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## **CROSS-CULTURAL MANAGEMENT RESEARCH TECHNIQUES**

**WP 1/2010**

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### **I. Overview**

A number of techniques for cross-cultural management research have been identified and critiqued. In general, researchers have suggested both theoretical and empirical studies. Theoretical studies use concepts, models, conceptual structures or types to develop hypotheses that can be tested using information that is collected with respect to managerial processes and intercultural relationships within business organizations. Empirical studies collect and analyze information regarding various aspects of managerial behavior that can be used to test existing theories, guide actions of managers and facilitate development of new theories.<sup>1</sup> While some of the techniques used in cross-cultural management research are similar to those used in general management studies there are clearly special difficulties that must be overcome when collecting and evaluation information from different cultures including a high level of complexity, challenges in creating equivalent elements that can be studied across cultures and higher costs due to the volume of work and the geographic dispersion of the information that must be collected. All of these factors highlight the need for careful and exacting planning and organization of research activities in order for cross-cultural studies to be effective and meaningful and one of the major criticisms of the work in this area has been a lack of rigor.<sup>2</sup>

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<sup>1</sup> H. Schollhammer, "The Comparative Management Theory Jungle," *The Academy of Management Journal*, 12:1969, 81-97.

<sup>2</sup> See, e.g., N.J. Adler, "A Typology of Management Studies Involving Culture," *Journal of International Business Studies*, 14(2):1983, 29-48. In an attempt to provide guidance, Adler identified several stages of comparative management studies as follows: establishing the goals of the study; specifying the themes and the questions about those themes for which an answer is being pursued (e.g., "Is a particular element common to all cultures and, if so, does it have the same meaning and importance in all cultures?); sampling; translating the materials; measuring the management processes; conducting the

The literature regarding cross-cultural management research has generally identified six main approaches or techniques that have been used to study and understand management practices and workplace behaviors in different cultural contexts. There is a good deal of variation among these approaches or techniques, which are briefly summarized below, with respect to things such as the number of cultures included in the study, the approach taken with respect to searching for similarities and differences, the assumptions made with respect to the existence of universality and the primary questions that the researchers are attempting to answer. These variations inevitably lead to different sets of methodological issues for each approach or technique.<sup>3</sup>

## II. Parochial Studies

The most frequently seen form of management studies has always been parochial studies—the study of one culture by persons from within that culture—with the large volume of work on management practices in the US completed by American researchers being the obvious example. Parochial studies assume both similarity and universality, at least among cultures that have achieved the same level of economic development, and seek answers to the basic questions of how people behave in the workplace and why. It is assumed that the results can be applied to many cultures even though only a single culture has been studied; however, the reality is that results are only truly useful for the culture from which they were derived. Researchers need to be concerned about designing appropriate survey instruments and proper analysis and interpretation of results, a methodological issue that applies to all of the approaches and techniques described in this section. Since parochial studies do not involve any comparative activities they are often not included in surveys of comparative management studies; however, rigorously executed parochial studies can be used as a starting point for generating ideas for theoretical and empirical cross-cultural research.

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study; analysis and interpretation of information collected during the study; and application of the results of the research. Other commentators have expressed concerns regarding the reliability of studies of cultural differences due to the fact that people in different cultures may not ascribe the same meaning to the elements that are the subject of the study. See L. Sechrest, On the need for experimentation in cross-cultural research. In L.L. Adler (Ed.), *Annals of the New York Academy of Sciences: Issues in cross-cultural research* (1977:Vol. 285, 104-118), New York: New York Academy of Sciences. See also K.H. Roberts, On Looking at an Elephant: An Evaluation of Cross-Cultural Research Relating to Organizations. In T.D. Weinshall (Ed.), *Culture and Management* (Middlesex: Penguin Books, 1977), 56-104, and U. Sekaran, *Methodological and Theoretical Issues and Advancements in Cross-Cultural Research*, McGill International Symposium on Cross-Cultural Management, Montreal, Canada, 1981.

<sup>3</sup> The discussion in this section is adapted from N.J. Adler, "Understanding the Ways of Understanding: Cross-Cultural Management Methodology Reviewed," *Advances in International Comparative Management*, 1984, 31-67.

### **III. Ethnocentric Studies**

The use of ethnocentric studies represents the natural first leap outward into foreign cultures by American researchers and includes their attempts to replicate their research methods in other countries. Ethnocentric studies ask whether or not theories of management developed for the home country can also be used effectively in other cultures. Ethnocentric studies do question the notion of universality and focus on the search for similarities in other cultures that can be used as a basis for claiming discovery and verification of universal elements of effective management practices that were first identified in the home country. The key methodological issue for ethnocentric studies is the practice of attempting to standardize research tools across cultural boundaries by using substantially the instruments and methods used in the home country except for translating the materials into the language of the second culture. The problem with this approach is that this type of standardization does not necessarily guarantee equivalence since persons in the second culture may ascribe different meanings to particular terms and concepts. Ethnocentric studies have also been criticized for failing to properly recognize the potential importance of differences identified in cultures outside of the home country and, in fact, such differences are often dismissed as examples of the inferiority of the second culture.

### **IV Polycentric Studies**

Polycentric studies attempt to identify, describe and explain different patterns of organizational theory and management in multiple cultures. Polycentric studies deny universality and uses individual studies of foreign cultures to determine how managers manage and employees behave in those cultures. While polycentric studies are valuable because they do not assume in advance that any one culture is dominant it is extremely difficult to design survey techniques and metrics for evaluating the results since there are no home country theories or models that can be used as a starting point. In addition, polycentric studies have been criticized as lacking practical value for international managers due to the fact that the results are typically descriptive of the culture that has been studied without any attempt to identify similarities and differences between cultures. For example, it is interesting, and certainly true, that there are many different ways for managers to achieve the same goals and objectives and managers can certainly benefit from information regarding management processes in other cultures; however, these types of studies would be more useful if they attempted to segregate and describe similarities and differences. In spite of these criticisms, polycentric studies do provide a means for explaining differences in other cultures without dismissing them as weaknesses in the way that is sometimes done in ethnocentric studies.

### **V. Comparative Studies**

Comparative studies attempt to identify both similarities and differences among patterns of organizational theory and management observed in many cultures dispersed around the world. Comparative studies looks to sort out what aspects of organizational theory and management practices might be truly universal (an approach sometimes referred to as

“emergent universality”), and thus applicable across all cultures, as opposed to those aspects that must be seen as culture specific and considered as such when making management decisions and predicting how companies and individuals within those companies will react in certain situations. In contrast to the long-standing traditions underlying parochial and ethnocentric research, comparative studies does not assume that American management practices should be employed everywhere in the world or that such practices are the best solution for every problem. In fact, comparative studies reject the notion that any culture is dominant. The sheer scope of comparative studies means that challenges will arise in ensuring that the methodology used in each of the cultures is equivalent at each stage of the process including survey design, surveys and samplings, administration and analysis/interpretation. In addition, care must be taken in defining the term “culture” and establishing criteria for determining whether a particular result is universal or culture specific. Also, even when the methodology deployed is sound there is a risk that the collection of information and interpretation of results may be influenced by the cultural background of the researcher.

## **VI. Geocentric Studies**

Geocentric studies is a fundamental part of the field of cross-cultural or inter-cultural management studies described above and is primarily interested in observing organizational design and management processes within companies that are operating in more than one culture in order to understand how those companies really work from an organizational design perspective. The goal of geocentric studies, commonly referred to as international business studies in business school curricula, is to provide multi-cultural companies with reliable information regarding universally tested and accepted guidelines that they can use to organize and manage their operations in a way that reduces cultural conflicts and, hopefully, capitalizes on the company’s access to culture-specific skills and resources. At a practical level, geocentric studies guides global companies about the proper balance between having unified policies for worldwide operations on the one hand and the degree to which local autonomy due to cultural factors can and should be tolerated, a quest that is addressed in earnest through the synergistic studies described below. While geocentric studies explore management practices of multinational companies headquartered around the world (e.g., American, European and Japanese) they generally do not attempt to compare companies from different cultures.

Geocentric studies typically rely on the same methodology used to carry out general management studies of any single organization; however, adjustments will obviously need to be made to take into account the geographic scope of the company’s operational activities. Since large multi-national companies have already developed a common language to promote understanding among their employees, and generally have taken steps to promote a consistent corporate culture, there may be fewer issues of translation and equivalency in carrying out geocentric studies; however, the size and geographic scope of the companies involved makes collection and interpretation of information extremely challenging and it is difficult to identify and support “cause and effect” relationships associated with elements of management practices.

## **VII. Synergistic Studies**

Synergistic studies focuses on identifying both universal similarities and culturally specific differences in organizational theory and management practices and using that information in a positive and creative manner to create guidelines that multi-national and transnational companies can use for effective organizational design that includes both universal best practices and a means for facilitating necessary culture-specific management processes. Synergistic studies are an attempt to create and improve universality with respect to intercultural management and require extensive gathering and evaluation of information from a variety of situations where persons from different cultures interact in a business setting with the intent to pursue and achieve common goals (e.g., wholly domestic companies with employees from different cultural backgrounds; multi-national companies; joint ventures with foreign companies; relationships with foreign business partners such as customer, suppliers and distributors; and interactions with foreign government officials). It would appear that synergistic studies would have tremendous appeal and value to managers of multi-cultural companies—both domestic and international—since the goal is to derive effective solutions for designing and administering the structures and processes necessary for workers from all cultures to communicate and collaborate. For example, companies can increase managerial efficiency by create universal organizational structures and managerial processes where appropriate in light of the involved cultures while simultaneously respecting cultural differences to reduce conflict and promote understanding. Key methodological issues include designing methods for studying and describing cross-cultural interactions and developing and testing processes for proactively integrating cultural differences. While synergistic studies have been much slower to emerge than the other research techniques described above they have become much more popular and important as more and more companies transition to cross-cultural activities as part of the accelerating globalization of business process.