

How to cope with different and convergent business cultural values in Europe?

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SUMMARY

Rapid developments in how international enterprises cooperate raise many problems, when business partners apply attitudes, aspirations, and behaviour shaped in their own cultural environment. Business partners often do not take into account management traditions and value systems of countries in which they set up business. Business development is very much dependent on cultural awareness. This requires knowledge of cultural values and their distinctions for international cooperation.

The article presents a comparative analysis of business cultural values in four European countries (Greece, Spain, Lithuania and Austria). It is based on the outcomes of the Leonardo da Vinci pilot project 'Training methodology of European cross-cultural business values (No. LT/03/B/F/PP-171000).

Keywords

Leonardo da Vinci; comparative analysis; cultural environment; management attitude; labour relations; small medium enterprise.

Introduction

Cultural values are characteristics of a long-run enterprise development comprising the way staff see their tasks, their solutions, colleagues, enterprise management and their reactions as well as attitudes towards events and expansion. Cultural differentiation often causes misunderstanding in international cooperation (Czinkota, Ronkainen and Moffett, 2003; Sørderberg and Holden, 2002; Lewis, 2002; Krieger, 2001; Mathur, Zhang and Neelankavil, 2001; Kreikebaum, 1998; Jewell, 1998). Cross-cultural differences are due not only to national peculiarities, but to countries' different histories and economic systems. All these factors influence the principles of organising enterprise activity and form various cultural values and imperatives. Jackson states that Europe, especially compared to Japan and the USA, shows different divergent cultural values in business. There is no other region in the world where so many different histories, cultures and languages exist in such a relatively small space (Jackson, 2002). There is no national identity, no common language or culture across the EU. For more than 70 years there were two totally different economic systems with unequal cultural values.

This article presents a comparative analysis of business cultural values in four European countries (Austria, Greece, Spain and Lithuania). The first chapter introduces a theoretical model of cultural business values in Europe. The second describes the research methodology of the survey and the analysis. The third presents the most important results of the comparative analysis. The last chapter discusses the possibilities to solve problems posed by different business cultural values.

1. Theoretical business cultural values model

Organisational culture is a multifaceted phenomenon involving different aspects. It is not possible to embrace them all. However, it is worth trying to choose the main aspects and so concentrate on the main cultural values of business. The business cultural values model was developed from theoretical and empirical research following two principles:

- (1) the dimensions selected represent the most evident cultural differences mentioned in organisational culture typologies;
- (2) polarities are distinguished not by contrasting the different aspects, but by analysing their peculiarities.

The dimensions of the model (1)

Cultural values are presented mostly as pairs of dimensions or poles.

While evaluating the importance of the human factor, the dilemma of the *relationship orientation or business-like efficiency orientation* arises. Kotter and Heskett (1992) maintain that in a culture oriented towards business-like effi-

ciency the main attention is on the task. The basic things are efficient work, aim and task fulfilment. In a culture oriented to interrelationship, not only task performance but quality of life and human relations within the organisation are also important. Most scientists consider a business-like efficiency culture to be results-oriented. They neither deny nor emphasise the importance of relationships. Having formulated the typology of the culture oriented to value increase, Pümpin, Kobi, and Wüthrich (1983) point out that results-orientation demands aspiration, work intensity, effort, and devotion, the latter conditioning an enterprise's success (Kutscher, 2002).

Manifestations of these aspects can be discovered in the culture typology of Cameron and Quinn (1999), where relationship is the most important factor in clan culture, in contrast to results-orientation in a market culture.

Schein (1992) holds that in developing cross-cultural organisational competence learning is very important as it deals with both business-like efficiency (learning aspirations) and relationships (tolerance towards other cultures). He also notices that in a stable environment the orientation to business-like efficiency is much more secure because tasks and results are emphasised. However, in a dynamic environment with considerable technological and other dependences, relationships should be more valued as they lead to confidence and cooperation, the latter being essential to solve complex problems. Schein maintains that it is sometimes difficult to carry out tasks and strive for good results without establishing proper relationships.

Overall, both profiles are important and not necessarily contradicting each other. Value creation and striving for profit are embedded in the very nature of enterprises and orientation to relationships might be treated as a very important, additional condition to ensure organisational effectiveness.

Orientation to collectivism or individualism is an unanswered question so far because answers depend on the situation. Trompenaars (1993) stresses that this aspect is not dichotomic as both individualism and collectivism can be seen in parallel.

Hofstede (2000) was the first to consider individualism as an emotional independence from the organisation rendering priorities to individual objectives and solutions. Trompenaars (1993, 1997) characterises individualism as the aspiration for freedom and responsibility.

Despite this diversity, some guidelines for cultural development have been created. Hofstede (2000) maintains that in the countries of individualised culture, high employee mobility and consciousness condition organisational effectiveness. Pümpin, Kobi, and Wüthrich (1983) stress orientation to the enterprise as an expression of identification with the enterprise, group work and tolerance to each other (in Kutscher, 2002).

Bleicher (1992) considers cultures based on personalities to be perspective. Personality is the main business driver under the conditions of compe-

tition where individual merits of an employee are recognised and competence and responsibility clearly defined. Collective culture (the enterprise is perceived through employees' dependence on it, everyone makes their contribution according to their possibilities, and a common responsibility and indirect evaluation prevail), however, is considered to be ineffective because of depersonalisation tendencies.

Several researchers deal with the issue of *orientation to formality or co-operation* as a characteristic of organisational culture (Hofstede, 2000; Cameron and Quinn, 1999; Kotter and Heskett, 1992; Trompenaars, 1993, 1997). According to Hofstede (2004), one cultural feature is the avoidance of uncertainty. An organisation can be characterised as a structure possessing a considerable number of written regulations.

The profiles of cultural dimensions of organisations are often considered as oriented to universality or particularity. Kotter and Heskett (1992) regard universality as the emphasis of abstract rules and stress the possibility to apply universal solutions and methods in different situations. Particularity is characterised as underlining relationships, individual solutions being sought in new situations. Trompenaars (1993, 1997) holds that universality supporters use the slogan 'We do not wish chaos and do not want to refuse centralised management', while the prophets of particularity declare 'We do not want bureaucracy and stagnation'. The research has shown that Great Britain, Germany, Switzerland and Austria are the countries of universality, while Russia is the country of particularity. The need of formalisation seems to be viewed differently in eastern and western Europe. Trompenaars (1993, 1997) maintains that centralised management with sufficient freedom of action is purposeful.

Cameron and Quinn (1999) call the culture oriented to formalities a hierarchy culture and identify it with Weber's bureaucracy. It is the culture where the whole organisation is related to formal rules and official policy, highly formalised workplaces, a number of procedures regulating employees' activities and plan fulfilment. This type of culture was adequate to organisations in stable environment.

In a dynamic environment, however, one of the most important factors ensuring effective organisational work is management of information flows. Bleicher (1992) notes that not standardised but situational ways of information transmission are more purposeful. Bleicher considers the formalities oriented to organisation to be opportunistic, i.e. looking for rules and laws which ensure its security. However, this organisation does not conform to the contemporary reality. Empirical research shows that even under recent conditions there appear trends towards formalities in enterprises (Cameron and Quinn, 1999).

Hofstede (2000) was the first to refer to the problem of the *leader and subordinate cooperation – autocratic management* and to introduce the concept

of authority distance. Hofstede points out the characteristics of the culture oriented to leader/subordinate cooperation: decentralisation, plain hierarchy structure and few people in authority, insignificant differences in payment, high employee qualifications in lower hierarchy levels, and no status differences between 'white and blue collar' employees. Hofstede's research proved that the culture oriented to leader/employee cooperation prevails in Europe (a low indication of authority distance).

Pümpin, Kobi, and Wüthrich (1983) in their culture typology stress orientation to subordinates as expressing trust, cooperation and mutual communication (in Kutscher, 2002).

Bleicher (1992) singles out two management profiles – culture of entrepreneurs and technocratic culture – which correspond to the culture oriented to leader/subordinate cooperation and autocratic management. Technocratic culture is characterised as the one directed to methods, means, and subordination. Entrepreneurial culture is understood as leadership and orientation to subordinates. Hagemann's (2000) research results of German-Romanian joint-ventures show that the great differences between managers who worked in different economies for a long time, as well as between management styles lead to conflicts.

Analysing cultural *openness* — *seclusion* Trompenaars (1993, 1997) notices that the orientation of an organisation to openness or seclusion reflects its directions. The organisation may focus on 'interior' attitudes and obligations, or can follow exterior signals and development trends.

While speaking about organisation openness, the attitude of an organisation to its clients is the most frequently mentioned aspect (Cameron and Quinn, 1999; Scholz, 2000; Bleicher, 1992, etc.). The main questions are does the organisation strive to find out its clients' needs? How does it react to the clients' problems? Are their problems treated as obstacles?

The analysis of cultural openness and seclusion in the context of organisation-environment relationship singles out one more aspect: attitude to changes (Bleicher, 1992; Koch, 2000). The attitude to changes and culture openness are interrelated. A friendly attitude to change makes the organisation open and ready to accept environmental challenges and react to them. Hostile views to change lead to seclusion and avoidance of external influence.

While speaking about causes of cultural seclusion, the aspect striving for stability can be mentioned. General devotedness to certain attitudes and values condition stability in an organisation's activities. However, striving for stability also means resistance to change unless the culture is oriented to changes. Dominating and deeply-rooted beliefs in an organisation can become a powerful impediment to change (Mintzberg, Ahlstrand and Lampel, 1998). The problem of strategies to overcome cultural inertness is a subject of several studies and should be considered when evaluating the level of cultural

openness. To prevent culture from becoming a hindrance, Lorsch (1986) points out the responsibility of leaders to acknowledge the importance of flexibility as a main constituent of organisational culture.

Activity — passivity. Analysing the origin of man's activity, Schein (1992) asks whether people are reactive, fatal and passive observers of their organisation's development, or if they are proactive and able to outrun forecasted events. This aspect of organisational culture is closely related to learning. In a dynamically developing environment, passive observance of events and reluctance to learn lead to the loss of organisational and competitive potentials. The concept of learning organisations is becoming more and more important and requires development of learning-oriented culture characterised by active employees who want to learn and want to develop important future competences for the future.

Active actions are emphasised by Cameron and Quinn (1999) in defining adhocracy culture, considered to be that of failure to distinguish itself by creative and dynamic workplaces, and provide the necessary conditions for an active employee's self-realisation. Activity-passivity aspects are also in the description of the fifth constituent of culture (Hofstede, 2000), a long-term orientation index, which shows new requirements for organisations. A low long-term orientation index indicates insufficient initiative, risk and innovation. Loermans (2002), citing Kim, states that the process of organisational learning is defined as an aspect increasing an organisation's capability to take effective actions.

Schein (1992) draws an important conclusion about acknowledgement of cross-cultural differences in the context of European integration. He maintains that by acknowledging cross-cultural differences, a learning organisation can develop cross-cultural organisational competence and control its future, appropriately reacting to environmental requirements.

Work - personal needs, family balance is a highly relevant issue requiring one to define priorities in life and learn to reconcile those two significant parts of life.

This can be dealt with from two positions, how personal life influences the individual's work activity and how work affects personal life. Too close orientation to personal aims often causes an offhand attitude to work. Traditionally, such employees are considered irresponsible, or organisations do not treat them as prospective employees. Often such employees' disinterest is conditioned by boring activity, poor organisation microclimate, etc. Thus, at first sight a strong employee orientation to work from an organisational point of view seems desirable. Striving to realise their abilities at work or to be promoted motivates employees to work hard by using all their abilities. However, many researchers (Jewell, 1998; Newstrom and Devis, 1997) refer to the employees' syndrome of 'burn out'. Striving constantly to complete everything perfectly, intensive work, and competition affect the employee's physical and psychological conditions.

Kutscher's (2002) research results from England show the importance of work to individuals from different cultures. The survey among Americans, Germans and Japanese showed that Japanese consider work to be more significant than Americans and Germans do.

The *attitude to motivation* is an element frequently analysed in the context of cross-cultural differences.

Comprising the list of motivating factors, Maslow's needs pyramid and its interpretations have been used. At the end of the 1950s, Herzberg maintained that motivation factors (recognition, career, self-realisation and others) stipulated better and more productive work, while hygiene factors (working conditions, payment, etc.) were not so important (Scholz, 2000).

One of the most comprehensive typologies interpreting motivation is Kluckhohn/Strodbeck culture typology (Kutscher, 2002). The authors distinguish culture of doing and culture of being, as well as of 'being-in-becoming'. In the culture of doing there are external motives, higher wages, premiums, promotion and others. The culture of being includes internal motives, satisfaction in work and others.

Kluckhohn/Strodbeck have shown that American culture is highly oriented to doing. Good work is appreciated and bad work is punished. This has been proved by Mathur, Zhang and Neelankavil (2001). Their study showed financial rewards for American managers to be the most important motive. Managers in China, India and the Philippines do not pay so much attention to this factor. In American culture, financial reward is also seen as a measure of recognition and success. On the other hand, respect, possibility to grow and cooperation produce high motivation in Chinese managers.

This shows there are various answers to the question of which factors are the most motivating. Research shows considerable differences in various countries. Research in various European countries may provide more information about motivation factors.

Based on the analysed typologies and empirical studies the theoretical model was created, consisting of eight constituents, characterised by polarities that describe opposite features of cultural values in business.

Polarities are distinguished while seeking not to contrast the dimensions, but clearly define their peculiarities according to the above discussion. Organisation is oriented, for example, not only to relationship or business-like efficiency, or to openness or seclusion.

The theoretical model of business cultural values with its profile, dimensions, and distinguishing features is presented in Table 1.

Table 1: **Theoretical model of business cultural values**

<p>(1A) Orientation to relationship</p> <ul style="list-style-type: none"> • trust • good work climate • enterprises like one family 	<p>(1B) Orientation to business-like efficiency</p> <ul style="list-style-type: none"> • orientation to results • efforts and devotion • organisational and technical dimension
<p>(2A) Orientation to individualism</p> <ul style="list-style-type: none"> • individual as personality recognition • individual achievement emphasising • individual responsibility and freedom 	<p>(2B) Orientation to collectivism</p> <ul style="list-style-type: none"> • identity with the enterprise • employees' multi-profile (wide qualification) • teamwork
<p>(3A) Orientation to cooperation</p> <ul style="list-style-type: none"> • management by objectives • control of final results • cooperation between departments 	<p>(3B) Orientation to formality</p> <ul style="list-style-type: none"> • written instruction • formal relations • standardised information transmission
<p>(4A) Orientation to manager/subordinate cooperation</p> <ul style="list-style-type: none"> • involvement of subordinates in decision-making processes • manager - leader • delegation of task 	<p>(4B) Orientation to autocratic management</p> <ul style="list-style-type: none"> • hierarchic relationship between the manager and subordinate • subordinate as executor • control of work process
<p>(5A) Orientation to openness</p> <ul style="list-style-type: none"> • focus on external requirements • friendly attitude to changes • flexibility 	<p>(5B) Orientation to seclusion</p> <ul style="list-style-type: none"> • focus on internal factors • avoidance of risk
<p>(6A) Orientation to activity</p> <ul style="list-style-type: none"> • development of future competences • readiness to learn • innovation 	<p>(6B) Orientation to passivity</p> <ul style="list-style-type: none"> • financial compensation as the main stimulator • passive observance of the events
<p>(7A) Orientation to personal needs, family</p> <ul style="list-style-type: none"> • family • health • leisure time 	<p>(7B) Orientation to work</p> <ul style="list-style-type: none"> • career • professional development • obligations at work
<p>(8A) Orientation to motivation</p> <p>focus on</p> <ul style="list-style-type: none"> • application of your own potential • promotion possibility • self-respect and achievements 	<p>(8B) Orientation to hygiene factors</p> <p>focus on</p> <ul style="list-style-type: none"> • salary • social guaranties, security feeling • good working conditions

Based on the theoretical model, the research methodology was prepared to identify cultural similarities and differences in four European countries.

2. Research methodology

According to Thomas (2002), many studies on intercultural management issues suffer from the following shortcomings because they:

- lack surveys in eastern European countries;
- have analysed only big organisations;
- have analysed only one level of respondents (managers or staff).

This study has tried to avoid these shortcomings.

A pilot study on cultural values in business was conducted as a Leonardo da Vinci project in four European countries (Greece, Spain, Lithuania and Austria). Medium-sized national business enterprises (50-250 employees according to the EU classification) were surveyed. In Greece, Spain and Austria, 50 questionnaires were distributed to managers and 100 to subordinates. In Lithuania, 100 questionnaires were distributed to managers and 400 among subordinates. The research has been explorative.

The survey was of 32 national business enterprises and there were 455 respondents: in Austria 14 managers and 30 subordinates (8 enterprises), in Lithuania 72 managers and 298 subordinates (10 enterprises), 15 managers and 21 subordinates (10 enterprises) in Spain and 34 managers and 71 subordinates in Greece (4 enterprises).

Return quotas in Austria and Spain were 21-30 % and could be defined as low. In Greece and Lithuania they were 68-71 % and could be defined as high. Some 90 % of the surveyed enterprises were medium-sized enterprises.

The applied research methodology is universal and suitable to all enterprises, irrespective of their type and field of activity. Narrowing down surveyed enterprises to selected sectors should help reduce distortions of the results related to generalising conclusions in each country. Sewing and textile, furniture and food industries were chosen due to their presence in the countries participating in the research.

Dependence of the results on a single organisational level of respondents' answers is avoided (that is the third drawback indicated by Thomas (2002)). To identify the business cultural values in European enterprises (see Table 1) two questionnaires were developed, one for managers and another for subordinates. The managers questionnaires asked about behaviour of subordinates and subordinates were asked about the management system including manager behaviour. The research aimed to present an objective and exhaustive attitude to cultural values in various enterprises. Four examples of statements are presented in Table 2.

Table 2: **Examples of questions**

	Orientation to seclusion	Orientation to activity
Question to a manager	Subordinates follow the principle: 'managers' task is to think, subordinates' task is to carry out'	Employees willingly share their knowledge and experience
Question to a subordinate	Managers follow the principle: 'employees' task is to carry out the managers' orders'	Knowledge and experience sharing is encouraged in the enterprise

Five statements to seven first orientations were formulated, providing three possible answers: 'Yes, agree', 'Partially agree', 'No, disagree'. Researching motivation orientation, ten motivation factors were to be ranked. This allowed motivational factors to be arranged according to their importance. Analysis of descriptive statistics was used for describing research results. The differentiation of business cultural values in different countries was checked by applying Mann-Whitney criteria.

3. Business cultural values in four European countries: the results of a pilot study

The differentiation of business cultural values is presented in Table 3. A significance level of 0.05 was chosen to check the hypotheses. The hypotheses about equality were rejected (differences were considered statistically more important and reliable) when packet p_value did not exceed 0.05.

Table 3: The differentiation of business cultural values *

	1A	1B	2A	2B	3A	3B	4A	4B	5A	5B	6A	6B	7A	7B	8A	8B
managers' viewpoint																
Austria – Greece	0.062	0.626	0.695	0.717	0.043*	0.002*	0.299	0.729	0.182	0.107	0.311	0.236	0.043*	0.002*	0.269	0.269
Austria – Lithuania	0.003*	0.135	0.764	0.120	0.100	0.512	0.078	0.416	0.169	0.188	0.813	0.005*	0.100	0.512	0.120	0.092
Austria – Spain	0.033*	0.788	0.100	0.002*	0.172	0.983	0.505	0.198	0.170	0.122	0.982	0.081	0.172	0.983	0.001*	0.002*
Greece – Lithuania	0.054	0.150	0.919	0.028*	0.457	0.000*	0.001*	0.649	0.839	0.000*	0.430	0.496	0.457	0.000*	0.571	0.466
Greece – Spain	0.390	0.491	0.620	0.002*	0.476	0.001*	0.948	0.210	0.026*	0.003*	0.374	0.002*	0.476	0.001*	0.001*	0.000*
Lithuania – Spain	0.500	0.128	0.582	0.000*	0.279	0.517	0.051	0.078	0.010*	0.839	0.712	0.000*	0.043*	0.002*	0.269	0.269
subordinates' viewpoint																
Austria – Greece	0.088	0.037*	0.072	0.228	0.029*	0.005	0.003*	0.602	0.609	0.000*	0.189	0.050	0.029*	0.005*	0.002*	0.003*
Austria – Lithuania	0.019*	0.115	0.144	0.261	0.032*	0.972	0.006*	0.921	0.015*	0.049*	0.316	0.000*	0.032*	0.972	0.001*	0.001*
Austria – Spain	0.823	0.170	0.310	0.938	0.056	0.343	0.516	0.316	0.376	0.151	0.832	0.922	0.056	0.343	0.588	0.402
Greece – Lithuania	0.000*	0.000*	0.000	0.002*	0.516	0.000*	0.000*	0.482	0.000*	0.000*	0.000*	0.180	0.516	0.000	0.942	0.474
Greece – Spain	0.031*	0.862	0.665	0.463	0.762	0.001*	0.005*	0.451	0.242	0.141	0.425	0.108	0.762	0.001*	0.158	0.380
Lithuania – Spain	0.073	0.011*	0.025*	0.362	0.900	0.166	0.194	0.230	0.324	0.304	0.289	0.006*	0.900	166	0.171	0.325

(*) differences are statistically significant when $p_value \leq .05$ (Bühl. Zöfel. 2000).

It is obvious that the managers' opinions about behaviour of subordinates differ in Greece and Lithuania, and Greece and Spain, as well as subordinates' opinions about the management system in Austria and Greece, and Austria and Lithuania, Greece and Lithuania (more than 4 dimensions with $p_value \leq .05$). All respondents' opinions coincided only while evaluating the orientation to autocratic management ($p_value > .05$, see column 4B).

Results of the pilot study in detail are shown in annex. Each dimension of cultural values is derived from five questions; therefore the mean, standard deviation and variance of each dimension (see Table 4 in the annex) as well as the pattern of distribution of the answers to each question (see tables 5 to 18) are presented. Means of each cross cultural values dimension are displayed in Table 4. They range from 1.74 to 2.67 (1A-7B). Insignificant differences between dimension poles are conditioned by the expression of inequality of dimensions characterising different features. This is shown by the dispersion of features characterised by standard deviation, approximately from 0.22 to 0.81 (1A-7B). Summarising, we focus on some statements, where the highest differentiation of business cultural values or attitude concurrence occurred.

While talking about *human relationship and business-like efficiency* dimensions, there is considerably higher orientation neither to the one nor to the other dimension in all countries. Minimal emphasis on human relationship and business-like efficiency dimensions is visible in Lithuanian managers' and

subordinates' answers. One of the statements about orientation to human relationship was evaluated rather negatively by both managers and subordinates from Greece, Spain and Lithuania – most respondents emphasised that enterprises do not have their own traditions of leisure time activities and they are not encouraged. With regard to orientation to human relationship, indications that were evaluated as the most positive ones in opinions of managers and subordinates from Austria and Greece coincided. Most stated that informal discussions among managers and subordinates take place in their departments for example during the coffee breaks, where problems related to work issues and personal matters are discussed.

Austrian and Greek managers and subordinates, as well as Spanish and Lithuanian managers especially stressed one indication of orientation to business-like efficiency, namely creation of technical-organisational conditions to successful task fulfilment.

Collectivism and individualism coordination is visible from similar means per country of these dimensions. Managers' opinions about the features of individualism in their organisations coincided. However it should be noted that employees' responsibility (except in Spain) and innovative ideas were rated rather low. It was also acknowledged that employees' individual achievements were not fully evaluated in the compensation system. Employees also stated that taking responsibility or presenting innovative ideas is not highly encouraged. Respondents from all countries mostly agreed with the individualism statement that subordinates have their own opinion and express it. All managers and subordinates, except Austrians, emphasised one collectivism feature – the ability to replace colleagues. Austrian and Spanish managers highly rated subordinates' desire to work in teams, while subordinates stressed the high level of mutual assistance among employees.

Cooperation and formality. Orientation to cooperation is lowest in Lithuania. It should be noted that opinions of Lithuanian managers and subordinates coincided over poor cooperation among departments in the process of problem solving. This statement was also rated the lowest by Austrian and Greek subordinates. Spanish managers rated the orientation to cooperation in their enterprises the highest. They mentioned good vertical and horizontal transmission of information. All respondents, except Austrians and Lithuanian managers, stressed that the position taken in the company, plays a significant role. Subordinates in surveyed enterprises in Lithuania and Austria, but in particular in Greece emphasised a big difference in salaries between different subordinate levels or between managers and subordinates.

Summarising we can state an average orientation both to cooperation and formality in Austrian enterprises. Orientation to formality is higher in Greece. Compared to other countries it has the highest scores. In accordance with the respective indices, Spanish and Lithuanian managers emphasised cooper-

ation manifestations, while subordinates stress formality manifestations. It can be explained by subjectivity, when managers strive to show the best characteristics in their opinions, while subordinates evaluate it critically.

Orientation to *leader and subordinate cooperation* as well as orientation to *autocratic management* are in parallel in all surveyed enterprises. However, this can be explained by the wide range of the research results. While talking about orientation to leader and subordinate cooperation, most subordinates from Lithuania and Austria rated the attempt of managers to encourage employees to seek better results while fulfilling new tasks as low. It might seem paradoxical, but most Lithuanian managers agreed that employees need encouragement from managers to take a new task and to strive for better results. This illustrates that managers, while identifying a situation, often do not take change actions. When evaluating orientation to autocratic management, features in opinions of most managers coincided in all countries. Managers agreed that the quality of work and results are better when the work process is under control. Subordinates in Lithuania mostly agreed that a manager's opinion is always final, while subordinates in Spain acceded least.

While summarising orientation to *openness* and *seclusion* dimensions, managers from all countries regard favourably orientation to openness. However, measures to encourage openness are evaluated critically by subordinates, who agree with seclusion features. It is noteworthy that Lithuanian enterprises could be considered an exception, as they show the lowest orientation to openness and the highest to seclusion. Two of the lowest rated issues are that subordinates are not interested in the changes of new technology and modern forms of work organisation, while according to subordinates' opinion, managers do not provide the possibilities to get acquainted with changes. Friendly attitudes to changes in the enterprise and orientation to external requirement and clients' needs have been highly rated in the context of openness, however the orientation to openness is much lower than that to passivity.

Activity and passivity. Comparing the results, it should be noted that many Lithuanian respondents give priority to passivity, while the orientation to activity has been rated low. The general conclusion about passivity could be drawn, namely that, according to managers, employees are passive and the only means of stimulation is financial. Moreover, managers consider control the main driver of effectiveness. This manifests a high lack of confidence. Employees, in their turn, hold that managers follow the principle 'employees' task is to carry out the managers' orders'.

However, all managers emphasise subordinates' willingness to share their experience and learn from each other.

Greek, Spanish, Lithuanian and Austrian managers are of the same opinion as far as *personal needs* are concerned. Greek managers demonstrate higher orientation to *work*, especially emphasising career importance: re-

sponsibility and commitment to work, for example working more hours if it is necessary. Subordinates from all countries except Lithuania agree that orienting only to work makes life pass by.

Both managers and subordinates pay more attention to *hygiene factors* (two of the most motivating factor are salary and good working conditions) than to *motivation factors* (Table 11).

4. Discussion

Overall, the research, despite its explorative nature, has shown differences in business cultural values. Kreikebaum (1998) notices that the behaviour of leaders and staff depends on organisational culture and the country's cherished values. It is natural that prevailing values in Lithuanian enterprises have been singled out. The orientation to autocratic management has come to the fore. Orientations to human relationship, business-like efficiency, individualism, collectivism, cooperation, activity and openness have been rated lower. Business cultural values have been influenced by a planned economy and later by transitional economic conditions. Thus, it could be assumed that these processes have been of utmost importance for the attitudes of managers and employees to tasks, their solutions, changes and expansion. However, it should be noted that differences in attitudes have also been noticed in other countries as well. The culture of the country they are in contact with cannot be ignored. The higher the degree of cultural divergence, the higher the possibility of conflict.

According to the convergence versus divergence of cultural values there are two opposite views to the possibilities of cultural integration (Glase, 2000; Scholz, 2000; Czinkota, Ronkainen and Moffett, 2003; etc.). The first one deals with convergence theory and states that under the present conditions of market economy, globalisation and scientific-technical achievements, the development of enterprises in different countries is based on modern management and communication methods, and this eliminates cultural differences. Thomas (2000) presents the following argumentation of cultural convergence:

- (a) cultural factors have less influence on an organisation than economic and technological ones. Cultural differentiation, of course, exists at a certain level, however, it could be considered as variety in developed countries;
- (b) cultural convergence is especially strong when certain aspects develop uniformly in different countries.

The second view is based on the assumptions of divergence theory which states that cultural distinctions remain in the process of organisation development, and under the conditions of globalisation these differences become even more evident. One may even foresee the possibility of the assimilation

of formal enterprise management and communication structures. However, colleagues' behaviour as a cultural value remains unchanged.

Undoubtedly, changing environmental conditions influence the changes of cultural values, but these changes cannot be accomplished quickly, because values are conditionally stable. Some formation stages of expedient business cultural values can be singled out. First, it is important to be acquainted with business cultural values differences. According to Adler (2002), cultural blindness — choosing not to see cultural differences — limits our ability to benefit from diversity by precluding our ability to minimise problems caused by cultural diversity and maximising the potential advantages it offers. Second, is to understand the differences of business cultural values. Third, is to perceive which business cultural values are relevant and should be developed to increase enterprise international competitiveness.

Some aspects influencing the development of business cultural values can be distinguished. The tasks of higher education implementing basic and life-long education, and the role of an enterprise in developing the main guidelines on the formation of business cultural values.

As far as the differentiation of business cultural values is concerned, there may be some impediments that make it difficult for post-soviet countries to integrate into western European markets. Some limitations of the influence of higher education should be mentioned. For example, analysing the age structure of Kaunas University of Technology (Lithuania), it has been found that the average of professors' age is 61 years, associated professors' 51 years, and the general average of the pedagogical staff is 47 years. It might be assumed that the educational process in this university is highly influenced by the attitudes and views of the Soviet period. However, implementation of modern concepts of management and fostered business cultural values, such as collectivism, manager and subordinate cooperation, human relations principles differed a little from the spirit of the concepts. For example, manager-subordinate relationships have been developed through compulsory participation systems only formally engaging employees into the process of presenting and discussing suggestions, thus creating the illusion of participating in decision-making. A distorted perception of these concepts has been created and, moreover, the disbelief in their implementation and effectiveness. However, it should be acknowledged that the weakest aspect of scientific-pedagogical staff is the insufficient knowledge of foreign languages, limiting their range of vision, cooperation and possibilities to exchange experiences as well as the attractiveness of the institution itself for foreign students. Thus, the education system is not sufficiently open. The change of the system is indispensable to form basic attitudes to business cultural values and their differentiation so that they do not impede integration into international markets.

Convergence of business cultural values is very much dependent on enterprise policy. Purposeful education of business cultural values is a complex process including the need to get acquainted with these values in the enterprises of various countries as well as foreseeing the main guidelines of cultural values of a certain enterprise. This process should be left to itself. It is possible to single out some aspects that are considered very important in developing business cultural values of every enterprise. First, business cultural values should be clearly defined and presented to employees. Second, there should be designed study plans based on seminar activities supplying theoretical knowledge and practical information as well as discussing the importance of business cultural values and the difficulties in their development. Third, there should be created a system of support stimulating employees' interest.

Overall, European integration processes stipulate different cultural interaction. The rapid process of business cultural values convergence will depend on the ability of educational institutions to purposefully develop cultural values for an inter-European business area. Further, it will depend very much on the readiness of enterprises to accept new development trends and requirements as well as to create the levers ensuring systematic learning of the difference and importance of business cultural values.

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Annex – Tables 4 to 19

Table 4: Cross cultural values dimensions: number of cases (N); mean (MN). standard deviation (SD) according to managers (M) and subordinates (S) per country

Country	Position	Dimension	N	MN	SD	V. %	Dimension	N	MN	SD	V. %		
AT	M	Relationship (1A)	14	2.54	0.57	22	Business like efficiency (1B)	14	2.41	0.49	20		
	S		30	2.27	0.69	30		30	2.16	0.66	30		
EL	M		34	2.30	0.63	29		34	2.39	0.57	24		
	S		71	2.27	0.65	28		71	2.33	0.64	27		
ES	M		15	2.17	0.73	33		15	2.39	0.66	27		
	S		21	2.15	0.74	34		21	2.32	0.78	33		
LT	M		82	2.11	0.77	36		82	2.25	0.68	30		
	S		297	1.86	0.76	41		297	2.06	0.71	34		
AT	M		Individualism (2A)	14	2.35	0.49		21	Collectivism (2B)	14	2.38	0.53	22
	S			30	2.15	0.58		27		30	2.31	0.59	25
EL	M			34	2.32	0.65		28		34	2.37	0.56	24
	S			71	2.27	0.67		29		71	2.39	0.57	24
ES	M	15		2.36	0.66	28	15	2.67		0.46	17		
	S	21		2.23	0.66	29	21	2.32		0.71	31		
LT	M	82		2.18	0.65	30	82	2.13		0.63	29		
	S	297		1.93	0.70	36	297	2.17		0.71	32		
AT	M	Cooperation (3A)		14	2.21	0.43	19	Formality (3B)		14	2.27	0.51	22
	S			30	2.29	0.65	28			30	2.14	0.65	30
EL	M			34	2.11	0.69	32			34	2.44	0.50	20
	S			71	2.21	0.73	33			71	2.53	0.60	23
ES	M		15	2.35	0.63	26	15		2.16	0.64	30		
	S		21	2.01	0.74	36	21		2.31	0.81	35		
LT	M		82	2.06	0.66	32	82		2.12	0.70	33		
	S		297	1.99	0.71	36	297		2.28	0.67	29		
AT	M		Manager and subordinate cooperation (4A)	14	2.19	0.47	21		Autocratic management (4B)	14	2.08	0.42	20
	S			30	2.19	0.64	29			30	2.06	0.67	32
EL	M			34	2.38	0.66	27			34	2.26	0.63	27
	S			71	2.19	0.57	26			71	2.25	0.65	29
ES	M	15		2.15	0.66	30	15	1.92		0.58	30		
	S	21		2.15	0.63	29	21	2.01		0.76	38		
LT	M	82		2.21	0.69	31	82	2.27		0.63	28		
	S	297		2.08	0.71	34	297	2.29		0.66	28		
AT	M	Openness (5A)		14	1.99	0.46	23	Seclusion (5B)		14	2.07	0.26	12
	S			30	1.97	0.38	19			30	2.19	0.35	15
EL	M			34	2.27	0.40	17			34	2.19	0.34	15
	S			71	2.24	0.46	20			71	2.17	0.37	17

Country	Position	Dimension	N	MN	SD	V. %	Dimension	N	MN	SD	V. %		
ES	M		15	2.24	0.57	25		15	2.00	0.28	14		
	S		21	1.90	0.52	27		21	2.08	0.36	17		
LT	M		82	1.93	0.48	24		82	2.16	0.37	17		
	S		297	1.74	0.46	26		297	2.20	0.35	16		
AT	M		Activity (6A)	14	2.04	0.31		15	Passivity (6B)	14	2.16	0.28	13
	S			30	2.1	0.54		25		30	1.95	0.39	20
EL	M			34	2.24	0.42		18		34	2.14	0.35	16
	S			71	2.16	0.57		26		71	2.16	0.42	19
ES	M			15	2.07	0.43		20		15	2.2	0.44	20
	S			21	2.22	0.58		26		21	1.98	0.43	21
LT	M			82	1.94	0.45		23		82	2.42	0.32	13
	S			297	1.97	0.55		27		297	2.29	0.32	14
AT	M	Personal needs. family (7A)		14	2.33	0.31	13	Work (7B)		14	2.15	0.35	16
	S			30	2.47	0.34	13			30	2.14	0.44	20
EL	M			34	2.08	0.52	25			34	2.47	0.54	22
	S			71	2.24	0.49	21			71	2.39	0.46	19
ES	M		15	2.17	0.30	13	15		2.16	0.32	14		
	S		21	2.31	0.22	9	21		2.04	0.43	21		
LT	M		82	2.19	0.35	16	82		2.22	0.39	17		
	S		297	2.32	0.37	16	297		2.16	0.36	16		

N.B. Primary means range from 1 to 3: 'Yes, I agree' = 3. 'I partially agree' = 2. and 'No, I disagree' = 1.

Table 5: Relationship (percentage of answers)

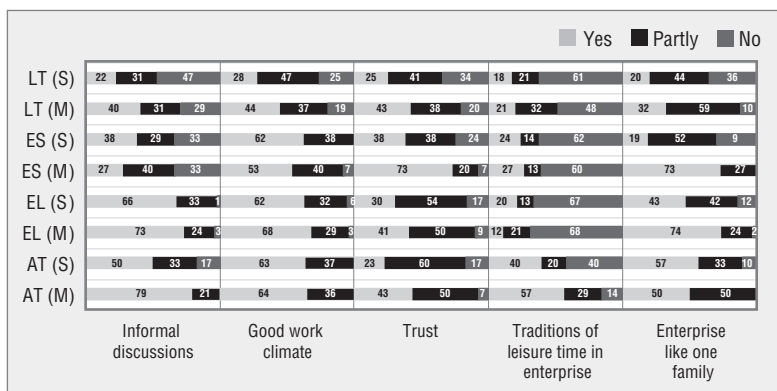


Table 6: Business like efficiency (percentage of answers)

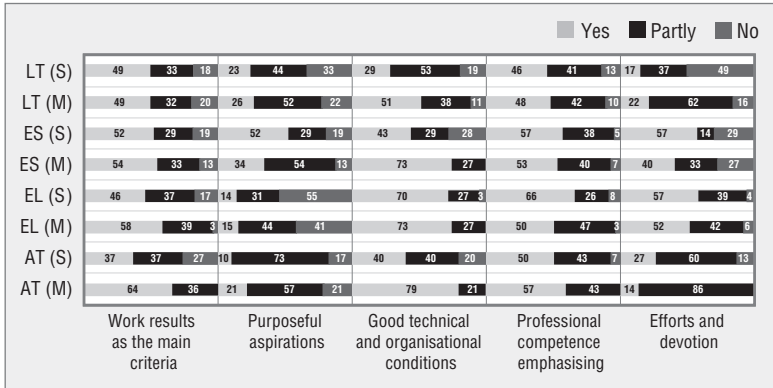


Table 7: Individualism (percentage of answers)

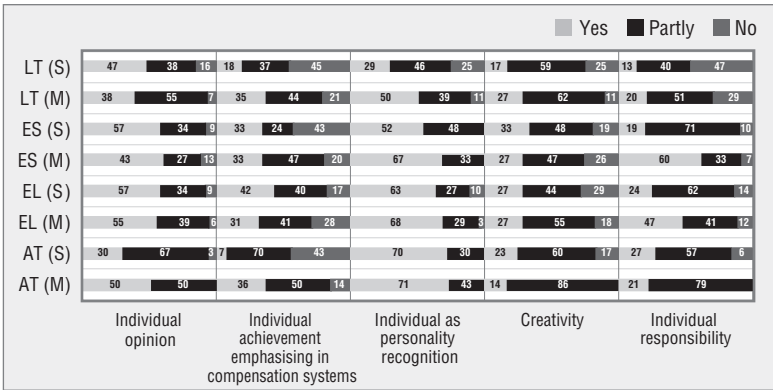


Table 8: Collectivism (percentage of answers)

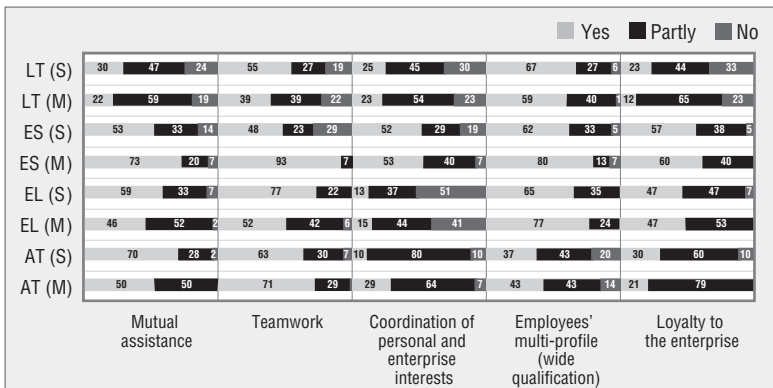


Table 9: Formality (percentage of answers)

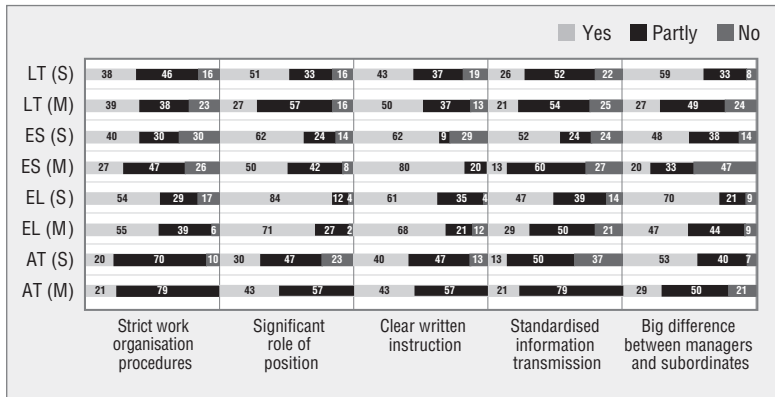


Table 10: Cooperation (percentage of answers)

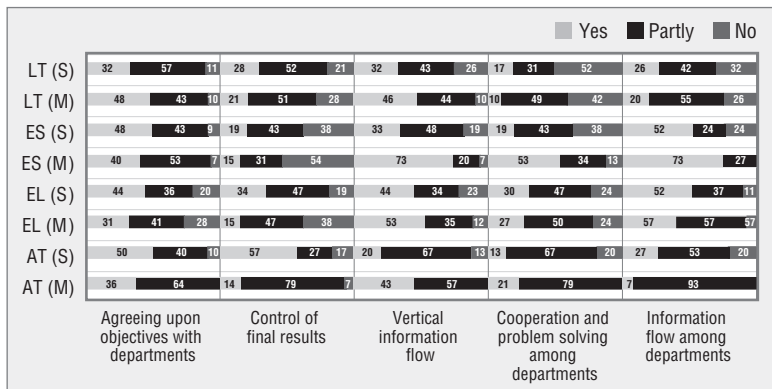


Table 11: Manager and subordinate cooperation (percentage of answers)

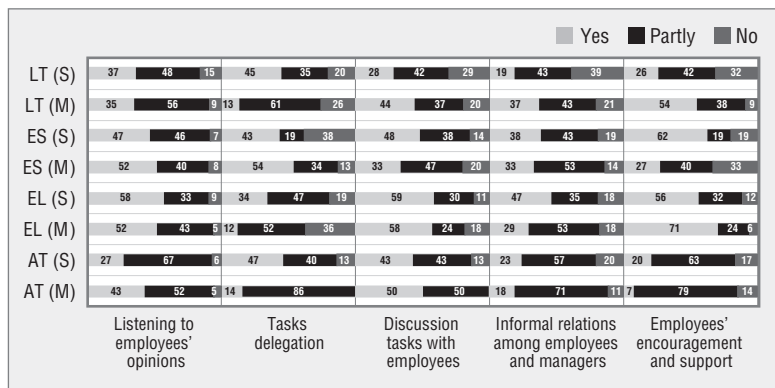


Table 12: Autocratic management (percentage of answers)

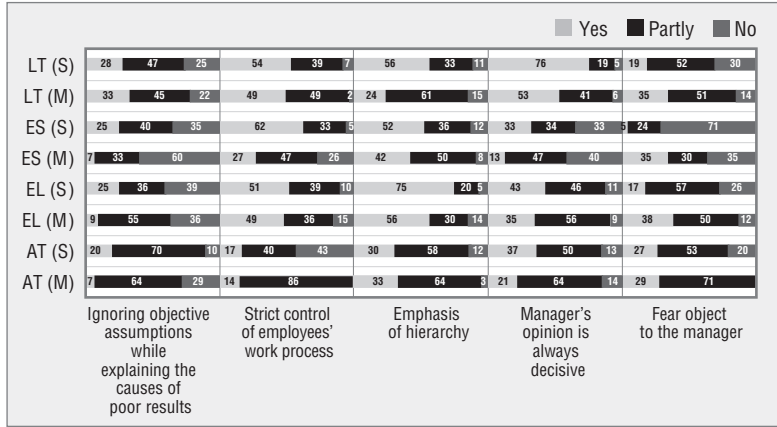


Table 13: Openness (percentage of answers)

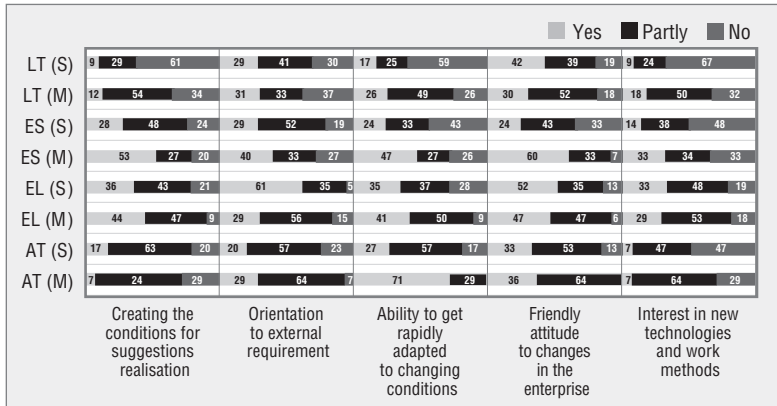


Table 14: Seclusion (percentage of answers)

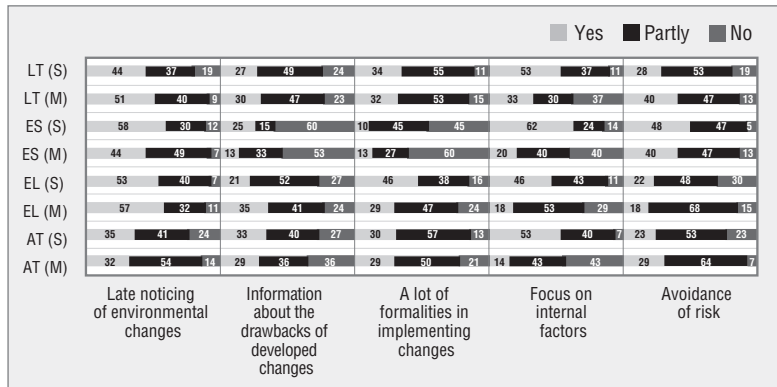


Table 15: Activity (percentage of answers)

	Yes			Partly			No								
LT (S)	23	40	37	39	36	25	39	36	25	28	32	41	34	45	21
LT (M)	13	61	26	38	48	15	38	48	15	9	59	33	26	52	22
ES (S)	48	33	19	53	33	14	29	43	28	38	48	14	38	43	19
ES (M)	27	40	33	53	40	7	73	20	7	53	40	7	27	47	26
EL (S)	37	45	18	46	29	25	44	39	17	33	49	17	43	46	11
EL (M)	30	64	6	53	38	9	27	53	21	27	65	9	44	47	9
AT (S)	30	33	37	30	53	17	27	53	20	37	47	17	40	40	20
AT (M)	14	79	7	36	64		86	14		29	64	7	57	36	
	Generation of new ideas			Exchange of experience and knowledge			Independent qualification development and learning			Active use of the possibility to learn			Active acceptance of new tasks		

Table 16: Passivity (percentage of answers)

	Yes			Partly			No								
LT (S)	71	23	6	20	49	31	42	41	17	66	26	8	47	49	4
LT (M)	37	54	10	39	39	22	76	17	7	77	22	1	47	50	3
ES (S)	30	45	25	10	33	57	47	10	43	19	57	24	43	49	8
ES (M)	33	20	47	40	33	27	67	13	20	33	60	7	37	35	28
EL (S)	46	39	15	27	41	32	56	31	13	51	39	10	27	54	19
EL (M)	27	39	33	24	47	29	82	18		29	47	24	29	59	12
AT (S)	47	43	10	23	30	47	13	50	37	17	50	33	26	64	10
AT (M)	7	64	29	29	57	14	36	64		36	57	7	19	64	17
	Subordinate as executor			Avoidance of changes			Work under control is more effective			Financial compensation as the main stimulator			Passive observance of events		

Table 17: Personal needs, family (percentage of answers)

	Yes			Partly			No								
LT (S)	39	47	15	33	47	20	41	43	17	45	44	11	65	33	2
LT (M)	30	51	19	22	43	35	35	54	11	45	39	16	52	42	6
ES (S)	67	29	14	53	33		20	45	35	68	28	4	71	29	
ES (M)	50	43	7	13	33	54	20	40	40	80	7	13	60	33	7
EL (S)	39	41	20	27	53	20	44	28	29	63	31	6	53	53	4
EL (M)	30	49	21	12	58	30	30	42	27	63	28	9	39	58	3
AT (S)	33	67		40	43	17	73	27		80	17	3	37	57	17
AT (M)	21	71	8	93	7		43	43	14	64	36		64	36	
	Personal life is more important than career			I assign more time to family and friends			Work is guarantee of material well-being but not the aim			Orienting only to work makes life pass by			Employer must pay attention to employee's health and personal matters		

Table 18: Work (percentage of answers)

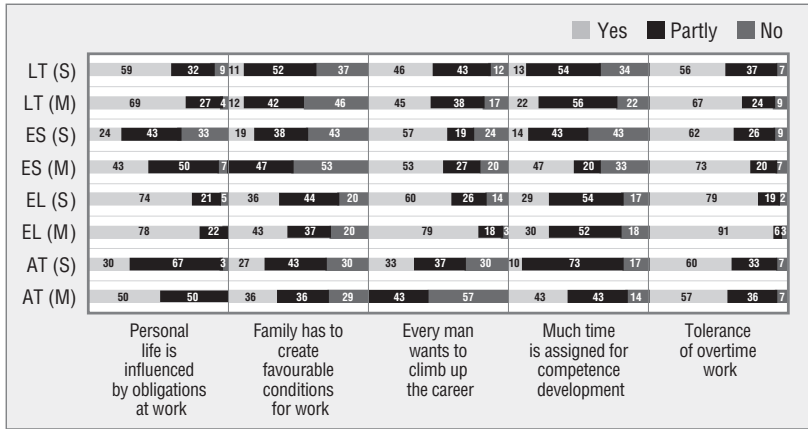


Table 19: Ranging of employees' stimulating factors

