

Chapter 2 Culture and Multinational Management

MULTIPLE CHOICE

1. All the following is true about culture EXCEPT
 - a. Culture is the shared belief, norms, and values that guide everyday life of a group.
 - b. Culture is passed from generation to generation through norms, values, and beliefs.
 - c. Culture is always directly observable.
 - d. Culture is very pervasive in societies.

ANS: C

AACSB Reflective thinking, Individual dynamics

PTS: 1

2. The correct definitions of the levels of culture include all of these EXCEPT:
 - a. The national culture, dominant within the political boundaries of a nation-state.
 - b. The business culture, unique to each business.
 - c. The organizational culture, shared by members of an organization.
 - d. The occupational culture, shared by those in the same occupation.

ANS: B

AACSB Analytic, Individual dynamics

PTS: 1

3. Cultural values:
 - a. Represent our understandings about what is true.
 - b. Prescribe and proscribe behavior.
 - c. Tell us what is good and beautiful and what are legitimate goals in life.
 - d. Provide solutions to problems of adaptation to the environment.

ANS: C

AACSB Analytic, Individual dynamics

PTS: 1

4. All of the following are dimensions of Hofstede's Model of National Culture EXCEPT:
 - a. Power avoidance.
 - b. Uncertainty avoidance.
 - c. Masculinity.
 - d. Long-term orientation.

ANS: A

AACSB Analytic, Individual dynamics

PTS: 1

5. International management may be influenced by which of the following levels of culture?
 - a. National
 - b. Business
 - c. Organization
 - d. All of the above

ANS: D
AACSB Analytic, Individual dynamics

PTS: 1

6. Aspects of the business culture in China include all of these EXCEPT:
- Business moves more slowly.
 - One should respect Chinese business etiquette.
 - It is important to praise individuals who excelled.
 - The Chinese value harmony and order.

ANS: C
AACSB Analytic, Individual dynamics

PTS: 1

7. Organizational culture refers to the
- Set of important understandings that members of an organization share.
 - Expected ways of behaving for people in the same occupational group.
 - Values and beliefs pertaining to doing business with a specific company.
 - None of the above

ANS: A
AACSB Reflective thinking, Individual dynamics

PTS: 1

8. Occupational cultures
- Are the norms, values, beliefs, and expected ways of behaving for people in the same occupational group.
 - Are the set of important understandings that members of an organization share.
 - Are norms, values, and beliefs that pertain to all aspects of doing business in a country.
 - Are the dominant cultures within a country.

ANS: A
AACSB Reflective thinking, Individual dynamics

PTS: 1

9. Some people believe that the norms, values, and beliefs of their own culture represent the only correct ways of dealing with the world. This is called
- High power distance.
 - Stereotyping.
 - Androgyny.
 - Ethnocentrism.

ANS: D
AACSB Reflective thinking, Individual dynamics

PTS: 1

10. Cultural relativism represents
- The belief that all cultures are valid and ethical responses to the problems of living.
 - The belief that some cultures are relatively better than others.
 - The belief that your own culture is the best.

d. The degree of similarity between business and national cultures.

ANS: A

AACSB Reflective thinking, Individual dynamics

PTS: 1

11. A new expatriate manager located in India reports to you that all of her subordinate local managers lack initiative and will only do what she tells them to do. You realize that most Indian managers expect superiors to tell them what to do. You advise her of this, but also caution the new manager to avoid:
- Rationalization.
 - Stereotyping.
 - Uncertainty avoidance.
 - Ethnocentrism.

ANS: B

AACSB Reflective thinking, Individual dynamics

PTS: 1

12. On which of Hofstede's value dimensions does the U.S. rank highest?
- Masculinity
 - Individualism
 - Patriotism
 - Power distance

ANS: B

AACSB Reflective thinking, Individual dynamics

PTS: 1

13. High power distance countries have norms, values, and beliefs such as
- It is best to exercise power privately.
 - Everyone has a place, some are high and some are low.
 - A leader should develop his or her subordinates.
 - Leaders are made and not born.

ANS: B

AACSB Reflective thinking, Leadership principles

PTS: 1

14. Countries high on uncertainty avoidance have norms, values, and beliefs such as
- Debates help you find the truth.
 - Deviant people should be tolerated.
 - Lack of rules in the workplace is good.
 - Experts and authorities are usually correct.

ANS: D

AACSB Reflective thinking, Individual dynamics

PTS: 1

15. Which of the following best describes U.S. culture with regard to individualism?
- Lower than many European nations

- b. Highest observed so far
- c. About the same as Japan
- d. Slightly above average

ANS: B

AACSB Reflective thinking, Individual dynamics

PTS: 1

16. An emphasis on leadership styles that appeal to duty and commitment to group goals are found primarily in countries with
- a. Low masculinity.
 - b. Low uncertainty avoidance.
 - c. Short term orientations.
 - d. High collectivism (low individualism).

ANS: D

AACSB Reflective thinking, Leadership principles

PTS: 1

17. Training for conformity and obedience, with valuations based on compliance and trustworthiness characterize countries with
- a. Low power distance.
 - b. High power distance.
 - c. High individualism.
 - d. Short term orientations.

ANS: B

AACSB Reflective thinking, Individual dynamics

PTS: 1

18. Cultures with high power distance values probably have
- a. Participative leadership.
 - b. Decentralized decision making.
 - c. Large wage differences between management and workers.
 - d. Managers selected by educational achievement.

ANS: C

AACSB Analytic, Individual dynamics

PTS: 1

19. Seniority tends to dominate evaluation and promotion in
- a. Short term oriented cultures.
 - b. Cultures high on uncertainty avoidance and low on individualism.
 - c. Ethnocentric cultures.
 - d. Doing rather than being cultures.

ANS: B

AACSB Reflective thinking, Individual dynamics

PTS: 1

20. People from _____ countries would probably feel most comfortable with an autocratic (theory X) task- directed style of leadership.
- a. High masculinity
 - b. High power distance
 - c. High uncertainty avoidance
 - d. All of the above

ANS: D

AACSB Reflective thinking, Individual dynamics

PTS: 1

21. A culture which has dominant values of success, money, and material things is probably
- a. Low on power distance.
 - b. Low on individualism.
 - c. High on masculinity.
 - d. High on long term orientation.

ANS: C

AACSB Analytic, Individual dynamics

PTS: 1

22. In countries that rank high on Hofstede's masculinity index
- a. People prefer a short working day to get home to their families.
 - b. People feel more comfortable in small organizations.
 - c. Theory X management is rejected strongly.
 - d. Work is central to life and job recognition is very important.

ANS: D

AACSB Reflective thinking, Individual dynamics

PTS: 1

23. In a universalistic culture, the right way to treat people is based on
- a. Personal relationships.
 - b. Principles of harmony within the group.
 - c. Abstract principles such as rules of law and religion.
 - d. Accepting the use of emotions.

ANS: C

AACSB Reflective thinking, Individual dynamics

PTS: 1

24. Which of the 7d cultural dimensions represents the extent to which an individual's personal life is involved in his/her work relationships?
- a. Neutral versus affective
 - b. Achievement versus ascription
 - c. Time orientation
 - d. Specific versus diffuse

ANS: D

AACSB Analytic, Individual dynamics

PTS: 1

25. The achievement versus ascription dimension addresses
- The extent to which an individual's life is involved with work.
 - The manner by which a society gives status.
 - The way a culture deals with the past, present, and future.
 - The belief people have in controlling their fate.

ANS: B

AACSB Reflective thinking, Individual dynamics

PTS: 1

26. Expressions of anger, laughter, gesturing, and emotional outbursts are considered acceptable in
- Specific cultures.
 - Diffuse cultures.
 - Neutral cultures.
 - Affective cultures.

ANS: D

AACSB Analytic, Individual dynamics

PTS: 1

27. Which of the following statements is true regarding a future oriented society?
- Managers and workers do not necessarily believe that hard work can lead to future success.
 - People believe they can control nature.
 - Organizational change is considered necessary and beneficial.
 - Individuals cannot influence the future.

ANS: C

AACSB Analytic, Individual dynamics

PTS: 1

28. In countries where it is believed that nature dominates people,
- Managers are less likely to be fatalistic.
 - Managers emphasize planning and scheduling.
 - Managers actively try to change situations.
 - Managers believe that they must accept situations rather than changing them.

ANS: D

AACSB Analytic, Individual dynamics

PTS: 1

29. The ability to interact effectively in multiple cultures is known as
- Trustworthiness.
 - Cultural intelligence.
 - Cultural relativism.
 - None of the above

ANS: B

AACSB Reflective thinking, Individual dynamics

PTS: 1

30. Discussing cultural paradoxes, the text indicates that although the US scores very high on individualism, it also has the highest percentage of
- unmotivated population.
 - uncaring seniors.
 - homeless people.
 - charity giving in the world.

ANS: D

AACSB Analytic, Individual dynamics

PTS: 1

31. A cultural paradox is defined as:
- Group situations define cultural prescriptions.
 - Individual situations define cultural prescriptions.
 - Group situations contradict cultural prescriptions.
 - Individual situations contradict cultural prescriptions.

ANS: D

AACSB Reflective thinking, Individual dynamics

PTS: 1

32. When hiring for managerial jobs in high power distance countries, preference is generally given to individuals
- having a high social class or a degree from an elite university.
 - from all social classes.
 - based on their qualifications and skills.
 - All of the above

ANS: A

AACSB Analytic, Individual dynamics

PTS: 1

33. The range of feelings outwardly expressed in society refers to the cultural dimension of _____.
- Uncertainty avoidance
 - Universalism vs. particularism
 - Neutral vs. affective
 - Diffuse vs. specific

ANS: C

AACSB Reflective thinking, Individual dynamics

PTS: 1

34. Preference for involvement in multiple areas of personal and work life simultaneously are more likely in
- Specific cultures.
 - Diffuse cultures.
 - Neutral cultures.
 - Affective cultures.

ANS: B

AACSB Analytic, Individual dynamics

PTS: 1

35. Which of the following cultural dimensions is NOT included in Hofstede's model of national culture?
- Power distance
 - Individualism
 - Masculinity
 - Neutrality

ANS: D

AACSB Reflective thinking, Individual dynamics

PTS: 1

36. US firms often outsource customer service to workers in a foreign country. To minimize difficulties, such workers receive cross-cultural training which may include:
- Training workers to reduce or eliminate an accent.
 - Educating workers regarding US culture.
 - Requiring workers to speak only English while on duty.
 - All of the above

ANS: D

AACSB Reflective thinking, Individual dynamics

PTS: 1

37. Which of the following cultural dimension represents the extent to which individuals are expected to be fair, altruistic, caring and generous?
- Performance orientation
 - Individualism
 - Humane orientation
 - Power distance

ANS: C

AACSB Reflective thinking, Individual dynamics

PTS: 1

38. According to the text, which of the following two dimensions are not considered by Hofstede and is unique to the GLOBE cultural dimensions framework?
- Power distance and humane orientation
 - Long-term orientation and uncertainty avoidance
 - Masculinity and Individualism
 - Humane orientation and performance orientation

ANS: D

AACSB Reflective thinking, Individual dynamics

PTS: 1

39. Cultural paradoxes represent
- Cases where situations in reality seem to contradict cultural prescriptions.

- b. The assumption that all people within a culture behave, feel and act the same.
- c. The belief that a person's culture is superior.
- d. The belief that one's culture is inferior.

ANS: A

AACSB Reflective thinking, Individual dynamics

PTS: 1

40. According to research discussed in the text, which of the following may help managers become more culturally intelligent?
- a. Exposure to new cultural experiences in other countries
 - b. Learning to trust each people from individualistic cultures
 - c. Having a short term orientation
 - d. All of the above are true

ANS: A

AACSB Reflective thinking, Individual dynamics

PTS: 1

ESSAY

1. Define national culture, business culture, occupational, and organizational culture.

ANS:

Answers will vary. In general, students should know that **national culture** is the dominant culture within the political boundaries of the nation-state; business culture represents norms, values, and beliefs that pertain to all aspects of doing business in a culture and tell people the correct, acceptable ways to conduct business in a society; occupational cultures are the norms, values, beliefs, and expected ways of behaving for people in the same occupational group, regardless of their organizational employer; and organizational culture is the set of important understandings (often unstated) that members of a community share.

PTS: 1

2. Describe three management implications of high individualism versus collectivism (low individualism).

ANS:

Answers will vary but should mention that in highly individualistic societies, job selection is typically based on qualifications, individual achievement is favored over group achievement, and workers expect extrinsic rewards but not necessarily guaranteed long-term employment.

PTS: 1

3. What are country clusters? Explain with an example.

ANS:

Answers will vary. Students' examples should demonstrate that a **country cluster** is a group of countries, such as Anglo, Latin American, and Latin European, with roughly similar cultural patterns.

PTS: 1

4. What are cultural paradoxes? Give one example.

ANS:

Answers will vary. Students' examples should demonstrate that there are exceptions to the broad generalizations about a country's culture, which are known as **cultural paradoxes**, where individual situations seem to contradict cultural prescriptions.

PTS: 1

5. Describe some characteristics of cultures high on power distance. Compare the management implications with cultures low on power distance.

ANS:

Answers will vary. Students' answers should demonstrate that organizations in countries high on power distance use authoritarian management systems and processes that reflect a strong concern with hierarchy stemming from their belief that most people are not motivated to work.

PTS: 1

6. Describe some characteristics of cultures high on collectivism. Compare the management implications with cultures low on collectivism.

ANS:

Answers will vary but should mention that in highly collectivistic societies, job selection is typically based on membership in the group, group decision making is valued over individual achievement, and workers expect guaranteed long-term employment.

PTS: 1

7. Describe some characteristics of cultures high on masculinity. Compare the management implications with cultures low on masculinity.

ANS:

Answers will vary but should demonstrate that men dominate the management ranks in a highly masculine society. Men are expected to focus on long-term careers, while women may take jobs that are subordinate to their primary roles as family care-givers.

PTS: 1

8. Discuss four of the 7d cultural dimensions. What are some implications of these dimensions for international management?

ANS:

Answers will vary. Students' answers should show their ability to apply the dimensions to strategic management. They will be demonstrating this in their explanations of four of the following possible dimensions: universalism vs. particularism, collectivism vs. individualism, neutral vs. affective, diffuse vs. specific, achievement vs. ascription, past/present/future, and control vs. accommodation of nature.

PTS: 1

9. Why do the rankings on some cultural dimensions such as individualism differ between the 7d and Hofstede models?

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ANS:

Answers will vary but should demonstrate that students are aware that Trompenaars drew upon more recent data and used a different methodology.

PTS: 1

10. Discuss the GLOBE cultural framework. How is this cultural framework different from Hofstede's framework?

ANS:

Answers will vary. Students should mention that the GLOBE framework and the Hofstede framework share five qualities: assertiveness/gender, collectivism, future orientation, power distance, and uncertainty avoidance. GLOBE has also two unique dimensions: performance orientation and humane orientation.

PTS: 1