

Knowledge Area Module 3  
Principles of Organizational and Social Systems

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### Introduction

This Knowledge Area Module (KAM) applies to my self-designed doctoral program, with a particular emphasis on cross-cultural and transcultural issues in education. For KAM 3, abiding by the guiding theme of principles of organizational and social systems, I will for Breadth examine and contrast theoretical foundations of social and organizational systems development. For Depth, I will then compare the theoretical foundations with the current-day realities of globalization, and consider how cultural factors may affect development of international organizations. Finally, for application, I will integrate the Breadth and Depth findings with the development of a cross-cultural course in Global Management for the International Program at the University of California, Santa Barbara.

Knowledge Area Module 3

Principles of Organizational and Social Systems

SBSF 8310: Theories of Organizational and Social Systems

Breadth Component: Perspectives on Systems Theory

### Perspectives on Systems Theory

Gautama Buddha some two millennia ago prescribed a systems theory: Tug at a blade of grass, and you find the world attached. It is tempting to let that speak as a holism for a holistic science of systems, if it was not for the necessity of completing a more in-depth treatment of the subject, and finding practical current-day applicability. Fortunately, besides Buddha, many great thinkers have shared deep thoughts on the concepts of interconnected social and organizational systems.

A systems way of thinking is not a recent development. Taoism, Judaism, Islam, and other world religions have intimated of the oneness—or at least the one source—of all creation. Plato may have hinted at holistic systems thought when he wrote in his *Dialogues*, “But I would rather praise the god first, and then speak of his gifts; this is always the right way of praising everything.” Einstein, in pursuit of a unified field theory, sought an interdependent systems explanation for all phenomena. Though he failed at finding the formula in life, perhaps he had a glimpse on his deathbed, whispered in his reputed final words: “It’s all so simple ...” American poet Emily Dickenson may have had a similar vision, spoken in her last breath, “The fog is lifting.”

It is easy to get wrapped up in the poetry of holistic thought, without giving ear to more grounded detractors. Some have accused holistic systems thought as not only lacking in merit, but also as degrading and counter-productive to the scientific process itself. John Updike’s character, Roger Lambert in the novel *Roger’s Version*, speaks to this sentiment, in that “I have learned in recent years to loathe most the term ‘holistic,’ a

meaningless signifier empowering the muddle of all the useful distinctions human thought has labored at for two thousand years.”

In scholarly literature, numerous writers have sought to construct a science of systems theory, starting with a definition of *systems thinking*. Senge (1990) observed that a systems perspective requires stepping above the immediate, where “systems thinking is a discipline for seeing wholes. It is a framework for seeing interrelationships rather than things, for seeing patterns of change rather than static ‘snapshots’” (p. 68).

Bertalanffy (1968) was a germinal contributor to the development of systems theory as a science, moving it from the realms of mystical treatises into academic textbooks. “General system theory, therefore, is a general science of ‘wholeness’ which up till now was considered a vague, hazy, and semi-metaphysical concept” (p. 37).

Senge (1990) warned that it was the failure to employ a systems perspective of holistic interaction that may be a contributor to many of the world’s woes. “It is interesting to note that the words ‘whole’ and ‘health’ come from the same root (the Old English *hal*, as in ‘hale and hearty’). So it should come as no surprise that the unhealthiness of our world today is in direct proportion to our inability to see it as a whole” (p. 68).

Beyond academic circles, systems theory would require more precise delineation and applicability surpassing the vague and hazy predecessors of Bertalanffy. Those involved with the direct management of social and organizational systems—such as those systems might exist—may well be concerned more with practical definitions of systems operations. Ackoff (1999) provided such a by-the-number description:

A system is a set of two or more elements that satisfies the following three conditions: 1. The behavior of each element has an effect on the behavior of the whole. ... 2. The behavior of the elements and their effects on the whole are interdependent. ... 3. However subgroups of the elements are formed, each has an effect on the behavior of the whole and none has an independent effect on it. (pp. 15-16)

By Ackoff's (1999) thinking, systems are comprised of elements that are interactive, interdependent, and integrative. This is a common definition resonant throughout the field of correctly applied systems thought. However, systems thinking may also be incorrectly applied. Protestors in the 1960s and 70s railed against *the system*, as if the system was an isolated object removed and removable. Systems overall do not fall or collapse; systems adapt, modify, and evolve. Ackoff warned that by dismemberment, systems may indeed destruct. "A system is more than the sum of its parts; it is the product of their interactions. If taken apart, it simply disappears" (p. 117).

Changes are incorporated into the system, in ways perhaps too difficult to comprehend due to their intricate interwoven complexity. Senge (1990) advised that solutions to systems-bound problems come by embracing the complexity in patterns, which may shed light on favorable processes. "Systems thinking does not mean ignoring complexity. Rather, it means organizing complexity into a coherent story that illuminates the causes of problems and how they can be remedied in enduring ways" (p. 128).

Furthermore, Senge (1990) warned against polarizing problematic components within a system, since from a systems perspective, there is no separation of the components' connection. "Systems thinking shows us that there is no outside; that you

and the cause of your problems are part of a single system. The cure lies in your relationship with your ‘enemy’” (p. 67).

Social and organizational systems are so interwoven that it is difficult to discern which processes may be at play. *Organization* is a nominalization of *organize*—a verb whereby something is done to something else. Systems organize, and organization further creates systems. Physical and social systems *organize* and are *organized*; a system can be both the *object* and the *subject* of organization. It is an interactive and integrated paradigm, which Capra (1996) wrote is a holistic, ecological perspective “seeing the world as an integrated whole rather than a dissociated collection of parts” (p. 6):

The basic tension is one between the parts and the whole. The emphasis on the parts has been called mechanistic, reductionistic, or atomistic; the emphasis on the whole holistic, organismic, or ecological. In twentieth-century science the holistic perspective has become known as “systemic” and the way of thinking it implies as “systems thinking.” (p. 17)

Along with its early theoretical roots, system thinking is also ancient in practice. We have always been operating within systems, just often doing it badly. Some have done it well, which may be recognized—as to be later considered—within business management successes. For example, in the early 20<sup>th</sup> century Henry Ford proposed to pay his workers enough so they could afford to buy a Ford, whether they actually did or not. This was a successful form of systems thinking in a burgeoning industrialized world. However, more managers have done it badly. The average life of a company is half a human lifetime, as they fail to find a place in the whole or develop open-system connections for renewal. This problem shall be revisited in the Depth component.

Systems theory applies as well to personal interrelations. Laszlo (1996) relied on relationships to illustrate a “formal structure built on the basis of an interdependence among its parts” (p. 26), where the outcome of the interaction exceeds the simple sum of the parties’ parts:

Friends and lovers do not individually have all the properties of their relationship, for a relationship is not merely Harry’s friendship for Mike and Mike’s friendship for Harry, or John’s love for Mary and Mary’s love for John. There is also our friendship and our love, which, as romantic literature never tires of telling us, is more than we are in ourselves. (p. 26)

The next three sections of this paper will consider organizational and social systems from perspectives of microsystems, local systems, and macrosystems. This is not to imply that systems can be divided into isolated component parts and analyzed as composites. Indeed, as referenced above, such a deconstructive way of thinking is contrary to a systems perspective itself. The following categorizations, however, do provide a take on systems from a perspective of below, within, and above our particular and limited vantage point as both participants and creators of the systems we inhabit.

### *Microsystems*

Microsystems are those subsystems that may be considered the component parts of a greater system, each part interacting interdependently to contribute to the wholeness of *superior* integrated systems. These microsystems may be viewed as open or closed systems, dependent upon whether they are reliant upon energy input from outside the system. Laszlo (1996) pointed to stable atoms as an example of generally considered closed systems, since they “do not exchange energies with their environment, although

they are affected by high energies and heat” (p 33). It is based on the concept of closed, isolated systems that the Second Law of Thermodynamics finds the physical world is winding down, where “a quantity termed ‘entropy’ can only increase in time” without outside energies replenishing the closed system’s vitality (p. 30). However, closed systems are not the rule in nature:

The technical definition of a natural system is “open system in a steady-state.” Openness refers to the energy import activities of the system, which it needs to “stay in the same place,” that is, to maintain its own dynamic steady-state. (p. 32)

As considered later, there may be a parallel to closed versus open systems within the concept of organizational knowledge. *Knowledge*, as a bounded collection of information, may be considered a closed system. Without the input of new knowledge within the context of changing environment, the information base may suffer from an entropic failure. In an open system, organizations benefit from *knowledge creation*, the process by which new learning may be integrated within the system.

Yet, while a natural system may be open and dependent upon energy external energy flow, such as a palm tree is with the sun, the system nonetheless must be enclosed by however permeable boundaries to ensure system integrity and differentiation of purpose within its environment. Capra (1996) clarified this in his description where “thus a living system is both open and closed—it is structurally open, but organizationally closed. Matter continually flows through it, but the system maintains a stable form, and it does so autonomously through self-organization” (p. 169).

Such an organization in a “self-maintaining and repairing system is called a ‘steady-state.’ It is a state in which energies are continually used to maintain the relationship of the parts and keep them from collapsing in decay” (Laszlo, 1996, p. 32).

Systems and subsystems are inextricably bound in a symbiotic whole, each with their individual characteristics, yet better identified and defined by their contribution to the whole, or the whole’s compilation and function from its parts. “A system in one perspective is a subsystem in another. But the systems method always treats systems as integrated wholes of their subsidiary components and never as a mechanistic aggregate of parts in isolable causal relations” (Laszlo, 1996, p. 10).

A collection of parts, however related in proximity, does not imply they are components of a system. Laszlo (1996) illustrated between *wholes* and *heaps* as ways that component pieces may or may not interact within complex entities, thought not necessarily complex systems. *Wholes* are comprised of interacting and interdependent parts creating a synergistic system, while *heaps* are a simple mish-mashed collection of pieces.

The decisive difference is that wholes are not the simple sum of their parts, and heaps are. Take, for example, a pile of rubbish. Adding another can or removing a pop bottle makes only a quantitative difference to the pile—it becomes that much bigger or smaller. No other characteristic of it changes. (p. 25)

Thus microsystems, while they are components of a greater system, may be considered to be individual systems interacting in an integrated way that maintains their individual characteristics while contributing to the synergistically irreducible whole they help form. Laszlo (1996) says it:

Hence, to all intents and purposes, the characteristics of complex wholes remain irreducible to the characteristics of their parts. This is by far the most indicated working assumption, since not only could we not compute the behavior of the whole from the behavior of its parts, but we would have to revise our computations with every change in “personnel.” (p. 6)

Microsystems thinking may apply to abstract concepts as well as concrete physical components. While atomic microsystems may construct the stuff of our physical world, social microsystems—such as problems—are the stuff from which social organizations are comprised (Ackoff 1999).

Problems are to reality what atoms are to tables. We experience tables, not atoms. Problems are abstracted from experience by analysis. We do not experience individual problems but complex systems of those that are strongly interacting. I call them *messes*. Because *messes* are *systems* of problems, they lose their essential properties when they are taken apart. Therefore, if a mess is disassembled, it loses its essential properties. Furthermore, as in any new system, if each part taken separately is treated as well as possible, the whole is *not* treated as well as possible. (p. 117)

Thus social reality may be comprised of a subsystem of problems, interrelated and inextricably assembled as a local system of messes. Ironically, one of the most fundamental components of a dissertation—assessing a particular aspect of life’s reality—is the *problem statement*.

Individual sub-microsystems have *organized* and *are organized* by greater encompassing systems, perhaps through a purposeful uplifting and evolutionary process. The mechanism for this and the ultimate source of external organizing forces are fertile topics for philosophical debate and religious holy wars. In contrast to neo-Darwinist theory of gradual change through genetic mutation and variation, Capra (1996) proposed a process of *punctuated equilibria*, thereby increasing the complexity and function of

evolving biological systems, proceeding not through gradual change over time, but “caused by long sequences of successive mutations. The fossil record shows clearly that throughout evolutionary history there have been long periods of stability, or ‘stasis,’ without any genetic variation, punctuated by sudden and dramatic transitions” (p. 226).

Through this process of variation, biological sub-systems such as neurological, respiratory, circulatory, and digestive *formed* and were *formed by* encompassing biological systems that ultimately evolved into people. These systems in turn were developed through an undifferentiated cell—the zygote—a singular microsystem. Uncooperative cells which reproduce in the name of self-perpetuation without considering the impact on the corporate body are lethal: cancer thrives in an ultimately suicidal drive at the expense of the host body.

Astrophysicists attribute the formation of all the universe’s systems to a small pre-Big-Bang speck, the original microsystem evolving and converging into all other systems. These systems have combined and manifested through nature into a giant self-maintained and living *Gaia system* on earth (Laszlo, 1996), our parts all replacing and transforming, to the point where we might set our sights even higher so “we can see that the solar system and the galaxy of which it is a part are also systems, and so is the metagalaxy of which our galaxy is a component” (p. 9).

Capra (1996) wondered over the universe as a possible closed system, self-contained and independent of outside influences, contradictorily a living system in spite of the definition of living systems as open to a feeding flow of energy. “But how can we think of the universe, which by definition includes everything, as an open system? The

question does not seem to make any more sense than to ask what happened before the Big Bang” (p. 217).

### *Local Organizational Systems*

Operating beyond our awareness of composite microsystems, yet beneath the awareness of encompassing macrosystems, are the systems we encounter daily. These are the local systems we bump against regularly, typically without a full transcendent appreciation of their theoretical interconnectedness with everything else above and below. These are the business and social endeavors that Senge (1990) referred to as “also systems. They, too, are bound by invisible fabrics of interrelated actions, which often take years to fully play out their effects on each others” (p. 7). As a component part of the larger social and ecological systems, humans may understandably miss a greater perspective on our integration with the micro- and macrosystems around us. Since we are a part of the very lacework ourselves, “we tend to focus on snapshots of isolated parts of the system, and wonder why our deepest problems never seem to get solved” (p. 7).

Humanity may have become more familiar with the functions of microsystems than localized systems, through a self-aggrandizing tendency toward reductionism. Microsystems may be appreciated as complete components in themselves, rather than appreciated for their part in the greater whole. Local systems—meaning those systems operating at a conscious level of observer awareness—are readily segmented into time-manageable chunks. For example, we might only appreciate a component of individual people at a time, rather than their entirety as a human: their face, their work performance,

their sexuality, their friendly personality, etc. To appreciate the whole person takes an investment of time and attention we rarely have to spare in our time-dominated era.

Among the most frequently encountered social systems at the local level are the organizations we work for and which meet our societal needs. The local systems operate as component parts of a greater macrosystem of society, though they frequently function as pseudo-autonomous units without a full appreciation of their part in the encompassing macrosystem.

Heading the development of organizational systems are the management structures that ensure resources are allocated as necessary for the development of the organization, much as the brain oversees the microsystem functions within a biological system. Senge (1990) assigns various titles and roles to these organizational overseers.

In a learning organization, leaders are designers, stewards, and teachers. They are responsible for building organizations where people continually expand their capabilities to understand complexity, clarify vision, and improve shared mental models—that is, they are responsible for learning. (p. 340)

To provide for a successful organization, healthy within its overall system as well as within its component parts, the leadership structures should work to ensure the needs of the microsystems are met and coordinated within the operation of the greater local system. Maslow (1998) applied the hierarchal needs of human workers to the skills effective managers should employ, including increasing the overall well-being of the workers they manage “via the gratification of basic needs for safety, belongingness, for affectionate relationships and friendly relationships with their informal groups, prestige needs, needs for self-respect, etc.” (p. 95). Maslow suggested managers should also

provide for their workers' "gratification of the metamotivations or the metaneeds for truth and beauty and goodness and justice and perfection and law" (p. 95).

Taylor (1998) provided a scientific description of the duties of managers within a well-functioning organization. "It is this combination of the initiative of the workmen, coupled with the new types of work done by the management, that makes scientific management so much more efficient than the old plan" (p. 16):

First. They develop a science for each element of a man's work, which replaces the old rule-of-thumb method. Second. They scientifically select and then train, teach, and develop the workman, whereas in the past he chose his own work and trained himself the best he could. Third. They heartily cooperate with the men so as to insure all the work being done in accordance with the principles of the science which has been developed. Fourth. There is an almost equal division of work and the responsibility between the management and the workmen. (pp. 15-16)

It is difficult to dispute Taylor's (1998) assertion that "the principal object of management should be to secure the maximum prosperity for the employer, coupled with the maximum prosperity for each employee" (p. 1). However Taylor's system of scientific management seems to mirror the very scientific methods which may be antithetical to a systems approach. The scientific method, as well as scientific management, assumes that the whole may be understood and perhaps enhanced by isolating, examining, and experimenting upon its component parts. Systems theorists may argue this is a pointless quest, since the system itself operates at a synergistic level beyond the sum of its component parts. Rather than Taylor's fixation on the component parts of an organization, a systems approach could advocate a hybrid focus on the overall

system, while considering the role of the system components within the organization's operation.

Within such a hybrid approach, managers may adopt a number of mindsets and tactics for ensuring the needs of the organization are met along with the needs of the worker. McGregor (2000) defined management styles of Theory X (placing reliance on external management controls of workers' behavior), and Theory Y (relying heavily on a worker's own abilities for self-control and self-direction). "It is worth noting that this difference is the difference between treating people as children and treating them as mature adults" (p. 141). McGregor warned that for an evolutionary shift after generations of Theory X practice to the more respectful methods of Theory Y, "we cannot expect to shift to the latter overnight" (p. 141).

Maslow (1998) rued that the operational, systemic belief system that McGregor applied to managers is "sometimes lost in the translation. Theory X and Y are not management styles but our assumptions. Those assumptions play a large role in the development of our managerial styles" (p. 69). Bertalanffy (1968) also suggested that conceptual models are inadequate for the "phenomena of change, differentiation, evolution" and so on, but rather organizations need an assortment of assumptions encouraging "creativity, building up of tensions, self-realization, emergence" (p. 23).

These societal organizations are living systems of a sort, in that they are open to and requiring of a feeding flow of energy. This energy comes in the way of human beings and resource inputs. Beyond the energy forces supplied by human and natural resources, organizations are dependent upon knowledge to survive and thrive. Yet a collection of

knowledge alone is not enough to ensure the continued existence of an organization. That knowledge must be able to increase and adapt as environmental changes require. Nonaka and Takeuchi (1995) defined such organizational knowledge as “the capability of a company as a whole to create new knowledge, disseminate it throughout the organization, and embody it in products, services, and systems” (p. 3).

Senge (1990) referred to such adaptive organizations—these local systems meeting the needs of the larger social systems they support while adapting to environmental change—as *learning organizations*. Among many of the environmental changes local organizations adapt to, are the escalating forces of globalization, while multinational companies must adapt to the social and cultural requirements of local systems. Thus,

Learning organizations will, increasingly, be “localized” organizations, extending the maximum degree of authority and power as far from the “top” or corporate center as possible. Localness means moving decisions down the organizational hierarchy; designing business units where, to the greatest degree possible, local decision makers confront the full range of issues and dilemmas intrinsic in growing and sustaining any business enterprise. (p. 287)

The challenging dynamic of globalization countered for the necessity of localized operations requires new systems of ensuring company resources, especially *knowledge banks*, are distributed effectively with thorough diffusion. Nonaka and Takeuchi (1995) observed that Japanese companies have been successful at this dynamic, as that nation’s companies have found a fit in localized systems around the world, by accumulating and distributing knowledge “widely within the organization, stored as part of the company’s knowledge database, and utilized by those engaged in developing new technologies and

products” (p. 6). The knowledge thus distributed, processed, modified, and returned throughout the company undergoes a conversion; “it is this conversion process—from outside to inside and back outside again in the form of new products, services, or systems—that is key to understanding why Japanese companies have become successful” (p. 6).

Along with a sharing of knowledge, Senge (1990) observed that organizational success is assisted when workers within the organization’s microsystems share a connecting vision bounded by a common aspiration, “a vision truly shared when you and I have a similar picture and are committed to one another having it” (p. 206).

Personal visions derive their power from an individual’s deep caring for the vision. Shared visions derive their power from a common caring. ... Shared vision is vital for the learning organization because it provides the focus and energy for learning. (p. 206)

Of course, a pressing question facing system managers attempting to undertake Senge’s (1990) exhortations for vision is, *How do individual visions join to create shared visions?* Senge proposes using the metaphor of hologram, a three-dimensional image created by interacting light sources.

If you cut a photograph in half, each part shows only part of the whole image. But if you divide a hologram, each part shows the whole image intact. Similarly, as you continue to divide up the hologram, no matter how small the divisions, each piece still shows the whole image. Likewise, when a group of people come to share a vision for an organization, each person sees his own picture of the organization at its best. (p. 212)

In their study of successful Japanese companies, Nonaka and Takeuchi (1995) found the managers most in touch with the company’s vision and the practical application

frequently were those located in the middle—the managers at “the very center of knowledge management, positioning them at the intersection of the vertical and horizontal flows of information within the company” (p. 127).

It is neither top-down nor bottom-up, but “middle-up-down.” As strange as this term may sound, it best communicates the continuous iterative process by which knowledge is created. Simply put, knowledge is created by middle managers, who are often leaders of a team or task force, through a spiral conversion process involving both the top and the front-line employees (i.e., bottom). (p. 127)

These middle-level managers, creating mid-level business and product concepts, are the mediators between *what is* and *what should be* (Nonaka & Takeuchi, 1995). “They remake reality—or, to put it differently, engineer new knowledge—according to the company’s vision” (p. 154). Senge (1990) observed a similar dynamic when he countered the illusion that some top manager *up there* may actually be in control—“the illusion that anyone could master the dynamic and detailed complexity of an organization from the top” (p. 290).

The illusion of being in control can appear quite real. In hierarchical organizations, leaders give orders and others follow. But giving orders is not the same as being in control. Power may be concentrated at the top but having the power of unilateral decision making is not the same as being able to achieve one’s objectives. (p. 290)

The middle-managers are well positioned to form new synthesis of the company’s *what-should-be* mission as envisioned by the top, with the frontline *what-is* realities of the bottom-rung workers. Nonaka and Takeuchi (1995) proposed a new *middle-up-down* model, replacing the traditional organizational systems of the top-down model and the bottom-up model, both of which fail in creating a fully dynamic organizational

knowledge. “The new model puts the middle manager at the very center of knowledge management and redefines the role of top management as well as of front-line employees” (p. 124).

Senge (1990) warned that reform-minded leaders—wherever they may fall in the organizational structure—are likely to find any efforts to reorganize the organizational systems are likely to clash with an instant yet nebulous resistance. Such resistance could be a systemic organizational response, ingrained and interdependent with the organization’s microsystems, a “response by the system trying to maintain an implicit system goal” (p. 88).

Resistance to change is neither capricious nor mysterious. It almost always arises from threats to traditional norms and ways of doing things. Often these norms are woven into the fabric of established power relationships. The norm is entrenched because the distribution of authority and control is entrenched. Rather than pushing harder to overcome resistance to change, artful leaders discern the source of resistance. They focus directly on the implicit norms and power relationships within which the norms are embedded. (p. 88)

Leaders of reorganization efforts may be able to trace the sources of organizational resistance to others’ fear of failure or a lack of relevance, or some other perceived threat to the status quo (Senge, 1990). Rather than attacking the resistance, Senge suggested approaching a system reorganization as a question of function, rather than a battle of wills. “The leaders who fare best are those who continually see themselves as designers not crusaders” (p. 345).

As referenced earlier, problems may indeed be the microsystems of reality, especially the practical issues managers must address within organizational systems.

Ackoff (1999) identified four methods for dealing with problems within an organization, including *absolution*, *resolution*, *solution*, and *dissolution* (p. 115). *Absolution* involves ignoring a problem, while hoping it will solve itself or simply go away. Through *resolution*, a problem manager may rely on past experience and grounded judgment to identify and resolve a problem. To find a *solution* to a problem, problem solvers may resort to research and quantitative experimentation, seeking an optimized outcome. And *dissolution* of a problem entails attempting to redesign the system that has it, relying on idealization of a system that may work better than the current system.

A recurring theme among organizational theorists reviewed for this paper has been it is the duty of leaders throughout the system structure to identify and implement the systemic processes, knowledge learning, and personal attributes which will help ensure the overall health of the organization. “While it is clear that leaders draw their inspiration and spiritual reserves from their sense of stewardship, much of the leverage leaders can actually exert lies in helping people achieve more accurate, more insightful, and more empowering views of reality” (Senge, 1990, p. 353).

Nonaka and Takeuchi (1995) determined the most successful creation and mobilization of new knowledge and methods within organizations comes through a process of converting *tacit knowledge* (abilities gained through personal experience and not easily communicated through words) to *explicit knowledge* (know-how readily transferred through hard data and codified procedures). “It is a quintessential knowledge-creation process in that tacit knowledge becomes explicit, taking the shapes of metaphors, analogies, concepts, hypotheses, or models” (p. 64).

*Macrosystems*

Humans operate within an incalculable array of macrosystems, from any number of organizational and social systems, through multiple dimensions of physical reality to endless possibilities of simultaneous *multiverses* beyond our immediate universe.

Directly above our localized systems of daily interaction within organizations, are the mindsets and assumptions which contain, embrace, and govern microsystemic functions.

Laszlo (1996) wrote these social systems form *holarchies*, which “are multi-level flexibly coordinated structures that act as wholes despite their complexity. There are many levels, and yet there is integration” (p. 51).

Formerly autonomous systems are now subordinated to control from above, without thereby fully surrendering their autonomy. Systems align themselves in suprasystems, rather than disaggregate into them. Smaller systems are not melted down and recast into larger systems; the small units are still there, and they exercise essential functions. But these functions are part of the order in larger systems, which in turn may belong to still more encompassing ones. (p. 52)

For example, as shall be examined further in the Depth component, the cultural variations observed between nations combine as a macrosystem of the local organizational systems. Cultures are themselves the microsystems comprising the greater macrosystem of humanity. As with other integrated system components, culture variations most likely serve a purpose within the overall system, and in the realms of systems management, effective organizational leaders need to become aware of those variations, how they form a part of the whole, and how they may better interrelate for a healthy incorporate body, especially in this era of burgeoning globalization.

As with other transitions from a local system to a more encompassing macrosystem perspective, it may be difficult to appreciate the greater systems within which microsystems function. This is especially true with the mind-shift in appreciating one's own culture through the exposure to the culture of another (Adler, 2002).

Cultures vary in distinct, significant, and predictable ways. Our ways of thinking, feeling, and behaving as human beings are neither random nor haphazard but rather are profoundly influenced by our cultural heritage. Until we leave our community, we often remain oblivious to the dynamics of our shared culture. As we come in contact with people from other cultures, we become aware of our uniqueness and begin to appreciate our differences. (p. 35)

From a non-systems perspective, the differences between individuals, organizations, cultures, and nations may seem to pit adversaries against one another in a battle for supremacy of one microsystem over another, especially when a classical worldview is applied to the social sciences (Laszlo, 1996). However, when a systemic vision is applied to the theories of social science, "the values of competition are mitigated by those of cooperation, and the emphasis on individualistic work ethos is tempered with a tolerance of diversity and of experimentation with institutions and practices that foster man-man and man-nature adaptation and harmony" (p. 12).

This question must concern well-intentioned leaders within all levels of social and organizational systems: How are systems to be managed employing a systems perspective, if indeed they even can be? Plato suggested that such leadership may arise within enlightened Philosopher Kings and Queens who understand the mystical principles of systems. Or, perhaps there are greater systems that operate beyond and in spite of our appreciation of them, such as in the adversarial judicial system, where each party seeks

its own best interests, thereby producing a transcendent alchemistic justice through a transforming synthesis of conflicting interests.

Along the lines of Adam Smith's classical worldview, it may be that individual and isolated effort rather than collective systems governing ensures the public good, through an *invisible hand* that mixes it all up in some unseen systems batter bowl. Perhaps systems are most effectively run by unconscious processes rather than mindfully, through an unrecognized imbuing spirit, an inspiration, a pulse. Whether it is through the atomistic-based thought of Adam Smith, or the unified shared visions within systems-oriented learning organizations, the localized assumptions may serve a greater macrosystem purpose, whether the micro-components are aware of it or not.

People who may have a proclivity to seek a macrosystems context for social issues and the interrelatedness of diverse fields, might tend to focus on the *why* questions. Journalists frequently discover the *why* questions provide the richest responses, and are typically the hardest for a newsmaker to answer; the sort of questions a reporter gradually works up to through a process of quantitative inquiry (the *who*, *when*, and *what* data). These quantitative questions tend to be simpler to answer, and develop a rhythm and confidence in the newsmaker's answers. Then come the more difficult, yet more crucial and illuminating *why* questions which frequently get to the heart of the story.

We may find importance in the richer *why* questions when assuming a *holistic* versus *specialized* perspective on systems. There may be found a parallel in the consideration of *systems* versus *specialized* perspectives in a comparison of *analog* and *digital* systems. Analog waves provide a rich continuum of quality source information,

large and full, chewing up high levels of bandwidth. Digital signals, however, provide a finite sampling of the infinite spread of an analogue wave, reducing the data to a much smaller quantity, which serves to translate the full analogue signal to an acceptably inferior though handier substitute. Analog signals are of a higher quality, at least in terms of fidelity to the original source. Digital signals, though inferior to the original fullness of the signal, provide easily replicable content in discrete measurements of quantifiable data.

It is a common belief, though mistaken—in large part generated through effective marketing— that a reduced digital signal is somehow superior to the original and richer analogue signal. This is simply not true. Digitalization gives us a reduced representative sample of an analogue wave: discrete quantum measurements of the whole, hopefully diverse enough to provide a realistic duplication meeting the limited bounds of our senses. Reducing the infinite to the finite is bound to suffer a loss. Religion and mathematics are good examples of how the infinite is reduced through doctrines, postulates, formulas, equations, algorithms, schema, paradigms, and so forth. Not only may we reduce the infinite to the finite in our fear or limited perspective, but then we may subsequently eliminate the infinite from our elevated awareness, becoming so enthralled with the components and our mastery over them through our ability to quantify.

We humans are and will likely remain analogue creatures, no matter how we might prefer a simpler and easily reproducible digital quantification. As ocean waves pulse through an accommodating sea, one generation of us after another ripples through the medium of our society, our culture; our psyches wavering through some borrowed

atomic stuff. Danger may lie in this mesmerizing digital age if we analog creatures mistakenly believe we have somehow altered the physics of what we fundamentally are.

If indeed humanity has been imbued with the gift of free will, we have the choice of defining and accepting whatever mindsets and assumptions we choose, whether they are holistic, atomistic, affirming, antagonistic, productive or not. Laszlo (1996) wrote that a holistic vision of nature is grounded in harmony and dynamic balance, where “progress is triggered from below without determination from above, and is thus both definite and open-ended”; while humanity may have the freedom to choose this path of progress, “this freedom is bounded by the limits of compatibility with the dynamic structure of the whole in which one fines oneself” (p. 58).

The supreme challenge of our age is to specify, and learn to respect, the objective norms of existence within the complex and delicately balanced holarchic order that is both in us and around us. There is no other way to make sure that we achieve a culture that is both viable and humanistic. (p. 92)

Bertalanffy (1968) questioned whether we may *define the system*, or whether the *system defines us*. Our decisions which select the foundational assumptions of our systems and organizations may in turn be in turn be influenced in a systemic way by the very systems with which we are intimately entwined. “Events seem to involve more than just individual decisions and actions and to be determined more by socio-cultural ‘systems,’ be these prejudices, ideologies, pressure groups, social trends, growth and decay of civilizations, or what not” (p. 8).

The discussion of macrosystems may inevitably turn to topics of metaphysics and avenues beyond daily organizational practicalities, especially if considered from a non-

systems vantage. However, as human interaction grows increasingly complex through globalization and expanded international interaction, it becomes increasingly necessary to develop a greater understanding of the macrosystems encompassing our relatively isolated microsystems of the prior ages.

For example, understanding the character of workers and colleagues is especially important for cross-cultural managers and organizational leaders as they may find a mechanistic, detail-oriented, non-systems approach is not especially successful in multicultural settings. Rather than discrete human packets of digital data, readily replicable, quantifiable, and manipulated, we are complex analogs, rich and full. How might we address the complexity of human systems as we expand into global circles of interaction? That will be addressed in the Depth component ahead.

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Knowledge Area Module 3  
Principles of Organizational and Social Systems

SBSF 8320: Current Research in International Organizational and Social Systems

Depth Component: Systems Theory vis-à-vis Cross-Cultural Management

### Systems Theory vis-à-vis Cross-Cultural Management

#### *Global Challenges*

Among the world's most transformational systems is found the expansion of localized systems perspectives to a new macrosystem encompassing multiple cultures. Senge (1990) warned that the expanding unprecedented complexity of human information systems and international interactivity has created a greater need than ever for systems thinking. The failure to cope effectively and systematically with the complexity is witnessed in systems breakdowns such as trade deficits, international drug abuse, global warming, and other environmental and social degradation. "Perhaps for the first time in history, mankind has the capacity to create far more information than anyone can absorb, to foster far greater interdependency than anyone can manage, and to accelerate change far faster than anyone's ability to keep pace" (p. 69).

Laszlo (1996) described evolutionary growth in order and complexity within the macrosystem of *spaceship Earth*, where the basic laws of development hold true in the macrosystem (*supraorganic*) realms, as they do in the local (*organic*) and microsystem (*suborganic*) realms. "When we compare today's societal scene with that of even a hundred years ago, we see the tremendous increase in interdependence, complexity, and differentiation" (p. 53).

World businesses leaders frequently find themselves on the forefront of grinding relations along international fault lines. Adler (2002) wrote that business leaders may transcend national and cultural boundaries "in ways that remain outside the realm of

politicians and government diplomats. As business leaders know, if an idea or action is good for business, it is worth learning and doing no matter where in the world it originated” (p. 167).

Global companies, more so than nations, already face the difficult questions involved in integrating visions based on divergent national and cultural values. Their success in finding and implementing transnational visions will determine the future of global companies, and, more importantly, society’s potential for success. (p. 167)

Multinational corporations, international assistance programs, global marketers, and others seeking to export organizational management systems and ideologies across national and cultural borders are frequently finding failure in their efforts. Berrell, Gloet, and Wright (2002) attribute much of this problem to a shortage of “managerial talent capable of operating internationally,” and a reluctance or incapability by international workers to “generate global learning practices” (p. 7).

Too many executives go overseas packing the mistaken proposition that everything will work out fine, if only the natives just do things *our way*. This in spite of the frequent experience that attempts to reengineer a cultural foundation is often not only met with unreliable results, but enormous resentment. Managers who believe that a systematic way of thinking may be transferred from one national microsystem to another may find themselves victims of mistaken traditional notions, such as the *necessity for docility* (McGregor, 2000). “I do not believe that people will ever do what they are told. I believe that managements that try to approach their job in that frame of mind are inevitably going to get frustrated” (p. 162).

For example, Americans involved in a joint venture with Japanese and Indonesian partners may suddenly find that interpersonal clashes along lines of meeting timeliness, snack preferences, pecking orders, prayer breaks, emphases on consensus over conflict, and basic cross-expectations in procedural logistics (Elashmawi, 1998). These conflicts may quickly boil over into heated adversity and damaged teamwork

Among the challenges to overcome in smoother international relations is addressing assumptions that undermine a more effective systems view of global interaction. Laszlo (1996) faults a classical Eurocentric worldview, which considers Western industrialized societies and cultures “as the paradigms of progress and development. The holistic vision takes in the diversity of human cultures and societies and sees all of them as equally valid, ranking them only in regard to sustainability and the satisfaction they provide for their members” (p. 11). Adler echoed this shortcoming when he observed that most motivation theories used by management today are Western constructions either developed in the United States, or influenced strongly by American-based management theory, failing to provide more universal explanations of motivation beyond expectancy and equity theories grounded in the American value system emphasizing individualism. “The emphasis placed on achievement is not surprising given Americans’ willingness to accept risk and their high concern for performance” (p. 182).

To redress this inadequate parochial perspective, Alder (2002) stressed the need by world business for “managers sophisticated in global management and skilled at working with people from other countries” (p. 11). Within the new macrosystem of cross-cultural relations, global management has become a subset of

“traditional management approaches” (p. 11), while domestic management is now recognized as a limited subset or microsystem of global cross-cultural management.

In interacting with foreigners, we learn to recognize and value our fundamental humanity—our cultural similarities and dissimilarities. For years people chose to believe that organizational functioning was beyond the influence of culture; the operated as if organization outcomes were determined only by task and technology. Today we know that work is not simply a mechanistic outgrowth of either technology or task. At every level, culture profoundly influences the behavior of organizations as well as the behavior of people within organizations. (p. 35)

Nonaka and Takeuchi (1995) attributed Japanese companies’ particular ability to accommodate and assimilate cultural differences provided an advantage to their international success. This ability was facilitated through a process of knowledge creation providing “the capability of a company as a whole to create new knowledge, disseminate it throughout the organization, and embody it in products, services, and systems” (p. 3). Western companies, said Nonaka and Takeuchi, frequently fail to successfully implement organizational knowledge creation, due to a Western management tradition which prefers an *explicit* form of knowledge transfer through words, numbers, and easily communicated procedures. Japanese companies, however, have found greater international management success through the more difficult but cross-culturally effective forms of *tacit* exchanges.

Japanese companies, however, have a very different understanding of knowledge. They recognize that the knowledge expressed in words and numbers represents only the tip of the iceberg. They view knowledge as being primarily “tacit”—something not easily visible and expressible. Tacit knowledge is highly personal and hard to formalize, making it difficult to communicate or to share with others. Subjective insights, intuitions, and hunches fall into this category of knowledge. (p. 8)

Nonaka and Takeuchi (1995) proposed that *tacit* and *explicit* methods of knowledge exchange are actually complementary, which may “interact with and interchange into each other in the creative activities of human beings” (p. 61). The most effective use of the tacit and explicit knowledge transfer methods in international situations may be found when cross-cultural managers discover “the key to knowledge creation lies in the mobilization and transfer of tacit knowledge” into more explicit forms (p. 56).

The diversity found in cultural variations within such interrelation mechanisms as knowledge transfer poses both problems and benefits in international organizational systems. Alder (2002) identified that diversity frequently posed problems in *convergent* processes, impacting the ability for international employees to “think or to act in similar ways” (p. 108). Such diversity difference may render difficulties in achieving a *convergence on common meaning* as well a *convergence on similar actions*. “The potential for increased ambiguity, complexity, and confusion becomes highest when the organization or project requires direction and clarity—convergence” (p. 108).

However, while diversity may cause problems in *convergent* processes, diversity may also lead to an advantage in *divergent* processes (Adler, 2002). This becomes evident when new strategies and tactics may help an international organization gain a competitive advantage.

Diversity becomes most advantageous when the organization wants to expand its perspective, strategy, tactics, or approach. Diversity can become an advantage in attempting to reposition the organization, reposition strategy from a bricks-and-mortar to an e-commerce environment, launch a new project, create a new idea, develop a new marketing plan, design a new operation, or assess emerging trends from a new perspective. (p. 110)

As economies may find a balance through achieving equilibrium between supply and demand, global managers may find an effective synthesis through a competent mixture of tacit and explicit knowledge transfers, as well as balancing between the problems and benefits created through international cross-cultural diversity. Laszlo (1998) referred to a systems perspective on such equilibrium, “which the economy strives to maintain—a process which parallels rather closely the homeostatic self-regulation of the animal body” (p. 38).

Adler (2002) wrote such homeostatic balance may produce a synergy that “emphasizes managing the impacts of diversity, rather than attempting to eliminate the diversity itself” (p. 128). Adler suggested such a synergistic approach entails three steps: 1) a valid description of the cross-cultural situation; 2) correct cultural interpretations, and 3) effective cultural creativity. Through such an approach, the international managers would first attempt to define the problems from a cross-cultural perspective, incorporating the various viewpoints of all involved. “They then analyze the patterns that make each culture’s behavior logical from within its own perspective. Only then can they create solutions that foster the organization’s effectiveness and productivity without violating the norms of any culture involved” (p. 128).

Through a balanced microsystems regulation of the internal forces within the greater local and macrosystems, efficiency, perpetuation, and growth may be effectively achieved. Adler (2002) observed that while “cultural diversity has both potential advantageous and disadvantageous impacts,” it is the international organization’s response to the diversity, “and not the diversity itself, (which) determines its ultimate costs and benefit” (p. 115).

To better cope with the challenge of an ever more complex international macrosystem, which creates the “strains and stresses in this world which traverse the globe and tax the adaptive capacities of the individual” (Laszlo, 1996, p. 53), international bodies may become more important in ensuring the smooth operation of the microsystems within the larger global system. In spite of its fits and false starts, some believe the United Nations may yet prove the mechanism for a global system’s internal regulation.

World government is still in the realm of dreams, but world organizations sprout forth in increasing numbers, and the United Nations furnishes at least a forum for discussion and communication among nations. International power blocs are forming, partially crisscrossed by international economic alliances and diplomatic relationships. (p. 53)

Senge (1990) as well offered that effective international relations within a global macrosystem require that participants employ a systems perspective looking “beyond individual mistakes or bad luck to understand important problems. We must look beyond personalities and events. We must look into the underlying structures which shape individual actions and create the conditions where types of events become likely” (p. 43).

### *Cultural Varieties*

Cultural differences run deep and wide, and are well entrenched in our social mindsets. Cultural variations may be said to operate within the greater system of humanity, as well as within the subsystems of industry. As globalized business becomes more prevalent, appreciation and accommodation of cultural differences becomes critical to success.

Contemporary research and reporting from around the world have substantiated that culture—regardless of swirling government ideologies and socioeconomic changes—does continue to play an intractable role in development and international relations, whether in China, Zimbabwe, Malaysia, Russia, Serbia, Sweden, Australia, Japan, Bulgaria, and beyond (e.g., Inglehart & Baker, 2001; Michaeilova, 1999; Mueller & Clark, 1998).

Cultural variations can range from different “ways of knowing” (Berrell, Gloet, & Wright, 2002), to clashes in managerial styles between Western and Asian joint-venture executives (Elashmawi, 1998), to diametric and seemingly irreconcilable opposition in fundamental ethical values (Singhapadki, Rawwas, Marta, & Ahmed, 1999). These cultural conflicts have impeded globalization, international business partnerships, transfer of economic ideologies, and other critical areas of interrelations, even when all parties have a common aim of effective development in cross-cultural relations.

Quite often it is not until travelers leave their own nation culture behind that they begin to appreciate how profound and deeply rooted a cultural heritage might be (Adler, 2002). “In interacting with foreigners, we learn to recognize and value our fundamental humanity—our cultural similarities and dissimilarities” (p. 35). The same may be said of newly-appointed international managers, who for the first time may be responsible for the performance of workers operating under a foreign mindset.

For years people chose to believe that organizational functioning was beyond the influence of culture; they operated as if organization outcomes were determined only by task and technology. Today we know that work is not simply a mechanistic outgrowth of either technology or task. At every level, culture profoundly influences the behavior of organizations as well as the behavior of people within organizations. (p. 35)

Mueller (1998) found that cultural issues are frequently disregarded or dismissed in the development and application of management theories. This oversight becomes especially problematic in current-day international socioeconomic relations.

U.S. management theories were developed when there seemed to be little interest in determining whether such theories applied cross-culturally. There was a tendency to assume that U.S.-based behavioral theories were universally applicable; this tendency stemmed in part from the dominant Anglo-American perspective of the research generated in the United States and the lack of cross-cultural empirical studies. (p. 1)

Adler (2002) considered that perhaps an enveloping organizational culture might somehow pacify local cultural differences, asking the question, “Does organizational culture erase or at least diminish national culture? Surprisingly, the answer is no. Employees and managers bring their cultural background and ethnicity to the workplace” (p. 67). In fact, Adler determined that within a foreign company, local cultural characteristics might even become more pronounced. “When working for multinational companies, Germans seemingly became more German, Americans more American, Swedes more Swedish, and so on ... Far from reducing national differences, organization culture maintains and enhances them” (p. 69).

Certainly, as described ahead, cultures vary from one another in ranging extremes, from very little to absolutely alien. Cultural variations may be most evident when comparing international differences between cultures on the furthest ends of the dimensions measurements. Relying the principle of *maximum variation sampling* (Patton, 1990), a small sample of international settings may give insights into the challenges and successes of cross-cultural relations, by “describing the

central themes or principal outcomes that cut across a great deal” of participant variation (p 172). One might notice this principle at play when comparing cultural differences between polar extremes of the United States and such diverse nations and cultures of Asia (e.g., Jackson & Bak, 1998; O’Keefe & O’Keefe, 1997; Yang & Lee, 2002).

Jackson and Bak (1998) appointed Maslow’s ultimate hierarchal need of self-actualization as a Western priority, perhaps not relevant to the collectivist Chinese culture where “‘face’ is more related to belongingness rather than to individual esteem” (p. 284). O’Keefe and O’Keefe (1997) observed how the Chinese follow a Confucian concept of maintaining harmony by always seeking a compromise rather than confrontation; and how the Chinese exhibit a degree of passivity and politeness that are confusing to Western managers, as they may culturally prefer a polite avoidance of confrontation and an obedient respect for authority.

Yang and Lee (2002) conducted a case study of Motorola China Incorporated, a company seen as one of the more successful multinational corporations to integrate with the Chinese environment. Motorola’s success is attributed to such efforts as reinvesting profits into enterprises with Chinese partners; developing trust between both the foreign and local partners; implementing incentive systems which reflect both Western and Chinese principles and traditions; and “more importantly, adjusting business policies accordingly based on a full understanding about government policies and regulations and local culture and traditions” (pp. 103-104).

Though Japanese culture may vary in numerous ways from Chinese culture, it nonetheless mirrors many of the profound differences between Western and Eastern philosophies. Nonaka and Takeuchi (1995) grounded the divide along fault lines of the Cartesian split, disuniting the concepts of known and knower, subject and object, mind and body, and so on. Where “most Western views of human relationships are atomistic and mechanistic, the Japanese view is collective and organic” (p. 31).

This history is important because the Western philosophical tradition has fundamentally shaped the disciplines of economics, management, and organization theory, which in turn have affected managerial thinking about knowledge and innovation. Contrasting this Western philosophical tradition with the Japanese intellectual tradition, where the split between subject and object has not been as deeply rooted, goes a long way toward understanding Western and Japanese managerial approaches today. (pp. 20-21).

Nonaka and Takeuchi (1995) provide three distinctions of Japanese intellectual tradition, in contrast to more Western ways of thought: “(1) oneness of humanity and nature; (2) oneness of body and mind; and (3) oneness of self and other” (p. 27). While Western philosophies and management theories may “promote the realization of the individual self as the goal of life, the Japanese ideal of life is to exist among others harmoniously as a collective self” (p. 31).

However, there is not necessarily an either-or choice between Western and Eastern management approaches, especially in ways that knowledge may be most effectively created and transferred within an international organization. Indeed, Nonaka and Takeuchi’s (1995) theory “is based on the idea that these two perspectives are mutually complementary. We maintain that any adequate theory of knowledge creation must contain elements of both” (p. 21).

Hofstede (1997) refers to culture as “software of the mind,” a computer-era appropriate axiom that designates the diverse selection of loaded programming each of us runs upon our not-too-dissimilar biological hardware: “Every person carries within him or herself patterns of thinking, feeling, and potential acting which were learned throughout their lifetime. Much of it has been acquired in early childhood, because at that time a person is most susceptible to learning and assimilating” (pp. 4-5).

Theorists perhaps need to rethink the computer-age cultural metaphor as our understanding of computer function becomes more sophisticated. We may come to see social, political, and economic systems as an assortment of societal software, which can be readily upgraded, purged, and over-written. Culture instead may be considered the operating system, the very operational foundation upon which the software is run. We might have the best software program, but if it is not compatible with the native operating system, it just will not work.

In his original study, Hofstede (1980) classified dimensions of work-related value differences in 40 subject countries. The classifications may well be applied to cultural dimensions of the educational setting, including: Power Distance (or the extent to which individuals at lower levels accept their lack of autonomy and authority); Individualism (or the relative importance of self and immediate family versus the collective social grouping); Masculinity (or the extent to which traditionally “male” goals of wealth and recognition are acknowledged); and Uncertainty Avoidance (or the extent to which risk and ambiguity are acceptable). Hofstede later added a fifth dimension: Long-term Orientation (fostering virtues oriented towards future rewards), which interjected a

growing understanding of Asian culture, specifically Confucian influence. (See Depth Appendix A, page 69.)

Hofstede's original theories have held up well in ensuing studies, such as those conducted by Fernandez, Carlson, Setpina, and Nicholson (1997). Adler (2001), while incorporating Hofstede's findings and categories, has modified the masculinity dimension with a new continuum measuring cultural orientations toward *career success* and *quality of life* (p. 61). However Hofstede's seminal work has been updated for the times. The research of Fernandez et al. (1997) expanded Hofstede's cultural dimensions to countries including Russia and China, which were not included in Hofstede's original work and methodology (IBM had no factories in those countries at the time—a target group of Hofstede's research). Augmenting and adjusting Hofstede's results, the newer study demonstrates a marked similarity between Russia and China on all the selected cultural dimensions, including the highest levels of *power distance* and *uncertainty avoidance* (pp. 5-8). The United States now ranks higher in *uncertainty avoidance* and Japan comes in lower than in the original study. The United States continues to rank number one in *individualism*, while Russia tops out the scale in the realm of *collectivism*. China scored the highest on the dimension of *masculine* countries, with Russia also scoring above the mean. Germany now resides below the mean as *feminine* in the current study, a shift from the masculinity of Hofstede's study.

Numerous other theorists have set forth various models measuring cultural differences in societies around the world. For example, Ackoff (1999) suggested that “culture is to society what personality is to the individual” (p. 239), along with the observation that identified personality types may also serve as cultural types. Among

Ackoff's four basic personality types: 1) *Subjective-Internalizers* (SIs), who characteristically respond to internal stimuli by changing themselves; 2) *Subjective-Externalizers* (SEs), who characteristically respond to internal stimuli by changing their environments; 3.) *Objective-Internalizers* (OIs), who characteristically respond to external stimuli by changing themselves; and 4) *Objective-Externalizers* (OEs), who characteristically respond to external stimuli by changing their environments (p. 224).

Ackoff (1999) used this personality-type model to measure the personality of selected nations, for example the United States as an *SE* personality-type nation, the USSR as an *OE* nation, France as an *SI* nation, and the United Kingdom as an *OI* nation. These national personality types may result in problems between nations when interacting in conflicting personality modes, such as the difficulties between the SE-type United States and the OE-type USSR over arms control during the Cold War (p. 241).

Some students of international relations may find assigning cultural dimensions as a demeaning, stereotypical reduction of the rich complexities in human diversity. However, such a negative dynamic should not necessarily be the case. Adler (2000) observed that while it may be unethical to label people from certain ethnic groups as *bad*, “grouping individuals into categories is neither good nor bad—it simply reduces complexity to manageable proportions” (p. 83).

Negative views of stereotyping simply cloud our ability to understand people's actual behavior and impair our awareness of our own stereotypes. Everyone stereotypes. Rather than pretending not to stereotype, effective global managers therefore need to become aware of their cultural stereotypes and learn to set them aside when faced with contradictory evidence. (p. 83)

Students of international relations may also have a problem separating their own belief system when interacting with people from entirely different foundations. This may especially be the case between national cultures with extreme differences in regards to human relations and individual rights. Maslow (1998) observed that various cultures have distinct differences in how managers interact with workers. There may as well be surprising variations in what the workers will both accept and expect in the way of treatment.

There are many places in the world where only authoritarian management, cracking the whip over fearful people, can work. Authoritarian characters confronted with human relations principles of management based on all sorts of beneficent and benevolent assumptions would consider the manager certainly weak in the head and at the very least sentimental, unrealistic, etc. (p. 43)

As we grow evermore connected in our globalized networks through international trade and high-speed, far-reaching telecommunications, we become even more aware of those differences as they rub raw against one another. Even more terms and tools are required for this new age, if we are to communicate full meaning across cultural and linguistic schisms. Zakaria (2000) provided some useful definitions and distinctions, including those between the terms *expatriate* as an employee relocated from one country to another, and *sojourner* as a traveler just passing through without intent to reside. Since there is no clear distinction in the timeframe for each term, they are sometimes used interchangeably (p. 495). Other useful definitions include that of *acculturation* as a “process whereby an individual is socialized into an unfamiliar or new culture”; and *culture shock* as an “expatriate’s reaction to a new, unpredictable, and consequently uncertain environment” (p. 496).

Certainly international partners need a common understanding of the dimensions and concepts of culture's role in the expanding macrosystem of global relations. Heil, Bennis, and Stephens (2000) cite Albert Einstein, in that "How we think determines what we measure" (p. 47). How we think and believe may also determine our organizational systems and the nature of our international business, as well as our "priorities, our procedures, our processes, what we expect from people, and the way we deal with them. A distillation of our past thoughts, observations, and experience, our mindset serves as the foundation for the systems we build and perpetuate" (p. 47).

#### *International Macrosystem Adaptation*

The forces of globalization are creating new macrosystems of intensified international cross-cultural relations. Selmer (1999) posed the question, "Business corporations are going global, but are their managers prepared to follow?" It is a critical issue: "To be able to effectively compete against major global competitors, international firms need world-class managers in the international marketplace" (p. 77). Successful relations across countries and cultures are not so much a question of conversion or confrontation, as it is of understanding and adaptation. Selmer cited evidence that an expatriate manager "does not necessarily have to undergo a basic shift in deeply held values to conform to a new set of cultural norms abroad. It is sufficient merely to learn new social and cultural skills," as one might study a foreign language (p. 79).

Alder (2002) provided a menu of skills multicultural teams could employ, such as they should use "their diversity to generate multiple perspectives, problem definitions, ideas, action alternatives, and solutions; learn to achieve consensus, including agreeing

on specific decisions and directions, despite the diversity; and balance the simultaneous needs for creativity (divergence) and cohesion (convergence)” (p. 156). Failure to do so may infect the entire organization, as well as poison the partners’ personal relationships.

If multicultural teams fail to generate many new ideas, they become no more effective than individuals working alone. If they fail to achieve consensus, their diversity paralyzes them. If multicultural teams fail to balance creativity and cohesion, they become awkwardly inefficient structures adding little value to the organization. (p. 156)

Organizational managers throughout the world have found how difficult it is to implement change, no matter how impressive a new idea might be (Senge, 1990). There is often a major disconnect between the brilliant theory and the systemic application, if for no other reason, due to an organization’s simple inertia and perceived threat to the status quo. “More specifically, new insights fail to get put into practice because they conflict with deeply held internal images of how the world works, images that limit us to familiar ways of thinking and acting” (p. 174).

Organizations face many problems when breaking free from systemic and culturally-limited perspectives hindering international interrelationships. Sull (1999) identifies one of the most common hindrances as *active inertia*, referring both to an object’s tendency to both remain at rest, as well as its tendency to persist in a current trajectory in the absence of opposing forces. He categorizes four hallmarks of active inertia, or the “dynamic of failure,” including *blindness*, or the strategic frames as a “set of assumptions that determine how managers view the business”; routines, or the entrenchment processes of “the way things are done”; *shackles*, or the relationship “ties to employees, customers, suppliers, distributors,

and shareholders”; and *dogmas*, or the values comprised of “the set of beliefs that determine corporate culture” (p. 5). Successful companies overcome these failure dynamics by developing fresh strategies and tactics overcoming the active inertia.

Middle-managers may be a valuable entry-point for organizational change, in particular the role they might play in creating and mobilizing new organizational knowledge (Nonaka & Takeuchi, 1995). Poised between the practical focus of the front-line workers and the lofty visions of upper management, middle-managers may act as true *knowledge engineers*. “They serve as the strategic ‘knot’ that binds top management with front-line managers. They work as a ‘bridge’ between the visionary ideals of the top and the often chaotic realities of business confronted by front-line workers” (p. 128).

While new organizational knowledge may best be introduced at the mid-management level, and even new organizational vision and purpose may be introduced with middle-managers, yet the organization’s macro-systemic vision could spread faster throughout the local systems if a new vision begins at the top (Senge, 1990). “When visions start in the middle of an organization the process of sharing and listening is essentially the same as when they originate at the top. But it may take longer, especially if the vision has implications for the entire organization” (p. 216). This new vision becomes especially critical when organizations need systemic reorganization due to transformational changes in the operating environment, such as the impact of globalization and its demands for cross-cultural perspectives and expertise. The difficult processes of systemic change may be mitigated through new vision statements of top management, as the reorganization filters through the internal inertia of the numerous microsystems.

People, and the systems they comprise, may well be antithetical to changing and tolerating new challenges to their old familiar ways. Senge (1990) referred to the dynamic as a *trap of defensive routines*, which

... insulate our mental models from examination, and we consequently develop “skilled incompetence”—a marvelous oxymoron that Argyris uses to describe most adult learners, who are “highly skillful at protecting themselves from pain and threat posed by learning situations,” but consequently fail to learn how to produce the results they really want. (p. 182)

The core of the solution to organizational and societal adaptation to cross-cultural macrosystems, Bruffee (2002) proposed, is in “teaching the craft of mutual dependence and civil compatibility among diverse cultural communities,” and by people becoming more aware that “many of the cultural assumptions and practices of their peers ... are deeply similar to their own and serve similar social, political, emotional, and spiritual ends” (p. 13). Bruffee suggested three principles which might help achieve a more culturally-harmonious end: 1) Recognize that most cultures are “nearly identical in many of the most rudimentary elements of social structure, needs, and desires.” 2) Further recognize that “culturally diverse communities nested together in heterogeneous societies do share solid common ground.” And, 3) Find that achieving common ground requires “learning the intricacies and tact of re-negotiating membership in one’s own cultures and of finding new occasions to negotiate across the boundaries that divide cultural communities” (pp. 14-15).

So that expatriates and sojourners may better understand how best to adapt to new sociocultural environments, it might be useful to first be acquainted with the adaptation challenges and dynamics involved. Ward and Kennedy (1999) provided a seminal

examination of *the construct of sociocultural adaptation*, which clarified several terms used in sociocultural research studies. The authors proposed that “cross-cultural adaptation may be meaningfully divided into two domains: psychological (emotional/affective) and sociocultural (behavioral)” (p. 660). The first referred to “psychological well being or satisfaction”; sociocultural adaptation is “related to the ability to ‘fit in,’ to acquire culturally appropriate skills and to negotiate interactive aspects of the host environment.” Degrees of success in sociocultural adaptation may be measured with a Sociocultural Adaptation Scale (SCAS). This scale includes such expatriate abilities as making friends, using the transport system, making oneself understood, going shopping, understanding jokes and humor, following rules and regulations, dealing with people in authority, dealing with people staring, making oneself understood, understanding the local value system, and so on (p. 663).

As private citizens and enterprise managers in particular assume a larger role in international development, special training in appreciation for the empowered individual diversity of cross-cultural relations becomes imperative. Zakaria (2000) warned that a successful role in the globalization process “requires the adoption of a cross-cultural perspective in order to successfully accomplish goals in the context of global economy” (p. 492). Zakaria proposed that effective cross-cultural training should lead to intercultural competency in cultural awareness, cultural sensitivity, and cultural adroitness. Other training should enhance basic skills of adaptation, cross-cultural communication, and partnership, as well as work transition, stress-management, relationship building, and negotiation techniques (p. 504). “The globalization of business and proliferation of intergovernmental and non-

governmental contacts involving expatriates make the need for cross-cultural competencies more important than ever before” (pp. 507-508).

Some may see foreign cultures—especially those distant cultures in the well-developed Western world—as garden states guarded by well-tended walls and gates. “Today, increasingly, our survival depends less on distinguishing ‘us’ from ‘them’ than on discovering and cultivating the common ground that lies beyond our carefully tended gardens” (Bruffee, 2002, p. 13). The steps to breach those walls and gates may be difficult, however necessary. Senge (1990) observed that to get beyond the organizational barriers of hierarchical predecessors, “learning organizations [need] invest in improving the quality of thinking, the capacity for reflection and team learning, and the ability to develop shared visions and shared understandings” of complex issues (p. 289).

Global companies and organizations, even those engaged in competitive enterprises, may come to see there is more at stake and more to be gained if human relations become better integrated and macrosystemic. Indeed, we may be linked in a symbiotic cooperative/competitive system, not too dissimilar from Daytona 500 racecar drivers, who must use one another in a semi-cooperative relationship to aerodynamically ensure top performance (Ronfeldt, 2000). The racecar drivers must cooperate with one another to achieve aerodynamic advantages by maneuvering their cars through *draft lines* (called *drafting*) while also competing to ultimately win the race (p. 13).

Senge (1990) predicted that internal organizational battles would always be, so long as there remain organizations; a viewpoint very few might dispute. Yet reformist organizational visionaries might tap humanity’s higher aspirations to live within more harmonious systems.

So long as there are organizations there will be politics. Yet very few people truly want to live in organizations corrupted by internal politics and game playing. This is why internal politics is the first of many organizational “givens” challenged by prototype learning organizations. Challenging the grip of internal politics and game playing starts with shared vision. (p. 274)

The globalization of business, social, and environmental spheres into new and interdependent macrosystems is a process likely to accelerate and endure. Laszlo (1996) concluded our global challenge is to specify and respect the “objective norms of existence within the complex and delicately balanced holarchic order that is both in us and around us. There is no other way to make sure that we achieve a culture that is both viable and humanistic” (p. 92).

To assist with the process of achieving this holarchic macrosystems balance, higher education management courses could incorporate an introduction to some of the cross-cultural macrosystems theory and methods covered in the Breadth and Depth components of this paper. The development of such a course in international management will be addressed in the Application ahead.

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## Depth Annotated References

Berrell, M., Gloet, M., & Wright, P. (2002). Organizational learning in international joint ventures. *The Journal of Management Development*. 21 (2), 83-100.

This article uses a conceptual theoretical basis for investigating the impact of national culture on organizational learning in a global context, and the implications of this for international management development. Their research into “ways of knowing” would have direct applicability to considering the learning patterns and styles of other cultures, for example, international students in an online environment. In the case at hand, the researchers contrast and compare the “ways of knowing” of Australian and Malay managers. Going beyond prior studies which demonstrate the existence of two cultures within an organization—“systems” and “organizational” culture—this article proposes that national culture too has a significant impact on organization learning in international joint ventures.

The authors incorporate components of prior research (e.g., aspects of intellectual capital as a driver in organizational learning and management development), and then turn to a case study of Australian and Malay managers co-working in a collaborative venture in Malaysia. The case study provides an observational overview of the issues involved in cross-cultural management, from which generalized conclusions may be developed. The article uses the results of the case study to determine conclusions and recommendations regarding effective international and cross-cultural joint venture management.

The authors explore ways in which organizational learning and management behavior are shaped by the often intangible influences of national culture. Using qualitative methods, the study gathered anecdotal data about managerial behavior via

observation. The study found considerable differences between mindsets of the Australian and Malaysian groups of managers, and that the differences in national culture “ways of knowing” influenced the ways each cultural group performed in the joint-venture setting, and the successful harnessing of intellectual capital in the organizational learning processes.

The article also stresses the importance of matching the dissemination of all information within a JV, including knowledge about national culture, with the preferred learning styles of the target group. In light of the sweeping implications of the findings, and to better support these conclusions and recommendations, the article may have included case studies beyond the single referenced case if the authors hope to better support the authoritative posture they’ve assumed. However, the article does support the thesis that cultural considerations are fundamental in international social and socioeconomic situations, especially in cross-cultural initiatives and educational settings.

Bruffee, K. (2002, January-February). Taking the common ground: Beyond cultural identity. *Change*. 34 (1), 10-17.

This paper starts with the posed question, “How do we live with and learn from people who think, believe, and behave differently from us?” The author precedes the answer with a focus on the urgency of the matter, “Today, increasingly, our survival depends less on distinguishing ‘us’ from ‘them’ than on discovering and cultivating the common ground that lies beyond our carefully tended gardens”; those gardens frequently guarded by well-tended walls and gates (p. 13).

The core of the solution, Bruffee proposes, is in “teaching the craft of mutual dependence and civil compatibility among diverse cultural communities,” and by people becoming more aware that “many of the cultural assumptions and practices of their peers ... are deeply similar to their own and serve similar social, political, emotional, and spiritual ends” (p. 13).

Bruffee suggests three principles which might help achieve a more culturally-harmonious end: 1) Recognize that “most cultural communities are nearly identical in many of the most rudimentary elements of social structure, needs, and desires.” 2) Further recognize that “culturally diverse communities nested together in heterogeneous societies do share solid common ground.” And 3) Find that “taking the common ground requires learning the intricacies and tact of re-negotiating membership on one’s own cultures and of finding new occasions to negotiate across the boundaries that divide cultural communities” (pp. 14-15).

The article is a little heavy on conclusions and weak on supporting data. Fortunately the deficit is covered in other selected references.

Elashmawi, F. (1998). Overcoming multicultural clashes in global joint ventures. *European Business Review*. 98 (4), 211-216.

The author provides a qualitative study of cultural clashes among managers of joint ventures. The study observed daily interactions between American, Japanese, Asian, and European managers during daily activities such as business meetings, presentations, and technology transfers. The author compared and contrasted the cultural differences and conflicts that occurred during managerial interactions and activities. The author also describes a Multicultural Management (MCM) Process, which has been employed worldwide as a means to improve cross-cultural relations among international managers.

The author uses a case-study approach with observation and narrative analysis of cultural interactions, rather than quantitative analyses, though some supporting data could have been quantified. For example, how does the return on investment (ROI) in cross-cultural joint ventures compare to mono-cultural ventures within the company? What is the rate of cross-cultural venture failures in contrast to mono-cultural?

The article helps illustrate the contention that cultural differences impact international interactions in social, economic, and business spheres.

Fernandez, D., Carlson, D., Stepina, L., & Nicholson, J. (1997, February 1). Hofstede's country classification 25 years later. *The Journal of Social Psychology*.

The article revisits Hofstede's seminal study into cultural differences, some 25 years later. The authors underscore that "given the expanding presence and influence of multinational enterprises throughout the world, research on culture and values has grown both in amount and criticality" (p. 2). This current piece of research adds countries including Russia and China, which were not included in Hofstede's original work and methodology (IBM had no factories in those countries at the time—a target group of Hofstede's research). The authors also recount criticism against Hofstede's original methodology, such as misdefinition of cultural indicators, significant cross-loadings of measurement factors, aggregate analysis of data reducing power of subsequent analyses (pp. 2-3).

Augmenting and adjusting Hofstede's results, the current study demonstrates a marked similarity between Russia and China on all the selected cultural dimensions, including the highest levels of power distance and uncertainty avoidance (pp. 5-8). The United States now ranks higher in uncertainty avoidance and Japan comes in lower than in the original study. The United States continues to rank number one in Individualism, while Russia bottoms out the scale in the realm of collectivism. China scored the highest on the dimension of masculine countries, with Russia also scoring above the mean. Germany shifted below as "feminine" in the current study, a shift from Hofstede's study.

The methodology in this study is well documented, and the results are graphed effectively. The article provides an extensive list of references.

Inglehart, R., & Baker, W. (2001, March/April). Modernization's challenge to traditional values: Who's afraid of Ronald McDonald? *The Futurist*.

This article provides a qualitative analysis of “modernization” and/or “Americanization” and their influence in creating a “McWorld”—wordplay on McDonald's restaurants' proliferation around the world. The authors conclude that, given well-entrenched traditional values, that most countries and cultures will avoid becoming clones of the United States socioeconomic system. This analysis, conducted by the two social researchers, bases its conclusions on the examination of data provided by the World Values Survey, a 20-year study by the University of Michigan Institute for Social Research, into the values, attitudes, and beliefs of 65 varied societies from around the world.

The article presents several unsupported propositions, e.g., eating at McDonald's in Japan differs from the experience of eating at a McDonald's in the United States, without citing examples of how that might be, let alone what research led to the conclusion. Several other such instances detract from the overall credibility of the analysis, yet the article provides some interesting insights into modernization and its impact on a culture, while allowing for cultural influence in the direction such socioeconomic systems development might take.

Jackson, T., & Bak, M. (1998). Foreign companies and Chinese workers: Employee motivation in the People's Republic of China. *Journal of Organizational Change Management*. 11 (4), 282-300.

This study addresses the problem of how to motivate Chinese workers for increased productivity, particularly in joint-venture organizations where the management may be unfamiliar with Chinese culture and mindsets. Chinese managers saw the biggest problems were caused when expatriate managers arrived without sufficient knowledge of the Chinese work environment. The authors suggested it may be that Western concepts of employee motivation are not relevant in a country and culture grounded in a socialist mindset where workers were expected to perform in the best interests of the country, with less interest in personal gain or company productivity.

The purpose of the study was to examine Western approaches to motivating workers, and why those approaches may be inadequate for motivating Chinese workers. For example, the authors select Maslow's hierarchal need of self-actualization as perhaps not relevant to the highly-collectivist Chinese culture, where "'face' is more related to belongingness rather than to individual esteem" (p. 284). The researchers review earlier literature and studies for their data, including models examining motivational tactics such as *rule enforcement*, *external rewards*, and *internalized motivation*.

The study concludes that foreign managers of Chinese workers should provide well-documented organizational rules to avoid ambiguity, include loyalty and belongingness elements in reward systems, and foster a strong corporate identity for a sense of belongingness. While the study is limited in its scope, it does provide a useful contrast of extreme cultural dimensions between the East and West, an important component of *maximum variation sampling*.

Michailova, S. (1999). Exploring subcultural specificity in socialist and postsocialist organizations: The case of Bulgaria. Paper presented at the SCOS conference, Anderson School of UCLA, Los Angeles, CA.

This research article does not include a hypothesis, per se, but rather seeks to provide an empirical and seemingly ethnographical study of a Bulgarian industrial organization, examining the subcultures that might exist in the organization in both socialist and postsocialist eras (i.e., members of the management subcultures are by rule communists before 1989 and respectively non-communists in the first years after 1989). The article is based on a case study of an organization given the pseudonym "SOBIO" (abbreviation of State-Owned Bulgarian Industrial Organization). The author conducted field work over some nine months in 1994, interviewing some 54 subjects to formulate her conclusions.

The author cites her empirical findings, with the conclusion that SOBIO's subcultural composition includes hierarchically based, occupationally based and age differentiated subcultures. In the case of Bulgaria the separation is according to whether organizational actors are members of the communist party or not. This conclusion further underscores the importance of considering traditional and cultural influences on socioeconomic systems involved in international interplay.

This article had a rather narrow scope, and the results were not extrapolated to support some greater hypothesis. Given the tightly focused topic, and the ethnographical feel of the article, the qualitative research approach seemed appropriate and perhaps even necessary for the nature of the study.

Mueller, S. & Clarke, L. (1998). Political-economic context and sensitivity to equity: Differences between the United States and the transition economies of Central and Eastern Europe. *Academy of Management Journal*. Vol. 41, 06-01-1998, pp. 319-330.

This paper contrasts in particular the effectiveness of merit-pay systems in the United States and republics of the former Soviet Union, and the differing cultural response to issues of “fairness of reward distribution across political-economic contexts.” The findings belie a Western perception that changes in the Central and Eastern European social environment and processes along Western ideals will be embraced in a universal response.

The study assesses norms of equity versus equality, where the equity norm proposes distribution of incremental rewards for enhanced levels of performance; while under an equality norm, all recipients are rewarded the same regardless of their contribution. The article identifies three categories of workers along a continuum of equity sensitivity, including “benevolents,” “equity sensitives,” and “entitleds.” The study uses a survey instrument, measuring university student responses in 15 countries under solid methodology controls, while enhancing “cross-cultural comparability” with similar a demographic base in each country (e.g., age, work experience, education level). The results of the study challenge the universality of an equity norm.

The authors provide an extensive survey of existing literature, insightful analyses, and well-supported conclusions. The authors also offer a degree of self-criticism in the study’s limitations (e.g., the cross-sectional rather than longitudinal target group), and suggest areas for future research, including follow-up studies to examine how attitudes toward equity change as transitions to free-market systems are more fully implemented.

O'Keefe, H., & O'Keefe, W. (1997). Chinese and Western behavioral differences: Understanding the gaps. *International Journal of Social Economics*. 24 (1/2/3), 190-196.

This paper addressed a need created by the burgeoning growth of joint-venture operations in China, resulting in problems between Western and Chinese managers attempting to adjust to one another's cultural differences. The stated purpose was "to explore the nature and roots of selected conflicts experienced by the Chinese and Westerners when attempting to work together in a joint venture" with an emphasis on Chinese behaviors rooted in Confucian thought and values (p. 109).

The authors relied on a review and analysis of existing literature and studies, providing no new data. They chose four factors to consider within their analyses: communication practices, initiative taking, respect for authority, and treatment of information.

Among the authors' conclusions, the Chinese follow a Confucian concept of maintaining harmony by always seeking a compromise rather than confrontation; the Chinese exhibit a degree of passivity and politeness that are confusing to Western managers; Westerners may misinterpret silence from Chinese workers as effective communication of an understood message, rather than a polite avoidance of confrontation and an obedient respect for authority.

The study gave a superficial treatment to the subject with no new data. Yet the authors provide another insight into the vast differences between Eastern and Western mindsets, useful in a *maximum variation sampling* analysis of select yet divergent cultures.

Ronfeldt, D. (2000, February). Social science at 190 MPH on NASCAR's biggest superspeedways. *First Monday*. 5 (2).

This article provides an interesting peer-reviewed study of racecar drivers in the Daytona 500, and how their driving dynamics and decisions provide a laboratory for social science theories including *complexity theory*, *social network analysis*, and *game theory*. Drivers must cooperate with one another to achieve aerodynamic advantages through maneuvering their cars through *draft lines* (called *drafting*) while also competing to ultimately win the race. From this dynamic, the author deduces insights into “an array of ‘complex, adaptive systems’: physical, biological, social and computational systems that are well structured and orderly most of the time, but slip into chaotic flux some of the time—like an anatomy, the weather, an economy or possibly the Internet as it grows” (p. 13).

The author concludes that racecar drafting may be a feature of everyday life in many aspects of social and economic, and political spheres, including “career advancement in corporate circles, where an executive climbs up a corporate ladder and takes selected staff and lower-ranking executives with him”; international alliances, both military and diplomatic, where such alliances keep “rivals from drafting around them”; and the Internet, where competing line networks may form, “often with a well-know group out front and lesser groups lined up with it, ostensibly side by side but in reality more as drafting partners” (p. 21).

Some may question the scientific gravis of this study. Yet the creative introduction of the material might attract some thinkers and thoughts which may otherwise be alienated by the difficult yet important concepts the author considers.

Selmer, J. (1999). Career issues and international adjustment of business expatriates. *Career Development International*. 4 (2), 77-87.

This article poses the question, “Business corporations are going global, but are their managers prepared to follow?” It’s a critical issue: “To be able to effectively compete against major global competitors, international firms need world-class managers in the international marketplace (p. 77). The author cites evidence that an expatriate manager “does not necessarily have to undergo a basic shift in deeply held values to conform to a new set of cultural norms abroad. It is sufficient merely to learn new social and cultural skills, in much the same way as one learns a foreign language” (p. 79).

The research concluded that the career issue of meeting goals within a corporation “does not significantly affect work adjustment, but it does have a positive impact” on other dimensions of sociocultural and psychological adjustment, as measured by “subjective well-being” by Western expatriate managers in Hong Kong. The research also concludes that no other variables depicting career issues for expatriates—i.e., career development fit, supportive corporate attitude to expatriation, etc.—“had any significant effect on any of the adjustment variables” (p. 83).

The article did not discuss beyond the career issues how expatriate adjustment may—or may not—have been assisted, but these are topics covered elsewhere in Selmer’s research and writings.

Singhapakdi, A., Rawwas, M., Marta, J., & Ahmed, M. (1999). A cross-cultural study of consumer perceptions about marketing ethics. *Journal of Consumer Marketing*, 16 (3), 275-272.

The article offers this research question: "How do ethical values of individuals differ when they are reared in different cultures?" The authors hypothesize that consumers from different cultures will tend to hold different views of ethical issues. They suggest that American multinational marketers operating in other cultures with ethical values that differ significantly from American standards could meet with "disastrous" results.

The authors cite prior research into various national cultures and accepted norms of ethical behavior within those nations' legal and social structures. To test the hypotheses of cultural impacts on ethical values, data were collected from US and Malaysian consumers through a self-administered questionnaire. For the US group, the researchers selected a household panel from a "major southern university." For the Malaysian group, the researchers randomly selected 250 households from various regions of the country. The study concludes that, yes indeed, cultural foundations do impact ethical values, especially notable in the two measurement groups of Americans and Malaysians, falling at opposite extremes on some cultural dimensions (e.g., power distance and individualism).

This study determines its conclusions based on the data gathered comparing just two different cultures (US and Malaysian) to answer its original and much broader research question. However, it does seem to be a valid and valuable piece of research supporting the thesis of culture's impact on socioeconomic systems development, particularly in areas impacted by ethical standards.

Sull, D. (1999, July-August). Why good companies go bad. *Harvard Business Review*.

This article considers the problem of why companies fail when conditions change in their working environment, and managers fail to respond effectively. The author undertakes a purpose to answer, not what managers should do, but rather what is it that hinders managers from taking correct action.

Sull identifies such a one of the most common hindrances as *active inertia*, referring both to an object's tendency to both remain at rest, as well as its tendency to persist in a current trajectory in the absence of opposing forces. He categorizes four hallmarks of active inertia, or the "dynamic of failure," including *blindness*, or the strategic frames as a "set of assumptions that determine how managers view the business"; routines, or the entrenchment processes of "the way things are done"; *shackles*, or the relationship "ties to employees, customers, suppliers, distributors, and shareholders"; and *dogmas*, or the values comprised of "the set of beliefs that determine corporate culture" (p. 5). Successful companies overcome these *failure dynamics* by developing fresh strategies and tactics overcoming the active inertia.

Sull proposed selecting *insider-outsiders* as change leaders, managers from "within the company but from outside the core business" such as may be found within the "company's smaller divisions, from international operations, or from staff functions" (p. 9). He notes that such inside-outsiders have led some of the most dramatic company transformations in recent times.

This article is more of an analytical treatise than study. Yet it provides several interesting observations and conclusions facing managers across many economic, demographic, and cultural divisions.

Ward, C., & Kennedy, A. (1999, August). The measurement of sociocultural adaptation. *International Journal of Intercultural Relations*. 23 (4), 659-677.

This paper provides a seminal examination of the “construct of sociocultural adaptation,” and offers definition and clarification of several terms used in this and other research studies. The authors propose that “cross-cultural adaptation may be meaningfully divided into two domains: psychological (emotional/affective) and sociocultural (behavioral). The former refers to psychological well being or satisfaction; the later is related to the ability to ‘fit in,’ to acquire culturally appropriate skills and to negotiate interactive aspects of the host environment” (p. 660).

This current study is primarily concerned with issues of sociocultural adaptation, measured with items on a Sociocultural Adaptation Scale (SCAS), including such expatriate abilities as making friends, using the transport system, making yourself understood, going shopping, understanding jokes and humor, following rules and regulations, dealing with people in authority, dealing with people staring at you, making yourself understood, understanding the local value system, and etc. (p. 663).

The study concludes, based on analyses of its application, that the SCAS has “been presented as a reliable, valid and extremely versatile instrument for the measurement of intercultural competence or behavioral adaptability” (p. 673). The study is useful in both providing clarity in terminology, as well as its documenting the valuable measurement tool of the SCAS.

Yang, J., & Lee, H. (2002). Identifying key factors for successful joint venture in China. *Industrial Management & Data Systems*. 102 (2), 98-109.

The authors provide yet another insight into the problems faced by expatriate managers working on joint ventures in China. The purpose of the study is to focus on “identifying the key factors for foreign investors to successfully enter China’s market under its current political systems—because there are so many factors involved (economic, political, social, cultural, etc.) and many factors are interactive with complex relationships” (p. 98). The authors assert this complex systems approach to identifying those interactive factors fills a need in the literature.

The article’s researchers selected an analytic hierarchy process (AHP) as a “solution approach to a large and complex real-world multi-criteria multiple-attribute problems” as found in current-day China (p. 99). The AHP approach was employed to seek ways foreign investors might more successfully enter China’s burgeoning market.

Along with an extensive review of existing literature regarding problems faced by foreign companies in China, the authors conducted a case study of Motorola China Incorporated. That company is seen as one of the more successful multinational corporations to integrate with the Chinese environment, a success attributed to such efforts as reinvesting profits into enterprises with Chinese partners; developing trust between both the foreign and local partners; implementing incentive systems which reflect both Western and Chinese principles and traditions; and “more importantly, adjusting business policies accordingly based on a full understanding about government policies and regulations and local culture and traditions” (pp. 103-104).

Zakaria, N., & Keda, J. (2000). The effects of cross-cultural training on the acculturation process of the global workforce. *International Journal of Manpower*, 21 (6), 492-510.

This article addressed the problem of training challenges faced by transnational organizations as they attempt to adapt to globalized markets and a diverse workforce. The study's main purpose was to "highlight the effects of cross-cultural training on the acculturation process of the global workforce on meeting a foreign culture" (p. 3).

The researchers relied on extensive literature review and critique of concepts such as acculturation, culture shock, cross-cultural training, and intercultural communication competence. The authors found two assessed models of acculturation and training limited to meet the current transnational needs, and proposed a synthesis of the models into a third *integrated cross-cultural training model*, where "training is explicitly shown as a sub-process to stress the importance of providing training prior to cultural contact and before acculturation process," which would link the "effectiveness of the training programs to the process of acculturation" (pp. 6-7).

The study concludes that "expatriates require more in-depth training, which involves better preparation and leads to distinct mindset changes" (p. 10). The authors provide little in the way of new data or insights, yet they do provide an interesting synthesis and integration of existing studies and data.

## Depth Appendix A: Cultural Dimension Indexes from Hofstede (1997)

This chart measures the respective cultural dimensions on a scale of 0-100 (the higher the score, the stronger the cultural dimension is extant), and ranks 50 countries and three geographical regions in their relative position to one another.

**PDI:** Power distance index

**IDV:** Individualism index

**MAS:** Masculinity index

**UAI:** Uncertainty avoidance index

**LTO:** Long-term orientation index

	PDI		IDV		MAS		UAI		LTO	
	rank	score	rank	score	rank	score	rank	score	rank	score
Arab Countries	7	80	26/27	38	23	53	27	68		
Argentina	35/36	49	22/23	46	20/21	56	10/15	86		
Australia	41	36	2	90	16	61	37	51	15	31
Austria	53	11	18	55	2	79	24/25	70		
Bangladesh									11	40
Belgium	20	65	8	75	22	54	5/6	94		
Brazil	14	69	26/27	38	27	49	21/22	76	6	65
Canada	39	39	4/5	80	24	52	41/42	48	20	23
Chile	24/25	63	38	23	46	28	10/15	86		
China									1	118
Columbia	17	67	49	13	11/12	64	20	80		

	PDI		IDV		MAS		UAI		LTO	
	rank	score	rank	score	rank	score	rank	score	rank	score
Costa Rica	42/44	35	46	15	48/49	21	10/15	86		
Denmark	51	18	9	74	50	16	51	23		
East Africa	21/23	64	33/35	27	39	41	36	52		
Ecuador	8/9	78	52	8	13/14	63	28	67		
Finland	46	33	17	63	47	26	31/32	59		
France	15/16	68	10/11	71	35/36	43	10/15	86		
Germany FR	42/44	35	15	67	9/10	66	29	65	14	31
Great Britain	42/44	35	3	89	9/10	66	47/48	35	18	25
Greece	27/28	60	30	35	18/19	57	1	112		
Guatemala	2/3	95	53	6	43	37	3	101		
Hong Kong	15/16	68	37	25	18/19	57	49/50	29	2	96
India	10/11	77	21	48	20/21	56	45	40	7	61
Indonesia	8/9	78	47/48	14	30/31	46	41/42	48		
Iran	29/30	58	24	41	35/36	43	31/32	59		
Ireland (Rep of)	49	28	12	70	7/8	68	47/48	35		
Israel	52	13	19	54	29	47	19	81		
Italy	34	50	7	76	4/5	70	23	75		
Jamaica	37	45	25	39	7/8	68	52	13		
Japan	33	54	22/23	46	1	95	7	92	4	80
Malaysia	1	104	36	26	25/26	50	46	36		
Mexico	5/6	81	32	30	6	69	18	82		
Netherlands	40	38	4/5	80	51	14	35	53	10	44
New Zealand	50	22	6	79	17	58	39/40	49	16	30
Nigeria									22	16
Norway	47/48	31	13	69	52	8	38	50		
Pakistan	32	55	47/48	14	25/26	50	24/25	70	23	0
Panama	2/3	95	51	11	34	44	10/15	86		
Peru	21/23	64	45	16	37/38	42	9	87		

	PDI		IDV		MAS		UAI		LTO	
	rank	score	rank	score	rank	score	rank	score	rank	score
Philippines	4	94	31	32	11/12	64	44	44	21	19
Poland									13	32
Portugal	24/25	63	33/35	27	45	31	2	104		
Salvador	18/19	66	42	19	40	40	5/6	94		
Singapore	13	74	39/41	20	28	48	53	8	9	48
South Africa	35/36	49	16	65	13/14	63	39/40	49		
South Korea	27/28	60	43	18	41	39	16/17	85	5	75
Spain	31	57	20	51	37/38	42	10/15	86		
Sweden	47/48	31	10/11	71	53	5	49/50	29	12	33
Switzerland	45	34	14	68	4/5	70	33	58		
Taiwan	29/30	58	44	17	32/33	45	26	69	3	87
Thailand	21/23	64	39/41	20	44	34	30	64	8	56
Turkey	18/19	66	28	37	32/3	45	16/17	85		
Uruguay	26	61	29	36	42	38	4	100		
USA	38	40	1	91	15	62	43	46	17	29
Venezuela	5/6	81	50	12	3	73	21/22	76		
West Africa	10/11	77	39/41	20	30/31	46	34	54		
Yugoslavia	12	76	33/35	27	48/49	21	8	88		
Zimbabwe									19	25

Knowledge Area Module 3

Principles of Organizational and Social Systems

SBSF 8330: Professional Practice in International Organizational and Social Systems

Application Component: University Course in Global Management

### University Course in Global Management

The Application Appendix A on page 87 provides a syllabus for a course in development intended to be taught in the upcoming year for the University of California at Santa Barbara International Program. International students from around the world come to the university to achieve a broader perspective on the management and marketing issues they face in their home countries. As these students bring a more worldly experience than may be found in many American students, the course content and delivery requires a broader sweep when covering international topics.

#### *Course Foundations*

International managers and facilitators must prepare for and adapt with the shift in global interrelations and whatever localized sociocultural changes might result. Given the rapid expansion in international trade and relations over the past decade facilitated in large part by technological innovations in telecommunications, it becomes even more critical that those on the frontlines of intercultural relations are fully prepared for the challenges. It is a lesson not lost in contemporary management textbooks, now emphasizing a manager's mission to envision possible futures and develop strategies to ensure successful outcomes:

The "possible future" is a moving target: The firm and the environment change in both unexpected and anticipated ways. ... The organization must be structured and its processes shaped so that it follows the right strategic path in a dynamic world. (Saloner, Shepard, & Podolny, 2002, p. 403)

Trompenaars (1998) described the many difficulties faced by organizational managers, in particular those who may be responsible for diverse cultures working in an integrated environment with new models of macro systemic vision. “International managers have it tough. They must operate on a number of different premises at any one time. These premises arise from their culture of origin, the culture in which they are working and the culture of the organization that employs them” (p. 3).

Premises and assumptions may be further entrenched by imposed standards of local belief systems. Younger students in particular may be especially subjected to the imposition of standards, as they have little in the way of experiential context to counter the customs. Alder (2002) proposed methods by which these social conditionings and mores may be transcended through direct international experience and an open-minded appreciation of alternate realities.

Strategies to overcome our natural parochial tendencies exist. With care, we can avoid our ethnocentric default options. We can learn to see, understand, and transcend our cultural conditioning. When working in other cultures, we can emphasize description rather than interpretation or evaluation, and thus minimize self-fulfilling stereotypes and premature judgments. We can recognize and use our initial stereotypes as guides rather than rejecting them as unsophisticated simplifications. Effective cross-cultural communication presupposes the interplay of alternative realities. It rejects the actual or potential domination of one reality over another. (p. 99)

To create a new macrosystem of international relations embracing the local cultural systems—as well as the myriad microsystems within each nation—may well require a vision of the possibilities a globalized and cross-cultural macrosystem might provide, along with the creative abilities to realize the vision. In Ackoff’s (1999) list of essential properties of good management, he proposed four *C* words, including

*Competence, Communicativeness, Concern, Courage, and Creativity.* “The greatest of these is creativity. Without creativity, a manager may do a good job, but he cannot do an outstanding one” (p. 128).

Senge (1990) as well stressed the importance of creativity in bringing about system transformation. However, while vision may play an important role in that transformation, ultimately success may depend on the fortitude to suffer the processes of change while retaining a solid grasp on the change envisioned.

Personal vision, by itself, is not the key to more effective creativity. The key is “creative tension,” the tension between vision and reality. The most effective people are those who can “hold” their vision while remaining committed to seeing current reality clearly. (p. 226)

A macrosystems approach to education in management should require preparing students for success in new economic spheres, networked, intertwined, internetted, global in reach, while local in connection. Students must be skilled to meet management challenges, such as diverse systems accommodation and transcendence of cultural differences. Not only is this ability required for business success, but also for international peace, continued development, and ultimately human survival.

Some students may not respond well to the necessary delineation of cultural variations in international relations. In the age of political correctness, such categorization may be viewed as stereotyping, and even bigotry. Adler (2002) countered that not only is a non-judgmental cultural definition appropriate, but necessary.

In many instances people associate recognizing cultural differences with simplistic, primitive, and sometimes even immoral ways of thinking. They label managers who recognize the diversity within their organizations as prejudiced, racist, sexist, ethnocentric, and unprofessional. North American cultural norms, for example, encourage managers to blind themselves to gender, race, and

ethnicity; that is, to attempt to see people only as individuals and therefore to judge them based solely on their professional skills. This culture-blind approach causes problems by confusing the recognition of culturally based differences with judging of those same differences. (p. 107)

Instructors must beware of incorporating overly methodical approaches in delineating cultural differences and means for addressing them. A mechanistic approach to systems and managing them is likely to fail, since the mechanisms could not be prepared to address an infinite variety of permutations. Rather than having educators teach students how to respond to endless problems they're bound to encounter, effective instruction may try to imbue students with a systems mindset, a transcultural way of thinking, a sound set of assumptions and policies, which may be applied within a sphere of infinite possibility. Such an approach might even help counter the spirit of futility that often infects unprepared minds, especially in times of social transformation. "Systems thinking is the antidote to this sense of helplessness that many feel as we enter the 'age of interdependence'" (Senge, 1990, p. 69).

Finally, instructors should be wary as well in presenting prominent management theories as gospel. "American motivation theories—too often assumed to reflect universal values—have failed to provide consistently useful explanations for behavior outside the United States. Managers must therefore guard against imposing domestic American management theories on their global business practices" (Adler, 2000, p. 182). Other societies and cultures, for example within Asia, have survived and flourished for millennia, despite their methods at distinct odds with the American models of management.

*Course Content*

The Global Management course content derives from a variety of sources, including texts on management, global development, theories of cultural dimensions and cross-cultural relations, as well as research in organizational and social systems theory conducted for the Breadth and Depth components of this KAM, as well as further analyses of current events. (See Appendix B on page 89 for the Course Bibliography.) The course also includes observations gleaned from the instructor's direct experience working more than a decade managing international development and business projects in Eastern Europe.

Of primary importance in the course will be expanding the student perspective on the diverse cultures of the world, and how culture differences might be addressed within a globalized macrosystem of international relations. The course materials will incorporate many of the cross-cultural concepts and management methods considered in the Depth and Breadth components.

Even international students may at times be deficit in their understanding of cultural variations around the world, especially if it is their first time traveling abroad. The cultural upbringing and identity we each carry bore deep into our attitudes and thought processes. Some have compared it to a fish swimming in water. The surrounding medium so encompasses the creature, it is unaware of the water as such, but simply perceives it as an all-embracing and inseparable reality (at least until the poor thing is hooked into the open air, and, with an overwhelming infusion of oxygen, the hapless fish might have a short but illuminating glimpse of alternate dimensions—a sort of culture shock).

Hofstede (1997) says it is these new ways of perceiving alternate realities apart from our cultural programming that can be so vexing. “As soon as certain patterns of thinking, feeling and acting have established themselves within a person’s mind, (s)he must unlearn these before being able to learn something different, and unlearning is more difficult than learning for the first time” (p.5).

As challenging as it might be to define and even perceive the encompassing media of culture, it can be even more difficult to quantify cultural traits and their impact to a degree suitable for calculation within precise economic formulae or scientific theory of social development. Skelton and Allen (1999) say though the cultural factors are so difficult to figure, as important as they are in socioeconomic constructs, cultural considerations must not be dispensed with in scientifically demanding research.

Culture as a concept is everywhere, and we cannot just wish it away because it is a difficult thing to define and write about. There are common-sense understandings of the term and it is important that we engage and debate with the ways in which people use it. .... Nuanced and sophisticated investigations into cultural aspects of ways of life can be very significant in making assessments of processes of change. (p. 4)

The Global Management course will include some of the principles most promising to expand the students’ understanding, accommodation, and integration of cultural differences in international organizations. The Breadth component considered the cultural variations observed between nations combine as a macrosystem of the local organizational systems. Cultures are themselves the microsystems comprising the greater macrosystem of humanity. As with other integrated system components, culture variations most likely serve a purpose within the overall system, and in the realms of

systems management, effective organizational leaders need to become aware of those variations, how they form a part of the whole, and how they may better interrelate for a healthy incorporate body, especially in this era of burgeoning globalization.

As examined in the Depth component, the core of the solution to organizational and societal adaptation to cross-cultural macrosystems, Bruffee (2002) proposed, is in “teaching the craft of mutual dependence and civil compatibility among diverse cultural communities,” and by people becoming more aware that “many of the cultural assumptions and practices of their peers ... are deeply similar to their own and serve similar social, political, emotional, and spiritual ends” (p. 13). Bruffee suggested three principles which might help achieve a more culturally-harmonious end: 1) Recognize that most cultures are “nearly identical in many of the most rudimentary elements of social structure, needs, and desires.” 2) Further recognize that “culturally diverse communities nested together in heterogeneous societies do share solid common ground.” And, 3) Find that achieving common ground requires “learning the intricacies and tact of re-negotiating membership in one’s own cultures and of finding new occasions to negotiate across the boundaries that divide cultural communities” (pp. 14-15).

### *Course Delivery*

This course delivery design will follow in large part a similar format used for a Global Economics course designed as the Application component of my KAM 1. The course was well received with high evaluations by attending students at Antioch University in Santa Barbara.

The Global Management course will incorporate multimedia presentations in the classroom, including PowerPoint slides (see Application Appendix C on page 91), video clips, and graphics demonstrating lesson principles, particularly samples of effective cross-cultural communications from around the world. The combination of visual and audio components is especially useful for international students typically attending the courses with English as a second language.

In particular, the course structure, incorporating both online and classroom learning, will inevitably by design and subject matter emphasize certain cognitive dissonance as classroom discussions expose the diversity of deeply-held socioeconomic and cultural convictions. This dissonance will be explored and countered with the discussion direction requiring the consideration of opposing views, even role-playing that might have students assume an opposite perspective to their own, as well as assignments to attempt a synthesized resolution of opposing viewpoints.

Ironically, one of the largest obstacles in injecting a transcultural perspective into issues of management and organizational systems is the historic mono-cultural foundations of economic and management theory, which poses a problem to the dynamics of the class itself. Some students may have difficulty in relinquishing an unchallenged *universality* of certain ideas and ideals, especially in increasingly cross-cultural online and classroom settings. Shapiro and Hughes (2002) propose that concepts of *community* and *common culture* can no longer be assumed, given the impact of numerous trends on society-at-large and academia in particular:

Trends such as rapidly changing technologies; changes in higher education such as the increasing number of adult and returning students in colleges and universities, the spread of corporate education, and the trend toward the convergence of education, business, and entertainment; and major social and cultural changes such as the globalization of the economy ... and the increasingly multicultural environment. Students, faculty, and administrators come together with a multiplicity of beliefs and values about what kind of culture, and what kind of community, is real, desirable, or possible. Consequently, culture and community must be built or developed, and not simply in one fell swoop but rather as an ongoing process. (p. 93)

Rather than a *fell swoop* of imposing a transcultural or even cross-cultural perspective on the class, differing and even opposing viewpoints may be better introduced through incremental steps, finding common ground between diverse student perspectives before delving deeper into the schisms. This may process be assisted by relying on transcultural themes and common frames of reference, which have proven useful in past years of teaching international courses:

- Babies and children
- Personal relationships
- Life cycles
- Sports
- Animals and pets
- Self-image

Students and most people in general may be as defensive and offensive over their inherent economic values as with their differing religious beliefs. By developing a transcultural learning environment transcending political inclinations, socioeconomic upbringing, and cultural/national heritage, it may help the students feel more comfortable in challenging and being challenged by alternative, contradictory, and even antagonistic perspectives.

*Online Component*

The Global Management course will also include an online component providing content such as a syllabus, a bibliography, posted readings, online exercises, and links to additional resources (see Application Appendix D on page 92 for a screenshots of the course site home and resource pages). The course lessons and assignments will incorporate Pierce's eight strategies to help teach thinking in an online setting (as cited in Muirhead, 2002, p. 5):

1. Design self-testing and tutorials on basic chapter content.
2. Apply the concepts of the textbook chapters to cases or issues every week.
3. Pose well-designed questions for asynchronous discussion.
4. Ask students to reflect on their responses to the course content and on their learning processes in private journals.
5. Create cognitive dissonance: provoke discomfort, unsettle confirmed notions, uncover misconceptions, inspire curiosity, pose problems.
6. Conduct opinion polls/surveys as pre-reading activities before assigned readings and to arouse interest in issues or topics.
7. Present activities that require considering opposing views.
8. Assign a mediatory argument promoting a resolution acceptable to both sides.

Coates and Humphreys (2001) examined research that demonstrates through the use of effective online learning techniques, "student satisfaction is increased ... and critical thinking and problem-solving skills are frequently reported as improved" (p. 3).

Muirhead (2001) suggests that instructors who wish to employ computer-mediated education effectively must develop a "new contemporary vision of learning" (p. 1):

Teachers are still considered knowledge experts who have a clear understanding of the subject matter. Yet, their new role involves promoting more self-directed learning activities that cultivate achieving knowledge objectives through personal study. Teachers are challenged to carefully design instructional activities that guide their students into on-line learning situations that promote personal acquisition of knowledge. (p. 2)

While online learning may enhance the classroom experience in a hybrid of educational environments, instructors should beware of alienating and/or isolating students lost in *cyberia*, where students may feel they have been banished with no feedback from their instructors (Muirhead, 2002, p. 2). This hybridization of learning modes and models may well pave the way for future inroads uniting the best aspects of educational techniques. “Among professors in general, technological tools are becoming increasingly popular way to connect with students. These tools vary from equipment used in the classroom to course-management software for putting course material, or entire courses, online” (Arnone, 2002, pp. 2-3). These new teaching tools may not only improve the courses where they’re utilized, but influence the quality of instruction in more traditional course constructs as well.

As distance education gets better, as the technology to engage students gets better, all classes will get better ... because the pressure will be there. The standard experience in a course will become much more like the experience in the class of a favorite professor today. (Newman as quoted in Arnone, 2002, p. 5)

Indeed, Levine (2002) predicts that instructors who can integrate the newest technologies within the classroom and the global online educational environment will find a demand for their skills that transcend the place restrictions of college and university campuses, finding a degree of independence and recognition of their individual contributions. “The most renowned faculty members, those able to attract tens of thousands of students in an international marketplace, will become like rock stars” (p. 21).

The online environment provides an efficient and effective means for providing students with immediate and regularly updated materials supporting the initial design of

the course, as well as applied content responding to the particular dynamics of a given group of students. McLachland-Smith and Gunn (2001) proscribe this flexibility in content can enhance the real-time relevancy and application of the group learning experience. “The currency and relevance of course material to professional life was considered a positive factor and learning was immediately reinforced through application to real situations. . . . The WWW could be used to deliver continuously updated course materials instead of requiring all materials to be packaged at the start of the course” (pp. 46-47).

As demonstrated in Application Appendix D on page 92, the course homepage provides a gateway to the diverse supporting materials for the management class. The website infrastructure is simple and easily navigable, with a minimum of link options and graphic distractions. This online model has been used for other university courses, and the students have provided positive feedback on the design and benefits. The online components include:

*Readings.* This page includes locally posted and linked articles on developments in international regions including Asia, South America, Europe, Eastern Europe, North America, and Africa; globalization and transnational financial systems; culture-related topics; ethical, social, and environmental issues; socioeconomic and technological trends into the future. The article selection will attempt to find timely examples on management timeless issues, providing nonlinear holographic perspectives on the course concepts. The articles will be modified and amended during the course to provide an immediate real-world relevancy to the instructional topics.

*Exercises.* The students will be provided with self-guided excursions into online resources demonstrating course concepts. The exercises include visiting pages covering various theories of global management; reviewing online international news media; researching governmental and non-governmental data repositories; and browsing resources on ethics, careers, and other useful information sites.

*Resources.* This page features links to various sources of socioeconomic information and perspectives, ranging from conservative perspectives of the Economist, to more radical organizations such as the anti-globalist site for the Ruckus Society. These links are to encourage free-ranging and independent research into particular areas of interest, while expanding exposure to a diversity of viewpoints.

*References.* This page provides a bibliography for materials used in developing the course content, allowing a selection of references for the student to dig deeper into course topics. It also allows the instructor to make reference to a source of information relating to any of the course discussion topics, especially in some of the more controversial and sensitive subject areas, providing for a more dispassionate and depersonalized foundation.

*Career.* This page provides links to career sites specific to international management positions as well as more general employment resources. Apart from student employment purposes, the career page helps place the course concepts within an immediate context of world events as it relates to current employment positions, but also provides a longer-range and personal relevancy of how the course lessons might relate to overall career development goals.

## Application References

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- Hofstede, G. (1997). *Cultures and organizations: Software of the mind*. New York: McGraw-Hill.
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- Skelton, T., & Allen, T. (Eds.). (1999). *Culture and global change*. New York: Routledge.
- Trompenaars, F., & Hampden-Turner, C. (1998). *Riding the waves of culture: Understanding diversity in global business*. New York: McGraw-Hill.

Application Appendix A: Global Management Course Syllabus

UNIVERSITY OF CALIFORNIA  
SANTA BARBARA  
INTERNATIONAL PROGRAM

Winter 2004

**Global Management**

**Instructor: Steven R. Van Hook, M.A.**

E-mail: [steven@wwmr.org](mailto:steven@wwmr.org)  
<http://wwmr.org/ip-management/>

**MEETINGS:** Thursdays, 1:00 – 3:50 p.m.

**DESCRIPTION:** Beginning with a review of essential concepts in management, this course focuses on the international and cross-cultural nature of global management issues. Theoretical concepts are applied to specific cases, such as joint-venture management relations between the US and Japan, Mexico, China, Eastern Europe, and other countries.

**LEARNING ACTIVITIES:** Students will study and discuss current and emerging management models in the United States and around the world, with course activity and materials including lectures, discussions, readings, case studies, multi-media presentations and online resources. Each student will prepare a final project covering a national, international, or global management issue; an analysis of company management structure; a review and critique of a management theory; or prepare an international business plan; working either individually or in a team of two. Assigned weekly readings are due for discussion by the following week's class. Access to online content is through the course website at <http://wwmr.org/ip-management/>

**COURSE TEXT:** Patrick Montana and Bruce Charnov (2000). *Managment*. New York: Barons Educational Series. Additional readings will be posted on the course website, linked to directly from each week's overview in the online course syllabus.

**ATTENDANCE:** Due to the concentrated subject matter covered in a once-weekly course, attendance is required for each class session. In the event of an excused emergency or sickness, students may be able to make up a missed class with a 3-5 page research paper covering the session material.

**PERFORMANCE ASSESSMENT:** Student performance will be assessed on criteria of class participation, completion of textbook and online readings and exercises, and the final project. Submission of the final project document should be sent to the instructor as an email attachment to the address above by the due date noted in the course schedule.

<b><u>January</u></b> <b><u>Week 1</u></b>	<b>Topics:</b> Syllabus review, course expectations, content introduction and class resources. Foundations of management. <b>Case Study/Discussion:</b> Sundry types of managers. <b>Reading Assignment:</b> Text / Introduction, Chapters 1, 2, 6 <b>Online Readings/Exercise:</b> See course site for additional readings. Review glossary (be prepared to discuss assigned terms next class).
<b><u>January</u></b> <b><u>Week 2</u></b>	<b>Topics:</b> Reading/exercise discussion. Perspectives of the global general manager. <b>Case Study/Discussion:</b> The art & practice of the learning organization. <b>Reading Assignment:</b> Text / Chapters 19, 24 <b>Online Readings/Exercise:</b> See course website for additional readings.
<b><u>January</u></b> <b><u>Week 3</u></b>	<b>Topics:</b> International socioeconomic variation in business development. <b>Case Study/Discussion:</b> Global Trends 2015. <b>Reading Assignment:</b> Text / Chapters 11, 15 <b>Online Readings/Exercise:</b> See course site for assigned readings. Visit world news sites.
<b><u>January</u></b> <b><u>Week 4</u></b>	<b>Topics:</b> Implications of globalization for managers. <b>Case Study/Discussion:</b> International dimensions of organizational behavior. <b>Reading Assignment:</b> Text / Chapters 7, 8, 9 <b>Online Readings/Exercise:</b> See course website for additional readings. Investigate research resources through course website links. Prepare topic outline for final project and submit via email.
<b><u>February</u></b> <b><u>Week 5</u></b>	<b><u>FINAL PROJECT TOPIC DUE</u></b> <b>Topics:</b> Reading/exercise discussion. Cultural issues in global management. Theories of cultural dimensions. <b>Case Study/Discussion:</b> Understanding diversity in global business. <b>Reading Assignment:</b> Text / Chapters 13, 16, 17 <b>Online Readings/Exercise:</b> See course website for additional readings. Hofstede's cultural dimensions.
<b><u>February</u></b> <b><u>Week 6</u></b>	<b>Topics:</b> Reading/exercise discussion. The challenge of multinational organization design: Coordination and incentives. <b>Case study/discussion:</b> Habits of highly effective managers. <b>Reading Assignment:</b> Text / Chapters 4, 5 <b>Online Readings/Exercise:</b> See course website for additional readings. Visit the International Forum on Globalization site.
<b><u>February</u></b> <b><u>Week 7</u></b>	<b>Topics:</b> Reading/exercise discussion. Systems approach to management. <b>Case Study/Discussion:</b> The systems view of the world. <b>Reading Assignment:</b> Text / Chapters 3, 23 <b>Online Readings/Exercise:</b> See course website for additional readings.
<b><u>February</u></b> <b><u>Week 8</u></b>	<b>Topics:</b> Reading/exercise discussion. Global interrelations: Social, ethical, and environmental issues. <b>Case Study/Discussion:</b> The power of ethical management. <b>Reading Assignment:</b> Text / Chapters 14, 25 <b>Online Readings/Exercise:</b> See course website for additional readings. Browse Center for Study of Ethics.
<b><u>March</u></b> <b><u>Week 9</u></b>	<b><u>FINAL PROJECT DUE</u></b> <b>Topics:</b> Reading/exercise discussion. Strategic management in a changing environment. <b>Case Study/Discussion:</b> New perspectives on gender, urbanism, cultures, indigenous peoples, & ecology. <b>Reading Assignment:</b> Text / Chapters 18, 21, 22 <b>Online Readings/Exercise:</b> See course website for additional readings. Browse career links and Bureau of Labor Statistics.
<b><u>March</u></b> <b><u>Week 10</u></b>	<b><u>REVIEW OF CLASS FINAL PROJECTS</u></b> <b>Topics:</b> Reading/exercise discussion. The future of global management. Career choices.

## Application Appendix B: Global Management Course References

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Application Appendix C: Sample PowerPoint Slides

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INTERNATIONAL PROGRAM

Week 1 Winter 2004

*Global Management*

Steven R. Van Hook, M.A.

*How will we learn?*

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- PowerPoint
- Lecture & Discussion
- Online Readings
- Online Resource Links
- Online Exercises
- Case Studies

[Global Management Course Website](#)

Application Appendix D: Sample Course Web Pages

