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**„COMPETITIVE ACCEPTANCE“  
IN CROSS-CULTURAL INTERACTION**

**FINDINGS FROM AN EMPIRICAL STUDY**

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## ABSTRACT

Setting the rules in intercultural competition is difficult. To change their strategy, managers have to sacrifice their unreflected cultural patterns which gave them a feeling of pseudo-security. To find a proactive way out of this dilemma, they have to achieve a balance between cultural values they already know and cultural values they discover as counter-movements, which means: Competitive Acceptance!

## INTRODUCTION

In general, cultural characteristics of one's home country are taken matter-of-course and do not need any substantiation. They are accepted as given environmental conditions. The process of perceiving cultural differences begins to start in the moment of contact with other cultures and of confrontation with unfamiliar patterns.

In this paper we will elaborate some key elements of how to use knowledge about own and foreign national cultures as a competitive advantage. Therefore, we will develop the theoretical concept of „competitive acceptance“. We will use the database of the „Global Performance Project“ to explore the empirical content of this concept and identify disparate streams of cultural knowledge that are brought together to a strategic balance. We will note some of the theoretical and practical reasons why competitive acceptance is important to cross-cultural interaction in international management and suggest some future directions for research.

## LITERATURE REVIEW

Unreflected behavior concerning culture might be a common approach in daily life, but may be very dangerous in management: It is the company success that depends on the cultural fit to corporate strategies and structures (Adler, 1986; Doz & Prahalad, 1984; Ghoshal & Nohria, 1993). In this sense, the contingency theory approach (Pugh & Hickson, 1976) has been extended to cultural aspects through the culture-bound-thesis which is mainly based on the research of Schein (1980; 1985), Deal & Kennedy (1982), and also Scholz & Hofbauer (1990). It argues that different cultures exhibit distinct and relatively persistent, widely shared patterns of thoughts, values, and manners. Organizations located within different societies might face similar cultural contingencies and may adopt similar models of formal structure, organization, and behavior. The culture-bound-thesis has been supported by some empirical research (Farmer & Richman, 1965; England, 1973; Negandhi, 1973; Scholz, 1993), which indicates that culture should be considered an organizational contingency in international business research.

Three major approaches exist describing national cultures: Hofstede (1980; 1991) develops a systematic approach for the comparison of cultures by finding a measure for national culture. Countries are described in terms of five dimensions, ranked on 100-point-scales: the uncertainty avoidance index describing the avoidance of risk and uncertain situations (UAI), the power distance index defining the extent to which an unequal distribution of power is accepted (PDI), individualism stating the extent of individuum orientation versus group orientation (IDV), masculinity describing the extent of focusing on masculine values (MAS), and long term orientation combined with Confucian values (LTO). The results of his study show that countries differ clearly on these dimensions.

Hall & Hall (1976; 1990) develop cultural dimensions dealing with aspects of space, time (monochronic versus polychronic), and context. Context means the degree of stored knowledge in a person about an event, which is in reciprocal relation to the explicitly transmitted information in the situation of communication about that event.

Trompenaars (1993) and Hampden-Turner & Trompenaars (1993) differentiate national cultures along seven dimensions, covering the aspects of universalism vs. particularism, individualism vs. communitarism, analyzing vs. integrating, inner-directed vs. outer-directed orientation, achieved status vs. ascribed status, time as sequence vs. time as synchronization, and equality vs. hierarchy.

These studies made the concept of national cultures an integrated part of management science. However, the studies are also criticized as a whole, but also between each other, as the controversial discussion about Trompenaar's „Riding the Waves of Culture“ shows (e.g. Hofstede, 1996; 1997). Nevertheless, their benefit lies on the theoretical as well as on the practical side of management, especially on allowing to adopt the culture-bound-thesis.

### THEORETICAL CONCEPTUALIZATION

National culture can be regarded as an emerging driving force to management. It bears the preconditions for managerial actions which aim for building up competitive advantages (e.g. Porter, 1980; 1990).

Consequently, managers intending to be successful in their home markets should integrate own national culture to their managerial considerations not by only sometimes referring to

selected national values, but by analyzing the whole system of national culture. This can be part of the intentional information activities of the companies.

*Hypothesis 1: Organizations which use instruments to receive information on the organizational environment more often, are successful.*

There are two major barriers to following the culture-bound-thesis. The first barrier is national culture itself. It seems to be typical reaction that national cultures with a drive to universalize like the American culture (Hampden-Turner & Trompenaars, 1993) believe any universal code of management possible and in turn tend to neglect own cultural particularities. The most universalistic countries in their study (1993: 334) which are also part of our database are the USA (score: 94.5) and Germany (92.0); France (50.0) is on the opposite, particularistic side of their evaluated range.

This type of behavior prevents managers from acting culture-bound: they then act according to the culture-free approach which points out that cultural issues have only minor influence on managerial decisions. Consequently, they are expected to show a different behavior of collecting information about their environment.

*Hypothesis 2: Companies in universalistic cultures use the instruments to receive information on the organizational environment less often than companies in particularistic cultures.*

The second barrier against the culture-bound-thesis is the postulate of „setting the rules“. As Hamel (1997) points out, successful companies define the rules of the industry they are in

instead of adopting them. They have precise ideas of their futures and succeed in translating their independent visions into challenges for all of their employees.

*Hypothesis 3: Companies which tend to the „setting the rules“ are more successful.*

Thus it seems to be consequent that following this strategy almost urges managers to neglect national cultural particularities.

*Hypothesis 4: Companies which tend to the „setting the rules“ are less likely to use instruments to receive information on their organizational environments.*

The strategy of companies setting the rules is to define own, new sets of standards for employees, industries, and environments. Thus, they have to rely on own core competences and a strong corporate culture. In the same way, they might tend to follow special strategies in internationalization. Transferring the basic internationalization strategies of Perlmutter (1965) to corporate culture, the ethnocentric approach leads to a mono-cultural strategy, the polycentric approach to a multi-cultural strategy, and the geocentric approach to a mixed-cultural strategy (Scholz, 1994: 807-810). Companies setting the rules are expected to rely on their own cultures which already turned out to provide an adequate frame for success in their national context.

*Hypothesis 5: Companies, which tend to „setting the rules“, prefer the mono-cultural strategy in international management to the multi-cultural and mixed-cultural strategies.*

Meanwhile, the dilemma becomes obvious: On one hand, managers are told to integrate national culture as a very important contingency factor into their decision, on the other hand they are expected to set their own rules to perform as a successful company.

Thus, the remaining task is to tear down these mental barriers and integrate the contradicting ideas into the culture-bound-thesis: It still holds true for strategic behavior that independent of the perspective, the fact has to be considered that cultural characteristics of the country are underlying the business system as emerging driving forces. Both national and foreign managers still have to understand exactly „how the country works“, in order to be able to reach a fit between the corporate strategies and the cultural environment.

The solution to the problem of incompatibility of this concept with the culture-bound-thesis is to define a new term of setting the rules in cultural affairs:

- On one hand, one has to ensure that the national culture around a company has to be understood and accepted. Some conscious idea of cultural fit has to be generated.  
(ACCEPTANCE)
- On the other hand, by the company's strategic behavior, a competitive advantage has to be created. This competitive advantage can be found in the capability to understand not only the emerging national culture's main driving forces, but intentionally to understand also the counterforces, to anticipate them and to interact accordingly in one's environment.  
(COMPETITIVE ADVANTAGE)

The result is the construct to create a competitive advantage by accepting the culture-bound-thesis, gaining a more holistic picture of reality which can be implemented in a differentiated way: COMPETITIVE ACCEPTANCE.

This implementation of „competitive acceptance“ might be best explained by using a metaphor. Metaphors are „a way of thinking and a way of seeing“ (Morgan, 1986: 12). In a cognitive process, a meaning of a phrase is applied to a new context in a figurative sense - and this process is inevitable in everyday life (Grant & Osrick, 1996: 1). Information on familiar issues is transferred to new subjects. By this, new perspectives to deal with problems can be derived. While the positive function of metaphors is to broaden knowledge and understanding, they might be negative by constraining knowledge and being very resistant to change and extinction.

The metaphor of an oscillating pendulum may illustrate the process of competitive acceptance. National culture is such a complex subject that the competitive advantage of dealing with it will no longer be the knowledge about the existing cultural dimensions. It is only one oscillation to react to the challenges emerging from cultural characteristics. The second oscillation is to intentionally create and use a knowledge about the existing processes by which cultures adapt to and survive in their environments.

As in management, also in culture there is no „'tyranny of the OR'“ (Collins & Porras, 1994: 43), but an AND among cultural phenomenons. The postulation of „Managing Ambiguity and Paradox“ (Peters & Waterman, 1982: 89) leads to the understanding that juxtapositional results are adequate for management behavior in a complex environment like the multinational. Not only the cultural phenomenon is ambiguous, but also the managerial reaction towards it: Finding a strategic balance to create competitive advantages for the company.



The construct of „competitive acceptance“ may lead to a corporate behavior which helps to build a situative balance in organizations between understanding cultural driving forces and developing an image about the counter-movements in order to anticipate cultural barriers and overcome them better than the competitors. Whether and how successful companies realize a strategic balance in the sense of competitive acceptance, we will examine later in an explorative analysis.

## **EMPIRICAL RESULTS**

Basis of the empirical results is the database of the empirical „Global Performance Project“ (GPP), located at the University of Saarland. It deals with strategic behavior in changing environments. The international sample consists of 242 companies from eleven countries. The sample is divided into 37 companies from France, 43 companies from Spain, 49 companies from Austria, 26 companies from Switzerland, 51 companies from Germany, 13 companies from the USA, furthermore 12 Mexican, 4 Dutch, 4 Irish, 2 Greek, and 1 Canadian company(s). The detailed sample characteristics can be found in the appendix. The GPP follows (as described in Scholz & Stein, 1997, in detail) the research tradition of configuration approach (e.g., Miller & Friesen, 1984), fit approach (e.g., Waterman, 1982; Scholz, 1987), and own empirical research in international management (e.g., Scholz, 1993; Scholz & Michels, 1994; Scholz, 1998).

The data collection between November 1995 and June 1997 by in-depth-interviews between two and five hours length was conducted by equally trained members of the GPP-team. This standardization allowed that the researchers from different nations used the same system of terminology and meanings. However, the team members were country experts for their own

countries who could integrate their special culture-bound hypotheses for each country into the overall frame of research.

The measures in the Global Performance Project covered a broad range of organizational variables. The interviewees responded on a Likert type scale ranging from 1 (not at all) to 5 (to a very great extent), ranked items (on a scale from 1 to 8), or answered in open questions. Variables representing the external and internal environment of the organization, the structure, strategy, processes, and corporate culture as well as management's perceptions have been developed and measures for these variables were found.

Performance was measured by organizational effectiveness variables based on objective and subjective measures. Objective measures described the actual changes of performance-related items like return on investment or innovation ratio, whereas subjective measures focussed on the personal perceptions of the interviewees. The interviewees stated on a five-point Likert scale how well they think they have been doing in comparison to their competition in respect to customer service, productions costs, or distribution costs. The composed performance measure consists of 18 items with a Cronbach's alpha of .6414<sup>1</sup>.

**Hypothesis 1.** Pearson Product-Moment Correlations were used to examine Hypothesis 1 which stated that a stronger use of instruments to receive information on the organizational environment is expected for successful companies. The variable to measure the information activities was composed of 8 items (Cronbach's alpha .6722) including information from interviews with employees, document analysis, database search, company's symposiums and

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<sup>1</sup> All Cronbach's alpha scores are based on individual, not on country-level scores. See the alpha scores in the appendix.

exhibitions open to external visitors, visits of external symposiums and exhibitions, expert interviews by Delphi method, indicator analysis or ratio analysis, and visit of fairs. The correlation with the composed performance measure of  $r=.2702$  was highly significant ( $p=.000$ ). This finding supports Hypothesis 1: Successful companies have an information policy which is intended to collect a broad range of information about several environmental aspects.

TABLE 1

Correlation between Performance Measure and Information Activities

Variables	mean	s.d.	1	2	n
1. Performance measure (eff_sd)	3.47	.39			
2. Information activities (info)	3.23	.71	.27***		213

(\* $p<.05$ ; \*\* $p<.01$ ; \*\*\* $p<.001$ ).

**Hypothesis 2.** The t-Test was used to examine Hypothesis 2, pointing out that companies in universalistic cultures are expected to use the instruments to receive information on the organizational environment to a smaller degree than companies in particularistic cultures. According to the above mentioned theoretical research about national cultures, the universalistic cultures of USA, Germany, Austria and Switzerland were tested against the more particularistic cultures of Spain and France. Table 2 shows the results.

TABLE 2

t-test for Equality of Means: Information Activities in Different Countries

Countries	mean of info	s.d.	1	2	3	4	5	6
1. Germany (universalistic)	3.34	.52						
2. Austria (universalistic)	3.29	.75	.42					
3. Switzerland (universalistic)	3.33	.64	.05	-.27				
4. USA (universalistic)	2.95	1.34	.76	.65	-.73			
5. France (particularistic)	3.07	.95	1.31	1.05	-1.14	-.28		
6. Spain (particularistic)	3.08	.53	2.32*	1.51	1.74	-.26	-.04	

(\* $p<.05$ ; \*\* $p<.01$ ; \*\*\* $p<.001$ ).

Hypothesis 2 could not be supported by our data. In most of the countries, the means concerning the informational behavior were very close together in all of the countries. This might be explained by the strong trends of globalization in management which force the large companies to behave very similarly.

**Hypothesis 3.** Pearson Product-Moment Correlations were used to examine Hypothesis 3 which stated that companies tending to the „setting the rules“ were more successful. The combined variable reflecting the intention to set the rules consists of six items (Cronbach's alpha .5013). Hypothesis 3 was supported: We observed a relatively strong positive correlation between the „setting the rules“ variable and the combined performance measure ( $r=.4234$ ;  $p=.000$ ). Companies from different countries setting the rules are more successful than their competitors who accept the rules.

TABLE 3

Correlation between Performance Measure and „setting the rules“

Variables	mean	s.d.	1	2	n
1. Performance measure (eff_sd)	3.47	.39			
2. Setting the rules (setting)	3.75	.58	.42***		230

(\* $p<.05$ ; \*\* $p<.01$ ; \*\*\* $p<.001$ ).

**Hypothesis 4.** Pearson Product-Moment Correlations were used to examine Hypothesis 4 which stated that companies strongly feeling like „setting the rules“ are less likely to use the instruments to receive information on the organizational environment. By our results, Hypothesis 4 could not be supported: In spite of the strong significance ( $p=.004$ ), the correlation is positive ( $r=.1991$ ) instead of negative.

TABLE 4

Correlation between „setting the rules“ and information activities

Variables	mean	s.d.	1	2	n
1. Setting the rules (setting)	3.75	.58			
2. Information activities (info)	3.23	.71	.2**		207

(\* $p < .05$ ; \*\* $p < .01$ ; \*\*\* $p < .001$ ).

Nevertheless, the implication of these findings are very interesting: Setting the rules seems not to mean some sort of autistic behavior. On the contrary, the findings imply that setting the rules depends on a substantial information base.

**Hypothesis 5.** The t-Test was used to examine Hypothesis 5, stating that companies tending to „setting the rules“ more intensively prefer the mono-cultural strategy of corporate culture transfer in international management to the multi-cultural and mixed-cultural strategies. The findings do not support this hypothesis. However, there are some indicators that companies which feel like setting the rules best prefer the mixed-cultural strategy of culture transfer over the mono-cultural and thereafter over the multi-cultural strategy.

TABLE 5

t-test

	mono-culture	multi-culture	mixed-culture	t-val	df	sig
mean of „setting the rules“	3,7703	3,7216		.43	107	.665
	3,7703		3,9357	-1.47	108	.145
		3,7216	3,9357	-2.28	135	.024 *

(\* $p < .05$ ; \*\* $p < .01$ ; \*\*\* $p < .001$ ).

A possible explanation may lie in the assumption that there is a critical scale necessary to set the rules; and this scale can nowadays only be an international scale. Thus, globalizing companies setting the rules in some countries manage their international affairs still very differentiatedly.

## EXPLORATIVE ANALYSIS

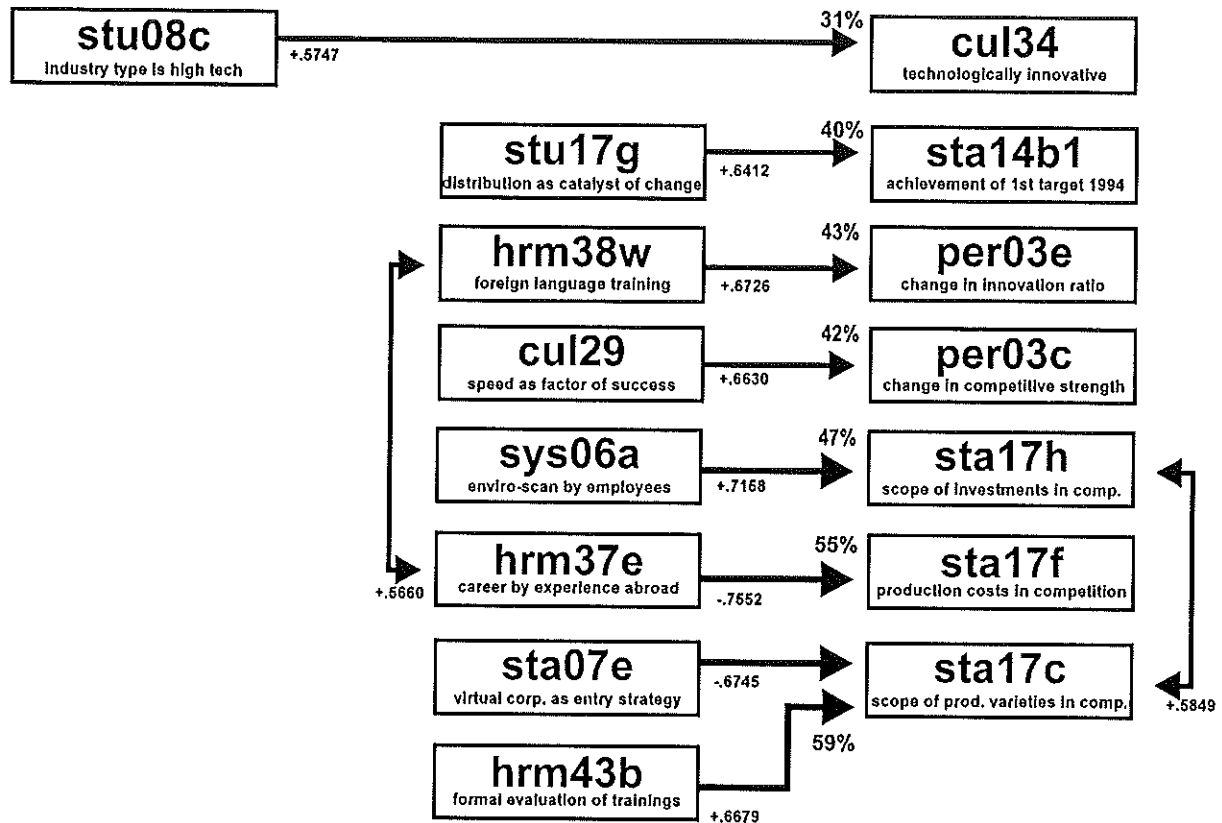
It is due to an explorative analysis whether and how successful companies realize a strategic balance in the sense of competitive acceptance. To identify the relationships concerning the strategic balance to understand their national culture and anticipatorily interact in its context, a combination of statistical methods was used. First, only those variables which correlated with the items of the performance measure with high significance ( $p < .001$ ) were chosen. We correlated them again all by all, identified the strongest relationships between the variables, and cross-checked them by regression analysis to explain the variance of the performance items. From our results on success, the most successful relationships ( $p < .002$ ) are visualized.

For the interpretation, the statistical results of the different countries were countered with the characteristics of the national culture to derive a picture of the cultural situation. Although the analyses about the cultural country-specificities cannot be presented here in detail, some hints may be sufficient to point out the strategic balance which is reached in the countries.

France shows some typical national-cultural characteristics like centralization (Crozier, 1963: 289; Hall, 1982: 147) and individualism (Hofstede, 1980; Brunstein, 1995). Another typical topic is the high degree of informality which results in a significance of oral communication (Hall, 1976). Interestingly, for successful companies in France, views across borders put the typical centralistic attitudes into new perspective. Internationalization supports innovation and makes perception more realistic. There seems to be the intentional counter-movement to balance the strong leading influence of the state as well of the corporate leaders.

FIGURE 1

## Strategic Balance in French Successful Companies

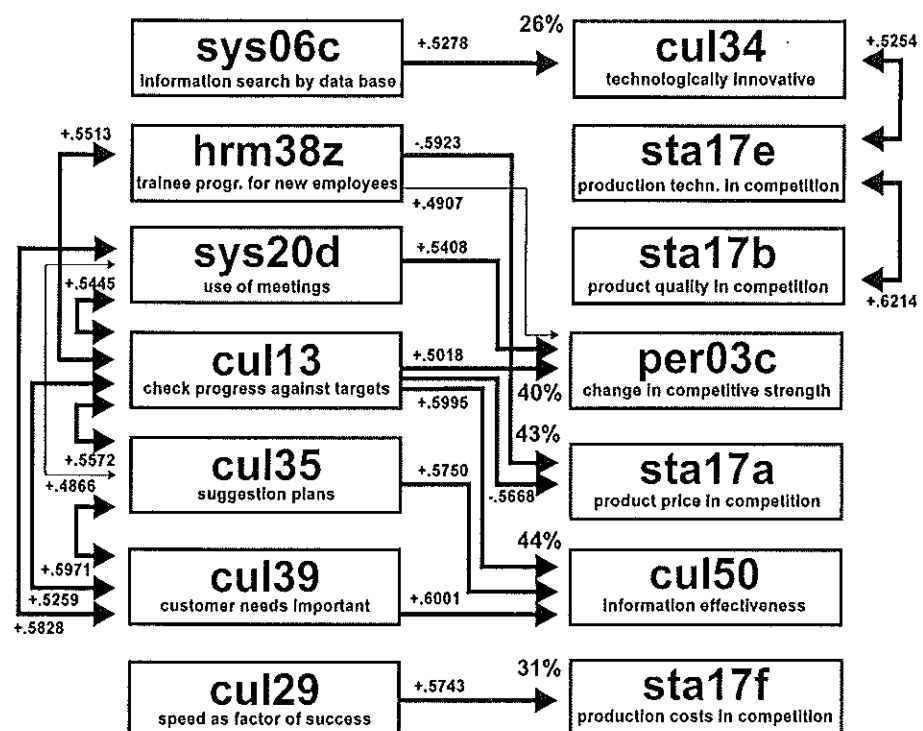


Spanish national culture is characterized by a high degree of uncertainty avoidance (Hofstede, 1980) which is also strongly reflected in the development of management (e.g. Bueno & Morcillo, 1990). Prior to the end of the autocratic Franco regime in 1973, the situation had to be characterized by strong governmental influences on corporate business and inflexibilities (Garcia-Echevarria, 1995). Spanish management of successful companies nowadays carefully breaks mental autocratic heritages to reach customer orientation. The experiences with the former autocratic system still are very vivid in the heads so that structured tasks are performed very well, and unstructured and creative tasks remain difficult to realize. Thus, companies are patient until the ongoing cultural processes of transforming Spanish mentality can be completely translated into reality. Information is a critical element to performance: internal

communication can serve as a basis for success, external information fosters innovation. Successful behavior should integrate intensive occupation with customer needs and a controlling of targets.

FIGURE 2

## Strategic Balance in Spanish Successful Companies

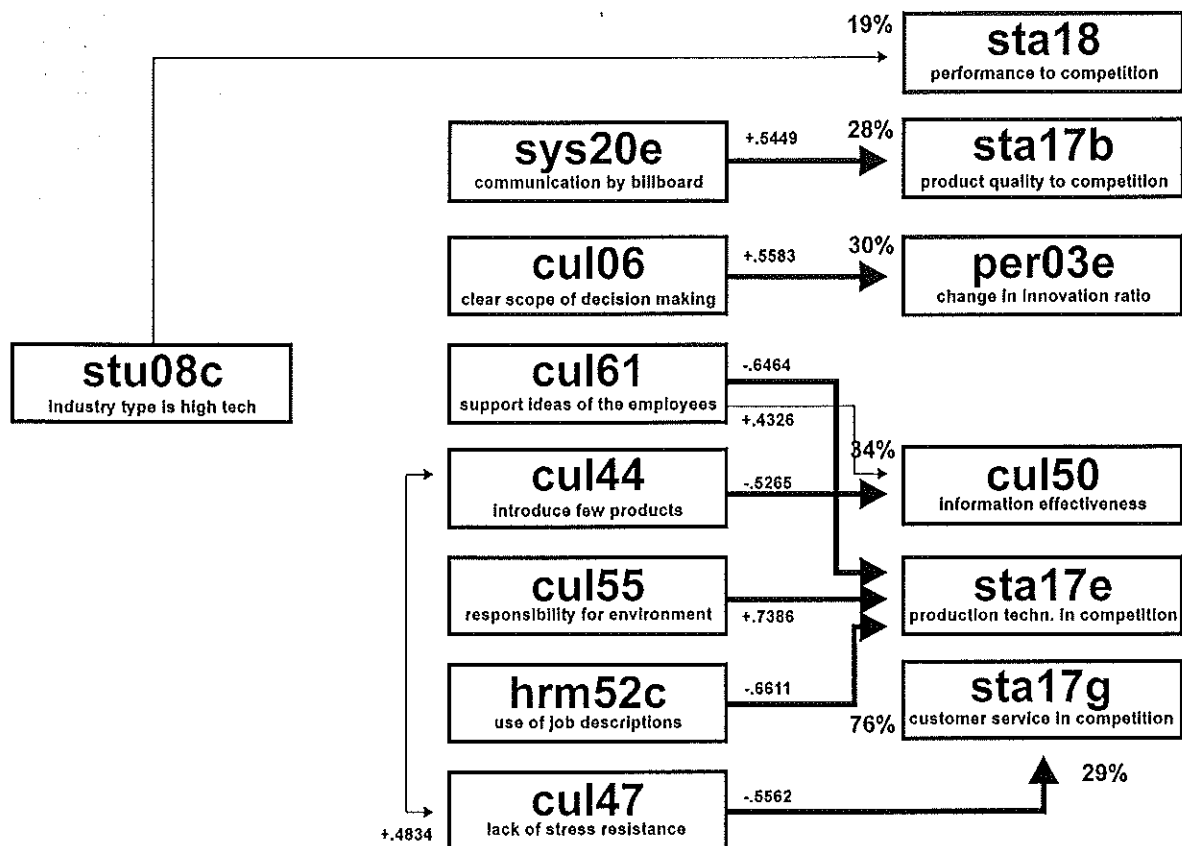


Austria's national culture integrates a low power distance and high masculinity (Hofstede, 1980). Despite having a bureaucratic administrative system, Austria shows a tendency towards liberalization of markets and has recently joined the European Union in 1996. Managers in successful Austrian companies build balance the bureaucratic environment by culturalistic management and entrepreneurship. A main implication of the Austrian findings is that culture does matter: The regulation of business in Austria strongly relies on cultural influence rather than on systems or structures.



FIGURE 3

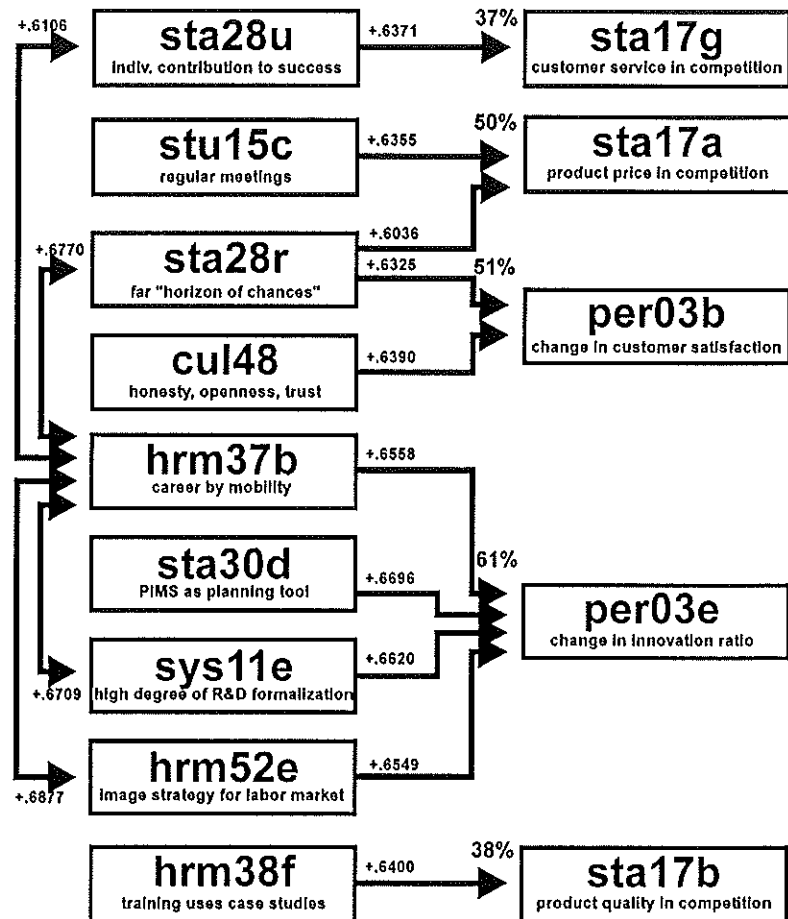
## Strategic Balance in Austrian Successful Companies



Swiss national culture, based on the four values safety, democracy, constitutional state, and welfare state (Riklin, 1983: 17), is characterized by high individualism and low power distance (Hofstede, 1980), and by pragmatism and consensus orientation (Hilb & Wittmann, 1992). One of the most striking characteristics of Switzerland is the traditional military defense system. Governmental involvement in economic and financial matters has always been kept to a minimum in Switzerland (Hilb & Wittmann, 1992). In Switzerland, in spite of - or just because of - a formalized system, managers and employees feel to act very individually to contribute to success. This strategic balance corresponds to the prior expectation that the Swiss desire for stability and safety as for example expressed in Switzerland's military tradition has an influence on company life. Companies seem to recognize that formalization builds the frame, in which if individualism gains influence success is more probable.

FIGURE 4

## Strategic Balance in Swiss Successful Companies

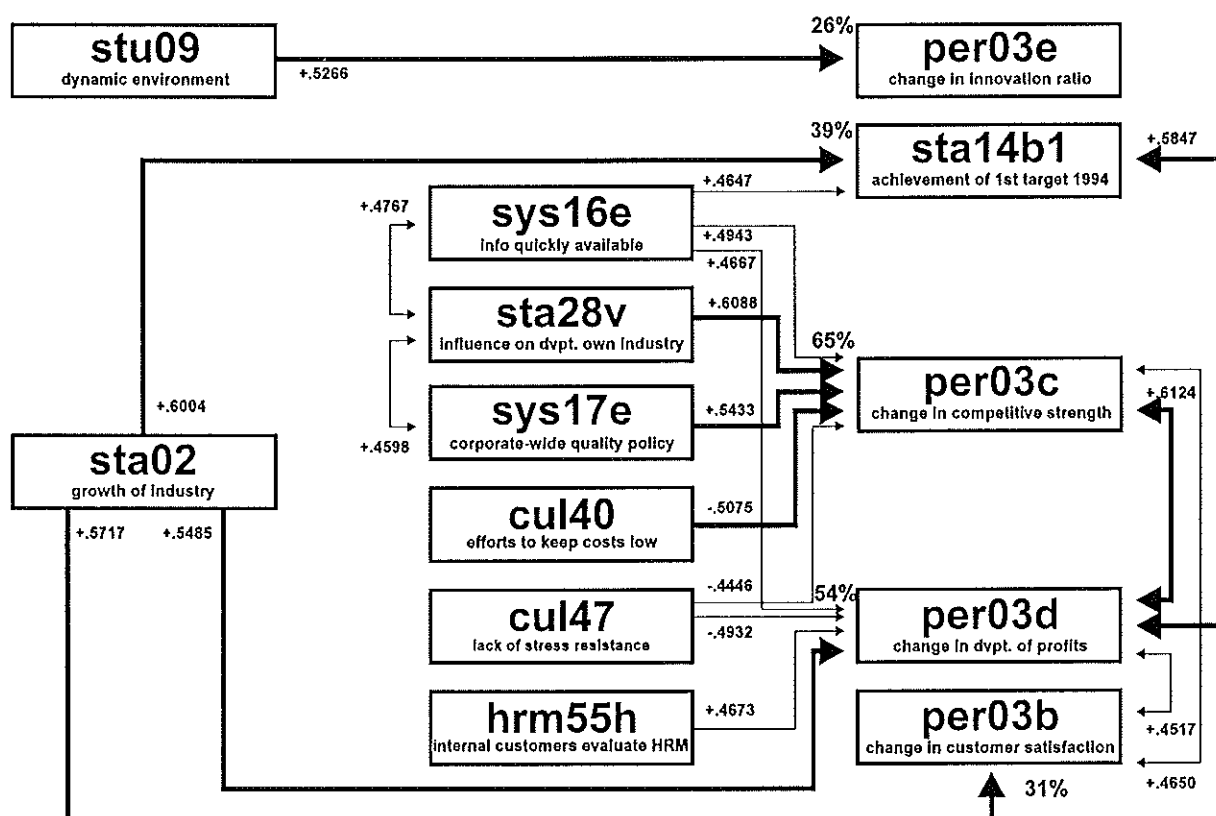


Germany is a federal state, in which specialization and collective bargaining prove to be stabilizing factors of the system. A low power distance index (Hofstede, 1980) meets a high degree of universalism (Hampden-Turner & Trompenaars, 1993) and a relatively low individualism (Hofstede, 1980). Typically, German business success is attributed to Mitbestimmung (worker participation in economic affairs), long term employment, and Betriebsverbundenheit (the feeling of belonging to the company) (Mueller & Purcell, 1992: 25). Closely related to this is the concept of Partnerschaft (partnership), which means the constructive working together of different interest groups of employers and employees such as trade unions and employing associations. The idea of partnership was a historical necessity for

the post-war reconstruction phase, and has proven also to be important after the reunification of East and West Germany. The strategic balance which can be found for Germany is that it seems to be very consensus-oriented; however, this does not mean pure harmony but often hard work on compromises between employers and employees. Although there might be severe disputes on economic questions on all levels of decision, Germans unite to fight major threats together. The often discussed cost disadvantages in labor costs might be compensated by that German attitude towards working life called partnership, which is crucial to success.

FIGURE 5

## Strategic Balance in German Successful Companies

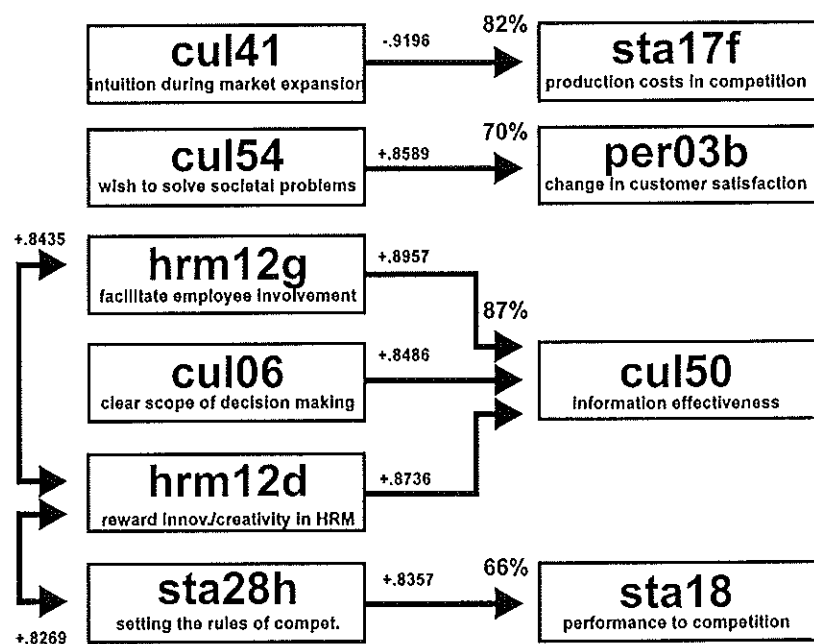


The national USA culture is characterized by a high degree of individualism (Hofstede, 1980), high mobility (Hall & Hall, 1990), and a strong future orientation (Trompenaars, 1993). The main factor of national integration, constituting the acceptance of a person as member of the

American society, is the so-called Americanism: As a shared ideology it is a combination of exceptionalism, independence, egalitarianism, pragmatism, and religiousness (Wasser, 1996). These factors are strongly reflected in the socio-political system, by the emphasis on action, and an orientation towards performance. At the same time, however, a high degree of formalization gives stability to a national system which, on the other hand, allows for many degrees of freedom. This phenomenon is also found in successful companies: American managers tend to believe in their positive autostereotypes but thus do not perceive dangerous developments in business reality in time. However, the successful companies learned to mistrust in their autostereotypes preventing them from questioning positive attitudes which are believed to be already realized perfectly. Additionally, successful American companies set the rules in their markets. This reflects the cultural focus on action, apparently the most typical factor of America's success.

FIGURE 6

## Strategic Balance in American Successful Companies



## DISCUSSION

In our paper, we presented some empirical findings about company success: that successful companies collect a broad range of information about several environmental aspects independent from the fact that they are located in an universalistic or a particularistic country. The strong trends of globalization in management seem to force the large companies to behave very similarly. What could strongly be supported was that companies setting the rules are more successful than their competitors who accept the rules. In this context, setting the rules implies a dependence on a substantial information base. There might be a critical scale necessary to set the rules which is reached by internationalization which tends to be differentiated and uses multi-cultural approaches to transfer corporate culture to foreign subsidiaries.

The findings of the explorative analysis support that successful companies build a situative balance in organizations between understanding cultural driving forces and developing an image about the counter-movements in order to anticipate cultural barriers and overcome them better than their competitors. By this, the integration of the postulation of „setting the rules“ into the culture-bound-thesis becomes realistic.

When integrating paradigmatically divergent theory components it is important to be mindful that our conceptions about organizational phenomena also include cognitive constructions. The frame of competitive acceptance, integrating the setting of rules and the culture-bound-thesis, is a metaphorical representation which simplifies the complexity of reality. However, we believe that competitive acceptance has great potential for theory and practice of intra-cultural and cross-cultural interaction.

We believe that the results can be expanded into a general model of cross-cultural interaction. When the patterns of strategic balances we found in our explorative analysis of the countries are used in cross-cultural management, managers could learn to understand why managing in a foreign country is more than knowing the cultural dimensions. This is, according to our terminology, only one oscillation of the pendulum. The means to be successful is to follow the concept of competitive acceptance: Accepting both sides of behavior in a culture, the driving forces and the reactions. And therefore intending to understand the counter-forces of culture and by this gaining a competitive advantage. This would be the second oscillation.

## CONCLUSION

Setting the rules in competition is a very difficult task. Beside of the knowledge, skills, and good luck, it needs initial enthusiasm. For a change in strategy managers have to sacrifice their unreflected cultural patterns which gave a feeling of pseudo-security. Therefore, managers will achieve a balance between cultural values they already knew and cultural values they discover as counter-movements.

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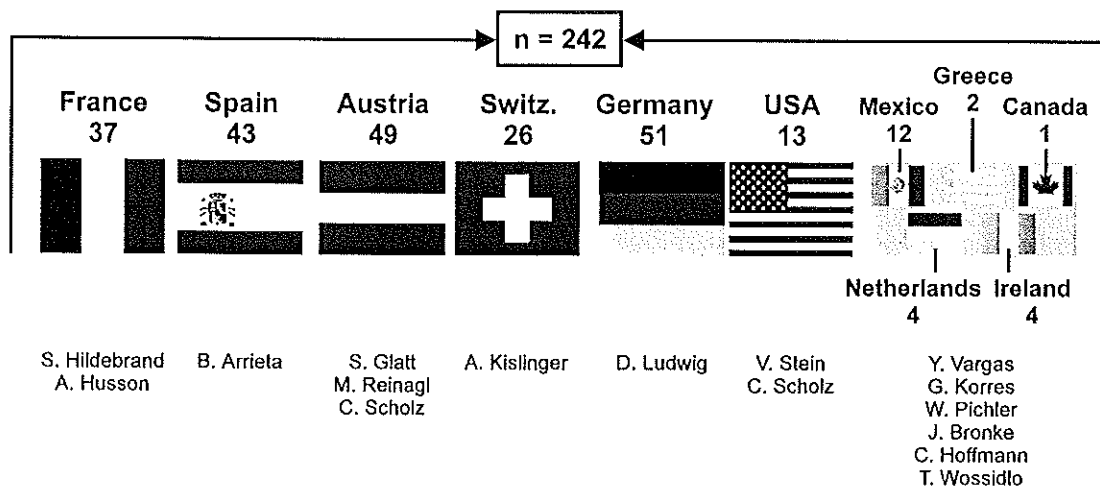
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## APPENDIX

### Sample Characteristics



### The sample and the interviewers

The sample can be characterized by several situational market variables: 63% of the companies are located in a fragmented market, 37% in a dominated market. A reverse situation exists only in the Swiss sample. 10% produce low-tech products, 39% medium-tech, and 50% high-tech. This is similar to the product reputation: 11% of the companies perceive a low, 23% a medium, and 67% a high product reputation. In 1994, in the overall sample a growth of the industry could be stated for 79% of the companies. Only in 13% there was a decline in the industry development, and in 9% the development stagnated. The mean of age was 76 years (standard deviation = 54), the mean of size 11,012 employees (standard deviation = 29,045).

## The most relevant questions for this paper from the GPP-Questionnaire

## Strategy

28. Please indicate how far you agree to the following statements:
- |   | strongly disagree     |                       | neutral               |                       | strongly agree        |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Our company is perceived by its competitors as a company setting the rules rather than adopting them. (h)                         | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Strategic changes are based on our own independent vision of the future rather than on activities of competitors. (i)             | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| We try to develop competitive advantages for the whole industry rather than to keep pace with our competitors. (j)                | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| I as a leading manager feel rather as an architect for the future than as a technical engineer for present problem solutions. (k) | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| The top managers perceive themselves as industrial revolutionaries rather than being satisfied with the existing status quo. (o)  | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Our core competencies are sustainable in competition. (w)   | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

## RELIABILITY ANALYSIS - SCALE (ALPHA)

## Item-total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Alpha if Item Deleted
STA28H	19,0283	7,6959	,2505	,4625
STA28I	18,7264	7,8300	,3226	,4194
STA28J	18,5519	7,7840	,3390	,4108
STA28K	18,6415	8,7808	,2242	,4712
STA28O	19,1981	8,2354	,2122	,4811
STA28W	18,2358	9,3375	,2009	,4818

## Reliability Coefficients

N of Cases = 212,0

N of Items = 6

Alpha = ,5013

32. Which is your culture strategy in international management?

☐☐☐

Mono-culture (home country is dominant)

Multi-culture (host country is dominant)

Mixed culture (global equilibrium)

*Performance*

1. Which were the following figures for the whole company in 1994?

!Your currency unit:

!You are counting in (million/billion):

Balance sheet total:

Annual net profit/deficit (according to income statement):

Sales:

Return on investment:

2. Which statements describe your company's situation within the last business year?

- |   |                       |
|---|-----------------------|
| We realized an immense growth.  | <input type="radio"/> |
| We realized a success according to the average trend in our industry. | <input type="radio"/> |
| We fulfilled our general success expectations.                        | <input type="radio"/> |
| We suffered from a strong sales decline.                              | <input type="radio"/> |
| One or more subsidiaries had to file a petition in bankruptcy.        | <input type="radio"/> |

3. Please mark how the following characteristics have changed within the last two years:

extremely decreased      neutral      extremely increased

- |                             |                       |                       |                       |                       |                       |
|-----------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Return on Investment        | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Customer's satisfaction     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Competitive strength        | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Development of profits      | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Innovation ratio            | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Personnel turnover          | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Absenteeism                 | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Market shares               | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Protection of going concern | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

## RELIABILITY ANALYSIS - SCALE (ALPHA)

## Item-total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item- Total Correlation	Alpha if Item Deleted
STA14B1	60,3368	34,8853	,3026	,6188
STA14B2	60,4105	34,8829	,3334	,6146
STA17D	60,7053	39,0824	,0043	,6560
STA17E	60,0526	37,8163	,1377	,6398
STA17F	60,6526	35,8036	,2401	,6281
STA17G	60,0421	37,5514	,1804	,6348
STA18	59,4421	38,1429	,1367	,6391
PER03A	60,3158	35,0056	,2761	,6229
PER03B	60,2842	35,9503	,3569	,6155
PER03C	60,1158	34,3375	,4701	,5992
PER03D	59,9579	34,2323	,4087	,6042
PER03E	60,3368	37,4385	,1408	,6406
PER03F_N	60,6632	37,6726	,1031	,6465
PER03G_N	60,3263	39,0307	,0031	,6572
PER03H	60,3684	35,0437	,4057	,6078
PER03I	60,3789	34,3230	,3997	,6055
CUL34	60,3474	36,1227	,2287	,6296
CUL50	60,2211	37,0464	,1954	,6334

## Reliability Coefficients

N of Cases = 95,0

N of Items = 18

Alpha = ,6414

## Systems

6. How often do you use the following instruments to receive information on the organizational environment?	never				very often
Interview of employees (a)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Document analysis (b)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Database search (c)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Own symposiums or exhibitions open to external visitors (d)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Visit of external symposiums or exhibitions (e)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Interview of experts by Delphi method (f)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Indicator analysis or ratio analysis (g)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Visit of fairs (h)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

## RELIABILITY ANALYSIS - SCALE (ALPHA)

A)

## Item-total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item- Total Correlation	Alpha if Item Deleted
SYS06A	21,7572	23,4291	,2405	,6738
SYS06B	21,3988	22,6249	,3485	,6454
SYS06C	21,8497	21,7215	,4243	,6263
SYS06D	21,8671	23,0694	,2901	,6603
SYS06E	21,2023	21,7786	,5252	,6065
SYS06F	22,7919	24,1890	,2994	,6560
SYS06G	20,8613	21,5039	,4744	,6143
SYS06H	21,4509	22,3072	,3389	,6486

## Reliability Coefficients

N of Cases = 173,0

N of Items = 8

Alpha = ,6722