of different conditions, such as the influence of a person and external factors. The interaction of interconnected individuals, who perceive incompatible goals and intervention from each other is achieving these aims. (Folger, 1993). Because of differences in attitudes, beliefs, values or needs, we meet disagreement in opinion between people or group. In the business world, differences in such characteristics as work experience, personality, peer group, environment and situation, all lead to the difference in personal attitude, beliefs, values or needs. (Thomas, 2005). When values and interests clash each other, the tension between what is and what some groups feel ought to be (Coser, 1967). Conflict does not only come about when values or needs are indeed, objectively incompatibles, or when conflict is manifested in action; it can arise when one of the parties perceives it to exist (Tillett, 1991). Hocker and Wilmot (1985) define conflict as the struggle between at least two interdependent parties who perceive unsuitable goals, scarce rewards and interference from the other party in achieving their goals (Borisoff and Victor, 1998). As we can see, each person has its own definition of conflicts, so we cannot say that there is one practical definition of conflict.

In general, the role of conflicts depends on its management, and to ensure its effectiveness first we need to find out the causes of conflicts. There are four main levels of conflicts (Collins, 2009):

- Interpersonal conflicts;
- Intrapersonal / Intra-group conflicts;
- Intra-organizational conflict;
- Intergroup / organizational conflicts.

Most frequently, organizations can meet interpersonal conflicts; it mainly can be caused by material, labor or financial issue. Conflicts between two or more individuals with a group arise due to differences in personality, perception, temperament, value, socio-cultural factors and role ambiguities. Interpersonal conflicts can manifest, as well as a variety of characters between employees. If people have a different opinion about the same issue, it might be a reason to have an internal conflict; such conflicts may arise, when the production requirements do not match your personal needs. Interpersonal and intra-group conflicts can arise when

group norms and behavior is unacceptable for any person or if the person has a different opinion than the rest group members have.

Intrapersonal conflict is also known as intra-individual conflict. It might be occur when an organizational member is required to perform certain tasks and roles that do not match his or her expertise, interests, goals, and values.

Intragroup conflict is also known as intradepartmental conflict. This is a conflict among members of a group or between two or more subgroups within a group in connection with its goals, tasks, and procedures. The incompatibilities or disagreements between some or all the members of a group may be the reason of intragroup conflict.

Intergroup conflicts refers to the conflict between two or more sections, groups or departments in an organization. It is frequent and highly visible. There might be several reasons for this conflict, (Tierney, 2008) such as:

- **Task interdependence** – it refers to the extent to which two departments depend on each other for information, compliance and assistance.
- **Task ambiguity** – another essential cause of intergroup conflict arises when it is not clear, which team is responsible for performing which task.
- **Goal incompatibility** – if goals of two departments of an organization clash with each other.
- **Competition for limited resources** – resources of an organization are limited, and every department tries to secure a maximum share in that.
- **Competitive reward system** – when there is a system in the organization that award will be given on the basis of competitive performance.

3.5.1. Types of Organizational Conflicts

From the conflict type, we can understand is it good of bad for the company. Specifically, it is necessary to differentiate between functional and dysfunctional conflicts.

Functional outcomes are (Nicotera, 1995):

- Conflict may stimulate innovation, creativity, and growth;
- Organizational decision making may be improved;
- Alternative solution to a problem may be enhanced;
- Conflict may lead to synergic solutions to common problems;
- Individual and group performance may be enhanced;
- Individuals and groups may be forced to search for new approaches;
- Individuals and groups may be required to articulate and clarify their positions.

Dysfunctional outcomes are:

- Job stress, burnout, and dissatisfaction are all the problems that might be coused from conflict;
- Communication between individuals and groups may be reduced;
- A climate of doubt and mistrust can be developed;
- Relationships may be damaged;
- Job performance may be reduced;
- Resistance to change can increase;
- Organizational commitment and loyalty may be affected.

Functional conflict is the conflict that supports the goals of the group and improves its performance. (Robbin, 2001). The clash is that if conflict leads to average competition among groups and the groups work harder and produce more; it is advantageous to the group and the institution. One of the main benefits of functional conflict is that it gives a chance to identify the problems and see the opportunities. At the same time, it can inspire to new ideas, learning, and growth among individuals (Kinicki and Kreitner, 2008).

There might be benefits of conflicts:

- Conflict increases awareness of What, Who, How.
- Conflict motivates group members to consider problems.
- Conflict promotes changes.
- High-quality decision results when persons express their opposing views and perspectives.

- Conflict stimulates interest and creativity
- If you do not take conflict seriously it might add some fun of working with others.

Dysfunctional is conflict, which hinders group performance and prevents organizational goals from being achieved, which can decrease productivity. Competing for individual interests overriding the overall benefit of the business characterize this conflict orientation. Managers withhold information from one another. Employees sabotage others' work, either intentionally or through subtle, conflict-motivated disinterest in teamwork. (Kinicki and Kreitner, 2008). This conflict is inevitable and desirable. But without an effective means for handling it, conflict can tear relationships apart and interfere with the exchange of ideas, information's and resources in groups and between departments.

3.5.2. Sources of Organizational Conflicts

The classification of conflict is often made on the basis of the former conditions that lead to conflict. There may be a number of sources from where the conflict can originate, such as tasks, values, goals, and so on. On the basis of these sources we can classify conflicts for proper understanding of its nature and implications (Roche & Teague, 2014):

- Effective conflict;
- Substantive conflict;
- Conflict of interest;
- Conflict of values;
- Goal conflict;
- Realistic versus nonrealistic conflict;
- Institutionalized versus No institutionalized conflict;
- Retributive conflict;
- Misattributed conflict;
- Displaced conflict.

There are many fundamental causes of conflict at work. Anything that leads to a disagreement can the cause of conflict.

Table 4. Potential causes of conflict.

Organizational Structure	Limited Resources	Task Interdependence
Incompatible Goals	Personality Differences	Communication Problems

Source: Managing conflict in organization (Rahim, 2011)

Organizational structure - Conflict tends to take different forms, depending upon the organization structure. For example, if a company uses a matrix structure as its corporate form, it will have decisional conflict built in because the structure specifies that each manager reports to two bosses.

Limited resources – resources such as money, time and equipment are often scarce. Competition among people or departments for scarce resources is a frequent cause for conflict.

Task interdependence – when the accomplishment of your goal requires reliance on others to perform their tasks. The competition of your goal depend on others.

Incompatible goals – when two parties think that their goals are mutually exclusive it might get the reason to raise conflict. Conflicting goals often arise because of the different ways department managers are compensated.

Personality differences – This is common among coworkers. By understanding some fundamental differences among the way people think and act, we can better understand how others see the work. Knowing that these differences are natural, and it lets us anticipate and mitigate interpersonal conflict.

Communication problems - sometimes conflict arises solely out of a small, unintentional communication problem, such as lost e-mails or dealing with people who do not return phone calls. Giving feedback is also a case in which the best intentions can quickly escalate into a conflict situation.

Outcomes of conflict – one of the most common consequences of conflict is that it upsets parties in the short run. The conflict might have both of them, positive and negative results. On the positive side, the conflict might lead to greater creativity or better decision. On the other hand, conflict can be dysfunctional if it is excessive or involves personal attacks or underhanded tactics.

3.5.3. Conflict Management

Conflicts in the organization can take many forms, which gives rise to diverse approaches to conflict management. Understanding and handling conflict is an essential for every organization. The management of conflict has three main dimensions (William &Pammer, 2003):

1. The repertoire of formal and informal, autonomous and intervention based, procedures available for confronting and handling the conflict;
2. The understandings and skills for recognizing and making sense of conflict, for imagining alternatives, and for communicating to pursue resolution;
3. The individual and community relationships context within which conflicts may emerge, feel, be understood as problems by participants, evolve, escalate or de-escalate.

Depending on the nature and sources of conflict, there are different ways to deal with conflict. There have been utilized official and unofficial conflict management methods in many contemporary conflicts, to create a favorable atmosphere for a negotiated solution. As a part of formal diplomacy, international organizations may dispatch fact-finding missions to investigate human rights violation. The scope of conflict management covers informal meetings through back channels of communication as well as unofficial contacts through intermediaries.

Consideration of the goals of conflict management provides the desired ends for organizational and societal participants. There are multiple limitations in using organizational justice as an over-arching framework for understanding the broad goals of conflict management in organizations (Pammer, 2013):

1. Efficiency is not well captured in the distributive and procedural justice framework, yet it is a critical element of conflict management.
2. As constructs, distributive and procedural justice are now well developed and therefore typically associated with specific measures.
3. Distributive and procedural justice are commonly seen as provided by employers and desired by employees.

A conflict management approach is a method and manner in which a person attempts to eliminate or minimize a dispute between or among parties. Different individuals have different orientations toward resolving the conflict. Conflict management approach is a combination of specific behaviors and specific orientations used to deal with a particular conflict situation. Here is an explanation of the five conflict management approaches: avoiding, accommodating, compromising, forcing and collaborating (Carter, 2006).

Avoiding – when one or both sides recognize that a conflict exists but react by withdrawing from or postponing the conflict. Avoidance is best used as a stopgap measure to give oneself time to decide how best to resolve the underlying problem that is provoking conflict.

Accommodating – when one side resolves the conflict by giving in to the other side at the expense of at least some of his and her needs. Accommodating may be a rational approach if the other side has overwhelming power and the will to use it.

Compromising – when both sides gain and lose in order to resolve the conflict. Each side is partially satisfied and dissatisfied.

Forcing – when one or both sides attempt to satisfy their needs regardless of the impact on the other side. It is an aggressive approach.

Collaborating – when both sides are satisfied. It requires an open discussion of all the issues and concerns, exploration of alternative solutions, and honesty and commitment from all the parties.

As a result of the conflict and the conflict, managements approaches employed, organizational performance may improve, remain the same, or deteriorate. We must be very careful in measuring organizational performance, need to be aware of long-term impacts as well as immediate results.

3.5.4. Negative Outcomes and Positive Possibilities of Conflicts

As conflict may occur between two individuals or between heads of department, the general assumption is that conflict tends to have negative consequences for both the individual and the organization. The negative effects of conflicts in an individual might be: increased stress and anxiety among individuals, which decreases productivity and satisfaction; feeling of being defeated and demeaned, which lowers individuals' morale and may increase turnover; a climate if mistrust, which hinders the teamwork and cooperation necessary to get work done (Rahim, 2011):

- **Psychological responses:** inattentiveness to other things lack of interest in work, job dissatisfaction, work anxiety, estrangement or alienation from others and frustration.
- **Behavioral responses:** excessive smoking, alcoholism, under eating or over eating, aggression towards others or work sabotage, decreased communication and resisting influence attempts.
- **Physiological responses:** respiratory problems such as asthma, headaches, coronary problems.

Manager's basic responsibility is to get work done with and through people. Their success is measured by output or productivity of the group lead. Effectiveness is defined regarding the degree of goal achievement observed in the organization. Mcgregor (1960) described the well-functioning, effective group somewhat as follows:

1. The atmosphere tends to be informal, comfortable and relaxed;
2. There is a good deal of discussion in which nearly everyone participates, but it remains relevant to the task.

3. The objectives are well understood and accepted by all members of the group. Initially, there is free discussion of the objective, but it eventually is formulated in such a way that they could all commit themselves to it.

4. The members listen to one another. Every idea is given a hearing. No one is afraid of being considered foolish by putting forward even extreme ideas.

5. If there is a disagreement, the reason of disagreement is examined, and there is an attempt to resolve them rather than suppress them.

6. Most decisions are reached by some form of consensus in which there is a general agreement and willingness to accept the decision.

7. Criticism is frequent and frank but comfortable and shows little evidence of the personal attack.

8. Members feel free to express their feelings as well as their ideas not only on the problem to be solved but also on the very operation of the group.

9. Assignments to members are clear and accepted.

10. The group chairperson does not dominate. There is no evidence of a power struggle while the group is involved in achieving its task.

11. The group is self-conscious about its operation.

The positive possibilities might be consideration of a broader range of ideas, resulting in a better, stronger idea; surfacing of assumptions that may be inaccurate; increased participation and creativity; clarification of individual views that build learning (Carter & byrnes, 2006):

- **Motivation to do better and work harder;**
- **Satisfy certain psychological needs;**
- **Provide creative and innovative ideas;**
- **Add variety to one's organizational life;**
- **Facilitate an understanding of the problem;**
- **Inspire creativity;**
- **Share and respect opinions;**
- **Improve future communications.**

3.6. Organizational Culture in Different Countries

3.6.1. Example of Russia

Russians have often been described as a collectivist nation. Russian history, art, philosophy and language were argued to be collectivist tendencies. There are a number of traits that are still evident, despite the fact that the country is going through a time of great change. Since the collapse of the Soviet Union, Russia and its organizations have gradually integrated into the world economy. Many human resources management strategies being implemented in Russian organizations are based on Western experience.

Russians are described to be circumspect, cautious, ambiguous and having a tendency to look back instead of forward. They are reported as having a tendency to work in groups, to monitor results rather than set goals.

When we are speaking about the organizational culture in Russia, it is common to consider personnel flow in the company to be the main criteria of organizational culture. Many objectives and subjective components specify atmosphere in the company, but they can be divided into four groups (Rozina, 2002):

- Professionalism of each employee and high level of professional interaction in the organization;
- Loyalty to the firm;
- Interpersonal relations in the organization;
- Material and moral stimulus of encouragement.

3.6.2. Example of the USA

There are numerous characteristics of culture that are associated with Americans. The United States, which formally came into the existence and became an independent country in 1776, already was home to many groups of people who came to this land of opportunity in search of prosperity, happiness, and freedom (Takaki, 1993). The United States is a nation of people with numerous ethnic backgrounds. Today, most people around the world associate American

culture with many traditions that have traveled to all parts of the world. The American premise of "liberty and justice for all." This is evidenced by an explicit emphasis on equal rights in all aspects of American society and government. Within American organizations, the hierarchy is established for convenience; superiors are accessible and managers rely on individual employees and teams for their expertise. Managers and employees expect to be consulted and the information is shared frequently, communication is informal, direct and participative to a degree. Americans tend to be more tolerant of ideas from anyone and allow the freedom of expression. They do not require a lot of rules and are less emotionally expressive than higher-scoring cultures.

4. Practical Part Data Presentation and Analysis

In this part of the thesis was used questionnaire, which was sent to Russia and the USA that can help us to see how cultures differ from each other, what kind of working style and thinking the way they do have. With the help of answers was given recommendations and was made a conclusion, which can give us an idea what kind of organizational culture exist in these countries and in which area are they similar or different.

4.1. Questionnaires distribution and return in Russia

Questionnaires were distributed to 80 employees who work in different organizations in the European part of Russia. Out of 80 people, 65 answered these questions, which is represented in the table below.

Table 5: Distribution and return of questionnaire Russia

Number of questionnaires distributed	Number of questionnaires returned	Percentage of questionnaire returned
80	65	81%

Source: Own survey 2016

4.1.1 Data from Russian Respondents – Presentation and Analysis

Table 6: Gender

Options	Frequency	Percentage (%)
Male	50	77
Female	15	23
Total	65	100

Source: Own survey 2016

Table 6 illustrates that 50 Russian employees out of 65 representing 77% of the respondents are males while 15 employees representing 23 % of the respondents are females.

Table 7: Age

Options	Frequency	Percentage (%)
20-30 years	17	26
31-40 years	29	45
41-50 years	15	23
Above 50 years	4	6
Total	65	100

Source: Own survey 2016

Table 7 illustrates that 17 employees representing 26% of the respondents are within the age of 20-30 years. 29 employees representing 45% of the respondents are within the age of 31-40 years while 15 employees representing 23% of the respondents are within the age of 41-50 years. Only 4 employees representing 6 % of the respondents are above 50 years.

Table 8: Education

Options	Frequency	Percentage (%)
High school	0	0
B.Sc.	30	46
MBA/M.Sc.	29	45
Ph.D.	6	9
Total	65	100

Source: Own survey 2016

Table 8 depicts that none of the respondents have an only high school certificate, 30 employees representing 49 % of the respondents hold B.Sc. 29 employees representing 45 % of the respondents have MBA/M.Sc. and only 6 employees representing 9% of the respondents are Ph.D. holders.

Table 9: How can you access the discussion with subordinates while making important decisions in your organization?

Options	Frequency	Percentage (%)
Very high	-	-
High	2	3
Average	14	22
Low	31	48
Very low	15	23
Not at all	3	4
Total	65	100

Source: Own survey 2016

Table 9 depicts that none of the respondents said that subordinates are very highly consulted, While making important decisions in their organizations. 2 employees representing 3% of the respondents said that subordinates are highly consulted while making important decisions in their organizations, 22% of respondents said that subordinates are average consulted while making important decisions, 48% said that it is low and 23% mentioned very low consulted while making important decisions, only 4% said that there is not any consultation.

Table 10: How do you view the gap in salary range between the top person and the bottom person of your organization?

Options	Frequency	Percentage (%)
Very high	25	38
High	20	31
Average	14	22
Narrow	6	9
Very Narrow	-	-
Total	65	100

Source: Own survey 2016

Table 10 shows that 6 employees representing 9 % of the respondents said that the gap in salary range between top and bottom of their organizations is narrow. While 14 employees representing 22% of the respondents said that the gap in salary range between top and bottom of their organizations is average, 20 employees representing 31% said that the gap is high, and at the same time majority of them, 38% said that it is very high.

Table 11: What is your view about your boss?

Options	Frequency	Percentage (%)
As an ingenious democrat	3	5
As a generous autocrat	51	78
Somewhere in-between	11	17
Total	65	100

Source: Own survey 2016

Table 11 depicts that only 3 employees representing 5% of the respondents said that they view their boss as an ingenious democrat, while 51 employees representing 78% of the respondents said that they see their boss as a generous autocrat, and 17% said that their boss is somewhere in-between an ingenious democrat and a generous autocrat.

Table 12: What is your view on privileges and status signs for managers in your organization?

Options	Frequency	Percentage (%)
I support privileges and status symbols for managers	30	46
I frown at privileges and status symbols for managers	19	29
Somewhere in-between	16	25
Total	65	100

Source: Own survey 2016

Table 12 depicts that 19 employees, representing 29% of the respondents said that they frown at privileges and status symbols for managers while 30 employees representing 46% of the respondents said that they support privileges and status symbols for managers.

Table 13: What does hierarchy in your organization mean?

Options	Frequency	Percentage (%)
It shows the inequality existence between the bosses and the subordinates.	30	46
It means an inequality of roles, established for convenience	35	54
Total	65	100

Source: Own survey 2016

Table 13 shows that 30 employees who represent 46% said that inequality do exist between the boss and subordinates while 54% said that hierarchy is inequality of roles, established for convenience.

Table 14: Do you think that there is a great impact of culture on conflict and conflict management in organizations?

Options	Frequency	Percentage (%)
Yes	31	48
No	34	52
Total	65	100

Source: Own survey 2016

Table 14 indicates that 31 employees representing 48% of the respondents said that they think that culture has great impact on conflict and conflict management in organizations while 34 employees representing 52% of the respondents said that they think that culture has no influence on conflict and conflict management in organizations.

Table 15: How do you see management in your organization?

Options	Frequency	Percentage (%)
I see management as management of groups	26	40
I see management as management of individuals	26	40
Both	13	20
Total	65	100

Source: Own survey 2016

Table 15 Shows that 40%-40% equally thinks management as management of groups and management as management of individuals, and only 20% thinks that management is both managing of groups and individuals at the same time.

Table 16: How do you view the relationship as compared to task in your organization?

Options	Frequency	Percentage (%)
Relationship prevails over task	40	61
Task prevails over relationship	21	33
I have no idea	4	6
Total	65	100

Source: Own survey 2016

Table 16 depicts that 21 employees representing 33% of the respondents said that task prevails over relationship in their organization. Majority, 40 employees representing 61% of the respondents said that the relationship prevails over the task, while only 6% of the respondents said that they do not have an idea whether task or relationship prevails over the other.

Table 17: How do managers take decisions in your organization?

Options	Frequency	Percentage (%)
They use instinct and go all-out for consensus.	29	45
They are decisive and pushy.	36	55
Total	65	100

Source: Own survey 2016

Table 17 Shows that 29 employees, representing 45% of the respondents said that managers in their organizations use intuition and strives for consensus while taking decisions, and 55% of them thinks that decisions taken by managers are decisive and pushy.

Table 18: What are the ways in which conflicts are resolved in your organization?

Options	Frequency	Percentage (%)
By compromise and negotiation	11	17
By fighting them out	16	25
By avoidance	16	25
By smoothing	8	13
All of the above	14	20
Total	65	100

Source: Own survey 2016

Table 18 Shows that 17% thinks that conflicts are resolved by compromise and negotiations, 25% thinks it is solved by avoidance and by fighting them out, and only 13% thinks that they are solving conflicts by smoothing.

Table 19: What is your take on being busy and hardworking?

Options	Frequency	Percentage (%)
I have the excitement for the need to be busy and an inner urge to work hard.	40	61
I feel comfortable when lazy, or hard-working only when needed.	25	39
Total	65	100

Source: Own survey 2016

Table 19 shows that 40 employee,s representing 61% of the respondents said that they have excitement for the need to be busy and an inner urge to work hard while 25 employees representing 39% of the respondents said that they feel comfortable when lazy, or hardworking only when needed.

Table 20: What is your view about accuracy and punctuality?

Options	Frequency	Percentage (%)
I have a natural push for accuracy and punctuality.	37	57
I try to learn to be precise and punctual.	28	43
Total	65	100

Source: Own survey 2016

Table 20 shows that 37 employees who represent 57% said that they have a natural push for accuracy and punctuality; while 43% mentioned that they try to learn to be precise and punctual.

Table 21: What is your assessment of yourself on accepting deviant and innovative ideas and behavior?

Options	Frequency	Percentage (%)
Very high	3	5
High	16	24
Average	30	46
Narrow	9	14
Very Narrow	7	11
Total	65	100

Source: Own survey 2016

Table 21 shows that majority of employees representing 46 % of the respondents said that they have average tolerance of deviant and innovative ideas and behavior. 24% said that they have high tolerance of deviant and innovative ideas and behavior, while 9 employees representing 14% of the respondents said that they have narrow tolerance of deviant and innovative ideas and behavior.

4.2. Questionnaires Distribution and Return from the USA

Questionnaires were distributed to 100 employees who work in different organizations in the USA. Out of 100 people 80 answered these questions, which is represented in the table below.

Table 22: Distribution and return of questionnaire from the USA

Number of questionnaires distributed	Number of questionnaires returned	Percentage of questionnaire returned
100	80	80%

Source: Own survey 2016

4.2.1 Data from American Respondents – Presentation and Analysis

Table 23: Gender

Options	Frequency	Percentage (%)
Male	46	58
Female	34	42
Total	80	100

Source: Own survey 2016

Table 23 illustrates that 46 American employees out of 80 representing 58% of the respondents are males while 34 employees representing 42 % of the respondents are females.

Table 24: Age

Options	Frequency	Percentage (%)
20-30 years	21	26
31-40 years	36	45
41-50 years	18	23
Above 50 years	5	6
Total	80	100

Source: Own survey 2016

Table 24 illustrates that 21 employees representing 26% of the respondents are within the age of 20-30 years. 39 employees representing 45% of the respondents are within the age of 31-40 years while 18 employees representing 23% of the respondents are within the age of 41-50 years. Only 5 employees representing 6 % of the respondents are above 50 years.

Table 25: Education

Options	Frequency	Percentage (%)
High school	20	25
B.Sc.	48	60
MBA/M.Sc.	8	10
Ph.D.	4	5
Total	80	100

Source: Own survey 2016

Table 25 depicts that 31 of the employees, which is 39% of all respondents have an only high school certificate, 23 employees representing 28% of the respondents hold B.Sc. 14 employees representing 18% of the respondents have MBA/M.Sc. and only 12 employees representing 15% of the respondents are Ph.D. holders.

Table 26: How can you access the discussion with subordinates while making important decisions in your organization?

Options	Frequency	Percentage (%)
Very high	20	25
High	22	28
Average	29	36
Low	9	11
Very low	0	0
Not at all	0	0
Total	80	100

Source: Own survey 2016

Table 26 depicts that 25% of the respondents said that subordinates are very highly consulted while making important decisions in their organizations. 22 employees representing 28% of the respondents said that subordinates are highly consulted while making important decisions in their organizations. 36% of respondents said that subordinates are average consulted while making important decisions. 11% said that it is low and none of the respondents mentioned very low/not at all, consulted while making important decisions.

Table 27: How do you view the gap in salary range between the top person and the bottom person of your organization?

Options	Frequency	Percentage (%)
Very high	28	35
High	24	30
Average	19	24
Narrow	7	8
Very Narrow	2	3
Total	80	100

Source: Own survey 2016

Table 27 shows that 7 employees representing 8% of the respondents said that the gap in salary range between top and bottom of their organizations is narrow. While 20 employees representing 25% of the respondents said that the gap in salary range between top and bottom of their organizations is average, 23 employees representing 29% said that the gap is high, and at the same time majority of them, 35% said that the gap is very high.

Table 28: What is your view about your boss?

Options	Frequency	Percentage (%)
As an ingenious democrat	29	36
As a generous autocrat	40	50
Somewhere in-between	11	14
Total	80	100

Source: Own survey 2016

Table 28 depicts that only 40 employees representing 50% of the respondents said that they view their boss as an ingenious democrat, while 29 employees representing 36% of the respondents said that they see their boss as a generous autocrat, and 14% said that their boss is somewhere in-between an ingenious democrat and a generous autocrat.

Table 29: What is your view on privileges and status signs for managers in your organization?

Options	Frequency	Percentage (%)
I support privileges and status symbols for managers	41	51
I frown at privileges and status symbols for managers	23	29
Somewhere in between	16	20
Total	80	100

Source: Own survey 2016

Table 29 depicts that 23 employees, representing 29% of the respondents said that they frown at privileges and status symbols for managers while 41 employees representing 51% of the respondents said that they support privileges and status symbols for managers. While only 20% of them mentioned that it is somewhere in between.

Table 30: What does hierarchy in your organization mean?

Options	Frequency	Percentage (%)
It shows the inequality existence between the bosses and the subordinates.	44	55
It means an inequality of roles, established for convenience	36	45
Total	80	100

Source: Own survey 2016

Table 30 shows that 44 employees who represent 55% said that inequality do exist between the boss and subordinates while 45% said that hierarchy is inequality of roles, established for convenience.

Table 31: Do you think that there is a great impact of culture on conflict and conflict management in organizations?

Options	Frequency	Percentage (%)
Yes	42	53
No	38	47
Total	80	100

Source: Own survey 2016

Table 31 indicates that 42 employees, representing 53% of the respondents said that they think that culture has a great impact on conflict and conflict management in organizations while 38 employees representing 47% of the respondents said that they think that culture has no influence on conflict and conflict management in organizations.

Table 32: How do you see management in your organization?

Options	Frequency	Percentage (%)
I see management as management of groups	20	25
I see management as management of individuals	16	20
Both	44	55
Total	80	100

Source: Own survey 2016

Table 32 Shows that 25% out of 80 respondents see management as management of groups, 20% see management as management of individuals, and 55% thinks that management is both managing of groups and individuals at the same time.

Table 33: How do you view the relationship as compared to task in your organization?

Options	Frequency	Percentage (%)
Relationship prevails over task	14	18
Task prevails over relationship	62	77
I have no idea	4	5
Total	80	100

Source: Own survey 2016

Table 33 depicts that 62 employees representing 77% of the respondents said that task prevails over relationship in their organization. 14 employees representing 18% of the respondents said that the relationship prevails over the task, while only 4% of the respondents said that they do not have an idea whether task or relationship prevails over the other.

55

Table 34: How do managers take decisions in your organization?

Options	Frequency	Percentage (%)
They use instinct and go all-out for consensus.	11	14
They are decisive and pushy.	69	86
Total	80	100

Source: Own survey 2016

Table 34 Shows that 11 employees, representing 14% of the respondents said that managers in their organizations use intuition and strives for consensus while taking decisions, and 86% of them thinks that decisions taken by managers are decisive and pushy.

Table 35: What are the ways in which conflicts are resolved in your organization?

Options	Frequency	Percentage (%)
By compromise and negotiation	20	25
By fighting them out	12	14
By avoidance	15	19
By smoothing	18	23
All of the above	15	19
Total	80	100

Source: Own survey 2016

Table 35 Shows that 25% thinks that conflicts are resolved by compromise and negotiations, 14% think that conflicts are resolved by fighting them out, 19% thinks it is solved by avoidance, and only 23% thinks that they are solving conflicts by smoothing.

Table 36: What is your take on being busy and hardworking?

Options	Frequency	Percentage (%)
I have the excitement for the need to be busy and an inner urge to work hard.	67	84
I feel comfortable when lazy, or hard-working only when needed.	13	16
Total	80	100

Source: Own survey 2016

Table 36 shows that 67 employees, representing 84% of the respondents said that they have excitement for the need to be busy and an inner urge to work hard while 13 employees representing 16% of the respondents said that they feel comfortable when lazy, or hardworking only when needed.

Table 37: What is your view about accuracy and punctuality?

Options	Frequency	Percentage (%)
I have a natural push for accuracy and punctuality.	70	87
I try to learn to be precise and punctual.	10	13
Total	80	100

Source: Own survey 2016

Table 37 shows that 70 employees who represent 87% said that they have a natural push for accuracy and punctuality; while only 13% mentioned that they try to learn to be precise and punctual.

Table 38: What is your assessment of yourself on accepting deviant and innovative ideas and behavior?

Options	Frequency	Percentage (%)
Very high	29	36
High	28	35
Average	18	23
Narrow	5	6
Very Narrow	0	0
Total	80	100

Source: Own survey 2016

Table 38 shows that majority of employees representing 36% of the respondents said that they have very high tolerance of deviant and innovative ideas and behavior. 35% said that they have high tolerance of deviant and innovative ideas and behavior. 23% mentioned that they have average tolerance of deviant and innovative ideas and behavior, while only 5 employees representing 6% of the respondents said that they have narrow tolerance of deviant and innovative ideas and behavior.

5. Results and Discussion

The return of answers from interviewed countries is showing that the majority of managers and employees are male in Russia while in America working places are more or less equally divided between male and female. In theory, we might have read Russian's business culture advocates equality for women in the workplace, but in the practice, the status of women is much lower than in America's corporate culture. Very few women hold high-ranking positions, in contrast to the American workplace. When organization needs to make some important decision, American managers are discussing with subordinates; managers usually asks the teams and colleagues for an opinion about the decision which has to be made, but in Russia, we can say that only the head takes all important decisions. Russian companies follow a strict, more clearly defined hierarchy than American businesses do. Many Russian businesses are led by a single, autocratic authority figure who makes decisions and delegates tasks to middle managers and lower-level employees. Employees are expected to follow management's direction with little to no discussion. In American businesses, even lower-ranked employees often ask questions about duties assigned to them and collaborate with supervisors.

Russian organizational culture is bureaucratic one. There is a strict administrative hierarchy between employees of such Russian companies. The main power being not personal traits but the position in the hierarchical structure. Another type of organizational culture in Russia is power, which is formed at most of the companies where a leader is at the same time manager and owner. There might be a group of top managers besides such leader, and he manages the firm with their help, but the last word is always his. Employees in a company with such type of culture are not limited to their action; they might have initiative and even take part in decision-making process. But at the same time, they are controlled by the leader. The majority of respondents said that they have a natural push for accuracy and punctuality, but there is a small difference in a number of these people and people who say, that they try to learn to be precise and punctual.

When Russians were asked to assess themselves on accepting deviant and innovative ideas at work, they can be considered having gained inner freedom. Employees are not afraid of innovation and are interested in changes. They are willing to learn and are able to take risks. At the same time, we can find similarity with Americans because they are also willing to accept new ideas, they like to try new and unusual things.

The USA is mildly to lower hierarchical society. From 80 respondents 77% said that task prevails over the relationship in the organization, good relationship with work colleagues are not crucial for successful business. Managers divide the task relationship which they have with employees and separate it from other dealings, Americans separate work and personal lives, for them more important are tasks than good relationships. They try not to mix business and friendship. But in Russia business depends on a good relationship. When it comes to negotiating in Russia, good personal relationships are what get you through.

One big difference can be seen in working style. Americans have more informal style and Russian have more formal working style. Informal working style cultures do not like very much the formal style of speech; they prefer more relaxed way of doing business. But Russians prefer more formal style of speech and they use titles and surnames. Americans have a flat leadership style, subordinates can communicate much more easily with managers and co-workers. In such an environment there are fewer management levels and formal procedures, and it makes easier and faster for subordinates to get the necessary information. Unlike Americans, there is vertical leadership style in Russia, and it might slow down the process in the organization.

The questionnaire, which was used in the practical part for comparison Russian and American organizational culture, was also sent to Sweden and Nigeria by my colleague for her thesis. For a better understanding how cultures differ from each other in different countries, here will be given some examples from the Sweden and Nigerian employees. What is quite a noticeable form answer, there is very high discussion process between subordinates and managers in Sweden, while making an important decision in the organization, while in Nigeria it is very low. There is also quite a big difference in the salary in Nigeria and Sweden, majority of Swede thinks that there is a very narrow gap, and majority of Nigerian thinks there is high gap

in the salary range. What about the view about the boss, here Nigeria and Russia are much more similar, with the answer of having generous autocrat boss, and America and Sweden are similar to the answer of having an ingenious democrat boss. Another similarity between America and Sweden, from the answers, was about task and relationship connection, was that both countries consider that task prevails over the relationship in the organization. Majority respondents from Nigeria think that relationship prevails over the task, as it is in Russian culture, what was mentioned above. One similarity what was found between Nigeria and the USA is the acceptance deviant and innovative ideas, answers showed that both countries have a high tolerance of deviant and innovative ideas and behavior.

To sum up, after discussing all four countries, it is obvious that people working in different culture has the different way of thinking, results show that sometimes the difference is very big and people have opposite opinion about the same issue, but at the same time there are some issues that they might have same way of thinking and make same decision, but this is very few.

The results what is given in this part, can help us to answer the research question "how cultures differ from each other in different countries"? In this part we can see how four different countries from a different part of the world differ from each other, they have different working attitude, a way of thinking or problem solving, this everything is the beginning of organizational culture, what was the main issue in the theoretical part. From this results, we can answer to our main question that there is an obvious difference in working style.

6. Conclusion

The study was set out to find out cultural differences in different countries. To identify levels and dimensions of culture, sources and types of organizational conflicts, how these conflicts can impact on the organization and how managers can manage them. All these aspects are discussed in the theoretical part of the thesis.

There were used the questionnaire in practical part, which helped us to see how they may impinge on existing theories or understanding. These findings can influence further understanding, getting knowledge in the subject of organizational culture. Questions were sent to Russia and USA, two culturally different countries, and the results might be utilized to understand differences. The theory about the dimension of national culture what was discussed in theoretical part was also inserted in practical part, which can help to understand better which country has power distance higher/lower or is using long term/short term orientation. From the result, which was made out of the respondents' answers, it is obvious that people from the different part of the world think in a different way, some of them support privileges and status symbols for managers and some of them frown at them. They have a different understanding of hierarchy in the organization. One of the interesting result what was found out is the connection between relationship and task, in one country it is believed that task should prevail over the relationship while in another country they believe that relationship prevails over the task. In the practical part of this thesis was also implemented results from other findings, which was done in Sweden and Nigeria. Consolidation of results from four different countries with different organizational culture might be important to acknowledge the views, better understands how my findings differ or support those done by another student. After discussing all the results, it is obvious that different culture has a different understanding how to work or how to manage your team, which might give a different result to the organization. And if someone is interested in moving to a different country to work there, then understanding these all differences will make it easier to be a good team player or manager.

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Appendix

Questions

Please indicate your preference among alternative answers for each question by ticking [x] in the appropriate box.

Gender:

Male ☐

Female ☐

Age:

20-30 years ☐

31-40 years ☐

41-50 years ☐

Above 50 years ☐

Educational Qualifications:

High school certificate ☐

B.Sc. ☐

MBA/M.Sc. ☐

Ph.D. ☐

How can you access the discussion with subordinates while making important decisions in your organization?

Very high

High

Average

Low

Very low

How do you view the gap in salary range between the top person and the bottom person of your organization?

Very high

High

Average

Narrow

What is your view about your boss?

As an ingenious democrat

As generous autocrat

Somewhere in-between

What is your view on privileges and status signs for managers in your organization?

I popularize privileges and status symbols for managers ☐

I frown at privileges and status symbols for managers ☐

Somewhere in-between ☐

What does hierarchy in your organization mean?

It reflects the existential inequality between higher-ups and lower-downs ☐

It means an inequality of roles, established for convenience ☐

Do you think that there is a great impact of culture on conflict and conflict management in organizations?

Yes ☐

No ☐

How do you see management in your organization?

I see management as management of groups ☐

I see management as management of individuals ☐

Both ☐

How do you view the relationship as compared to task in your organization?

Relationship prevails over task ☐

Task prevails over relationship ☐

I do not know ☐

How do managers take decisions in your organization?

They use instinct and go all-out for consensus. ☐

They are decisive and pushy. ☐

What are the ways in which conflicts are resolved in your organization?

By compromise and negotiation ☐

By fighting them ☐

By avoidance ☐

By smoothing ☐

All of the above ☐

What is your take on being busy and hardworking?

I have the excitement for the need to be busy and an inner urge to work hard. ☐

I feel comfortable when lazy, or hard-working only when needed ☐

What is your view about accuracy and punctuality?

I have a natural urge for accuracy and punctuality. ☐

I try to learn to be accurate and punctual. ☐

What is your assessment of yourself on accepting deviant and innovative ideas and behavior?

Very high ☐

High ☐

Average ☐

Narrow ☐

Very Narrow ☐