Globalization is one of the central themes of the 21st century. Goods, information, and people move across countries and continents at unprecedented speed. For instance, the volume of trade between the United States and other countries has increased exponentially over the past few years. In 2000, U.S. exports equaled $1,066,741 million whereas imports totaled $1,437,696 million (Bureau of the Census, Foreign Trade Division, 2001). Regarding the exchange of information, hundreds of millions of individuals can now communicate instantly across continents using the Internet. In addition to the international transfer of goods and information, immigration movements in Europe (e.g., from the former Soviet bloc and Northern Africa to Western European countries), the Americas (e.g., from South and Central America to the United States), and Asia (e.g., from mainland China to Hong Kong) show that people are also moving across national boundaries. Finally, the formation of economic blocs has made it even easier to transfer goods, information, and people within these blocs. Examples of these economic blocs include North American Free Trade Area (NAFTA), Southern Cone Common...
10. CROSS-CULTURAL ORGANIZATIONAL BEHAVIOR

Wright, and Aditya (1997) concluded that there is massive evidence that cul-
tural differences in societies and in organizations account for significant
amounts of variance in individuals' expectations and assumptions about
their environments, attitudes toward others, modes of social interaction, ex-
pressions of emotions and global behavior patterns, and reactions to others.
This conclusion is strongly supported by the following reviews of the
cross-cultural OB and psychology literatures spanning over 20 years, for ex-
ample, Arvey, Bhagat, and Salas (1991), Aycan and Kanungo (2001), Bhagat,
Kedia, Crawford, and Kaplan (1990), Bhagat and McQuaid (1982), Bond and
Smith (1996a), Drenth and Groenendijk (-1984), Erez (1994), Hui and Luk
(1997), Kagitcibasi and Berry (1989), Ronen and Kumar (1987); Segal (1986),
Tannenbaum (1980), and Triandis (1994)

From a developmental perspective of the field of cross-cultural OB, the
massive empirical evidence accumulated thus far indicates that the "cul-
tural pervasiveness hypothesis" (House et al., 1997, p. 613) should not lon-
ger be questioned and is part of the past. At present, the relevant question
is no longer whether culture influences OB. There is overwhelming empir-
cal evidence demonstrating this fact. A more challenging question is whether,
in spite of the observed culture-based differences, there is knowl-
gedge generated by the field of OB that is universal and culture free. We
view this question as the central challenge of the present and future of
cross-cultural OB.

The goal of this chapter is to discuss universals in eight major topics in
the field of OB. Addressing universals necessarily demands that we adopt
a developmental view of cross-cultural OB. First, we adopt a past orienta-
tion by locating universals previously identified in the literature. Second,
we adopt a present orientation by proposing universals not previously
identified as such. Third, we adopt a future orientation because the univer-
sals we propose will, it is hoped, be put to future empirical tests. Thus, the
identification of universals addresses the past, present, and future of
cross-cultural OB.

Addressing cross-cultural universals is a challenging task because cul-
turally diverse groups can be both similar and dissimilar at the same time.
This ambivalent situation is at the heart of the universalist–particularist de-
bate. In spite of differences in behaviors, there seem to be deeper level func-
tions and generalizations that remain constant across cultures (Kagitcibasi
& Berry, 1989; Smith, 1997). So, we address the universalist–particularist de-
bate by framing our review of each OB topic by identifying universals that
have been found, or we hypothesize to be, culturally invariant.

A few clarifications are in order. First, we began our review by con-
tent-analyzing the most updated editions of 10 OB textbooks and identify-
ning content areas covered in all or most textbooks. This review resulted in 17
areas, which are listed in the left column of Table 10.1. Second, we examined
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**Notes:**
- Longer entries may be continued across two or more entries.
- The entire year of an entry may be repeated in parentheses.
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CULTURE DEFINITION AND OPERATIONALIZATION

A common criticism of cross-cultural research is the lack of a shared conceptual definition of culture. This lack of consensus leads to operationalizations of culture that vary widely across studies (House et al., 1997). In fact, in the 1950s researchers had listed over 160 definitions of culture (Kroeber & Kluckhohn, 1952) and Ajiferuke and Boddewyn (1970) noted that "Culture is one of those terms that defy a single all-purpose definition, and there are almost as many meanings of 'culture' as people using the term" (p. 154). Even worse than a lack of agreement over the definition and operationalization of culture, many researchers do not even define culture or simply use national affiliation to represent culture (Bond & Smith, 1986). Researchers must take into account many different dimensions of culture (Child, 1981; Lytle, Brett, Barsness, Tinsley, & Janssens, 1995; Ronen, 1997). Recently, much cross-cultural research has focused on the dimension of individualism-collectivism, if any dimension is delineated at all. Unfortunately, if this dimension is used, often it is not measured directly (Hui & Luk, 1997); rather, it is inferred from country membership. This method is no longer acceptable due to the availability of measures of individualism-collectivism (e.g., Hui, 1988; Hui & Yee, 1994), and the numerous other dimensions of culture that have been proposed (see Lytle et al., 1995, for a review). In summary, culture needs to be defined a priori and its dimensions clearly specified or it will not be possible to link cultural differences to the dependent variables of interest.

In spite of a historical variation in its definition, culture is increasingly and pervasively defined as a set of psychological commonalities shared by a group that limits the behavioral choices of its members. Represented in this definition is what House et al. (1997) referred to as "shared psychological properties," Poortinga (1992) referred to as "shared constraints," and Lytle et al. (1995) referred to as "framework that prescribes behavior," and Ronen (1997) referred to as "common ways of viewing events and objects." First, we should note that culture is determined by common experiences, geography, language, and history. These are antecedents of culture, and not culture per se. Antecedents of culture should not be confused with the construct of culture. Second, culture sets the stage for behavior, but does not include behavior. Behaviors are consequences of culture and should not be confused with the construct. Third, culture is a stable system in equilibrium (Ronen, 1997). However, geography, history, religion, and other shared experiences change, so does culture. Fourth, culture is a latent construct that can be examined only through a host of less than perfect indicators (Lytle et al., 1995). Lytle et al. reviewed several types of indicators including definitions of self and others (e.g., ascertainment-achievement, pragmatism-idealism), motivational orientation (e.g., high need for power-low need for power, intrinsic orientation-extrinsic orientation), and relations between societal members (e.g., individualism-collectivism, participation-universality), among others. We can assess the extent to which individuals are members of the same cultural group by gathering information on a set of these indicators. Fifth, culture is a multidimensional construct. Defining a cultural group in a unidimensional manner (i.e., using one indicator of culture such as individualism-collectivism only) leads to underspecifying the construct of culture and is no longer acceptable (Earley & Erez, 1997). Sixth, culture is a multilayered construct and not a dichotomy but a matter of degree. An individual is a member of a cultural group to the extent that he or she has shared experiences (e.g., geography, history) with the other members. However, given that individuals have shared experiences with members of several groups (e.g., based on religion, ethnicity, gender, socioeconomic status, etc; De Cieri & Dowling, 1995), they share, to different degrees, the cultural characteristics in each of several groups. Thus, we are all multicultural to the extent that we belong in various cultural groups.

Next, we review the aforementioned eight OB topics in search for universals following a downward sequence regarding levels of analysis. Specifically, we use the following macro-to-micro sequence: national (national values), organizational (organizational change and development, organizational culture), group and dyad (work teams, conflict and negotiation, leadership), and individual (work motivation, decision making).
NATIONAL LEVEL OF ANALYSIS

National Values

The topic of values is arguably one of the most frequently studied subjects in cross-cultural research. In fact, Table 10.1 shows that virtually every review of the cross-cultural OB and psychology literatures in the past 20 years has addressed this topic. Values can be defined as "a broad tendency to prefer certain states of affairs over others" (Hofstede, 2001, p. 5). Similarly, values have been defined as "desirable, transitiational goals, varying in importance, that serve as guiding principles in people's lives" (Schwartz & Sagie, 2000, p. 467). Put simply, values represent what is important (Bond & Smith, 1996a). As noted earlier in this chapter, cross-cultural researchers usually use values as indicators of the latent construct of culture. Thus, values have been studied in connection to each of the other topics addressed in this chapter. And, in spite of recent skepticism regarding the usefulness of the value construct for cross-cultural psychology (Bond, 1997), there is no sign that the interest in values in OB is waning.

Although cultural groups may or may not endorse specific values, a relevant universal-particular question is whether specific values created in one cultural context make sense in other cultural contexts. Stated differently, are values typically studied by cross-cultural researchers universally understood? Do we have sufficient accumulated knowledge to identify a universal taxonomy of values?

Hofstede's (1980) book describes the first systematic attempt at studying work-related values that are universally understood on a large international scale. National values were operationalized as the average scores for a given value in each of the 40 countries participating in the study (Hofstede & Bond, 1988, reported data on an additional 10 countries and three geographic regions). Hofstede (1980) derived, via a combination of exploratory factor analysis and theoretical considerations, the following four values: power distance, uncertainty avoidance, individualism-collectivism, and masculinity-femininity. It is important to note that these values were derived at the country level using ecological factor analysis (e.g., the mean values derived from each country were subjected to the factor analysis, and not the scores provided by the over 116,000 individuals who participated). This is a common problem because values refer to national (however defined) values, as opposed to what the values of average citizens are in each country (see Bond, 1988, and Schwartz, 1992, for analyses at the individual level).

Power distance refers to the degree of inequality between a supervisor and his or her subordinate; it was derived from questions addressing perceptions of (a) a supervisor's style of decision making, (b) co-workers' fear to disagree with superiors, and (c) the type of decision making that subordinates prefer in their supervisor. Uncertainty avoidance refers to the degree of tolerance for uncertainty and it was derived from questions addressing (a) rule orientation, (b) employment stability, and (c) stress. Individualism refers to the type of relationship between the individual and the collectivity that prevails in a given society and was derived from questions addressing work goals (e.g., have a job that leaves sufficient time for my personal or family life, have considerable freedom to adopt my own approach to the job). Masculinity-femininity refers to the degree of endorsement of "masculine" (i.e., advancement and earnings as more important) as opposed to "feminine" (i.e., interpersonal aspects, rendering service, and the physical environment as more important) goals.

Hofstede (1980) demonstrated that each of the four country-level values showed significant relationships with a diverse set of country-level variables. For instance, countries with higher power distance scores are more likely to be situated in a more tropical latitude, countries with higher uncertainty avoidance scores are more likely to show higher national anxiety levels, countries with higher individualism scores are likely to have higher gross national product per capita, and countries with higher masculinity scores are likely to have a lower percentage of women in professional and technical jobs.

Hofstede's (1980) seminal work has led to hundreds of follow-up studies and is arguably the most influential single investigation of cross-national differences in values (see Hofstede, 2001, for a review of follow-up studies, and Smith, in press, for an in-depth analysis and critique). Possibly, the appeal of Hofstede's value-based country classification among social scientists is that "soft" constructs were related to "hard" country-level indexes of economic performance. In addition, Hofstede's labels have a psychological flavor intrinsically appealing to Western researchers trained in individual-centered disciplines (e.g., OB, psychology). From a practical standpoint of research logistics, values are easy to measure by asking study participants to provide their endorsement of lists of terms used to justify actions in various societies. For example, values measured using the Chinese Value Survey (CVS) took about 5 minutes to complete (Chinese Culture Connection, 1987, p. 148).

The universality of Hofstede's (1980) four-value taxonomy was challenged by the Chinese Culture Connection (1987). The goal of the Chinese Culture Connection's study was to create an indigenous CVS to ascertain whether values originated from within the Chinese culture (i.e., "Eastern" instrument) would correlate with values found in Hofstede's study (i.e., "Western" instrument). The survey was distributed in 22 countries, 20 of which had participated in Hofstede's study. This allowed for an empirical comparison of values derived from two separate instruments in a sample of
20 countries. Results of an ecological factor analysis yielded a value taxonomy including the following four dimensions: (a) integration (i.e., tolerance of others, harmony with others, noncompetitiveness), (b) Confucian work dynamism (i.e., ordering relationships, thrift, persistence, having a sense of shame), (c) human-nonhumanism (i.e., kindness, patience, courtesy), and (d) moral discipline (i.e., moderation, having few desires, keeping oneself disinterested and pure). Integration, human heartedness, and moral discipline were related to Hofstede's values (e.g., integration was correlated with individualism, human heartedness was correlated with masculinity). However, the value "Confucian work dynamism" was not related to any of Hofstede's dimensions. Confucian work dynamism refers to Confucian work ethics and is reflected by the treatment of such items as persistence, thrift, and having a sense of shame. Results from the Chinese Culture Connection demonstrated that although Hofstede's four values seem to be universally understood, Confucian work dynamism is a value indigenous to non-Western regions (e.g., China) that is not captured in Hofstede's four-value taxonomy.

Smith, Dugan, and Trompenaars (1996) also challenged Hofstede's (1980) four-value taxonomy by distributing a value survey to 8,841 managers and employees in 43 countries. Items emphasized measures of universalism-particularism, achievement-ascension, and individualism-collectivism. Results of multidimensional scaling analysis yielded a three-dimension solution of values related to individualism-collectivism (Hofstede, 1980), power distance (Hofstede, 1980), integration (Chinese Culture Connection, 1987), and Confucian work dynamism (Chinese Culture Connection, 1987). Results showed that power distance and individualism-collectivism are not distinct factors and can be conceptualized as representing varying orientations toward continuity of group membership (loyal involvement/utilitarian involvement) and varying orientations toward the obligation (conservatism/egalitarian commitment). Also, Hofstede's dimensions of uncertainty avoidance and masculinity-femininity did not emerge from the analysis. Smith et al. provided possible explanations for the lack of emergence of these dimensions including the fact that their measures were not designed to measure these dimensions directly. Overall, Smith et al. (1996) concluded that their results suggest "considerable replicability in the results emerging in relatively large numbers of nations" (p. 259). Also, they concluded that the individualism-collectivism dimension is present in virtually every multinational study. Therefore, Smith et al. asserted that "it is probably safe to infer that this dimension is the most important yield of cross-cultural psychology to date" (p. 237).

Schwartz and colleagues (Schwartz, 1992, 1994a, 1994b; Schwartz & Bilsky, 1987, 1990) developed a theory of individual-level values that can also be applicable at the national level of analysis when scores are aggregated across individuals (e.g., Schwartz & Sagiv, 2000). In contrast with Hofstede's inductive approach, Schwartz's central goal was to identify a theory-based structure of values that would generalize across cultures. Schwartz's systematic research efforts have led to a taxonomy of 10 motivational distinct types of values that includes self-direction, stimulation, achievement, hedonism, power, security, conformity, tradition, benevolence, and universalism (see Schwartz & Sagiv, 2000, for a recent summary and description). These 10 value types are grouped along two orthogonal and bipolar dimensions. The first dimension opposes openness to change (self-direction and stimulation) to conservation (conformity, tradition, and security). The second dimension opposes self-transcendence (universalism and benevolence) to self-enhancement (achievement and power). The universality of this two-dimensional structure has been confirmed by results obtained in dozens of countries (Schwartz, 1992, 1994a; Schwartz & Sagiv, 1995). Although the relative importance given to the two dimensions varies from country to country, there seems to be a near universal structure of motivational oppositions and compatibilities that organizes the espoused values.

More recently, the GLOBE project developed measures to assess Hofstede's (1980) four values as well as humane orientation, performance orientation, and long-versus short-term orientation (House et al., 1997). Although results are not yet published, humane orientation is likely to yield results similar to human heartedness and performance orientation, and long-versus short-term orientation are likely to be related to Confucian work dynamism. Therefore, it seems unlikely that the GLOBE project will result in value dimensions not studied previously.

To summarize, what do we know about the universality of country-level values? First, Hofstede's (1980) four-value classification represents the first attempt at deriving a universal taxonomy of values at the national level of analysis. Second, there is substantial evidence to suggest that the individualism-collectivism dimension is universally understood and relevant in numerous, if not all, cultural contexts. Third, there is substantial evidence that Schwartz's (1992, 1994a) theory-based value taxonomy, often applied at the individual level of analysis, can be applied in a near universal way at the national level of analysis. Fourth, we have abundant information regarding how various countries and cultural groups differ along several values (e.g., individualism-collectivism, power distance, Confucian work dynamism, openness to change-conservation; e.g., Bond, 1988; Chinese Culture Connection, 1987; Hofstede, 1980; Schwartz & Sagiv, 1995; Smith et al., 1996; Trompenaars, 1995). Fifth, some of the efforts regarding the development of value taxonomies have originated by researchers in only one cultural context and, consequently, did not include values indigenous to other contexts.
ORGANIZATION LEVEL OF ANALYSIS

Organization Development and Change

Organization development (OD) was created virtually concurrently in the United States and the United Kingdom in the 1950s as a social science response to societal problems including minority affairs (e.g., Collier, 1945; Lewin, 1946), repatriation of war veterans (e.g., Bion, 1948), and postwar needs of industry to increase productivity (Faucheur, Amaud, & Lauren, 1950). In its broadest meaning, OD is a long-term planned effort that utilizes the theories and knowledge of the behavioral sciences to produce changes in organizations (Aguinis, 1993). A more focused definition is the following: "Organizational Development is concerned with the deliberate, reasoned, introduction, establishment, reinforcement, and spread of change for the purpose of improving an organization's effectiveness and health" (Hooe, 1980, p. 23).

Some common OD interventions include survey feedback (i.e., information is collected and fed back to participants), sensitivity training or T-groups (i.e., small-group interactions that allow group members to learn about themselves), total quality management (i.e., organization-wide intervention aimed at managing and improving service and product quality), job enrichment (i.e., job redesign aimed at giving employees greater control over their jobs), job enlargement (i.e., job redesign aimed at giving employees greater task variety on their jobs), team building (i.e., small-group interactions to allow group members to improve group dynamics), grid training (i.e., organization-wide intervention aimed at improving concern for production and people), quality of work life programs (i.e., organization-wide intervention aimed at increasing employee involvement in decision making), and management by objectives (i.e., goal setting aimed at improving individual and organizational performance).

Is there evidence regarding the universality of some of these popular OD intervention techniques? Are there any underlying principles or functions that make certain OD interventions effective globally? Unfortunately, there is substantial empirical evidence indicating that many OD techniques that originated in the United States and other Western countries are not likely to be effective outside of these cultural contexts. For example, management by objectives programs allowing frank and open discussion between supervisor and subordinate generally have not been successful in France due to management's inclination to exert control through the implementation of objectives (Tepos, 1973). Similarly, Mavis and Berg (1977) compiled a large number of cases describing the failure of OD interventions outside of the United States. One such case includes the investigation of why a group development program had been terminated in a company in Switzerland (Bennis, 1977); Bennis concluded that the reason for the termination was that the hierarchy and authority-oriented values of the company's Swiss Army trained president collided with the goals of the program. More recently, Hui and Luk (1997) conducted a selective review of OD interventions in Africa, Arab countries, Japan, Latin America, the Philippines, Scandinavia, Singapore, Turkey, and the former Soviet Union republics. Hui and Luk concluded that "OD programs are not always successful... Perhaps we have to seriously rethink the basic premises and utility of OD programs as they are applied in another culture" (p. 394).

A universal principle underlying why OD interventions fail seems to be a mismatch between local cultural values and the values underlying OD interventions (Jaeger, 1986). OD's values are consistent with McGregor's (1960) Theory Y and include, among others, (a) moving away from blocking the expression of feeling and moving toward making possible both appropriate expression and effective use of feelings, (b) moving away from the use of status for maintaining power and personal prestige and moving toward the use of status for organizationally relevant purposes, (c) moving away from avoiding risk taking and moving toward willingness to risk, and (d) moving away from emphasizing competition and moving toward emphasizing collaboration (Tannenbaum & Davis, 1969). Jaeger (1986) posited that the greater the congruence between the cultural (i.e., organizational and societal) and OD values, the greater the chance that an OD intervention will be accepted and succeed. So, for example, an OD intervention is not likely to succeed in an environment where individuals do not express their feelings, use status to maintain power, avoid risk, and emphasize competition at the expense of cooperation. Although it is not expected that all values will be congruent (after all, OD interventions attempt to help individuals move toward these values), extreme incongruence is a recipe for failure.
Jaeger (1986) compared the values underlying OD interventions (as described by Tannenbaum & Davis, 1969) with the values studied by Hofstede (1980) and concluded that OD interventions espouse low power distance, low uncertainty avoidance, low masculinity, and medium individualism. Thus, OD interventions are most likely to be successful in countries espousing these values and unsuccessful in countries where these values are not prevalent. Jaeger noted that Denmark, Norway, and Sweden have the most consistent cultural profile. On the other hand, numerous developing countries (e.g., Argentina, Brazil, Chile, Colombia, Pakistan, Peru, the Philippines, Yugoslavia) espouse values that are quite different from those adopted by OD (Bourgeois & Bolzvlnk, 1981; Jaeger, 1986). Developing countries are those in greatest need of organizational improvement, but this culture incongruence may not allow traditional OD techniques to be successful. Thus, Jaeger recommended that an analysis of process/culture fit be undertaken before implementing an OD intervention. Many OD failures could have been avoided had such an analysis been undertaken prior to the intervention. For instance, DiBella (1995) described how goal-setting assumptions do not apply well in the Philippines, and participants of a training program, aimed at helping them develop their own business, set glamorous and unattainable goals so as to get more funds but were not concerned about whether these goals would be met. Interventions congruent with the local cultural context are likely to be popular and effective. For example, the most common OD technique in Singapore is survey feedback (Putt, 1989). A major difference between North American and many Asian countries is that, due to the fear of losing face or making someone else lose face, employees in Asia are less likely to favor open and frank discussions (Aguinis & Roth, 2003). Survey feedback is typically conducted in an anonymous manner, and Hui and Luk (1997) noted that anonymity is the key to its popularity. Based on the process/culture fit analysis, it is then desirable to adapt or “indigenize” OD techniques to local cultural contexts (Aycan & Kanungo, 2003). For example, Aguinis adapted a large-scale change effort that took place in Argentina in the late 1980s, after a decade of brutal and repressive dictatorship, to increase the level of participation of students in university governance structures. Aguinis adapted typical OD interventions such as T-groups to the local cultural context of extreme fear and distrust. Another example includes the implementation of the nurturant-task leadership model in India (Aycan & Kanungo, 2003). In this OD intervention, there is an emphasis on performance and task accomplishment for the expression of collectivistic values including group harmony and cooperation (Sinha, 1980). In summary, the past has taught us that there seems to be no universally effective OD intervention. Instead, a universal underlying principle is that a process/culture fit analysis needs to be undertaken before an OD intervention is implemented. First, the overall values of OD (cf. Tannenbaum & Davis, 1969) and then the specific assumptions underlying the proposed OD technique need be to scrutinized vis-à-vis the local culture. If the gap between OD values and the organizational and societal culture is too large, then the chances that the OD intervention will be accepted and successful are reduced substantially. As noted by Faucheux et al. (1982), “planned organizational change can only be a gimmick when it does not fully integrate the contextual dimension that provides life, meaning, and raison d’être to organizations” (p. 366). Looking to the future, researchers need to attempt to understand what is a “tolerable” and “acceptable” gap for an OD intervention to succeed in a culturally incongruent context.

Organizational Culture

Organizational culture refers to a pattern of shared basic assumptions about the environment, human nature, social relationships, and reality that employees have learned as they addressed and resolved problems of external adaptation and internal integration (Schein, 1984). Assumptions are abstract and hard for organizational members to identify because they are taken for granted and out of consciousness. Nevertheless, these assumptions are passed on to new employees as the correct method for dealing with problems. Shared and enduring assumptions reduce ambiguity, encourage desired behavior, and promote a common understanding and response to environmental challenges and opportunities (Schein, 1996). Further, organizational culture helps explain why organizations differ and how organizations and their employees interact.

Schein (1985) noted that, in addition to assumptions, organizational culture has two other levels of manifestation: values and artifacts. Values represent a more concrete level of organizational culture as compared to assumptions, and they guide behavior in organizations by delineating standards by which employees can judge the appropriateness of their actions. Artifacts refer to visible aspects of culture such as technology, arts, architecture, stories, rituals, symbols, and ceremonies.

Although some authors have acknowledged that national culture affects organizational culture (e.g., Hofstede, Neuijen, Ochvy, & Sanders, 1990; Konrad & Susanj, 1999), studies examining the relationship between the two are rare (Adler & Jelinek, 1986; Aycan, Kanungo, & Sinha, 1999; Hofstede et al., 1990; Triandis, 1994). This is unfortunate because successful implementation of human resource practices (Schneider, 1988) and employee job satisfaction (Lincoln, Harada, & Olson, 1981) rely on the congruence between organizational and national culture.

Next, based on the small body of available research investigating organizational and societal culture, we propose potential universals for each of
the three levels of manifestation of organizational culture (i.e., assumptions, values, and artifacts).

Assumptions. Underlying assumptions affect how employees perceive and respond to the organizational environment. Schein (1985) asserted that assumptions regarding work tasks and employees are important aspects of organizational culture. Task assumptions refer to the nature of work tasks and how they can be accomplished most effectively, whereas employee assumptions refer to employee nature and behavior. The model of culture fit first proposed by Kanungo and Jaeger (1990) included these assumptions, task (i.e., task goal, task orientation, and competitive orientation) and employee (i.e., futuretic orientation, locus of control, malleability, proactivity vs. reactivity, obligation toward others, responsibility seeking, and participation) assumptions are influenced by external environment characteristics such as industry, market, ownership, and resource availability, as well as cultural dimensions such as paternalism, power distance, and uncertainty avoidance. Both task and employee assumptions, which represent organizational culture, in turn influence individual and group behavior. Initial support for the model was found in Canadian and Indian samples (Aycan et al., 1999; Mathur, Aycan, & Kanungo, 1996); however, we recommend further research on the applicability of these assumptions in other cultures. There is evidence that societal culture affects organizational culture, but it is unclear if different cultures define organizational culture using the same underlying assumptions.

Values. Many researchers argue that organizational culture can be represented by values (e.g., Howard, 1998) instead of assumptions. Quinn and McGrath (1985) proposed a typology of organizational culture based on the following two values: internal versus external orientation and flexibility versus control orientation. This typology results in four types of organizational culture. First, group culture has an internal and flexible orientation characterized by group cohesiveness, participation, cooperation, individual growth, open communication, and organizational commitment. Second, developmental culture has an external and flexible orientation marked by searches for new information in the external environment, innovation, creativity, openness to change, risk taking, and tolerance for ambiguity. Third, a hierarchical culture represents a combination of internal and control orientations, and it focuses on rationality, respect for authority, clearly defined rules and procedures, stability, formality, and security. Finally, a rational culture refers to the combination of external and control orientations, which results in rational planning, goal setting, and an achievement orientation. A few studies have used this typology in the

10. CROSS-CULTURAL ORGANIZATIONAL BEHAVIOR

United States (e.g., Howard, 1998), United Kingdom (e.g., West & Anderson, 1992), and Europe (e.g., Konrad & Susanj, 1999; van Muijen & Koopman, 1994). However, much empirical research is needed to determine the universality of these organizational culture values. Xenikou and Furnham (1996) also sought to identify common values representing organizational culture. These researchers factor analyzed four commonly used U.S. measures of organizational culture that assess behavioral norms and values (i.e., Organizational Culture Inventory by Cooke & Lafferty, 1989; Culture Gap Survey by Kilman & Saxton, 1983; Organizational Beliefs Questionnaire by Sarskin, 1984; and Corporate Culture Survey by Clasen, 1983). Using two British organizations, this study found five dimensions of organizational culture across the measures: openness to change in a cooperative culture (emphasis on change, innovation, and achievement in a cooperative and supportive environment), task-oriented organizational growth (emphasis on continuous improvement and organizational development), human factor in a bureaucratic culture (emphasis on conventionality, formalization, and central planning), negativism and resistance to new ideas (emphasis on power, competition, and confrontation), and positive social relations in the workplace (emphasis on human relations, development of friendships, and socializing). Although the values proposed by Quinn and McGrath (1985) and Xenikou and Furnham (1996) are similar and overlap considerably, they were both derived from a Western perspective. According to Adler and Jelinek (1996), research on organizational culture has been limited to the United States and has failed to be integrated into cross-cultural OB research because of its U.S.-based approach. Future research should not only investigate the universality of these values underlying organizational culture, but also explore other values that may be specific to cultures other than the United States.

Artifacts. The final level of organizational culture is artifacts (i.e., the visible aspects of culture). Holstede et al. (1996) asserted that organizational culture is best measured by organizational practices (i.e., a type of artifact) instead of more abstract assumptions and values. In their study of 10 companies in Denmark and the Netherlands, Holstede et al. found six practices that could be used to measure organizational culture. The practices were process versus results oriented (e.g., "People put in maximal effort"), employee versus job oriented (e.g., "Important decisions are made by individuals"), parochial versus professional (e.g., "Job competence is the only criterion in hiring people"), open versus closed system (e.g., "Organization and people are close and secretive"), loose versus tight control (e.g., "Everybody is cost-conscious"), and normative versus pragmatic (e.g., "Results are more important than procedures"). Again, we must
quality that these practices were found in northwest European organizations and that further investigation is necessary to determine if they can be applied to other cultures. In summary, one broad universal we can conclude is the presence of a relationship between societal and organizational culture; however, we need to explore the nature and magnitude of this relationship across cultures. Looking to the future, we have proposed potential universalism in the three levels of organizational culture. However, these proposals are preliminary and empirical evidence is far too limited to declare their generalizability with confidence. Further research is imperative in this area before strong conclusions can be drawn about universal and culture-specific aspects of organizational culture.

Next, we continue our macro-to-micro journey and move down from the organization to the group and dyad levels of analysis and review the topics of work teams, conflict and negotiation, and leadership.

GROUP AND DYAD LEVELS OF ANALYSIS

Work Teams

Teams are an important aspect of organizational functioning. In recent years, there has been a trend toward alternative work arrangements with organizing work in teams being a common choice. Many organizations are organizing around teams in hopes of deriving increased productivity, enhanced creativity and problem solving, and greater satisfaction with the work environment. Unfortunately there is a paucity of research comparing team-related phenomena across cultures (Kirkman & Shapiro, 1997) to determine the generalizability of the touted benefits of teams. Indeed, most research has focused on multicultural teams or teams comprised of individuals from different cultures (e.g., Ijendi, LePine, & Hollenbeck, 1992; Prieto & Arias, 1997) instead of teams operating within a specific culture.

A team can be defined as two or more individuals who interact and are to some degree dependent on each other in the pursuit of common goals, solving problems, or completing tasks (Hackman, 1987; Sundstrom, De Meuse, & Futrell, 1990). This dependence is a result of members possessing unique skills, duties, and roles within the team. In addition, not only do these individuals perceive themselves as a team, but outsiders who are familiar with them do as well. Even though some researchers have noted a distinction between groups and teams, we use the terms interchangeably.

Although groups are a naturally occurring phenomenon (Mann, 1980), preferences for working in them and the nature of behavior within them seems to vary substantially across cultures. For instance, it is well accepted that workers from individualistic cultures find working alone substantially more motivating than working as part of a team, whereas collectivistic societies tend to prefer group situations. In fact, Kirkman and Shapiro (1997) proposed that employees from individualistic cultures will actively resist work organized in teams, whereas employees from collectivistic cultures will openly embrace teams because they value the well-being of groups of which they are a part.

Another marked difference in group behavior between individualistic and collectivistic cultures is in the area of social loafing. Social loafing refers to individuals not working as hard in groups as they would individually and it is a common occurrence in Western cultures but it does not exist or is even reversed in others. In countries such as China (Earley, 1989), Israel (Earley, 1993), Japan (Matsui, Kakuyma, & Onoglato, 1987), and Taiwan (Gahnya, WANG, & Latané, 1985), performance actually increases when individuals work as part of a group as compared to when they work alone. Thus, work organized in teams may hinder employee performance in individualistic cultures like the United States, whereas it may facilitate performance in collectivistic cultures like Japan.

Although preference for working in teams is particular to the type of culture, we can identify a potential universal regarding teams even in this area. That is, whereas individualists prefer working alone and collectivists favor working in teams, both demonstrate lower performance levels when working with out-group members (Earley, 1993). Once again, the magnitude of this effect depends on the culture of employees, with those in collectivistic cultures posing greater opposition to working with out-group members than employees from individualistic cultures.

As Mann (1980) pointed out in his review of the small group research literature, in all cultures groups pressure individual members to conform to group norms. For teams to be successful, a certain amount of conformity and cooperation is imperative. Without cooperation, teams would be hard pressed to achieve their goals and tasks. Mann’s review found that conformity to group pressure existed in every country studied using the Asch (1956) method. The original study by Asch indicated that about 33% of participants conformed to group pressure and replications found similar levels of conformity in countries such as Brazil (34%), Fiji (36%), Hong Kong (32%), Japan (25%), Lebanon (31%), and slightly higher rates in Rhodesia (51%, Chandra, 1973; Frager, 1970), Whittaker & Meade, 1967). However, a meta-analysis of studies replicating Asch’s conformity study indicated that collectivists had higher levels of conformity than individualists (Bond & Smith, 1996b). Thus, although all groups require some degree of compliance with group norms, those in collectivistic cultures are likely to exhibit the most compliance. Finally, not only is it universal for teams to exert pressure on their members to conform to group
norms, teams typically reject those members that refuse to conform at least to some degree (Mann, 1980).

In summary, team research has focused on performance in multinational teams, whereas team behavior has not been investigated extensively in different cultures. Research that has been conducted in cross-cultural settings indicates that there are differences among cultures in preference for working in teams as well as productivity levels due to the presence, lack of, or reversal of social loafing. However, research also provides evidence that teams universally exert pressure on their members to conform to group norms and that those individuals who do not conform, at least to some extent, are ostracized from the team. In the future, we need to acknowledge that the aspects of culture on work teams will benefit greatly from empirical research examining between-culture differences in team organization and dynamics.

Conflict and Negotiation

Conflict between parties, typically holding opposing interests, is an all-too-frequent event in organizational life. In fact, managers in the United States report spending approximately 20% of their time resolving conflicts (Croppazano, Auqinis, Schminke, & Denham, 1999; Thomas & Schmidt, 1976). Because of the pervasiveness of conflict, individuals use a variety of negotiation approaches in an attempt to end the conflict (Croppazano, Auqinis, Schminke, & Denham, 1999). These negotiation approaches derive from the extent to which one has the dual concern with one's own outcomes and with the other party's outcomes (Leung, 1997). Having low concerns for both is likely to lead to an avoidance or inaction approach, whereas having high concerns for both is likely to lead to a problem-solving approach. If concern for one's outcomes is high and for other's outcomes is low, a contending or competition approach is likely, and if concern for one's outcomes is low and for other's outcomes is high, a yielding is likely. Lastly, if concern for one's outcomes is moderate and for other's outcomes is high, compromise is likely (van de Vliert, 1990).

Janosik (1987) noted the following four paradigms to studying the relationship between conflict and negotiation: (a) culture as learned behavior (i.e., assumes that people sharing a geographic region are socialized into similar patterns and therefore display similar negotiation behaviors), (b) culture as shared values (i.e., assumes that people with a common culture share values that directly affect their negotiation behaviors), (c) culture as dialectic (i.e., assumes that people sharing a common culture share values that are in constant tension that directly affect their negotiation behaviors), and (d) culture in context (i.e., assumes that people sharing a common culture share values and a host of other factors that affect their negotiation be-

havior). Reviews by Wilson, Cai, Campbell, Donohue, and Drake (1995) and Leung (1997) make it clear that the vast majority of empirical studies regarding culture and negotiation have adopted the culture as shared values perspective, in which a cultural dimension (e.g., individualism-collectivism) is predicted to have a main effect on preferences for or actual negotiation behaviors.

Wilson et al.'s (1995) review of studies of individualism-collectivism revealed that, in general, negotiators from more collectivist societies tend to report a preference for nonconfrontational (e.g., avoiding, accommodating) behaviors as compared to negotiators from more individualistic societies. In addition to these procedural preferences, there are several studies concluding that there are cross-national differences in discourse and nonverbal features of negotiation interaction. For example, Graham (1985) compared Japanese, Brazilian, and U.S. negotiators and found that Japanese interactions contain more direct eye contact and touch; in addition, Brazilians used the word "no" 10 times more frequently than did Japanese and U.S. managers. Numerous similar illustrations exist regarding cross-cultural differences in the number of conversational gaps and overlaps (Graham, Evenko, & Rajan, 1992), vocal backchannels (Funt, 1989), and the use of self-versus other-oriented markers (Funt, 1969).

In sharp contrast with the findings described here, Wilson et al.'s (1995) review also revealed that no such clear differences were found in intracultural negotiations for the direct effect of cultural dimensions. Individualism-collectivism on (a) actual negotiator behaviors, and (b) negotiation outcomes (e.g., the nature of the settlement, profit for buyers and sellers: note, however, that there is evidence that intercultural negotiations show lower levels of joint gains as compared to intracultural negotiations, Brett & Okumura, 1998). For example, Adler, Graham, and Gehrke (1987) found that Mexican dyads (i.e., assumed to be collectivistic) did not differ from Canadian and U.S. dyads (i.e., assumed to be individualistic) regarding the use of cooperative tactics and the size of profits derived from settlements. As a second illustration, Cai (1993), cited in Wilson et al., 1995) did not find that culture had a main effect on the actual use of face management tactics (i.e., a tactic designed to protect one's identity, Aguinis & Roth, 2001) in samples of students from Taiwan and the United States.

Taken together, results gathered over the past decades suggest that although culture affects reported preferences for negotiation behaviors and actual conversational and communication styles, there is no clear evidence of a direct effect of cultural differences on actual negotiation behaviors and outcomes. Rather than a main effect, culture may play the role of a mediator (Leung, 1997) or a moderator (Wilson et al., 1995) variable. For instance, a negotiator's culture-based preference may be overridden by
the desire to reciprocate (Adler et al., 1987) or accommodate (Gallos, Franklyn-Stokes, Giles, & Coupland, 1988) the other party’s negotiation behaviors. Thus, it appears that culture is just one of several antecedents of negotiation behaviors including number and linkage between issues, time constraints, and the personalities and roles of the negotiators involved. Accordingly, Janosik’s (1987) culture-context paradigm seems to be the most promising conceptual framework for understanding the role of culture as an antecedent to conflict management. It seems that “any attempt to understand negotiation behavior as a genre of human action which attends only to the culturally defined values of the negotiator will, ultimately, be inadequate” (Janosik, 1987, p. 537).

In summary, returning to the question of universals, it seems that negotiators do have culture-specific preferences for various behaviors, hold different perceptions regarding which behaviors may be appropriate or preferred, and perceive the same conflict situation differently (Gelfand et al., 2001; Wilson & Waltman, 1988). However, behaviors in actual situations are not explained clearly by cultural differences and negotiators from different cultures arrive at similar outcomes. Thus, an apparent universal in the cross-cultural literature on conflict and negotiation is that negotiators, regardless of their cultural background, reach similar outcomes. This is just one of several variables that ultimately affect these outcomes and more complex conceptual models are needed to explain the remarkable finding that, in spite of conversational and communication differences, negotiation outcomes seem to remain cross-culturally invariant. Future research is needed to examine the precise effect of culture (e.g., mediator, moderator), and the strength of this effect.

**Leadership**

There is no consensual definition of leadership in the OB literature. A recent meeting of the GLOBE project including 84 scholars representing 56 countries yielded the following definition of organizational leadership: “the ability of an individual to influence, motivate, and enable others to contribute toward the effectiveness and success of the organizations of which they are members” (House et al., 1997, p. 548).

The universal-particular question is whether there are specific leader-ship functions that are universal and culture free. There is empirical support for two such functions: (a) transactional–transformational leadership, and (b) task–relationship orientation leadership.

**Transactional–Transformational Leadership.** There is abundant evidence suggesting that the transactional–transformational paradigm transcends cultural boundaries (Bass, 1997; Bass & Avolio, 1993; Bass, Burger, Dokie, & Barrett, 1977). Bass and colleagues have concluded that subordinates’ ideal regarding a leader is transformational and not transactional. Transformational leaders display attributes including charisma, intellectual stimulation of followers, and individualized attention and consideration toward followers. On the other hand, transactional leaders establish relationships with followers based on contingent rewards.

The transformational–transactional paradigm is a good example of a basic universal underlying function that is enacted by a variety of behavioral manifestations across cultures. For example, House et al. (1997) illustrated that the charisma dimension of transformational leadership was enacted in a highly aggressive manner in the cases of John F. Kennedy, Martin Luther King, Jr., and Theodore Roosevelt in the United States and Winston Churchill in the United Kingdom. Alternatively, charismatic leadership was enacted in a more quiet and nonaggressive manner in the cases of Mahatma Gandhi and Mother Teresa in India and Nelson Mandela in South Africa. Similarly, Smith (1997) concluded that “charisma may be best thought of as a quality that is global but imputed to leaders on the basis of behaviors that are culture-specific” (p. 620).

**Task–Relationship Orientation Leadership.** The task versus relationship orientation of situational leadership theory (Hemsey & Blanchard, 1988) is a second function that crosses cultural borders. Misumi’s (1985) work in Japan identified the two fundamental leader functions of performance (P) and maintenance (M). The P function refers to task requirements and the M function refers to the maintenance of good relationships between the leader and the followers and among the followers. Misumi emphasized that these leader functions surface through behaviors that are culture-specific. Stated differently, although the P and M functions are universal, the behavioral manifestations of these functions vary across cultures. For example, an M-related behavior in the United States may consist of a leader inviting subordinates out for after-work drinks at a local bar, whereas an M-related behavior in Brazil may include a leader helping a subordinate secure a job for his or her spouse.

Several Western researchers have identified the same two functions, albeit labeled differently. For instance, Fiedler (1976) described a dimension related to the concern for establishing good relationships with subordinates and a second dimension related to the concern with attaining successful task performance, and Bass (1984) described the “consideration” and “initiating structure” dimensions. Moreover, researchers in other non-Western regions of the world have also identified the same functions. For instance, Sinha (1995) described the task versus nurturing leadership functions, and asserted that leaders must perform both
functions to be effective, and Ah Chong and Thomas (1997) confirmed Misum's (1985) P and M dimensions in samples of Pakeha and Pacific Islanders in New Zealand.

In summary, we conclude that the transactional-transformational and task–relationship paradigms are universal underlying leadership functions. These functions are expressed in a large number of diverse and culture-specific behaviors, as described in reviews of the cross-cultural leadership literature (e.g., Bass, 1990; House et al., 1997).

Next, we discuss the following two areas at the individual level of analysis: work motivation and decision making.

**INDIVIDUAL LEVEL OF ANALYSIS**

**Work Motivation**

Work motivation is an important determinant of job performance and often a top priority of managers (i.e., managers spend much energy motivating employees to do good work). It has been defined as a set of processes that initiate, direct, and maintain effort toward desired work behaviors (e.g., Campbell & Pritchard, 1976; Pinder, 1998). OI research in the United States has focused much attention on this topic, but the transfer of American theories to other cultures has been neglected (e.g., Ambrose & Kulik, 1999) or has met with limited success (e.g., Silverthorne, 1990).

An explanation for the lack of empirical support of work motivation theories outside the United States can be found in Erez’s (1997) culture-based model of work motivation. Building from the previously proposed model of cultural self-representation (Erez & Earley, 1993), Erez (1997) suggested that motivational practices be evaluated using the individualism–collectivism and power distance cultural dimensions. As previously described in the section on national values, the individualism–collectivism dimension refers to the inclination for working individually or in teams, whereas the power distance dimension refers to the degree that a power hierarchy and inequality are acceptable. When motivational practices, such as employee participation, are evaluated as contributing to employees’ self-worth (i.e., they are congruent with employees’ cultural values), employees are motivated to perform well, whereas negative evaluations lead to poor performance. For example, in low power distance cultures, where there are few power differentials and a willingness to challenge others’ ideas, employee participation programs are likely to succeed because they are congruent with employees’ cultural values.

Although Erez’s (1997) cross-cultural model of work motivation explains why many motivating practices that succeed in the United States of ten fail overseas and vice versa, we believe there are some universal motivators. First, McClelland’s need for achievement has been touted as universal (see Bhagat & McQuaid, 1982, for a more detailed review). Research demonstrates that many countries place high importance on the need for achievement such as Japan, Northern Ireland (Yamauchi, Lynn, & Rendell, 1994), Australia, Canada, Singapore, the United States (Popp, Davis, & Hebert, 1988), China, Lebanon, and Aborigine Australia (Holt & Keats, 1992). However, the magnitude of achievement motivation varies from country to country and the manifestations differ as well. That is, achievement may be behaviorally manifested as economic, task, personal, group, or family success. For example, achievement motivation is more socially oriented (e.g., need to belong, need to cooperate) in collectivistic cultures like East Asia instead of focused on the work itself or individual achievement like in the United States (Yu, 1995; Yu & Yang, 1994). In summary, employees worldwide develop a need for achievement, but the emphasis placed on that need and its behavioral manifestation vary somewhat among cultures.

There are other employee needs that may serve as universal motivators besides achievement (see Ambrose & Kulik, 1999, for a more extensive review). For instance, Harpaz (1990) randomly surveyed over 8,000 employees in seven countries (i.e., Belgium, Great Britain, Israel, Japan, the Netherlands, the United States, and West Germany) to determine important motivating factors at work. Although the motivators varied somewhat among the countries, interesting work and pay were consistently the two most important. However, the method of distributing pay to motivate employees may depend on cultural values (see Leung, 1997, for a more detailed discussion). Employees can be rewarded according to their performance (principle of equity), equally (principle of equality), or based on their needs (principle of need). Research supports using the equity principle in individualistic cultures and using the equality principle in collectivistic cultures (James, 1992). Individualistic cultures value competition, achievement, and personal goals, and therefore, desire to have pay plans that recognize individual contributions. Conversely, collectivistic cultures emphasize cooperation, interdependence, and group goals, and thus, prefer plans that support group harmony. However, a caveat should be noted. Collectivistic cultures differentiate between in-group and out-group members by applying the equity principle to in-group members and the equality principle to out-group members (Leung & Bond, 1984). Two final motivators that may be universally applicable are the need for growth and the need to control one’s environment. The need for growth was valued by employees in China, Russia, the United States (Silverthorne, 1992), Bulgaria, Hungary, the Netherlands (Roe, Zinovieva, Dienes, & Ten Horn, 2000), Australia, Canada, and Singapore (Popp et al.,
186), whereas the need to control one’s environment was deemed impor-
tant by employees in foreign subsidiaries of an organization in Belgium,
Colombia, Germany, Italy, Japan, Mexico, Spain, and Venezuela (Alpande-
re & Carter, 1991). Thus, there is some support for additional universal
motivators, at least among industrialized nations.
In summary, there appear to be some universal motivators such as
achievement, interesting work, pay, growth, and environmental control,
even though the magnitude of their importance and even their manifesta-
tions may vary among countries. Work motivation drives job perform-
ance and, thus, is an important issue for organizations worldwide. Therefore,
cross-cultural research in this area needs to assess managers in identifying
employee motivators that can be used regardless of the culture in which
organizations are operating as well as acknowledging culture-specific
aspects of work motivation.

Decision Making

Effective decision making is crucial in today’s competitive and global busi-
ness environment. Managers are faced daily with a multitude of decisions
demanding their attention. Choices made regarding these decisions can
determine success of organizations and even individual careers. Indeed, it
is not surprising that decision making has been labeled one of the most im-
portant duties of executives and managers alike (Mintzberg, 1988).

Decision making is the process of selecting a response for handling
problems or opportunities (Huber, 1980). There are five basic steps in
the decision-making process. First, a problem or opportunity must be recog-
nized and clearly defined. Next, potential courses of action need to be gen-
erated and evaluated as to their feasibility. Third and fourth, a course of
action is selected and implemented. Lastly, the outcome of the action is as-
essed and necessary adjustments are made. Although there are many ar-
ees of decision-making research, cross-cultural research tends to focus on
who makes decisions, and specifically, on employee participation in deci-
sion making. Thus, we propose universals regarding the level of employee
participation encouraged in decision making.

Managers can make decisions individually, consult others such as supe-
riors or subordinates and then make decisions, ask employees to jointly
make decisions with them, or defer decision-making power solely to em-
ployees. Although the level of participation may vary among cultures, as
we discuss momentarily, participative decision making has increased
worldwide (Córdova, 1982). Participatory decision making or industrial
democracy (as it is referred to in Europe) can take many forms, such as vol-
utary implementation by organizations, collective bargaining (e.g., Great
Britain, United States), mandated by national law (e.g., Norway, Peru),

work councils (e.g., Germany, Austria, the Netherlands), producers’ coop-
eratives (e.g., Spain), or representation on company boards (e.g., Luxem-
bourg, Sweden, Denmark; see Straus, 1982, for a detailed review).

Whether voluntarily adopted or required by legislation, Haire et al.
(1966) noted that managers in 14 countries favored participative involve-
ment by employees, but they believe that their employees are not capable
of engaging in participative decision making. This finding was later repli-
cated in other countries such as Cyprus, Greece, and Turkey (Bansal &
Katsounotis, 1993; Cummings & Schmidt, 1972; Kozan, 1993). In sum-
mary, managers believe that employee participation in decision making is
worthwhile, but only when they perceive that employees have the neces-
sary skills to successfully engage in participation (Heller & Wilpert, 1987).

As the Industrial Democracy in Europe (1981) discovered in its research,
participative decision making is only implemented when there are cul-
tural norms promoting positive attitudes toward participation and actual
involvement in it. Thus, the level of participation granted in decision mak-
ing depends in part on culture.

Whereas some degree of employee participation in decision making is
universally accepted in organizations, power distance has been proposed
as a determinant of the amount of participation deemed appropriate by
managers (e.g., Triandis, 1994; Wilpert, 1984). Specifically, it has been hy-
pothesized that cultures characterized by high power distance as well as
individualism are more likely to favor decisions made by individual man-
agers or employees, whereas those cultures exemplified by low power dis-
tance and collectivism are more likely to favor participatory decision mak-
ing (e.g., Erez, 1994; Triandis, 1994).

Evidence on the predictive power of power distance in participatory deci-
sion making is conflicting. On the other hand, findings regarding the ef-
ects of individualism–collectivism may be more explanatory. For example,
Erez and Earley (1987) compared the effectiveness of assigned
goals, representative goal setting, and participative goal setting in the
United States and Israel. Results showed that the Israeli participants had
lower performance than their U.S. counterparts when the goals were as-
signed. However, there was no performance difference for the representa-
tive and participative goal setting conditions in the U.S. sample. This study
illustrates a situation involving a more collectivistic and lower power dis-
tance culture responding more negatively to nonparticipation in decision
making than a more individualistic and higher power distance culture,
which supports the foregoing hypothesis. However, Smith, Peterson,
Akande, Callan, and Cho (1994) examined 16 countries and found that de-
cisions were typically participatory in collectivistic high power distance
countries, whereas decisions were usually made by individuals in individ-
ualistic low power distance countries. This finding is surprising because it

has been proposed that employees in collectivist high power distance cultures should readily accept decisions handed down by their supervi-
sors, and even resist participation in decision making because of their un-
questioning attitudes toward their supervisors. Support for this assertion
was provided by Graf, Hennies, Luu, and Liang (1990), who found that
Chinese managers approved of the nonparticipatory approach of their su-
periors and the lack of assertiveness by subordinates in decision making.

As previously noted, the individualism–collectivism dimension may
provide a better explanation for why managers prefer different levels of
participation in decision making. For instance, Peterson, Smith, Bond,
and Misumi (1990) found employees in Japan, a collectivist society, preferred
managing events (i.e., making decisions) in conjunction with their
co-workers, whereas employees in more individualistic cultures including
the United Kingdom and United States preferred making decisions indi-
vidually or deferring to their supervisors, respectively, instead of consult-


In summary, decision making is a universal aspect of organizational life. Organiza-
tions that can make and implement decisions effectively will be
those that prosper in today’s global marketplace. There is a worldwide
trend toward employee participation in decision making, although the level of participation varies depending on the culture in which organiza-
tions are operating. Participative decision making may be most effective in
collectivist cultures because of their group orientation, which is likely to
foster positive attitudes toward and value employee involvement in orga-
nizational decision making.

CONCLUDING COMMENTS

The early stages of cross-cultural OB were marked by a great deal of enthusi-
asm and optimism. However, some researchers are at present skeptical. For
instance, some believe that much has been done, that there are a number of
models that are underdeveloped (Aycan & Kacmar, 2001; Bond, 1997; Egen et al., 1997), and even that culture may not be a potent explana-
tory variable for OB. However, our chapter shows that cross-cultural OB has
made impressive advances in the past few decades in identifying universals
in several areas, including national values, organizational change and de-
velopment, organizational culture, work teams, conflict and negotiation,
leadership, work motivation. For instance, there is substantial evidence to support the universal applicability of individualism–
collectivism as a national value, the universal need to match contextual

(i.e., organizational and societal) values with OD values to prevent change,
intervention failures, the universal similarity often found in negotia-
tion outcomes in spite of the differences in negotiation process preferences,
The universal applicability of the transformational–translational leadership
paradigm, and the universal presence of motivators including need for
achievement and interesting work, to name a few.

Looking toward the future of cross-cultural OB, our chapter also in-
cludes a discussion of universals as well as directions for investigation
that we hope will be subjected to empirical testing. For instance, we hope that future work will identify national values indigenous to
underinvestigated regions such as Africa and Latin America, will assess
what is an acceptable gap between contextual and OD values for an OD
intervention to be effective, will ascertain whether similar task and em-
ployee assumptions (i.e., basic components of organizational culture) affect
individual and group behavior universally, will examine team dynamics cross-culturally (and not just multinational teams within cul-
tures), and will attempt to understand the surprisingly high level of
similarity in negotiation outcomes in spite of cross-cultural differences
in negotiation processes, to name a few.

The identification of universals paired with the massive evidence in sup-
port of the culture pervasiveness hypothesis, explains how different cul-
tural groups can be similar and dissimilar at the same time. The existence of
behaviors that differ across cultures is not necessarily incompatible with un-
derlying functions that are culture free. In spite of these common underlying
functions (e.g., charismatic leadership), their behavioral manifestations can
differ markedly from culture to culture (e.g., a quiet and nonaggressive
manner in the case of Mahatma Gandhi and a highly aggressive manner in
the case of Theodore Roosevelt). We have identified universals in eight OB
areas spanning the national, organizational, group, dyad, and individual
levels of analysis. We hope that future work will continue this trend and
move beyond this admittedly selected subset of topics.

Many authors have noted that cross-cultural OB research is dominated
by the United States (e.g., Adler, Doktor, & Redding, 1986). We echo this
concern and believe that it is imperative that we move the field of OB be-
ond the U.S. borders. Related to this criticism is the complaint that the
samples used in published studies are biased in that they overrepresent
the United States and the West (Bond & Smith, 1996a). We feel that one of
the causes for this state of affairs is the problem that the vast majority of
U.S. researchers cannot read research results published in non-English
outlets. One way to overcome this problem is to work with collaborators
who know other languages. This is an important issue to address in the fu-
ture and we hope that future reviews of the cross-cultural OB literature
will include knowledge generated in countries other than the United
States and Western Europe and published in non-English journals. In addition, related to the need to collaborate with researchers who speak other languages is the need to include collaborators who are transcultural (Graen, Hui, Wakabayashi, & Wang, 1997). The United States has a privileged position in this regard due to the large number of immigrants. We should take advantage of this wonderful opportunity and include members of cultural minorities in our research teams.

In closing, we have a very optimistic view of the field of cross-cultural OB. A review of past research has allowed us to identify some universals and propose others that require future empirical test. The knowledge accumulated thus far is generating important theoretical propositions (e.g., Earley & Erez, 1997), as well as guidance for organizational practice and interventions (e.g., Hui & Luk, 1997).

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REFERENCES


10. CROSS-CULTURAL ORGANIZATIONAL BEHAVIOR


