

Dimensions of national culture

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University of Zagreb
Faculty of Economics and Business Zagreb

**DIMENSIONS OF NATIONAL CULTURE: EMPIRICAL
RESEARCH OF EU COUNTRIES**

Undergraduate thesis

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Course: Cross-Cultural Management

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Zagreb, June 2023

STATEMENT ON ACADEMIC INTEGRITY

I hereby declare and confirm with my signature that the undergraduate thesis is exclusively the result of my own autonomous work based on my research and literature published, which is seen in the notes and bibliography used.

I also declare that no part of the paper submitted has been made in an inappropriate way, whether by plagiarizing or infringing on any third person's copyright.

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A handwritten signature in blue ink, appearing to read "Nives Uđjak". The signature is written in a cursive style with a checkmark above the 'j'.

In Zagreb, 26th of June 2023

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1. INTRODUCTION

This paper will focus on analyzing cultural differences between two European Union countries, Croatia and Netherlands using Hofstede's approach. As this approach has become widely accepted and used both in academic and business environment, it is relevant for conducting cross-cultural research to obtain understanding of differences among national cultures.

1.1. Subject and goal of undergraduate thesis

Main goal of the thesis is to showcase the cultural differences of the two European Union countries through Hofstede's framework. Hofstede's survey is distributed among people with target nationalities. This will enable index level calculation for each cultural dimension. After obtaining index results for each dimension, it will be compared with Hofstede's own research results for those countries, and any differences in results will be commented on.

This research will give insight into the cultural difference among two EU countries (Croatia and Netherlands) and show how the specific results obtained are potentially different than Hofstede's results, namely because of different characteristics and sizes of samples used than in Hofstede's research, which will potentially give insight into how relative cultural differences are evolving over time and also the relative cultural difference between similar samples obtained at the same point in time.

1.2. Methods of collecting materials

To conduct this research, I used materials from trustworthy resources, such as academic literature, scientific articles, and web pages.

1.3. Content and structure of undergraduate thesis

This thesis is comprised of a total of five interconnected parts. The first part is an introduction in which the subject and goal of the thesis as well as structure and content are defined.

In the second part of the thesis entitled "Definition and appraisal of national culture", the various definitions and importance of national culture on doing business internationally will be discussed.

The third part entitled “Hofstede’s dimensions of national culture” will focus on detailed explanation of Hofstede’s framework for analyzing differences among cultures. It will begin with a formal definition of culture and then dimensions of culture as defined by Hofstede will be introduced and explained.

The fourth part, entitled “Empirical research of cultural differences between Croatia and Netherlands” will present the results and methodology of empirical research.

In the final, sixth part, entitled “Conclusion”, previously introduced material and the results of empirical research will be systematized.

At the end of the thesis, there is a list of used literature as well as the list of tables and graphs.

2. DEFINITION AND APPRAISAL OF NATIONAL CULTURE

Societies are significantly shaped by culture, which has an impact on people's attitudes, values, and beliefs. Culture is a broad notion which covers many facets of human existence, such as language, customs, traditions, norms, and social systems. Understanding the dimensions of national culture is essential for comprehending the intricate dynamics of different societies and their impact on various domains, such as business, politics, and interpersonal relationships.

National culture is an abstract concept, and as such it has been an interesting topic for many research who have shaped our understanding of the concept of national culture, and gave us the frameworks with which cultural differences can be empirically analyzed.

2.1. Definition of national culture

Conflicts occur frequently between individuals, communities, and countries who have different perspectives and ways of life. These individuals, communities, and national are simultaneously faced with issues that require collaboration to solve (Hofstede, G., Minkov, M., & Hofstede, G. J., 2010).

Numerous professionals in their respective fields have faced challenges in accurately delineating the essence of the concept known as "culture". Extensive examination of evidence from ethnology, sociology, psychology, and linguistics has led specialists in the exclusive domain of cultural anthropology to propose a multitude of interpretations for this particular term (Browaey's & Price, 2010).s

A greater interest in each culture's entirety has been sparked by the occupation with living culture. More and more people are coming to the conclusion that, when removed from its context, practically any cultural characteristic can be appreciated. The attempt to think of an entire culture as being governed by a single set of circumstances does not resolve the issue. Purely anthropo-geographical, economic, or approaches tended to distort the picture (Benedict, 1934).

Table 1: Diverse definitions of culture

<i>Topical</i>	“Culture consists of everything on a list of topics, or categories, such as social organization, religion and economy”
<i>Historical</i>	“Culture is social heritage, or tradition, that is passed on to future generations”
<i>Behavioral</i>	“Culture is shared, learned human behavior; a way of life”
<i>Normative</i>	“Culture is ideals, values, or rules for living”
<i>Functional</i>	“Culture is the way humans solve problems of adapting to the environment or living together”
<i>Mental</i>	“Culture is a complex of ideas, or learned habits, that inhabit impulses and distinguish people from animals”
<i>Structural</i>	“Culture consists of patterned and interrelated ideas, symbols, or behaviors”
<i>Symbolic</i>	“Culture is based on arbitrarily assigned meaning that are shared by a society”

Source: (Bodley, 1994, as cited in Browaeys & Price, 2010)

Recognizing the varied nature of cultures, a crucial facet of culture is its universal acquisition through learning, in various manifestations. Culture is not an inherent characteristic passed down to individuals, but rather a collection of norms, anticipations, and principles – an acquired cognitive framework acquired within social environments (Browaeys & Price, 2010).

The Geert Hofstede definition of national culture is one that is most frequently used. Because it is at least partially shared with those who currently or previously reside in the same social milieu, where it was learnt, it is said that culture is always a collective phenomena. The unspoken rules of the social game make up culture. The differentiation between numbers of a particular group or category is discernible through the shared mental programming they possess (Hofstede, G., Minkov, M., & Hofstede, G. J., 2010).

Consequently, culture emerges as a common thread among the vast majority, if not all, individuals within a given social group – an inheritance transmitted from older to younger generations – a force that influences behavior and molds one’s perception of the world (Adler, Gundersen, 2008).

Occupational cultures pertain to the distinct cultures observed within different professional groups, including but not limited to doctors, lawyers, accountants, and skilled artisans. Irrespective of the specific organization of employment, occupation cultures encompass the norms, values, convictions, and anticipated conduct exhibited by individuals within the same occupational category (Cullen & Parboteeah, 2014).

2.2. Elements and layers of national culture

Groups have a significant influence on how people identify. This means that individuals' perceptions of who they are, what kind of people they are, and how they connect to others are in large part influenced by the groups they feel they belong to (Hogg & Abrams, 2006).

Hofstede defined the elements of culture as its abstract parts. This enables more detailed study and understanding of building blocks of culture. Those elements are organized within different groups which are common to all cultures and on which cultures are based on.

Hofstede's analysis reveals that cultural elements encompass symbols, heroes, rituals, and ideals. This model often represents these components metaphorically as layers of an onion, illustrating that symbols occupy the outermost layer while values constitute the most profound manifestation of culture, with heroes and rituals situated between them (Hofstede, G., Minkov, M., & Hofstede, G. J., 2010, p.7).

Explicit culture can be shown in the language, food, architecture, buildings, monuments, agriculture, shrines, marketplaces, clothes, and visual arts. They are symbols stand for a more complex and level of culture. Prejudices typically begin on this symbolic level. We must never lose sight of the fact that any judgements we make about explicit culture usually reveals more about our own backgrounds than they do about the group we are criticizing (Trompenaars, 1997).

Within a culture, heroes embody esteemed qualities and serve as inspirational figures, whether in reality or in a myth, regardless of their existence or status. Rituals, though not strictly essential for achieving goals, hold communal significance within a society, thus they are conducted for their intrinsic value. Examples of such rituals encompass acts of greeting, demonstrating respect, and engaging in social or religious customs. Collectively known as "practices", symbols, heroes, and rituals are evident to external observers; yet, their cultural significance remains veiled, only

unveiled through the interpretation of these practices by insiders (Hofstede, G., Minkov, M., & Hofstede, G. J., 2010).

The rules, and beliefs of a community or a group are communicated to its members through cultural symbols, stories, and rituals. Through particular symbols, myths, and rituals, each generation transmits its culture to the succeeding one. When people participate in particular rituals, hear particular stories, and see particular symbols, a culture is consistently reinforced (Cullen & Parboteeah, 2014).

Values and habits are acquired early in life. Humans are extremely underprepared for survival at birth in comparison to the majority of other species. Thankfully, our psychology allows us to quickly and generally unconsciously acquire the knowledge we need from our environment during a receptive period of about ten to twelve years. It also includes rituals, heroes, symbols, and, most importantly, our core beliefs. After this time, we progressively transition to a new, conscious mode of learning that places a greater emphasis on new activities. (Hofstede, G., Minkov, M., & Hofstede, G. J., 2010).

The student of values is just as susceptible to being subjected to value judgements as anyone else. We must, therefore, make a distinction between a deontological approach, which belongs to ethics, ideology, or theology, and a phenomenological examination of values, which is a field of social science. However, even in purely phenomenological research, the researcher's values greatly influence how they see, describe, categorize, explain, and forecast reality (Hofstede, 2001).

The core ideas, ideals, and values that define a country's identity are reflected in its cultural values, which are an essential component of the fabric of that particular country's culture. Language, conventions, traditions, religious practices, art, literature, and social standards are just a few of the many components and layers that make up national culture. These components work together to build a society's cultural values. A person's understanding and interpretation of the world are framed by cultural values, which also direct behavior, interaction, and decision-making within a specific cultural environment. These principles frequently place an emphasis on collective identity, encouraging a sense of community and social cohesion among neighbors, building unanimity, and bolstering national unanimity.

2.3. Cross-cultural management

Cross-cultural can be used broadly to refer to any form of comparison of different cultures in both ordinary speech and anthropology (Ember & Ember, 2009).

The primary objectives of cross-cultural psychology revolve around comprehending the disparities among individuals originating from diverse cultural backgrounds, as well as recognizing the communalities shared by all individuals (Hills, 2002).

Every culture on the globe has a unique perspective on topics like authority, bureaucracy, creativity, good fellowship, verification, and responsibility. Since we use the same language to explain our cultural prejudice and conventional behavior, we are frequently unaware that they may not be suitable or shared (Trompenaars, 1997).

Businesses and people from both the old and new economies are starting to view the entire world as a potential source of commercial opportunity. In today's increasingly interconnected and globally interwoven economy, companies engage in business and competition without regard to national borders. The emergence of new multinational corporations, capable of rivaling long-standing global enterprises, is a widespread phenomenon. In this global economy, any business or individual, irrespective of their nationality, possesses the opportunity to participate and compete. The internet further enables even the smallest enterprises to instantaneously expand their reach on an international scale. Consequently, businesses can no longer assume that success solely within their domestic markets guarantees sustained profitability in the long run. (Cullen & Parboteeah, 2014).

Cross-cultural management provides an explanation for human behavior in global businesses and offers guidance on how to function in environments with multicultural staff and clients. Enhancing interactions among colleagues, supervisors, clients, suppliers, and collaborative associates hailing from diverse nations and cultures constitutes the core objective of cross-cultural management. This field of study further elucidates the intricacies of organizational behavior within specific countries and cultures, while facilitating comparative analyses of organizational behavior across different nations and cultures. (Adler & Gundersen, 2008).

A group's first source of the beliefs and values that spur it to action in the face of both internal and external challenges is its leadership. If the ideas that leaders propose are successful and continue to be successful, what were once merely the leader's thoughts gradually become accepted truths. A set of fundamental presumptions that the group as a whole and each individual member can employ as a result of this procedure can be produced. It is feasible to argue that management and administration function within a culture, whereas leadership creates and transforms cultures (Schein, 2004).

International managers have a significant impact on how competitively different nations are on the international stage. Due to their administrative background, managers' skills and biases will have a modest impact on plans and resource allocation (Katsioloudes & Hadjidakis, 2007).

Focusing on global strategies and management techniques from the perspective of people and culture is necessary to comprehend how national and ethnic cultures affect corporate performance (Adler & Gundersen, 2008).

Cross-cultural management is essential for developing successful communication and collaboration in heterogeneous teams. People from various cultural backgrounds provide distinct perspectives, information, and abilities to workplaces with a multicultural workforce. Managers can build a diverse and peaceful workplace that fosters collaboration and innovation by knowing cultural nuances including communication patterns, decision-making procedures, and conflict resolution techniques. Open communication, fewer misunderstandings, and increased team productivity are all benefits of effective cross-cultural management.

3. HOFSTEDE'S DIMENSIONS OF NATIONAL CULTURE

Geert Hofstede, a distinguished Dutch social psychologist and management scholar, gained widespread recognition for his seminal research on the constituents of national culture during the 1970s and 1980s. Initially focusing on IBM employees, his pioneering studies have exerted a profound impact on the field of cross-cultural management.

Hofstede defined six distinct dimensions of national culture through his vast research on employee attitudes and behaviors in many nations, which offers important insights into understanding cultural differences and their effects on enterprise and society.

His research served as the basis for the creation of frameworks and tools that aid in navigating the difficulties of cross-cultural relationships and enhancing cultural intelligence in people and organizations.

3.1. Main characteristics of Hofstede's approach

Social anthropology came to believe that all cultures, whether modern or traditional, face the same fundamental issues; the only difference is how each society chooses to address them. American anthropologists, particularly Margaret Mead and Ruth Benedict, were instrumental in making this message widely accepted.

The obvious next step was that social scientists made an effort to pinpoint the issues that were prevalent across all cultures through conceptual analysis, reflection on practical experiences, and statistical investigations.

They put forth the notion that certain subject matters can be considered fundamental and universal, influencing the functioning of species, specific groups within societies, and the individuals within those groups. These topics encompass:

- Dynamics of authority
- The interplay between the individual and society
- Perceptions of masculinity and femininity
- Approaches to conflict resolution, encompassing the regulation of aggression and the expression of emotions

Geert Hofstede was afforded the opportunity to analyze an extensive collection of survey data pertaining to the cultural values of individuals across over fifty distinct cultures. These individuals were employees stationed in regional branches of the multinational company, International Business Machines (IBM). While it may initially appear peculiar to employ workers from a multinational corporation, a highly distinctive demographic, to identify disparities in national value systems, this approach yields valuable insights. They were comparable in all ways except nationality; however they did not reflect nearly perfectly matched samples across nations. As a result, the effect of nationality disparities in their responses stood out especially strongly.

By conducting statistical analyses on the average responses regarding the values of IBM employees across different countries, shared concerns were identified. However, these concerns were accompanied by diverse approaches in addressing the aforementioned group functions.

The empirical discoveries remarkably encompassed the regions that Inkeles and Levinson had projected two decades earlier. The theoretical significance of these empirical findings was reinforced by the actualization of their predictions. It is expected that fundamental issues inherent to all human societies will be evident in diverse studies, irrespective of their methodologies.

The four fundamental problem areas identified by Inkeles and Levinson, as empirically revealed in the IBM research, serve as representations of cultural dimensions. A quantifiable aspect of culture, when compared to other cultures, is referred to as a dimension.

In the following parts of this thesis, a detailed explanation of every dimension will be provided.

3.2. Power distance

Numerous perspectives concerning the fundamental matter of human inequality are intertwined with the concept of power distance. Power distance entails the degree to which individuals with less authority within organizations and institutions (such as the family) acknowledge and anticipate an unjust distribution of power. This notion elucidates the presence of inequality, where the disadvantaged are positioned below, rather than above. It implies that a society's level of inequality is sustained by the leaders as well as the followers. Undoubtedly, power and inequality serve as intrinsic components of any society. While variations exist among cultures, certain cultures exhibit more pronounced disparities than others. (Hofstede, 2011).

Table 2: Ten differences between small and large power distance societies

Small power distance	Large power distance
“Use of power should be legitimate and is subject to criteria of good and evil”	“Power is a basic fact of society antedating good or evil: Its legitimacy is irrelevant”
“Parents treat children as equals”	“Parents teach children obedience”
“Older people are neither respected nor feared”	“Older people are both respected and feared”
“Student-centered education”	“Teacher-centered education”
“Hierarchy means inequality of roles, established for convenience”	“Hierarchy means existential inequality”
“Subordinates expect to be consulted”	“Subordinates expect to be told what to do”
“Pluralist governments based on majority vote and changed peacefully”	“Autocratic governments based on co-optation and changed by revolution”
“Corruption rare; scandals and political careers”	“Corruption frequent; scandals are covered up”
“Income distribution in society rather even”	“Income distribution in society very uneven”
“Religious stressing equality of believers”	“Religions with a hierarchy of priests”

Source: Hofstede, G. (2011). *Dimensionalizing Cultures: The Hofstede Model in Context*. Online Readings in Psychology and Culture, Unit 2. Retrieved from <http://scholarworks.gvsu.edu/orpc/vol2/iss1/8>, p. 9

In nations characterized by a significant level of power distance, organizations implement management practices and methodologies that prioritize hierarchical structures. In such high power distance cultures, individuals with privileged upbringings or esteemed educational backgrounds are typically considered ideal candidates for managerial roles. These traits establish the individual as possessing the inherent or inborn attributes of a leader. Performance in the past is less significant than who you are in terms of elite relationships. Leaders and followers anticipate significant pay gaps between management and employees (Cullen & Parboteeah, 2014).

In Hofstede’s IBM survey, the power distance index was composed using three survey items. Nonmanagerial employees were asked to rate the frequency of a specific problem related to how often do employees fear expressing disagreement with their managers. Subordinates were asked to assess their perception of their boss’s decision-making style. They had to choose between four possible styles (autocratic, paternalistic, consultative, or based on majority vote (Hofstede, G., Minkov, M., & Hofstede, G. J., 2010).

Hofstede’s power distance dimension offers important insights into the cultural differences in societal attitudes regarding hierarchical authority. It emphasizes how much people expect and tolerate power imbalances in their social institutions. It stresses how crucial it is to take power dynamics into account when collaborating or dealing with people from various cultural backgrounds.

3.3. Individualism-collectivism

Collectivism, a societal characteristic rather than an individual one, pertains to the level of integration among members within a society. It stands in contrast to individualism and functions as its antithesis. On the individualist side of the continuum, certain societies exhibit weaker interpersonal bonds, and individuals are expected to prioritize their own interests and those of their immediate family. Conversely, on the collectivist end, civilizations foster strong, cohesive in-groups, typically extended families comprising grandparents, uncles, and aunts, who provide continuous support in exchange for unwavering loyalty while opposing other competing in-groups. (Hofstede, 2011).

Table 3: Ten differences between individualist and collectivist societies

Individualism	Collectivism
“Everyone is supposed to take care of him- or herself and his or her immediate family only”	“People are born into extended families or clans which protect them in exchange for loyalty”
“I – consciousness”	“We – consciousness”
“Right of privacy”	“Stress on belonging”
“Speaking one’s mind is healthy”	“Harmony should always be maintained”
“Others classified as individuals”	“Others classified as in-group or out-group”
“Personal opinion expected: one person one vote”	“Opinions and votes predetermined by in-group”
“Transgression of norms leads to guilt feelings”	“Transgression of norms leads to shame feelings”
“Languages in which the word ‘I’ is indispensable”	“Languages in which the word ‘I’ is avoided”
“Purpose of education is learning how to learn”	“Purpose of education is learning how to do”
“Task prevails over relationship”	“Relationships prevails over task”

Source: Hofstede, G. (2011). Dimensionalizing Cultures: The Hofstede Model in Context. Online Readings in Psychology and Culture, Unit 2. Retrieved from <http://scholarworks.gvsu.edu/orpc/vol2/iss1/8>, p. 11

Collectivist norms, values, and beliefs are more prevalent in nations with low levels of individualism, and they have an impact on many managerial practices. In collectivist settings, employers frequently choose managers who are a part of their preferred groups. The preferred group is typically the extended family and their acquaintances. It becomes more crucial to be a family member or someone the family knows than to have specific qualifications (Cullen & Parboteeah, 2014).

Hofstede's individualism-collectivism dimension illuminates how different cultures place different amounts of emphasis on individual autonomy versus social interdependence. It aids in our comprehension of the social norms, cultural values, and social behaviors that influence people's identities and interpersonal interactions.

This dimension emphasizes how crucial it is to take cultural differences in individuality and collectivism into account while negotiating cross-cultural relationships and cooperation. It aids in creating cultural awareness and effective cross-cultural interaction.

3.4. Masculinity-femininity

Cultural expectations pertaining to gender roles vary across societies. Men and women undergo distinct socialization processes and assume diverse roles in virtually all cultures. Extensive research indicates that male socialization tends to emphasize achievement, drive, and self-sufficiency across the majority of cultural contexts. Conversely, women are typically socialized to prioritize responsibility and nurturing (Cullen & Parboteeah, 2014).

Different behaviors are regarded as feminine or masculine in traditional and modern societies, respectively. The distribution of men and women among different professions is where this is most obvious. In Russia, Belgium, and areas of West Africa, women predominate in the medical and dental fields as well as in retail management. In Pakistan, men predominate among typists, while they make up a large portion of nurses in the Netherlands. In Japan, there are hardly any female managers, although they are common in the Philippines and Thailand (Hofstede, G., Minkov, M., & Hofstede, G. J., 2010).

The concept of masculinity and its contrasting counterpart, femininity, can be regarded as societal attributes rather than individual characteristics. It pertains to the distribution of values among

genders, representing a fundamental issue for all societies with a range of possible solutions. The studies conducted by IBM revealed two key findings: (a) women's values exhibit comparatively less variation across societies in comparison to men's values, and (b) men's values demonstrate significant diversity across nations, ranging from highly assertive and competitive—displaying the greatest dissimilarity to women's values—to modest and caring—reflecting the closest similarity to women's values (Hofstede, 2011).

Table 4: Ten differences between feminine and masculine societies

Femininity	Masculinity
“Minimum emotional and social role differentiation between the genders”	“Maximum emotional and social role differentiation between the genders”
“Men and women should be modest and caring”	“Men should be and women may be assertive and ambitious”
“Balance between family and work”	“Work prevails over family”
“Sympathy for the weak”	“Admiration for the strong”
“Both fathers and mothers deal with facts and feelings”	“Fathers deal with facts, mother with feelings”
“Both boys and girls may cry but neither should fight”	“Girls cry, boys don’t; boys should fight back, girls shouldn’t fight”
“Mothers decide on number of children”	“Fathers decide on family size”
“Many women in elected political positions”	“Few women in elected political positions”
“Religion focuses on fellow human beings”	“Religion focuses on God or gods”
“Matter-of-fact attitudes about sexuality; sex is a way of relating”	“Moralistic attitudes about sexuality; sex is a way of performing”

Source: Hofstede, G. (2011). Dimensionalizing Cultures: The Hofstede Model in Context. Online Readings in Psychology and Culture, Unit 2. Retrieved from <http://scholarworks.gvsu.edu/orpc/vol2/iss1/8>, p. 12

When a society exhibits a higher degree of masculinity, it signifies that its corporate culture embraces conventional masculine ideals, such as a strong emphasis on advancement and financial gains. Masculinity, as a cultural element, reflects the overall tendency of a culture to prioritize traditional masculine traits. However, it is important to note that gender variations in values and attitudes still exist within each culture. (Cullen & Parboteeah, 2014).

In cultures with a higher degree of masculinity, workplace acknowledgment is widely recognized as a prominent driving force. Individuals in such cultures often devote extended periods to their work, exceeding the standard five-day workweek, and tend to take shorter vacations. Conversely, in societies characterized by lower levels of masculinity, work generally assumes a lesser significance. People prioritize quality of life and take more time off and longer vacations. There are a few exceptions. For instance, while employment is less important in the extremely masculine Mexican society, gender disparities are significant. It is a cultural ethic for people to “work to live” (Cullen & Parboteeah, 2014).

Hofstede's dimension of masculinity-femininity offers valuable perspectives on the variations in gender roles, beliefs, and behaviors within diverse cultural environments. It highlights the extent to which a society prioritizes conventional masculine characteristics, such as assertiveness and competition, in contrast to traditional feminine traits like cooperation and compassion. This dimension aids in our comprehension of how cultural expectations affect social roles, work-life balance, and gender equality. It highlights how crucial it is to accept and acknowledge the many cultural perspectives on gender. Overall, this dimension helps to promote gender equality, awareness, and inclusivity while also creating fruitful cross-cultural encounters.

3.5. Uncertainty avoidance

Excessive anxiety arises from profound uncertainty, prompting various human communities to devise remedies for alleviating such fears. These remedies encompass a range of practices encompassing the realms of law, technology, and religion. From the simplest to the most advanced forms, technology aids individuals in mitigating uncertainties arising from the natural world. Laws and regulations work to prevent ambiguities in other people's behavior. Religion is a technique of connecting to the transcendental powers through to be in charge of determining each person's future. Certain belief systems offer the ultimate reassurance of an existence beyond death or achieving victory over adversaries, whereas others provide solace to followers in embracing the uncertainties that are beyond one's ability to shield oneself from. (Hofstede, G., Minkov, M., & Hofstede, G. J., 2010).

Differentiating between risk avoidance and uncertainty avoidance lies in the cultural capacity to tolerate ambiguity. It exemplifies the extent to which a society instills comfort or unease among

its members when faced with spontaneous circumstances. Unstructured situations encompass the unusual, unexpected, and out-of-the-ordinary scenarios. Cultures that aim to minimize uncertainty strive to mitigate the likelihood of such occurrences by imposing stringent moral codes, establishing legal frameworks, discouraging alternative perspectives, and adhering to the belief that a singular truth exists, which is the one currently embraced (Hofstede, 2011).

Table 5: Ten differences between weak and strong uncertainty avoidance societies

Weak uncertainty avoidance	Strong uncertainty avoidance
“The uncertainty inherent in life is accepted and each day is taken as it comes”	“The uncertainty inherent in life is felt as a continuous threat that must be fought”
“Ease, lower stress, self-control, low anxiety”	“Higher stress, emotionality, anxiety, neuroticism”
“Higher scores on subjective health and well-being”	“Lower scores on subjective health and well-being”
“Tolerance of deviant persons and ideas: what is different is curious”	“Intolerance of deviant persons and ideas: what is different is dangerous”
“Comfortable with ambiguity and chaos”	“Need for clarity and structure”
“Teachers may say they don’t know”	“Teachers supposed to have all the answers”
“Changing jobs no problem”	“Staying in jobs even if disliked”
“Dislike of rules – written or unwritten”	“Emotional need for rules – even if noy obeyed”
“In politics, citizens feel and are seen as competent towards authorities”	“In politics, citizens feel and are seen as incompetent towards authorities”
“In religion, philosophy and science: relativism and empiricism”	“In religion, philosophy and science: belief in ultimate truths and grand theories”

Source: Hofstede, G. (2011). Dimensionalizing Cultures: The Hofstede Model in Context. Online Readings in Psychology and Culture, Unit 2. Retrieved from <http://scholarworks.gvsu.edu/orpc/vol2/iss1/8>, p. 10

Based on empirical studies, individuals residing in societies that exhibit aversion to uncertainty often display heightened emotional responses and are driven by a sense of anxious energy. In contrast, cultures that embrace uncertainty tend to foster a more flexible approach with fewer rigid regulations. They adopt an empirical and relativistic outlook, accommodating diverse philosophical and theological perspectives in coexistence. Moreover, they exhibit greater openness towards dissenting opinions. Such societies discourage excessive emotional expression, favoring a more composed and reflective demeanor (Hofstede, 2011).

The concept of uncertainty avoidance pertains to the social norms, values, and beliefs surrounding the acceptance of ambiguity. Cultures with a higher inclination towards uncertainty avoidance strive to establish structured social systems that prioritize predictability. Adherence to rules and regulations becomes paramount, emphasizing the importance of maintaining a sense of predictability. Risky circumstances disturb and stress people in uncertainty avoiding cultures. As a result, people refrain from actions like changing jobs. Business cultures in nations where avoiding uncertainty is highly valued have management practices and procedures that make businesses and their personnel reliable and predictable. Latin American and European countries score highly on uncertainty avoidance, compared to Nordic and Anglo countries, which score poorly (Cullen & Parboteeah, 2014).

It is essential to distinguish between risk avoidance and uncertainty avoidance. While fear is associated with anxiety, risk is associated with uncertainty. Both risk and fear revolve around a specific element: an event in the case of risk and an object in the case of fear. The likelihood of an event occurring is often quantified as a percentage to represent risk. Uncertainty and anxiety, on the other hand, are abstract emotions that lack clarity. (Hofstede, G., Minkov, M., & Hofstede, G. J., 2010).

Societies characterized by expressiveness tend to exhibit traits of anxiety. In such contexts, it is socially acceptable to raise one's voice, openly display emotions, and engage in assertive gestures. However, Japan stands as an exception to this pattern. Contrary to their Asian counterparts, the Japanese generally exhibit behavior devoid of emotions when interacting with Westerners. Nevertheless, in Japan, as well as to a lesser extent in Korea and Taiwan, socializing with colleagues over drinks after work is a common practice. During these gatherings, men may express their anger, even towards their superiors. Surprisingly, the following day, business resumes as usual without any apparent repercussions. (Hofstede, G., Minkov, M., & Hofstede, G. J., 2010).

Hofstede's uncertainty avoidance dimension offers important insight into how other cultures view and react to ambiguity and uncertainty. It draws attention to the extent to which societies create institutions, laws, and values in order to lessen and manage uncertainty. The dimension aids in our comprehension of how uncertainty avoidance affects numerous facets of life, including as risk-taking behavior, decision-making techniques, and adaptability to change. It highlights the value of appreciating and accepting cultural differences when coping with uncertainty. Hofstede's

uncertainty avoidance dimension promotes adaptability in many situations, fosters cross-cultural understanding, and facilitates effective cross-cultural collaboration.

3.6. Long-term and short-term orientations

A questionnaire was developed by a Chinese scholar to survey students from 23 different countries in order to investigate a specific aspect. The dimension, named Confucian Work Dynamism by Michael Harris Bond, the lead author of the study, exhibited a close correlation to nations with a history of Confucianism, emphasizing qualities related to diligent effort. This dimension demonstrated a significant link to recent economic growth. Hofstede, in turn, referred to the pole representing long-term versus short-term orientation as a reflection of Confucian Work Dynamism. This pole revealed values such as perseverance, frugality, hierarchical relationships, and a sense of shame. In contrast, the opposing short-term pole reflected values such as fulfilling social obligations, upholding tradition, preserving one's reputation, and exhibiting personal stability. The principles embraced by this dimension are already rooted in the teachings of Confucius, which originated around 500 BC. Although it does not exclusively pertain to Confucianism, long-term thinking is commonly observed in countries with a heritage influenced by Confucian traditions (Hofstede, 2011).

Like other major traditions, Confucianism has been influencing the culture of billions of people for a thousands of years (Samovar, Porter, Mcdaniel & Roy, 2017).

The variations between societies are listed in Table 6.

East Asian countries, as well as Eastern and Central Europe, tend to exhibit a long-term orientation. South and North Europe, along with South Asia, display a medium-term orientation. On the other hand, countries such as the USA, Australia, Latin American countries, and African countries tend to have a short-term orientation. (Hofstede, 2011).

Table 6: Ten differences between short- and long- term oriented societies

Short-term orientation	Long-term orientation
“Most important events in life occurred in the past or take place now”	“Most important events in life will occur in the future”
“Personal steadiness and stability: a good person is always the same”	“A good person adapts to the circumstances”
“There are universal guidelines about what is good and evil”	“What is good and evil depends upon the circumstances”
“Traditions are sacrosanct”	“Traditions are adaptable to changed circumstances”
“Family life guided by imperatives”	“Family life guided by shared tasks”
“Supposed to be proud of one’s country”	“Trying to learn from other countries”
“Service to others is an important goal”	“Thrift and perseverance are important goals”
“Social spending and consumption”	“Large savings quote, funds available for investment”
“Students attribute success and failure to luck”	“Students attribute success to effort and failure to lack of effort”
“Slow or no economic growth of poor countries”	“Fast economic growth of countries up till a level of prosperity”

Source: Hofstede, G. (2011). *Dimensionalizing Cultures: The Hofstede Model in Context*. Online Readings in Psychology and Culture, Unit 2. Retrieved from <http://scholarworks.gvsu.edu/orpc/vol2/iss1/8>, p. 15

Promoting virtues that emphasize the importance of tradition, preserving one's reputation, and fulfilling social responsibilities are associated with a short-term orientation. On the other hand, emphasizing values that prioritize future-oriented qualities such as perseverance, frugality, valuing hierarchical relationships, and having a sense of personal integrity are characteristic of a long-term orientation (Browaeys & Price, 2010).

Hofstede and others have conducted less research on how the long-term (Confucian) orientation relates to work and organizations because they only have data on this orientation for a small number of nations.

In long-term oriented cultures, the selection of managers is primarily based on their alignment with the organization's needs in terms of personal qualities and educational background, as social

awareness is highly valued. The specific skills of a candidate hold less significance in the hiring process compared to cultures with a short-term orientation. Any initial gaps in job-related skills can be compensated for through training and the process of integrating individuals into the company for a long-term commitment. Conversely, organizations in short-term oriented cultures prioritize immediate applicability of skills and abilities. Managers don't automatically expect that workers will stick in the company for a long time. Any investment they make in the socialization and training of employees cannot be guaranteed to provide a return. Leaders in cultures that prioritize the short term often deploy quick rewards that emphasize compensation and fast promotion. Employees seek stability in long-term focused societies, and leaders work to establish social obligations. Organizations in long-term focused cultures are built with managing internal social relations as their main priority. The underlying premise is that great organizations eventually result from positive interpersonal interactions (Cullen & Parboteeah, 2014).

Hofstede's dimension of long-term and short-term orientations provides valuable insights into the differences in societal values and temporal perspectives among diverse cultural groups. It emphasizes how cultures value instant gratification and quick outcomes more than long-term planning and patience. This dimension aids in our comprehension of how time orientation affects numerous facets of life, including intergenerational relationships, work ethics, and attitudes toward tradition. It underscores the significance of comprehending and valuing the disparities in cultural perspectives on time. Ultimately, Hofstede's dimension of long-term and short-term orientations facilitates the enhancement of cross-cultural communication, fosters cultural awareness, and promotes adaptability in various contexts.

3.7. Indulgence and restraint

Hofstede's 2010 publication underwent an update, incorporating a sixth dimension that exhibits a weak negative correlation with long-term versus short-term orientation, complementing it in nature. This additional dimension draws upon questions derived from the World Values Survey and focuses on aspects that the other five dimensions do not encompass but are recognized in the literature on "happiness research." Indulgence, a cultural inclination that allows for the fulfillment of basic human needs and the pursuit of enjoyment and freedom, is contrasted with restraint, a societal inclination that imposes strict social norms to regulate and restrict the satisfaction of needs. Regions such as Sub-Saharan Africa, Western Europe, and North and South America tend to

embrace indulgence, while Eastern Europe, Asia, and the Muslim world exhibit a tendency towards restraint. Mediterranean Europe, on the other hand, tends to adopt a moderate position on this dimension (Hofstede, 2011).

Table 7: Ten differences between indulgent and restrained societies

Indulgent	Restrained
“Higher percentage of people declaring themselves as very happy”	“Fewer very happy people”
“A perception of personal life control”	“A perception of helplessness: what happens to me is not my own doing”
“Freedom of speech seen as important”	“Freedom of speech is not a primary concern”
“Higher importance of leisure”	“Lower importance of leisure”
“More likely to remember positive emotions”	“Less likely to remember positive emotions”
“In countries with educated populations, higher birthrates”	“In countries with educated populations, lower birthrates”
“More people actively involved in sports”	“Fewer people actively involved in sports”
“In countries with enough food, higher percentage of obese people”	“In countries with enough food, fewer obese people”
“In wealthy countries, lenient sexual norms”	“In wealth countries, stricter sexual norms”
“Maintaining order in the nation is not given a high priority”	“Higher number of police officers per 100.000 population”

Source: Hofstede, G. (2011). Dimensionalizing Cultures: The Hofstede Model in Context. Online Readings in Psychology and Culture, Unit 2. Retrieved from <http://scholarworks.gvsu.edu/orpc/vol2/iss1/8>, p. 16

The sixth dimension, referred to as indulgence, encompasses the inclination to indulge in the relatively unrestricted fulfillment of basic and innate human desires associated with fully enjoying life. On the contrary, restraint represents the notion that such enjoyment should be constrained and governed by rigid social norms. The cultural dimension of indulgence versus moderation is derived from meticulous research metrics that assess highly specific phenomena. It is important to note that indulgence, in the context of this dimension, pertains solely to the enjoyment of life and having fun, rather than satisfying every individual desire comprehensively (Hofstede, G., Minkov, M., & Hofstede, G. J., 2010).

Hofstede's indulgence versus restraint dimension sheds light on how far societies control or permit the satisfaction of fundamental human impulses. It reveals how self-expression, enjoyment of life, and impulse control differ across cultures. This dimension aids in our comprehension of the effects of indulgence versus restraint on numerous facets of society, such as societal norms, laws, and cultural norms. It highlights how crucial it is to acknowledge and respect cultural variations in how people view pleasure and self-control. Overall, Hofstede's indulgence versus restraint dimension helps in cultivating tolerance, encouraging cross-cultural understanding, and supporting productive encounters.

4. EMPIRICAL RESEARCH OF CULTURAL DIFFERENCES BETWEEN CROATIA AND NETHERLANDS

In this part of the thesis, an empirical research of cultural differences according to Hofstede's dimensions between Croatia, Germany and Netherlands will be presented. The methodology used will be mentioned, the given results will be analyzed and compared with Hofstede's results for those countries.

4.1. Research methodology

As a research method, Hofstede's Value Survey Module 2013 was used.

Because of distance between countries and the inability to distribute the survey manually, the questionnaire was distributed over internet. In total, there was 90 people questioned. 30 Croatians, 30 Germans and 30 Dutch people. The survey was made upfront based on questions divided by dimensions of culture. The survey was on English language.

The survey is composed of a total of 30 questions. 24 questions are related to dimensions (4 questions per dimension), and the other 6 questions are demographic questions. The index calculation for every dimension is based on the formula available at Geert Hofstede's website. The survey is downloaded from the official website of Geert Hofstede.

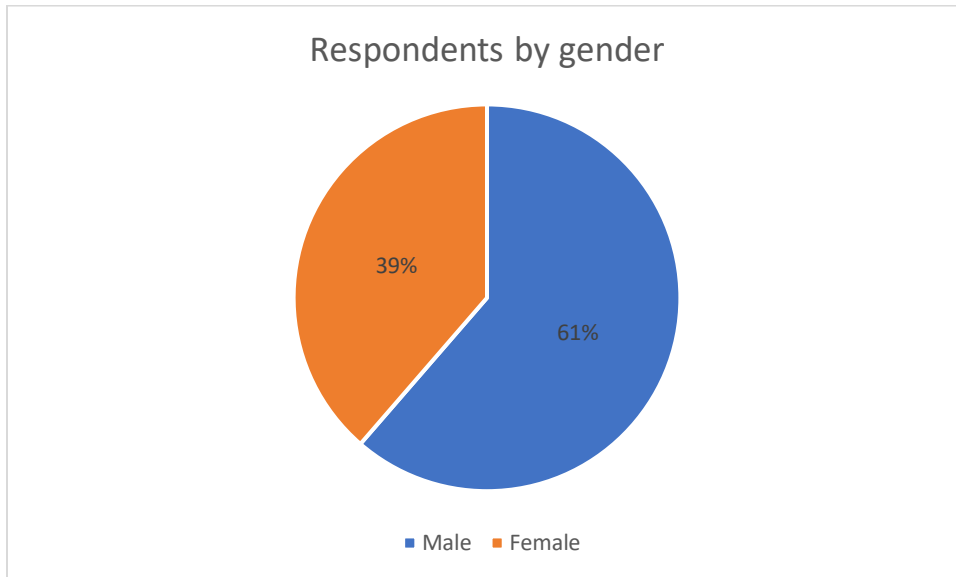
4.2. Research results

With the use of survey, data for particular countries of interest was obtained. The obtained data included both data regarding the cultural dimensions as well as data regarding the demographics of the respondents. The demographics part of survey include data such as age, gender, nationality, occupation and number of years of education.

There were 90 total survey respondents. 30 Croatians, 30 Germans, and 30 people from the Netherlands.

In total, there are 54 (61%) male respondents and 34 (39%) female respondents. Picture 1 shows the gender distribution for total respondents.

Figure 1: Respondents by gender



Source: Author's own work based on collected data

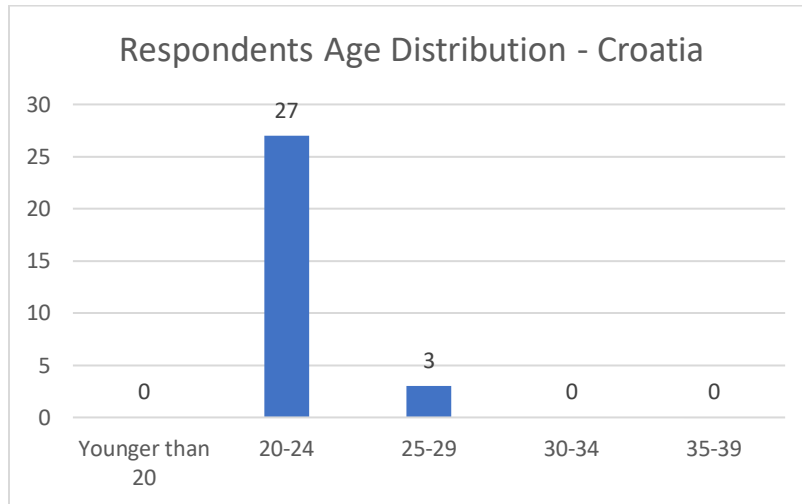
In Croatian responses, there were 11 (37%) male participants and 19 (63%) female participants.

In German responses, there were 22 (76%) male participants and 7 (24%) female participants.

In Dutch responses, there were 21 (72%) male participants and 8 (28%) female participants. Picture

The next demographic question is about the age of the respondents. I will break down the age structure of respondents separately for every country. Croatia had 27 respondents that belong to 20 to 24 age bracket and 3 respondents that belong to 25 to 29 age bracket. On the Figure 2, there is respondents age distribution for Croatia.

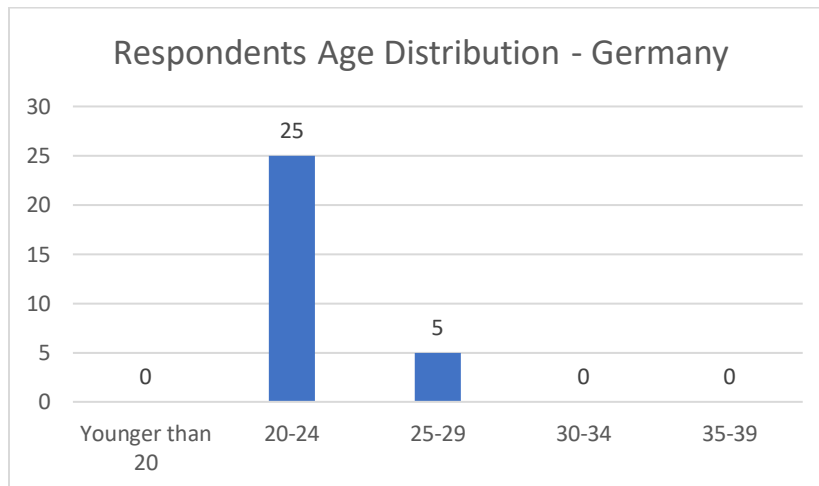
Figure 2: Respondents age distribution - Croatia



Source: Author's own work based on collected data

On Figure 3, there is respondents age distribution for Germany where 25 respondents were in the age bracket 20 to 24 years old and 5 respondents in the bracket 25 to 29 years old.

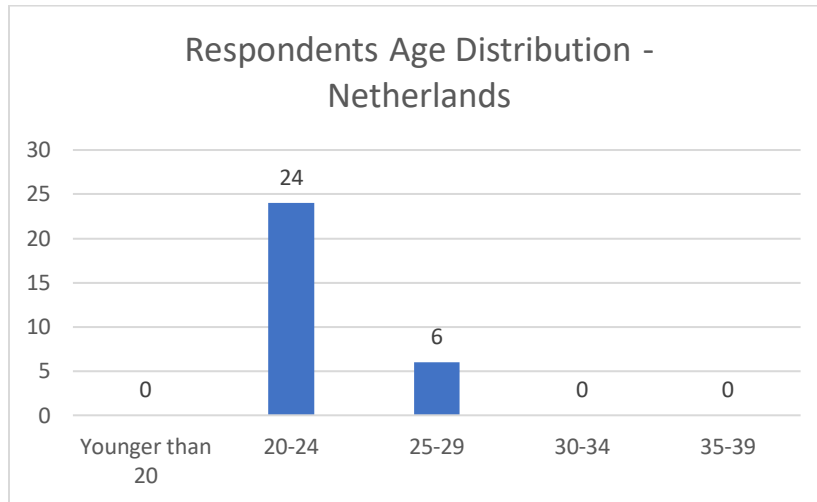
Figure 3: Respondents age distribution - Germany



Source: Author's own work based on collected data

Figure 4 depicts respondents age distribution for Netherlands. For Netherlands, 24 of respondents are in the 20 to 24 age bracket and 6 respondents are in the 25 to 29 age bracket.

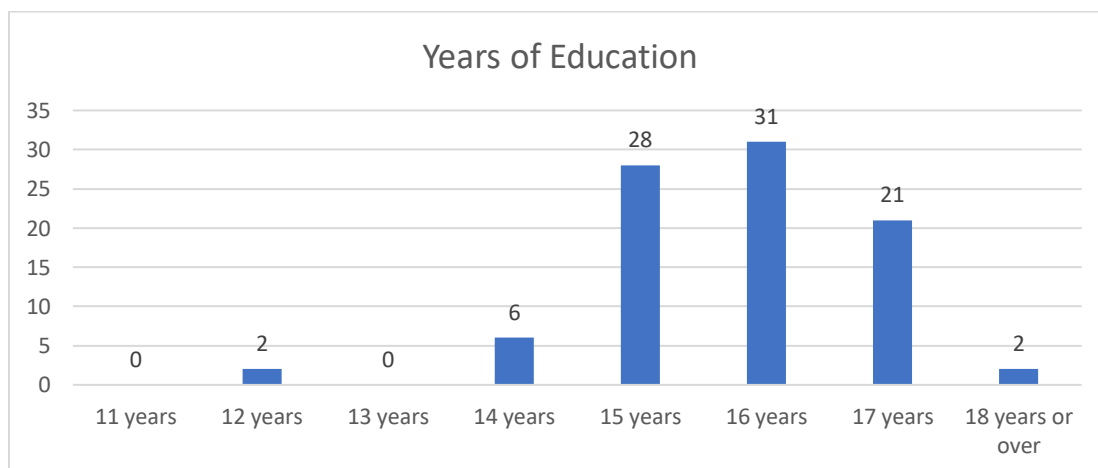
Figure 4: Respondents age distribution - Netherlands



Source: Author's own work based on collected data

The next demographic question, besides gender and age, is the question about years of education. On Figure 5, one can see years of education of all survey participants. 2 respondents have 12 years of education (2%), 6 respondents have 14 years of education (7%), 28 respondents have 15 years of education (31%), 31 respondents have 16 years of education (34%), 21 respondents have 17 years of education (23%) and 2 respondents have 18 years or over of education (2%). The majority of respondents have 15, 16 or 17 years of education, which is in line with research target group, which are students in the final year of undergraduate or graduate studies.

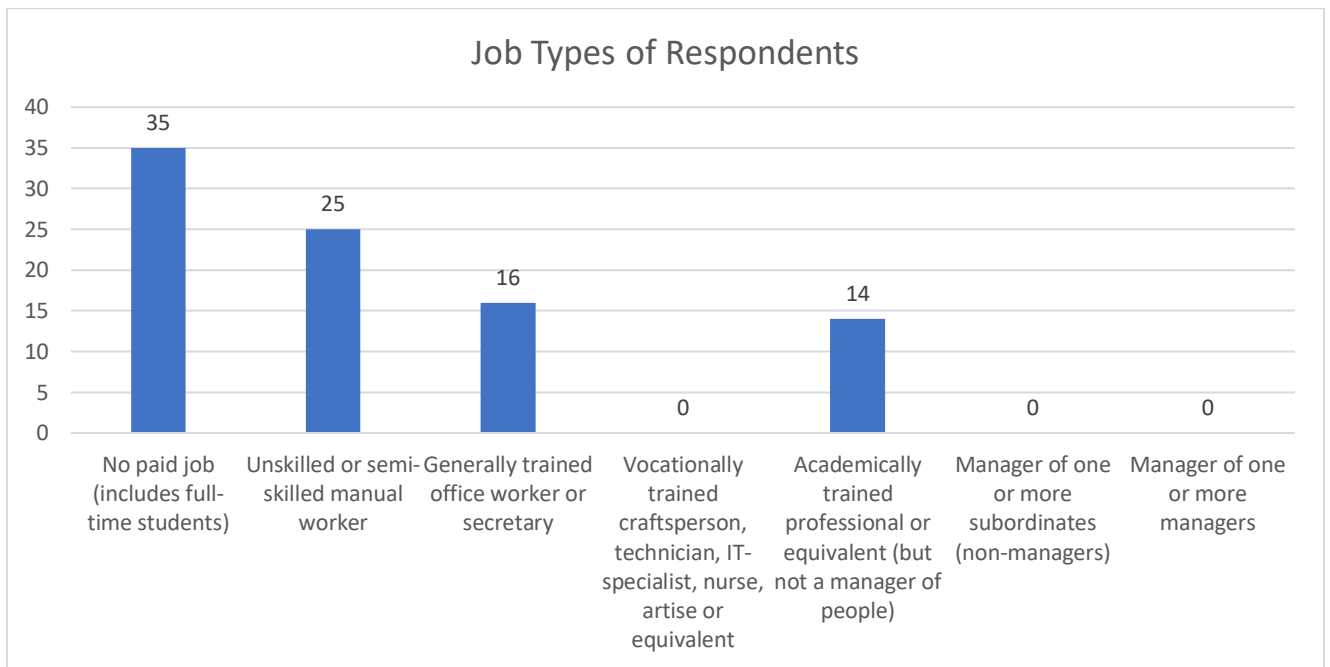
Figure 5: Years of education



Source: Author's own work based on collected data

Figure 6 presents a distribution of job types by respondents from all 3 countries. It can be seen from the figure that 35 respondents had no paid job (includes full-time students), which is 39% of total respondents. 25 respondents had unskilled or semi-skilled manual worker job (28%), 16 respondents had generally trained office worker or secretary job (18%) and 14 respondents had academically trained professional or equivalent (but not a manager) type of job (15%). Majority of respondents did not have a paid job, which is normal since the majority of respondents are full-time students.

Figure 6: Job types of respondents



Source: Author's own work based on collected data

Table 8 presents the non-standardized values for dimensions of national cultures for Croatia, Germany and Netherlands. These non-standardized results cannot be compared with the results of other research or other countries. For the purpose of standardization, it is necessary to conduct a research in one country that is part of the original research from 1971. In this paper, Germany will be used for the procedure of standardization of results.

Table 9 presents Hofstede’s results for each dimension which will be used for standardization of results in Table 8.

Table 8: Non-standardized values of dimensions of national culture

Country	Power-distance index	Individualism index	Masculinity index	Uncertainty avoidance index	Long term orientation index	Indulgence versus restraint index
Croatia	55	41	36	71	44	26
Germany	28	55	46	24	47	27
Netherlands	28	83	27	46	50	53

Source: Author’s own work

The results in the Table 8 are not comparable since the results from Table 8 need to be corrected for a factor of difference between a chosen reference country and Hofstede’s values for that country in Table 9.

In order to make the results comparable, the results for Germany in Table 8 are compared with Hofstede’s results for Germany in Table 9 and for every dimension a correction factor is calculated, i.e. the difference between Hofstede’s results for a particular dimension and a result obtained from survey.

Table 9: Index values for each dimension of national culture – Hofstede

Country	Power-distance index	Individualism index	Masculinity index	Uncertainty avoidance index	Long term orientation index	Indulgence versus restraint index
Croatia	73	33	40	80	58	33
Germany	35	67	66	65	31	40
Netherlands	38	80	14	53	67	68

Source: Geert Hofstede, <http://www.geerthofstede.nl/>, accessed on 21.06.2023.

he initial four dimensions' scores were made available in Hofstede's publication, "Culture's Consequences" (2001) by Sage Publications. The scores for the fifth and sixth dimensions draw from the research conducted by Michael Minkov, as documented in the 3rd edition and the most recent edition of "Cultures and Organizations: Software of the Mind" (2010).¹

Table 10: Correction factors

Power-distance	+7
Individualism	+12
Masculinity	+21
Uncertainty avoidance	+41
Long term / short term orientation	-16
Indulgence versus restraint	-13

Source: Author's own work

The correction factors are not insignificant in size. Power-distance factor is +7 which is indicative of the sample used in this research, since it consisted of mainly university students, among whom the power distance is smaller. Individualism, however, was lower than predicted by Hofstede. Masculinity, understandable, needed a large correction because of the characteristics of our sample, which are mainly young educated people who are still at university. Unsurprisingly, uncertainty avoidance dimension needed a correction of +41 since the respondents in our sample are younger people who are more prone to risky behavior. Long term and short term orientation dimension is corrected by a factor of +36 and indulgence versus restraint by a factor of +13. Countries dimension scores are not corrected for the indulgence versus restraint dimension since this sixth dimension is not present in the Hofstede's original research.

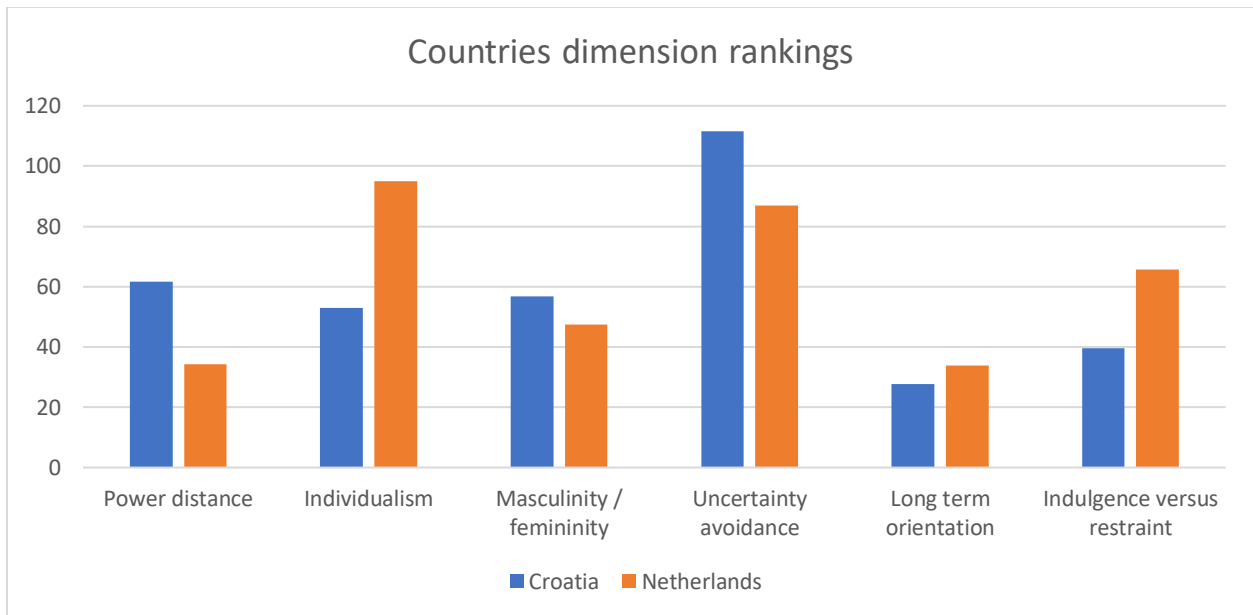
¹ www.hofstede-insights.com. (n.d.). Country comparison tool. [online] Available at: <https://www.hofstede-insights.com/country-comparison-tool?countries=croatia%2Cnetherlands> [Accessed 26 Jun. 2023].

Table 11: Standardized values of dimensions of national culture

Country	Power-distance index	Individualism index	Masculinity index	Uncertainty avoidance index	Long term orientation index	Indulgence versus restraint index
Croatia	62	53	57	112	28	40
Netherlands	34	95	47	87	34	66

Source: Author's own work

Figure 7: Rankings of dimensions for Croatia and Netherlands



Source: Author's own work

Figure 7 presents rankings of two countries analyzed, Croatia and Netherlands for every of the six dimensions. It can be observed from the Figure 9 that Croatia ranks higher in power distance than Netherlands. Netherlands ranks higher in individualism dimension. Croatia ranks higher in masculinity / femininity dimension and uncertainty avoidance dimension than Netherlands. Netherlands ranks higher in long term orientation and indulgence versus restraint dimensions. These rankings are compatible with Hofstede's rankings, although the calculated scores here are differ than Hofstede's results.

Now the standardized values of dimensions for Croatia and Netherlands from the Table 11 will be discussed and compared.

The acceptance and expectation of hierarchical systems within a society are measured by the power-distance index. With a power distance index score of 62, Croatia has a comparatively high score, indicating a substantial power difference between people. This demonstrates respect for authority and a predisposition for hierarchical decision-making processes. The Netherlands, in comparison, exhibits a tendency for more egalitarian systems with a power distance index value of 34, which is much lower than the global average. The Dutch culture fosters equality and supports greater democratic decision-making.

The individualism index gauges how much people put their own interests ahead of group objectives. The moderate individualism index score of 53 for Croatia indicates a balance between personal and societal values. Croatians place a high priority on close ties with others and allegiance to their own kind, while still appreciating the value of individual liberty. With a high individualism rating of 95, the Netherlands stands out as a country that values personal liberty, autonomy, and self-expression. Individual success and independence are values most highly by Dutch people.

The masculinity index measures how much a society appreciates characteristics that are often associated with men, such as assertiveness, rivalry, and material achievement. With a reasonable high masculinity index of 57, Croatia shows a desire for these ideals along with coexistence and standard of living. Croatians try to strike a balance between advancing their careers and fostering their relationships. These results for masculinity for Croatia should be taken cautiously, since the majority of Croatian respondents were female (63%). The Netherlands, on the other hand, scores 47, which indicates a higher emphasis on feminine values. Over material achievement and competition, the Dutch society places a higher emphasis on cooperation, quality of life, and work-life balance.

The tolerance for ambiguity and uncertainty in a culture is gauged by the uncertainty avoidance index. Croatia scores highly on the uncertainty avoidance with a value of 112, demonstrating a strong preference for security, structure, and regulations. Croatians are stability orientated and risk averse. The Netherlands, in comparison, scored 87 on the uncertainty avoidance, indicating a high tolerance for ambiguity and a more laid-back outlook on change. The Dutch are more adaptable and receptive to new things.

The long term orientation index gauges society's emphasis on long-term objectives, including tenacity, frugality, and adherence to customs. With a long term orientation index of 28, Croatia appears to place less of a focus on tradition and long-term planning. Croatians could place a higher value on instant pleasure and flexibility in response to changing circumstances. The Netherlands similarly has a long term orientation index of 34, reflecting a similar propensity for adaptation and short term aims. The Dutch place a high importance on invention, adaptability, and pragmatism.

The indulgence versus restraint index gauges how much basic human needs and desires can be satisfied in a community. With a relatively low indulgence versus constraint level of 40, Croatia is a country that values self-control and regulation of gratification and prioritize conformity to social norms. The Netherlands, on the other hand, scores high on the indulgence versus restraint index, with a score of 66, indicating a more indulgent approach to enjoying life's joys. The Dutch place a high value on enjoyment, relaxation, and self-gratification.

4.3. Research limitations

Although this research could provide an insight into cultural differences between Croatia and Netherlands, especially when looking at rankings of the two countries for particular dimensions, there are several research limitations.

The first obvious research limitation is the number of respondents. There was a total of 90 survey participants, 30 Croatians, 30 Germans and 30 Dutch people. This is a relatively small sample, especially when compared to Hofstede's IBM research. The sample consists of relatively homogenous groups of people, which are in majority university students in their final year of undergraduate or graduate studies. It would be better if the survey captioned a more diverse group of people, including managers, and not only students.

The final limitation of this research is the unusual result obtained for Croatian uncertainty avoidance dimension, which has value of 112 after correction with original Hofstede's research. This result cannot be interpreted with much certainty, but when it was compared with Netherlands' score for the same dimension, the ranking was the same as with Hofstede's research.

5. CONCLUSION

In this thesis, I examined the intricate nature of culture and its impact on interpersonal, societal, and international interactions. Conflicts frequently result from opposing viewpoints and ways of life, emphasizing the importance of cooperation and understanding. Many scholars have presented a variety of views, but defining culture has proven to be difficult.

However, it is clear that culture is something that is acquired through social interaction rather than being inherited. The widely used concept of culture by Geert Hofstede stresses culture as a social phenomena that includes unspoken rules that influence behavior and set one group apart from another. The fundamental components of culture are things like symbols, heroes, rituals, and values, with symbols standing for the most surface-level expressions and values for the most profound ones.

Six national cultural dimensions were discovered through Hofstede's study, offering important insights on cultural variances and their impacts on businesses and society. Power distance, individualism-collectivism, masculinity-femininity, the need to avoid ambiguity, long-term orientation, and indulgence-restraint are those dimensions

Understanding these dimensions helps us better understand how other cultures view things like gender roles, tolerance for ambiguity, and other important facets of human society. Such information is essential for managing across cultures, promoting fruitful connections, and boosting cultural intelligence.

The value of cross-cultural competency and knowledge is expanding dramatically as the globe becomes more interconnected and people and organizations look for possibilities beyond national borders. Effective management and administration operate within cultural contexts, while leaders play a crucial role in building and modifying cultures.

Individuals and businesses can successfully navigate the difficulties and opportunities of the globalized economy by embracing diversity and appreciating the impact of culture. A framework for understanding behavior in various contexts, encouraging collaboration, and improving interactions between coworkers, managers, clients, suppliers, and alliance partners from various cultural backgrounds is provided by cross-cultural management.

This thesis has stressed the complex nature of culture and its influence on interpersonal relationships. We can encourage mutual respect, empathy, and effective communication across many cultures by recognizing the components and dimensions of culture, which will help to create a cohesive and integrated global community.

Significant cultural differences between Croatia and the Netherlands are found when the empirical data from the survey was analyzed. These factors draw attention to differences in society attitudes, beliefs, and standards about numerous facets of life, more affinity for male ideals, more power distance, moderate levels of individualism, higher uncertainty avoidance, lower long-term orientation, and reduced indulgence are all tendencies in Croatia. The Netherlands, in contrast, demonstrates reduced power distance, a high level of individualism, a lower preference for masculine values, a lower level of uncertainty avoidance, a significantly greater long-term orientation, and a larger level of indulgence. These results lead to a better understanding of cross-cultural interactions, global business practices, and social dynamics by offering insightful information about the cultural variety between the two countries.

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APPENDIX

International Questionnaire (VSM 2013) – page 1

Please think of an ideal job, disregarding your present job, if you have one. In choosing an ideal job, how important would it be to you to ... (please circle one answer in each line across):

1 = of utmost importance

2 = very importance

3 = of moderate importance

4 = of little importance

5 = of very little importance

- | | | | | | |
|--|---|---|---|---|---|
| 01. have sufficient time for your personal or home life | 1 | 2 | 3 | 4 | 5 |
| 02. have a boss (direct superior) you can respect | 1 | 2 | 3 | 4 | 5 |
| 03. get recognition for good performance | 1 | 2 | 3 | 4 | 5 |
| 04. have security of employment | 1 | 2 | 3 | 4 | 5 |
| 05. have pleasant people to work with | 1 | 2 | 3 | 4 | 5 |
| 06. do work that is interesting | 1 | 2 | 3 | 4 | 5 |
| 07. be consulted by your boss in decisions involving your work | 1 | 2 | 3 | 4 | 5 |
| 08. live in a desirable area | 1 | 2 | 3 | 4 | 5 |
| 09. have a job respected by your family and friends | 1 | 2 | 3 | 4 | 5 |
| 10. have chances for promotion | 1 | 2 | 3 | 4 | 5 |

In your private life, how important is each of the following to you: (please circle one answer in each line across):

- | | | | | | |
|--|---|---|---|---|---|
| 11. keeping time free for fun | 1 | 2 | 3 | 4 | 5 |
| 12. moderation: having few desires | 1 | 2 | 3 | 4 | 5 |
| 13. doing a service to a friend | 1 | 2 | 3 | 4 | 5 |
| 14. thrift (not spending more than needed) | 1 | 2 | 3 | 4 | 5 |

15. How often do you feel nervous or tense?

1. always
2. usually
3. sometimes
4. seldom
5. never

16. Are you a happy person?

1. always
2. usually
3. sometimes
4. seldom
5. never

17. Do other people or circumstances ever prevent you from doing what you really want to ?

1. yes, always
2. yes, usually
3. sometimes
4. no, seldom
- 5, no, never

18. All in all, how would you describe your state of health these days?

1. very good
2. good
3. fair
4. poor
5. very poor

19. How proud are you to be a citizen of your country?

1. very proud
2. fairly proud
3. somewhat proud
4. not very proud
5. not proud at all

20. How often, in your experience, are subordinates afraid to contradict their boss (or students their teacher?)

1. never
2. seldom
3. sometimes
4. usually
5. always

To what extent do you agree or disagree with each of the following statements? (please circle one answer in each line across):

1 = strongly agree

2 = agree

3 = undecided

4 = disagree

5 = strongly disagree

21. One can be a good manager without having a precise answer to every question that a subordinate may raise about his or her work

1 2 3 4 5

22. Persistent efforts are the surest way to results

1 2 3 4 5

23. An organization structure in which certain subordinates have two bosses should be avoided at all cost

1 2 3 4 5

24. A company's or organization's rules should not be broken – not even when the employee thinks breaking the rule would be in the organization's best interest

1 2 3 4 5

Some information about yourself (for statistical purposes):

25. Are you:

1. male
2. female

26. How old are you?

1. Under 20
- 20-24
- 25-29
- 30-34
- 35-39
- 40-49
- 50-59
- 60 or over

27. How many years of formal school education (or their equivalent) did you complete (starting with primary school)?

1. 10 years or less
2. 11 years
3. 12 years
4. 13 years
5. 14 years
6. 15 years
7. 16 years
8. 17 years
9. 18 years or over

28. If you have or have had a paid job, what kind of job is it / was it?

1. No paid job (includes full-time students)
2. Unskilled or semi-skilled manual worker
3. Generally trained office worker or secretary
4. Vocationally trained craftsperson, technician, IT-specialist, nurse, artist or equivalent
5. Academically trained professional or equivalent (but not a manager of people)
6. Manager of one or more subordinates (non-managers)
- Manager of one or more managers

29. What is your nationality? _____

30. What was your nationality at birth (if different)? _____