

3 Overview from the national culture, organizational culture, and internationalization perspective

3.1. National culture – how it is approached

Across literature, multiple approaches as to how culture is described and categorized can be found. The most used models as well as those that are emerging are presented from sections 3.1.1 to 3.1.4. As a summary point, all approaches will be run through in section 3.1.5 and compared.

National culture is presented by various approaches across the literature. Most common theories are outlined in this chapter to show how the work on the national culture concept was developing over time and how the researchers present its definition and/or components.

3.1.1. Hofstede's model and GLOBE project

There is a growing interdependence between industrial organizations and nations, due to growing globalization. Hence, there is a need to expand our understanding within cross-cultural management practices and its influences (Shi & Wang, 2011).

Cultural model developed by Hofstede is a main approach in quantitative research within international strategic management (Beugelsdijk et al., 2015). But first, what is culture? According to Hofstede (2011), this is a collective phenomenon. He describes culture as a “collective programming of the mind that distinguishes the members of one group or category of people from others” (Hofstede, 2011, p. 3). This term is most applied in nations, ethnic groups, or organizations but also to generations, genders, or social classes. Hence, the level on which we apply this concept defines what type of “culture” we are researching. For example, national culture, gender, or societal research applies more to roots human is acquiring in one's development stages, whereas organizational culture relates to job and occupational culture is within schooling systems (Hofstede, 2011).

Hofstede, based on the ongoing research, created the following six-dimensional culture model (Hofstede, 2011):

1. *Power distance* (relates to solutions to the basic issues in human inequality)
2. *Uncertainty avoidance* (touches stress levels in the society in case of unknown future)

3. *Individualism versus collectivism* (how individuals integrate into primary groups)
4. *Masculinity versus femininity* (role division between men and women)
5. *Long-term versus short-term orientation* (how the choice is made in relation to focus on people's past, present, and future actions)
6. *Indulgence versus restraint* (relates to control against gratification in case of human desires and enjoying life)

First four dimensions were the cores of the model, but in 2000s fifth and sixth dimensions were added (Hofstede, 2011).

Countries were positioned according to the score they achieved in each dimension. Although many combinations of results occurred, some of those appeared more often than others. Country scores are being replicated by other studies (between years 1990 and 2002, there were six major replications within 14 countries). Influence of gross national product per capita has always been taken into account when scales were correlated with other data (Hofstede, 2011).

Another model focusing on cultural aspect is GLOBE project. This global program was created in order to test leadership and organizational practices from cross-cultural perspective. The idea was conceived in 1991 and first designed by Robert House, but only after extensive literature review and the creation of 753 questionnaire items, a research proposal was created in 1993. At this year, GLOBE country co-investigators started to be recruited as well. What this project concerns? It is referred to as a multiphase and multimethod approach in which interrelationships between organizational, societal culture, and organizational leadership were examined. Over 150 scientists from 61 cultures across the globe are included in this long-term programmatic studies focusing on cross-cultural leadership. Co-investigators carry out the research effort within the culture they come from. The GLOBE coordinating team coordinates the project as a whole (House et al., 2001).

GLOBE studies nine cultural dimensions: (House et al., 2001):

1. *Uncertainty avoidance* (to which extend members of the society try to avoid uncertainty and unpredictability by relying on norms, laws, or rituals)
2. *Power distance* (to what degree society agrees to an unequal distribution of power)
3. *Collectivism I/societal collectivism* (how societal and organizational practices encourage/reward group distribution of assets and collective action)
4. *Collectivism II/in-group collectivism* (to what degree individuals express loyalty, cohesiveness, or loyalty within their social or organizational groups)
5. *Gender egalitarianism* (to what degree society or organization manages and minimizes gender discrimination and differences)
6. *Assertiveness* (refers to the extend individuals are aggressive, assertive, or confrontational in social relationships within society or organizations)
7. *Future orientation* (to what degree individuals engage in future-oriented behaviors like planning or delaying gratification within organizations or societies)

8. *Performance orientation* (how and to what degree society or organizations reward and recognize individuals for their performance excellence or improvement)
9. *Humane orientation* (to what degree societies or organizations reward and encourage behaviors like fairness, generosity, or kindness to others)

First six originated in Hofstede's work. Power distance, uncertainty avoidance, and collectivism I and II are to reflect Hofstede's power distance, uncertainty avoidance, and individualism scale. Gender egalitarianism and assertiveness are based on masculinity dimension (House et al., 2001).

3.1.2. *Schwartz's model*

Schwartz (1999) created a theory of seven culture value types. Those are placed in such a way to form three bipolar dimensions. The aim is for those to create contradictions between those values and show resolutions to each issues outlined: hierarchy versus egalitarianism, autonomy (intellectual or affective) versus conservatism, mastery versus harmony. Those values are interrelated based on similarities and differences between them. Some values may share same assumptions but are impossible to be outlined at the same time in a specific culture. The author outlined according to the aforementioned cultural value systems. This means that value types that are opposite to each other are situated in opposite sides of the figure. Those that are compatible are near each other on the circle. Values that interrelated positively with each other are hierarchy and conservatism; egalitarianism and autonomy (intellectual autonomy is more positively related here than affective); mastery and autonomy; mastery and hierarchy; harmony and conservatism as well as egalitarianism. The study validated those cultural values on two samples, namely teachers and almost identical mappings of those in world cultures. The author suggested that formed values and their dimensions could be successfully used to predict and further understand the national dissimilarities within work-related aspects (Schwartz, 1999).

Further research validated theory of culture values and outlined which ones characterize each region. In Western countries, societies value autonomy, harmony, and egalitarianism the most. Individuals put higher prominence on openness and self-transcendence. Within Eastern Europe, mastery is the most prevalent value. Within central and eastern regions, individuals vary greatly, since in the East-Central region we can find more harmony, egalitarianism, and intellectual autonomy. Those within East-Balkan cultures prefer security and power values. Within South Asia, values such conservatism and hierarchy prevail. Individuals put more pressure on tradition and rules than stimulation and self-direction values. Africa and the Middle East is similar here to some extend as most important value here is conservatism and least one is autonomy. In many countries within this region, values like hierarchy and mastery are most important. Within Latin America, all values reach worldwide average in all cultural values. It has higher results in egalitarianism, affective/intellectual autonomy, and harmony than countries in Africa, Middle East, South Asia, and East Europe but lower than cultures located within Western Europe (Sagiv, 2011).

What should be noted is that values within organizations are deeply affected by the values of their members and societies they function in. Hence, those can be researched on individual and national levels as they contribute highly to organizational culture creation. Due to cultural diversity in global organizations, it might be challenging to develop a cohesive culture. One can find a mix of individual level of values and those set in the social environments in which companies need to operate. Schwartz network is described as a solution for organizations that can help choose profiles that will work better with each other over those that will bring discrepancies. It is vital to develop understanding of individual level values as those can help understand one's actions like behaviors in international teams or how a person identifies with the company. Nation-level values, on the other hand, can bring a better understanding of organizational practices, procedures, or norms (Sagiv, 2011).

3.1.3. Trompenaars and Hampden-Turner culture model

According to Trompenaars and Hampden-Turner (2002), culture model consists of three layers: external, internal, and core. External layer of culture refers to what can be observed and seen, for example kitchen, how city looks, religion, and ways of dressing or art. Internal layer represents norms and values. This layer has a direct influence on external layer of this model. Norms are rules that are accepted by the group as bad or good. They can be formal (written down as a law) or informal (showing up via social control). Values, on the other hand, determine how good or bad is defined and are closely connected with what is important for the group. Culture remains stable when the norms are consistent within the social group and becomes destabilized when this changes. The last is core, which are basic arrangements made by humans in order to adjust to natural surroundings in order to survive and function as efficiently as possible.

What is more, seven cultural dimensions were described in three categories: attitude to people, time, and environment. Within attitude to people category, five dimensions are outlined. First is universalism–particularism. In cultures that have strong particularism attitude have bigger focus on human relations and adjust the solutions according to specific situations. Universalistic cultures are keener on written norms and laws, no matter what the personal situations are. Second is individualism–communitarianism. Individualistic cultures focus on individual contribution to the society on own terms, whereas communitarianism cultures consider it as prominent to have the interest of the society as a main goal. Third, neutral–emotional has a focus on reserved behavior toward others (temperance) against showing emotions freely (emotionality). Fourth is specific–diffuse, in which diffuse culture focuses on creating value added, personal relationships at work, while specific cultures focus on formal relations within the workplace. Fifth, and last within this category, is achievement versus ascription. In first case, one is assessed by one's up-to-date achievements and deeds, while in the second case one's status is connected strongly with finished school, family status, or connections. Second category is attitude toward time (sequential vs. synchronic), in which

how a society or a person approaches time, and its management depends on the cultural background. Third category is attitude toward environment (internal vs. external control). Some cultures may consider a human as a center of universe and an individual who can and should decide on their own. In other cultures, human is considered as dependent on culture and that one should learn from it as much as possible (Trompenaars & Hampden-Turner, 2002).

3.1.4. Mole, Gelfand, and Gesteland models' overview

Gelfand and colleagues (2011) described a theory of tight and loose cultures. Tight culture is one that has strong norms and low acceptance of deviant behavior. Loose culture, on the other hand, is characterized by higher acceptance of deviant behavior and much weaker social norms. Those concepts are a part of a multilevel system that takes multiple factors into account. We can count in here threats of historical origins, for example, resource scarcity, high population density, or environmental threats. Socialization that is low or broad within societal institutions is of importance here, for example, media regulations or autocracy. Finally, micro-level psychological situations and everyday recurring events have influence on those cultures as well, for example self-guides or need for structure. All those factors constitute cultural systems described by the authors. Tightness–Looseness was measured by a six-item Likert scale to assess the degree of social normal – whether those are clearly defined, pervasive, and imposed in a reliable way across 33 nations. It was found that social norms' strength and deviance tolerance is a shared, collective concept. To outline the degree of a constraint for everyday social situations, respondents rated 12 behaviors, which resulted in 180 situation behavior ratings. What is more, national gross national product was taken into consideration as well as many of the constructs were associated with national wealth. This was done to examine closely its relationship with tightness–looseness constructs. Results showed that nations that experienced historical or ecological threats and have higher population density express lower tolerance for deviant behavior and have stronger social norms. Those societies have a bigger tendency to be autocratic, have more laws, control media, have political pressures, and are more religious. Authors suggest that future research should apply basic principles of the theory at other levels of analysis, for example, regions to explore more variations in tightness–looseness. They consider it prominent to understand such cultures better since there is a growing cross-cultural coordination interdependence within an increasing globalized market.

Mole (2003) conducted a web-based survey that focused on business cultures across European and Asian countries mostly within business graduate community. Sample consisted of 1,100 respondents – from 35 countries and 40 nationalities. Main aim of this research was to test business cultures within younger generations of people, but, as author states, it should be retested for statistical validation. According to Mole (2003), culture can be described as a system that enables groups and individuals to manage each other and the outside environment. System can include language, nature of society, how we deal with technology, and approach

change. No culture can be considered static – changes occur at all levels, so starting from values where changes are the slowest to technology, which is most visible. How people are behaving is not an accident. It derives from culture characteristics and environment influences. If external conditions change, then values change as well, and likewise.

Within corporate cultures there is a reciprocal interaction between parent culture, external environment, and technology. As author states, there is no perfect or right culture, only such ones that can be described as successful. In corporate environment, individuals from various cultural backgrounds automatically bring different expectations on how to work with each other. They perceive organization, how to manage it and behave on its ground in other ways. Difference becomes visible to the surface when cultures meet with each other. As a result of this research the Mole Map was created that only looks at business culture. It contains positioning of countries in between two dimensions: leadership (individual and group levels) and organization (systematic or organic). Systematic organization is a structure that is supposed to achieve precise objectives and works like a designed machine. Organic organization is approached like a social organism, which is built on relationships and needs of its members. The relationship is blurred between member and organization within organic institutions, whereas within systematic organizations it functions independently from its members with clear rules and norms. On the map, countries in close proximity can be considered as the closest with regard to company cultures and may be approached as interchangeable. As an example, individuals working in companies of Danish, German, or American origins can have similar work experiences. On the other hand, if we place companies with American and Italian capital next to each other, employees can face different approaches within them (Mole, 2003).

Gesteland (2002, 2012) describes five patterns of cross-cultural business behavior: deal-focused versus relationship-focused; direct versus indirect communication; informal versus formal; rigid time versus fluid time; and emotionally expressive versus emotionally reserved. Also, in his book he defines not national but business culture as “a unique set of expectations and assumptions about how to do business” (Gesteland, 2012, p. 21). He also mentions that in international business environment one can come across cultural tendencies within various groups. Hence, he classified business behavior classifications into logical patterns to facilitate the understanding how international business environment is structured. This classification is based on three decades of his observations within business environment and own professional experience.

In the first category, that is, within deal-focused cultures, the focus on task and delivery is more important than building any kind of rapport with the business partner. Otherwise, in relationship-focused cultures, more interest is placed within relationship-building between the parties. This can bring several challenges and clash between both cultures since those present different approaches toward conducting business overall and delivery. In terms of communication, direct (low-context) ways of conversation tend to be incorporated within deal-focused cultures. Indirect (high-context) ways of communication are found within relationship-focused

cultures. Lack of awareness of communication patterns very often causes misunderstandings between individuals coming from different backgrounds. In terms of informal (egalitarian) and formal (hierarchical) business behaviors, lack of knowledge of code of conduct can cause considerable clashes between parties coming from egalitarian and hierarchical cultures. For the latter, status acknowledgment is most important. At the same time, for those coming from egalitarian societies, too big status consciousness can cause offense. There is also a distinction due to time approach within societies – rigid time (monochronic) versus fluid time (polychronic). Those coming from monochronic cultures tend to put more pressure on being on time and put more attention on the clock. Fluid time cultures are more relaxed in managing their schedule, which can bring considerable conflicts between cultures on how to deliver and manage, for example, projects. Last but not least, business behaviors can be influenced heavily by emotionally expressive or reserved cultures. This creates the biggest communication gap between societies and is considered as extensively unexplored within international business research (Gesteland, 2002, 2012).

3.1.5. Section summary

Previous section outlines multiple models within culture research. Most commonly used is Hofstede's model within international management quantitative studies (Beugelsdijk et al., 2015). Breakdown of all discussed models can be found in Table 3.1.

All the aforementioned models have considerable implications in cross-cultural research and contributions. However, the planned research has an aim to research GM on managerial and non-managerial levels within the organization; hence, Hofstede's model is more applicable here. As Hofstede (2006) implied, it is vital to understand the process on all levels and not limit to one. Additionally, since the research will be driven in an international, business environment, it is vital to connect those dimensions with Gesteland's (2002, 2012) patterns of cross-cultural business behaviors. The sole aim is to see how national culture can affect business behaviors and as an effect development of GM in employees on various levels of seniority. How the already presented cultural models relate to Hofstede's can be found in Table 3.2; it is also followed by further discussion.

There are multiple similarities and differences between Hofstede's and GLOBE studies, which are outlined by Hofstede (2006) himself. He has covered these in seven main points, which are as follows: (1) new data versus existing data; (2) team versus single researcher; (3) managers versus employees; (4) theory-driven versus action-driven; (5) US-inspired versus decentered; (6) organizational culture as similar or different in nature to/from societal culture; and (7) national wealth as a part or as an antecedent of culture. First one describes the similarities within industrial study setting; seven years delay in data gathering; reporting; same publisher, which is Sage; and a large number of countries tested. As main difference, data collection was outlined. GLOBE utilized around 1,000 volunteers in 60+ societies, while Hofstede's study was mostly grounded on re-analysis of data gathered

Table 3.1 Cultural models breakdown.

Author	Categorization	Dimensions
(Hofstede, 2011) <i>Cultural model</i>		1. Power distance 2. Uncertainty avoidance 3. Individualism vs. collectivism 4. Masculinity vs. femininity 5. Long-term orientation vs. short-term orientation 6. Indulgence vs. constraint
(R. House et al., 2001) <i>Nine cultural dimensions – GLOBE</i>		1. Uncertainty avoidance 2. Power distance 3. Collectivism I/societal collectivism 4. Collectivism II/in-group collectivism 5. Gender egalitarianism 6. Assertiveness 7. Future orientation 8. Performance orientation 9. Humane orientation
(Schwartz, 1999) <i>Seven culture value types</i>		1. Hierarchy vs. egalitarianism 2. Autonomy (intellectual or affective) vs. conservatism 3. Mastery vs. harmony
(Trompenaars & Hampden-Turner, 2002) <i>Cultural dimensions</i>	1. Attitude to people 2. Attitude to time 3. Attitude to environment	Ad. 1: • Universalism/particularism • Individualism/communitarianism • Neutral/emotional • Specific/diffuse • Achievement/ascription Ad. 2: Sequential vs. synchronic Ad. 3: Internal control vs. external control

(Gelfand et al., 2011)

(Mole, 2003)

Mole Map

(Gesteland, 2002, 2012)

Patterns of cross-cultural behavior

- 1. Leadership
- 2. Organization

- 1. Tight culture
- 2. Loose culture
- Ad. 1: Individual leadership vs. group leadership
- Ad. 2: Systematic organization vs. organic organization
- 1. Deal-focused vs. relationship-focused cultures
- 2. Direct vs. indirect communication
- 3. Informal vs. formal culture
- 4. Rigid time vs. fluid time culture
- 5. Emotionally expressive vs. emotionally reserved

Source: Authors' own description, based on research results.

Table 3.2 Comparison of Hofstede's national culture model against other cultural models.

<i>Framework comparison</i>	<i>Main conclusions</i>
Hofstede vs. GLOBE (Hofstede, 2006)	1. New data (GLOBE) vs. existing data (Hofstede) 2. Team (GLOBE) vs. single researcher (Hofstede) 3. Managers (GLOBE) vs. employees (Hofstede) 4. Theory-driven (GLOBE) vs. action-driven (Hofstede) 5. US-inspired (GLOBE) vs. decentered (Hofstede) 6. Hofstede researched national culture on societal level and organizational dimensions in a separate study, whereas GLOBE researched on both societal and organizational levels 7. National wealth was considered as a part or as an antecedent of culture by Hofstede, while there was no direct influence in GLOBE research
Hofstede vs. Trompenaars (Hampden-Turner & Trompenaars, 1997; Hofstede, 1996; Suzuki & Sui Pheng, 2019)	1. Two dimensions of Trompenaars, namely Individualism–Achievement and Universalism–Diffuse related to Hofstede's individualism–collectivism and power distance scale 2. Hofstede puts Trompenaars's content validity and access to database in question 3. Trompenaars differed his theory from Hofstede in four categories: linear or exclusive type of organizations, describing culture in mathematical manner, empirical back up to the theory, and reasoning for successful practice 4. Trompenaars defines his dimensions as developing not a static construct 5. No specification for each country in Trompenaars's dimensions
Hofstede vs. Schwartz (Suzuki & Sui Pheng, 2019)	1. Schwartz's dimensions are found in high correlation with Hofstede's dimensions, mostly Individualism–Collectivism scale 2. No control over economic factor in Schwartz's approach
Hofstede vs. Mole	1. Mole Map focuses mostly on business culture divided by leadership and organization criteria 2. Mole Map has no statistical validity 3. No direct relation found between Mole Map and Hofstede's dimensions

Hofstede vs. Gelfand

1. Loose culture from Gelfand's model can be associated with Hofstede's low uncertainty dimension
2. Tight societies are linked with Hofstede's high uncertainty avoidance scale

Hofstede vs. Gesteland

1. Deal-focused and rigid time dimensions relate to Hofstede's individualism scale
2. Relationship-focused and fluid time dimensions refer to Hofstede's collectivism scale
3. Indirect communication is reflected in Hofstede's collectivism dimension and direct communication is reflected in individualism scale
4. Informal business behaviors are shown within feminine societies and formal business behaviors are shown in masculine societies
5. Emotionally expressive cultures are connected with Hofstede's indulgence and femininity scales
6. Emotionally reserved communities refer to Hofstede's masculinity and restraint dimensions

Source: Authors' own description, based on research results.

from employee attitude survey within one multinational company – IBM in 72 countries. Later on, this study was expanded by replications to approximately 72 countries. As a reference to point two, Hofstede's work was an outcome of one author's effort though he admits that there was some support provided as well. Whereas GLOBE is a project coordinated by Robert House with a full support of a team of researchers. In terms of focus group, GLOBE researched managers only. Hofstede divided employees into seven job categories: two were managerial and five non-managerial. He finds it debatable to only study leaders within the organization – employees should be studied as well since statements and approach in both groups may differ considerably. What is more, GLOBE is considered as theory-driven, since it was based extensively on literature reviews and statistical validations. Hofstede's work is considered action-driven, since it derived from database on file. This has emerged from designed survey questions considered as a management tool, which provided information and feedback on spot to managers and employees after it has been finished. GLOBE project also stated its aim to be liberated from US hegemony. However, considerable number of researchers and editors hold degrees from US universities. Hofstede states that in IBM project, researchers were recruited within local community and held local degrees. They have contributed considerably to pilot interviews and result interpretation. Hofstede conducted international data analysis himself, holds Dutch citizenship and degree. To point six, GLOBE has used same items in two formats, that is, "in this society" and "in this organization". Those automatically labeled answers given by respondents as societal or organizational culture. As a result, those levels were found in a very close correlation and are not treated separately by the researchers. Hofstede's research on culture dimensions were on societal level and, with regard to organizational culture, another separate study was carried out which helped to distinguish separate dimensions in this area after conducting factor analysis. Six constructs within organizational culture were found not related to cultural dimensions and brought Hofstede to the statement that those are of different essence and should be approached separately. In the last point, Hofstede outlines that national culture is closely correlated with national wealth or poverty, that is, economic conditions. GLOBE project acknowledges those connections, but they do not influence their approach to culture description. Most of their dimensions (excluding assertiveness) is connected to national wealth according to Hofstede (Hofstede, 2006). It was also found that Hofstede included 24 countries in Asia; 26 in Europe; 9 in Africa; 3 in North America; 15 in South America, Australia, and New Zealand. GLOBE, on the other hand, included 18 countries from Asia; 22 from Europe; 8 from Africa; 3 from South America; 3 from North America, Australia, and New Zealand (Shi & Wang, 2011).

Hofstede (1996) discusses the application of Trompenaars's model with comparison to his own as well. He connects two dimensions, namely individualism–Achievement and Universalism–Diffuse, with Hofstede's individualism dimension. He also puts his methodological approach in question as it is not supported by a database and lacks content validity. Hampden-Turner and Trompenaars (1997) issued a response to the comments above not a long time after the paper was published.

There they outlined how their theory differs from Hofstede's in four questions, namely whether cultural categorizations can be linear or exclusive; can culture be described in mathematical language; how Hofstede's approach can be more empirical than theirs; and is there any reasoning being successful practice? As to the point number one, authors see culture as more circular than linear as in Hofstede's case. In their case individualism level, for example, within Americans or British societies can be moved to cooperation with customers. So, it can create a circle with cause and effect because of certain actions one needs to engage within the society. In Hofstede's case, if a society is considered individualistic at the same time it excludes the possibility of being community or group-oriented, it is linear. To the second point, Hofstede expressed a concern with regard to the level of statistics used and methods applied. Authors responded to this that it is their belief that cultures consist of self-organizing, interdependent values, and hence there is no possibility to spot any independent variables defining them. Connecting all six dimensions solely to one individualism level is, according to authors, a misapprehension since this is not how various elements can self-organize in multiple nations. Authors believe that statistics should serve culture and not the other way round, as cultures are context-dependent. With regard to empirical approach, authors do not agree with Hofstede's statement that dimensions are not widely researched and stand no empirical ground. They consider Trompenaars research as most up to date and widely studied than this one of Hofstede's, based on hundreds of books and articles published by many researchers. Hofstede's database, in comparison, has been created on research conducted within IBM subsidiaries across multiple countries and received help from unknown supporters. Finally, cultures put within different dimensions can both succeed and fail within successful business practice in both Hofstede's and Trompenaars dimensions. Trompenaars though started to introduce additional questions to dimensions, which can help to reconcile values that can lead to better performance. All in all, Trompenaars outlines that those cultures have similar issues and dilemmas they need to confront. However, they provide different solutions to those and this, in turn, transcends the opposites in a creative way. Authors state that their model is to learn from other scholars who have their own contributions and have no aim to become a perfect, undeniable construct.

Researchers outlining pros and cons for national culture frameworks of Hofstede, Trompenaards and Hampden-Turner, Schwarz and the GLOBE are Suzuki and Sui Pheng (2019). With regard to Hofstede, it is presented as a main theoretical approach in the study as it has biggest significance out of all frameworks presented. Cultural dimensions were created based on very big empirical data, which give them a better standing compared to other approaches. In addition, this is a more widely acknowledged approach by managers and practitioners altogether. Main cons described is low usage in studied Japanese industry, which is construction project management. In the case of Trompenaars and Hampden-Turner, there is no specification for each country and though they surveyed 55,000 participants they missed to show how their dimensions relate to the acquired results. Two dimensions, namely individualism-achievement and universalism-diffuse from Trompenaars are correlated highly with two of Hofstede's dimensions, namely power distance and individualism-collectivism.

Schwartz's cultural dimensions as well were found in high correlation with Hofstede's dimensions (mostly with individualism–collectivism). Moreover, Schwartz's approach lacked controlling economic factors when conducting the survey. Finally, GLOBE's cultural network was also found as highly correlating with dimensions described by Hofstede and country's economic development level. It is approached as a validating work for Hofstede's cultural dimensions (Suzuki & Sui Pheng, 2019). GLOBE's power distance, collectivism I, collectivism II, and uncertainty avoidance reflect Hofstede's power distance, uncertainty avoidance, and individualism dimensions. What is more, gender egalitarianism and assertiveness are connected with Hofstede's masculinity dimension (R. House et al., 2001).

Gelfand and colleagues (2011) described tight and loose cultures concept. Tight culture is associated with more structured culture that relies on norms, laws, and procedures. Loose cultures applied less laws and weaker social norms. Those concepts can be related to Hofstede (2011) uncertainty avoidance dimension. Tight cultures and their low acceptance for no procedures, laws, or weak social norms can refer to high uncertainty avoidance, as the need for structured approach within the society is very strong. Low uncertainty avoidance can be related to loose cultures where there is higher acceptance for unknown future and weak social norms within a group. Society accepts ambiguity and chaos more comfortably. Mole's (2003) map that focuses mostly on business culture classification has no statistical validity confirmed and divides societies according to leadership or organization criteria. It has no direct relation with Hofstede's (2011) cultural dimensions.

Gesteland (2002, 2012) outlines five patterns of cross-cultural behavior within business environment. Direct connections with Hofstede's (2011) cultural dimensions can be spotted in most of them. Deal-focused versus relationship-focused as well as rigid and fluid time societies can be placed within individualism–collectivism dimension. Deal-focused and rigid time society values delivery and task completion over building any business rapport with others – this is well reflected in individualism scale. Relationship-focused and fluid time societies tend to be more oriented on building a rapport with other persons, maintaining harmony, overachieving results and delivery. Hence, those can be linked with collectivism scale. With regard to indirect and direct communications, indirect approach is found in relationship-focused, namely collectivistic groups, and direct one is found in deal-focused, namely individualistic societies. Informal business behaviors can refer to feminine societies since distribution of values within the society is approached on equal level. Formal business behavior relates to masculine society since status and visible division on roles and responsibilities as well as status acknowledgment are most prominent here. There is a clear social differentiation within the society. Last but not least, emotionally expressive cultures can be reflected in femininity and indulgence scale. This group expresses more freely and social ladder and norms maintaining is not considered as the most crucial. Emotionally reserved communities can relate to masculinity and restraint scale. This is because social norms and division is of higher concern here and freedom of speech expression and emotions is much less visible.

3.2. International business and internationalization

Outlined section describes how the international business is defined and what kind of organizations can be found within it. It also presents the concept of internationalization and how multiple approaches applied when researching the concept.

3.2.1. *International business – definitions overview*

First, it is prominent to understand what international business is. Nowakowski (2005) describes it as international transactions that are conducted outside the country and cultural borders to meet the needs of individual buyers, enterprises, or organizations. This also applies to activities such as transport, banking, knowledge transfer, tourism, or technology. Multiple disciplines can be outlined here and found co-dependent in existence, those are: international management, international marketing, international logistics, global marketing, international finances, and trade. To achieve profit organizations, there is a need to create operations outside country borders – those very often need to differ from national operations. Because international business is considered as a process placed outside country borders – cross-cultural/international context has become a main outline for international business. Multiple factors influence on how and what is done in another cultural setting, namely business practices, law that applies, managers' decisions, currency value, government practices, and the like (Nowakowski, 2005).

One can find many institutions operating within international business, but let us discuss the most common nowadays, namely ICs, virtual enterprises, and SMEs. ICs adjust their activity according to external conditions dictated by always changing global economy. Currently, ICs are one of the most prominent contributors in global developed and emerging economies. There is an estimate that ICs constitute around 80% of international trade. Here we can find intra-firm trade (business exchange inside the corporation's units located in different countries) or a trade in which IC is only on one side of transactions (the other is most probably the vendor). Intra-trade takes up to 35–36% of the total trade value on global scale (Zorska, 2005).

From the moment of Internet creation as a solution it has strong implication for society, business, technology development, and many more. With regard to business, those companies that are not fast enough with adjusting to current trend and rising new economy, which is based on Internet and new technologies, can experience a collapse of their operations. Firm internationalization level and IT solution applications are strong elements here. Consequently, many enterprises transform into internationalized virtual companies that can present differentiated forms. We can distinguish, for example, virtual firms created here for a specific period of time – a network of independent companies connected by Internet technology. Another example is new institutions that integrate independent processes conducted till now by multiple separate companies as another form of virtual company. The last one is pioneering firms that base their solutions on possibilities provided by the Internet. Growing internationalization also brings higher levels of competition, which can in turn bring better efficiency in customer service and more effective competitiveness on international markets. Virtual companies also create virtual

customers and develop concepts such as eSCM (Electronic Supply Chain Management) or proactive business, which aim to bring new solutions, innovations, and personification of international market offer (Pastuszak, 2005).

SMEs need to fulfill specific requirements if they want to compete in international market environment. First, they need to operate independently on the market and be owned by private business owner. They need to have access to international and national financial institutions or their brokers. Also, the requirement is that the entrepreneurs and other institutions acknowledge private ownership that is guaranteed by the law. SMEs experience bigger risk and challenges than ICs, with regard to survival on the international market. Changes applied in strategy here are considered as an innovative action. Those aim mostly at bringing new products on the market, improving internal processes and systems, as well as reaching highest returns with minimal cost in marketing. SMEs can outrun ICs only in the case of skillful management and marketing their products and competences (Galas, 2005).

3.2.2. Internationalization – what is it exactly

There is a heated debate on how to measure internationalization, but not enough attention is put on its level of contingency in changing environment of international business and measured sample. Research puts in question the creation of universal measures to test the degree of internationalization in firms due to the dynamic nature of international business (Hassel et al., 2003). Multiple definitions can be found across literature on internationalization; however, all of them focus in most cases on how the company functions or settles across markets it operates. In the current research project, a definition developed and described by Felício, Duarte et al. (2016) and Felício, Meidutė et al. (2016) will be applied since its connection with GM concept have been proven and tested. Moreover, a breakdown of multiple definitions can be found in Table 3.3.

Table 3.3 Internationalization definitions.

(Fletcher, 2001)	• Inward-driven activities • Outward-driven activities
(Felício, Duarte et al., 2016; Felício, Meidutė et al., 2016)	• Internationalization effect on firms • International networking activities • International know-how
(Nowakowski, 2005)	• A process in which the company extends its reach and develops
(Hassel et al., 2003)	• Real dimension • Financial dimension
(Jones & Coviello, 2005)	• An entrepreneurial behavior evidenced by outcomes and events with regard to time on an organizational level (behavioral process)

Source: Authors' own description, based on research results.

Fletcher (2001) has developed a holistic view of internationalization. It directs to inward-driven activities, outward internationalization and international behavior, and internationalization as a global exercise. Inward activities are indirect or direct importing, joining a venture with overseas partner within their domestic market, or manufacturing goods overseas in order to stock home market. This also includes for the company to become a licensee for a foreign firm. Outward activities relate to inward ones – they can lead to one another – this happens when a franchisee in one country becomes a franchisor in another one (international franchising effect). Above activities are closely linked with international behavior since internationalization is viewed more as a global action. Companies may deliberately reduce their involvement in one country to increase it in other countries. Hence internationalization should not be viewed as the firm's action and focus in only one specific country overseas. Author's holistic approach to internationalization is presented in Figure 3.1.

Internationalization is also widely researched by Felício and colleagues in connection with GM (Felício et al., 2012, 2013; Felício, Duarte et al., 2016; Felício, Meidutė et al., 2016). Factors influencing international behavior in small firms are as follows: internationalization effect on firms, international know-how, international formal activities, and international networking events (Felício et al., 2012, 2013). Later, this model developed into three factors, namely: internationalization effect on firms, international networking activities, and international know-how. Internationalization effect has three variables that are company's specialization, know-how, and image. Networking, on the other hand, includes three variables that relate specifically to three dimensions of international networking, namely:

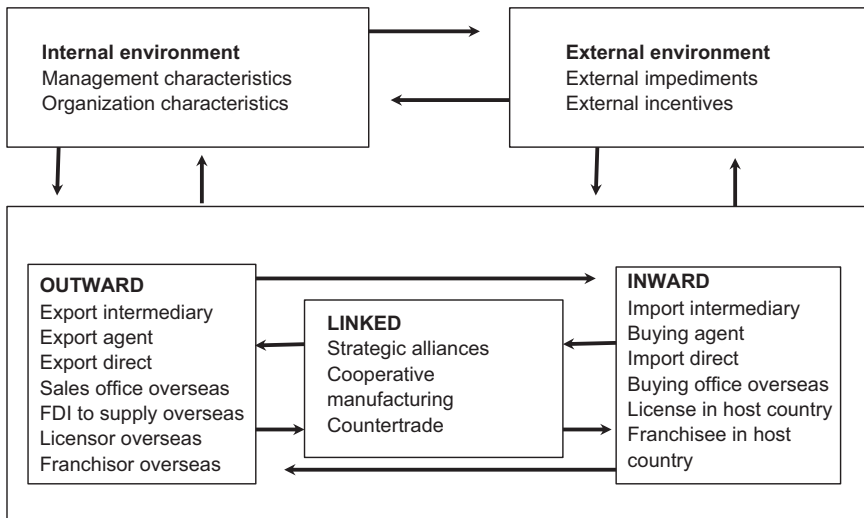


Figure 3.1 Holistic approach to internationalization.

Source: Fletcher (2001, p. 30).

to acquire more information, to explore market resources, and to create and maintain contacts with suppliers. Last factor, namely international know-how activities, consists of two layers: acquiring new knowledge by attending conferences, congresses, fairs, and the like (NewKnow) and presenting new skills, solutions, and technologies on congresses, fairs, and markets (PresSkill; Felício, Duarte et al., 2016; Felício, Meidutė et al., 2016). Research has found that GM contributes to the company's engagement in internationalization behaviors (Felício et al., 2012, 2013; Felício, Duarte, et al., 2016; Felício, Meidutė et al., 2016).

According to Nowakowski (2005), internationalization is considered as a process in which a company extends its reach and develops. As a first step, he outlines that there should be a deeper understanding on why companies engage in international business. There are multiple reasons behind such decisions, such as lower operational costs, increase of sales and income, increase of organization's capacity and development due to the new market expertise access. He also describes threats that can occur. Main one is geographical distance between business partners. However, by internationalization process, companies increase the awareness on how internationalization can benefit firm development in the long run as well as partners included in the carried-out transaction.

Hassel and colleagues (2003) outlined internationalization as two components: real and financial. Real dimension refers to the extent to which a company is performing foreign activities on the market. It is one of the most important features of internationalization because companies that engage in international activities are required to concentrate on foreign capital, for example, employees, sales, or assets. Financial dimension focuses on how the firm is orientating toward international capital markets. Financial variables are important to consider as it shows how a firm internationalizes its ownership structure or financing in general. This in turns can influence its behavior and strategic approach.

Internationalization is also viewed as a behavioral process. Here, we can come across two dimensions, namely time and behavior with four key constructs: the entrepreneur, firm, environment, and performance. This approach had an aim to create a definition of entrepreneurial internationalization. In this view, entrepreneurship and internationalization are viewed as interdependent processes and it is outlined that it is time-dependent and time-based. Hence, authors establish internationalization process as an entrepreneurial behavior evidenced by outcomes and events with regard to time on an organizational level (Jones & Coviello, 2005).

3.3. Organizational culture

The following section discusses various definitions of organizational culture and provides a brief overview on how it relates to national culture.

3.3.1. How it is defined

Organizational culture is a prominent element driving any organization. It creates an environment in which an official code of conduct sets out the rules on how an

employee should achieve a goal set by the firm. It can be deeply rooted into an organization and be resistant to changes. At same time it means that if it is well outlined and established it can lead to success or failure of an organization. That is why it is of extreme importance for an organization to have a clear approach here since it is one of the most defining elements it has. Currently, business environment is extremely fast with changes happening almost daily. There are many mergers, acquisitions, or restructurings. If the organizational culture is not strong, employees can feel left out in this process and just a part of events chain. But if the organizational culture is strong, it can bring a sense of stability for employees who are part of such changes and make them part of this process. Building strong organizational culture can help the organization and its employees in achieving strategic goals and targets as there will be clear codes of conduct, that is, a set of rules one can follow, accepted within the company (Tănase, 2015).

Studying culture can support understanding further organizational culture interplay with national culture as well as strategic decisions that international companies need to make, having in mind both organizational and national culture aspects. By addressing the connection between corporate and national culture in international business, we may be able to better understand how culture studies can evolve and in which direction (Rohlfers & Zhang, 2016). Various approaches to organizational culture are presented in Table 3.4.

According to Konecki (2007), organizational culture can be understood as value systems and norms accepted and coming from a specific organization. Those also include common and very often unconscious assumptions and connected with

Table 3.4 Organizational culture approaches breakdown.

(Konecki, 2007)	“Value systems and norms accepted and coming from a specific organization”
(Tănase, 2015)	“Symbols, ideology, rituals and history and internal behavior can be components of organizational culture”
(Schein, 2004)	“A group culture that consists of patterns. Those patterns are built of shared basic assumptions learned by a group while it was solving its problems of internal integration and external adaptation. It needed to work well enough for this group to consider it valid to such extent that it was taught to new members of organization since it got considered as a accepted and right way of thinking and perceiving occurring issues”
(Hofstede et al., 2010, p. 344)	“The collective programming of the mind that distinguishes the members of one organization from others”
(Hofstede, 1998)	Six dimensions of organizational culture: • Process- vs. results-oriented • Employee- vs. job-oriented • Parochial vs. professional • Open vs. closed system • Loose vs. tight control • Normative vs. pragmatic

Source: Authors’ own description, based on research results.

those created rules of conduct as well as symbolic sphere of organization's functioning that is created by organization members. Symbolic level consists of firm's communication language, knowledge systems, rituals, myths, beliefs, and ideologies. Such values can be researched on four levels, namely macro (nation, society, religion), mezzo (local society, workplace), micro (family, friends, religion group), or individual (individual success or social advancement). Author suggests this can be researched by qualitative or quantitative methods but mixing both can give a better picture of the organization's culture, that is it can give possibility to research norms, values, basic assumptions, and symbolic sphere of the organization's activity. Values that one needs to assess are those connected strongly with company's actions, that is defining which priorities are tied with organization's actions. Organization's values are usually researched in as is and to be state.

Symbols, ideologies, rituals and history, and internal behavior can also be components of an organizational culture. Symbol or group of symbols can be ways in which one organization differentiates from another. Ideologies are beliefs about the organization with regard to how it operates and develops. It can be considered as a basis for forming the organizational culture. Ideology, by containing a set of values and principles, can outline behaviors for employees and help them in reaching defined goals. Rituals and history are important parts of employee induction in the company since one need to learn the rituals in the organization, its history and background and adjust to it. Finally, internal behavior conduct is an important aspect as well. It is vital; there are standards of behavior outlined for employees so one can know how to behave in any situation. Here we can distinguish, formal and informal standards. The latter is a set of unofficial rules set by employees, while the formal standards focus on official code of behavior (Tănase, 2015).

Culture is also defined as a concept that brings utility and attention to things that we require to reach our need for stability as humans. Forming organizational culture is an effort of integration and patter creation. Hence, organizational culture can be defined as a group culture that consists of patterns. Those patterns are built on shared basic assumptions learned by a group while it was solving its problems of internal integration and external adaptation. It needed to work well enough for this group to consider it valid to such an extent that it was taught to new members of organization since it got considered as a accepted and right way of thinking and perceiving occurring issues (Schein, 2004).

On the other hand, Hofstede and Minkov (2010, p. 344) describe organizational cultures as "the collective programming of the mind that distinguishes the members of one organization from others". It is not only maintained in the organization's member's minds, but also various stakeholders are affected, such as customers, authorities, and the press. How national culture differed from organizational one? National culture is our mental programming that we acquire in the first ten years of our lives. Our family, environment, and school shape us – they constitute our basic values shaping. Organizational culture starts to shape when one enters the work environment. It is more superficial and brings only organization's values to the table (Hofstede et al., 2010).

Hofstede (1998) described six dimensions of organizational culture, namely: process- versus results-oriented; employee- versus job-oriented; parochial versus professional; open versus closed system; loose versus tight control; and normative versus pragmatic. In process-oriented cultures, a more calm, foreseeable environment can be observed and is less inclined to take risks. Results-oriented cultures thrive in unknown situations and each day brings new challenges for them. Second dimension finds the distinction between a focus on having the job done and more of a people-oriented approach. In people-oriented cultures, employees feel that the organization takes care of their well-being, and important decisions are made with the participation of committees. In job-oriented environments, there is a strong pressure on performing the task, individuals make important decisions, and it makes employees perceive the company as only interested in performing tasks, nothing else. Within the third dimension, professional cultures are those in which employees keep their personal lives private. They believe organizations hire based on competence and skills, and they make future plans and steps. Parochial culture has a different approach here. They consider that hiring decisions are made because of their competence as well as social and family background. Their approach is that organization should take care of the future for them. In the fourth dimension, open system unit welcomes newcomers and outsiders into organizations. Its structure as well as current employees welcomes new employees. Here, almost everyone would be able to fit into the organization and it would take only a few days for newcomers to feel comfortable in the organization. In closed system unit, it may take up to a year for a new joiner to feel good in the new environment, and its structures are not welcoming to outsiders. The firm's structures are considered as secretive and hidden from the public. Only specific individuals can fit into an organization. In loose control organizations, keeping meetings on time or looking at costs within the limit are not of a highest concern. The atmosphere is more relaxed, and one can come across more jokes about the company or a job. In tight control environments, jokes are very rare, and there is a very high regard in keeping meetings on time or costs within the outlined budget. Finally, in the sixth dimension, normative units are more interested in following procedures than achieving results. Ethics, integrity, and honesty are very high in an organization. In pragmatic units, companies' customer satisfaction and results are considered more important than correct procedures.

3.3.2. Organizational culture versus national culture

Multiple researchers have outlined connections between organizational culture and national culture in their studies (Beauregard et al., 2018; Gerhart, 2009, 2009; Knein et al., 2019; Lee & Kramer, 2016; Nazarian et al., 2017; Nelson & Gopalan, 2003; Owusu Ansah & Louw, 2019; Pedersen & Dobbin, 2006; Vetráková & Smerek, 2016). The main question that arises is to which level organizational culture is independent from other cultures, namely national culture. Some researchers consider national culture as significant power that shapes organizational culture (e.g., Nelson & Gopalan, 2003), whereas other ones (e.g., Gerhart, 2009) considered a higher power of organizations and their culture over national culture influence.

Also, national culture as well as organizational culture are found to be influential on employees' behavior in organizations (Webster & White, 2010). What is more, in mergers and acquisitions study, it was found that managers use national culture to understand better any frustrations, issues, or areas of conflicts when entering a new environment. This helps them immensely in the development of a common organizational culture and creation of new entities. National culture helps in better understanding the integration process in mergers and acquisitions and contributes to its success (Moore, 2019).

Employees usually confront many cultures at the same time. By researching organizational culture, it may help reveal how many cultural assumptions raise conflicts within a group that exist. Authors suggest hierarchical data structures on four levels, namely: (1) countries or sector; (2) organizations within nations; (3) departments within organizations; and (4) individuals within departments (De Witte & van Muijen, 1999). Multilevel approach is also suggested by Dickson et al. (2000), while using quantitative approach, which should be mixed with qualitative methods since this can help to understand variation in meanings between societies. Understanding how organizations function in different societies is a challenging task, so it is important to link organizational culture with societal culture, understand how industry nests within a specific society, as well as organization's leadership, history, or structure. It is suggested that one should try to understand which society-level dimensions of culture might be associated with organizational culture dimensions. GLOBE data suggest that values within a society are linked with organizational values but not very strongly with organizational practices (Dickson et al., 2000).

Organizational culture was argued to be hugely determined by environment that the company sets in taking institutional forces as the main influence, for example national culture. Re-analysis of empirical evidence and conceptual analysis do not support the view that national culture can be considered as a constraint on organizational culture. Future research is suggested in order to understand more in depth as to when national culture may constraint organizational culture and what are the circumstances that may lower its constraints (Gerhart, 2009). Moreover, age of the company should be researched since younger companies probably have higher influence from individual's culture whereas older companies present more stable organizational culture (Felicio, Meidutė et al., 2016).

Another research project studied Brazilian national culture versus organizational culture and took into consideration cultural agreement within existing group. It shows the influence of national culture on organizational culture. The prominence of relational networks and hierarchy was also shown here. It means that culture is important within the company's functioning and practices. By understanding relational ethic within Brazilian culture, it supported an understanding of organizational culture practices of the company that has international operations. Internal environment and nationality within a company was found as influencing on cultural agreement between group members. Hence, organizational context may affect the possibility of nationality influencing cultural agreement between members. Also, it was pointed out that monolithic organization (that was studied) tends to have senior management of same nationality as head office and with most jobs occupied

with local nationals from the host country. For companies that have branches in various countries differing on national cultures, organizational values should be validated by cultural values of the host country. National values are found to differ on basic level of values, while organizational culture varies within practices that are visible parts of the culture (Garibaldi de Hilal, 2006).

Societal culture practices and values are found to be influential on values and practices of organizations that are embedded within those societies. For example, power distance result may have an influence on how relationships with client will be built within a specific market. Results indicate that societal cultural practices have a considerable effect on organizational practices across societies with weak linkage to the industry in which the company operates. On the other hand, evidence was spotted that society has an indirect effect on organizational culture practices, and cultural values were found to have a mediating effect on differences between industries within countries. Also, research shows that their headquarters influence organizational design and competitive advantage of companies (Brodbeck et al., 2004). On the other hand, it is noted in literature that organizations create collectives and networks within one industry sector. This, as effect, increases members' profile similarities across various organizations within same industry (Abrahamson & Fombrun, 1994).

Another study conducted by Owusu Ansah and Louw (2019) focused on how organizational culture is influenced by national culture across multinational companies. Research has shown that organizational culture is influenced significantly by high power distance and uncertainty avoidance. On the other hand, such national culture attributes as collectiveness and masculinity were found to have a positive effect on the firm's culture, but with no bigger significance. Research suggests it is worth continuing studying how various national groups relate to corporate culture and how they effect corporate culture creation and functioning. Organizational culture is very often adjusted as per national culture requirements; hence, it has significant impact on company's culture shaping in a location.

Multinational companies that possess cross-cultural workforce usually experience the biggest challenge in finding a good solution on how to align organizational culture and national culture together. The mother entity (from origin country) very often shapes the firm's culture in those cases with national culture from initial country. However, in general, a company's cultural characteristics that are extended on other entities across the globe may or may not match with other national cultures of their employees. Study mentions the importance of person–environment fit and national culture component considered by organizations, which are required for successful firm's functioning and employees' as well. Bad alignment between organizations' culture and national culture can have a negative influence on the employees' effectiveness, work-life balance and effectiveness of designed organizational programs (Beauregard et al., 2018).

GM was linked to organizational culture in the research conducted by Felicio, Meidutė et al. (2016), where there was a distinction between individual and corporate GM levels. Corporate GM reflected dominant organizational culture in the carried-out study.

3.4. Chapter summary

This chapter focuses on multiple concepts that are valid for the designed research project. The aim is to take the readers through concept definitions of international business, national culture, internationalization, and organizational culture. This chapter also discusses how national and organizational culture may influence each other as well as how presented frameworks of national culture relate to Hofstede's. Terminologies are as well linked with GM and hence appropriate approaches are chosen for the purpose of designed research.

GM is to be tested on managerial and non-managerial levels of the organization. Hence, Hofstede's model is to be applied as Hofstede (2006) stated in his research clearly that it is not advisable to limit to only one level within the organization. Moreover, national culture dimensions will be linked with patterns of cross-cultural business behaviors, as this will be conducted in international business environment. This can help to answer the question on how country culture affects, and to what extent, business behaviors and how it impacts GM existence as well as development at multiple levels of organization.

In terms of international business, organizations like ICs, SMEs, and virtual companies are described. Focus will be on ICs since those organizations need to adjust to changing dynamic environment in international business most actively – they constitute around 80% of international trade overall. What is more, they are the major contributors in emerging economies nowadays (Zorska, 2005). Having this in mind, it would be vital to connect those companies with their level of internationalization and how this impacts GM levels within employees' society.

Internationalization is shown from multiple definitions perspectives. The common trait presented in all of them is on the process of the company's settlement across various locations and markets. The one chosen for the research purpose is the one consisting of three main components: internationalization effect on firms; international networking activities; and international know-how (Felicio, Duarte et al., 2016; Felicio, Meidutė et al., 2016). Internationalization is also linked with cultural factor. Cultural distance is marked as one of important factors in internationalization location decisions – the greater the distance, the less likely company will set operations in a given location. It also impacts company's internationalization growth decision – in case of high levels of cultural distance, the international expansion may be smaller due to adjusted costs. Hence, international business actors need to manage a multilevel internationalization decision (e.g., organization, country, or region) as well as multiple cultural location–host interactions. Having those in mind, it should be taken into consideration that national culture is dynamic and may adjust/change due to economic activities within the region (e.g., when operations get internationalized). Such changes can be seen faster on the surface level, which is, for example, behaviors on more deep levels, for instance, values of an individual or society. Having in mind that culture is a dynamic aspect, researcher should look into key drivers of cultural change more actively – mostly how international business actors and environment overlap each other and how (Lopez-Duarte et al., 2016). Research has found that GM influences the level of company's

engagement in internationalization behaviors (Felício et al., 2012; Felício, Duarte et al., 2016; Felício, Meidutė et al., 2016; Felício et al., 2013; He et al., 2020).

Finally, main definitions of organization culture are touched upon. Also, this concept is discussed with regard to how it connects with, and to what extent, national culture. It is a set of rules or norms within the company that helps employees understand what is an accepted code of conduct within the organization (Tănase, 2015). There are multiple definitions available, but mostly they refer to common norms or rules which are created by the specific group that is a part of a certain organization (Hofstede, 1998; Hofstede et al., 2010; Konecki, 2007; Schein, 2004; Tănase, 2015). Companies need to nest within various societies and hence understanding how organizational culture is linked with societies involved is important as it brings us closer to apprehend how organizations link with various societies. Since employees need to work with multiple cultures at the same time, linking national culture with organizational culture can help in acknowledging how cultural agreement is built between individuals effectively (Abrahamson & Fombrun, 1994; De Witte & van Muijen, 1999; Dickson et al., 2000; Garibaldi de Hilal, 2006; Gerhart, 2009). This can bring multiple benefits to many organizations in performance, on-time project delivery, effective mergers and acquisitions across borders, and the like.

Since the research project will look at multiple levels of organization, definition by Konecki (2007) is applied. It might support in defining dominant organizational culture within the company and how it might be linked with GM as well as to which extend and on which level of a firm. To date, research shows that dominant organizational culture is linked with GM on a corporate level (Felício, Duarte et al., 2016).