score by adding up the numbers you
vill fall between 14 and 70.
or above) describes an open, risk-
umanistic, team-oriented, easygoing, growth-oriented culture. A low score (35 or below) describes a closed, structured, task-oriented, individualistic, tense, and stability-oriented culture. Note that differences count, so a score of 60 is a more open culture than one that scores 50. Also, realize that one culture isn't preferable over another. The "right" culture depends on you and your preferences for a learning environment.

Form teams of five to seven members each. Compare your scores. How closely do they align? Discuss and resolve any discrepancies. Based on your team's analysis, what type of student do you think would perform best in this class?

ETHICAL DILEMMA Is There a Universal Ethics? HQ–Subsidiary Relations

Marieke van den Berg, an internal auditor of a Dutch multinational retailer X-pander, arrived in China barely 2 weeks ago. She was sent by headquarters to conduct an audit of their Beijing-based subsidiary. Looking through the tonnes of Excel sheets, Marieke noticed a surprisingly high note in the month of December with a mysterious label: "Gratitude."

"What does 'Gratitude' stand for?" Marieke asked Lien, a local finance assistant supporting her throughout the audit process.

"It's a generic name for the 'thank you' gifts we send to our customers at the end of the year," responded Lien.

"What do you mean gifts? The sum we are talking about amounts to more than half a percent of the overall budget," Marieke said, surprised.

Lien delivered a lengthy speech about the power of strong customer–supplier relations, the role of *guanxi* (the personalized, close network of connections) in Chinese business, and the longitudinal nature of any transactional relationship, which, in fact, is never purely transactional.

"Our customers receive great service—that's how strong relations are built. There is no way X-pander is paying for this! We need to work out transparent regulations regarding customer relations," Marieke responded firmly.

"What do you mean by transparent regulations? As you can see, all our expenses are properly accounted for, and every item can be traced back in our budget. This is the established way to work with customers in China. If we make the decision to abandon it, we might lose the majority of our clients," Lien responded timidly. She was already imagining the troublesome year ahead in the Chinese subsidiary of X-pander, in case headquarters' regulations overruled local practices.

Questions

1. What is the difference between a gift and a bribe?
2. What should Marieke do: Impose headquarters' regulations or accept the local, culture-specific way of conducting business?
3. Is there a universal ethics, or do we consider ethical values to be culturally relative? In what way should ethical organizational standards be determined? Should the headquarters' corporate values prevail?

CASE INCIDENT 1 Are Employees Happier Working in Their Own National Cultures?

In 2011, a study was carried out to compare the correlation between employee satisfaction and organizational cultures. The study involved three international hotels in Cairo, Egypt: the Hyatt Regency Hotel, the Semiramis InterContinental, and the Four Seasons Hotel. The study showed that each hotel had a strong organizational culture in which core values were intensely held and widely shared by employees. However, in two of the hotels, the Egyptian culture was more apparent according to Hofstede's and Trompenaars' cultural dimensions.

The level of job satisfaction of employees in the three hotels was examined in a survey. The organizational cultures of the three hotels as perceived by the employees were also identified in the same survey. In addition, the extent to which the organization was influenced by the national culture was assessed. The employee surveys were distributed equally in the three hotels.When it came to job satisfaction, the Hyatt scored the highest level of employee satisfaction, followed by the Four Seasons Hotel. Analyzing the organizational culture showed that the Hyatt combined a mix of a clan and a market culture, whereas both the Four Seasons and Semiramis InterContinental hotels had a hierarchy culture.

The last section of the survey identified the extent to which national culture was present in each hotel based on Hofestede's and Trompenaars' dimensions—that is, the Egyptian compared to the American (for Hyatt and Semiramis InterContinental hotels) and the Canadian (for the Four Seasons hotel). The Hyatt and the Four Seasons hotels had more of the Egyptian culture apparent in the hotels. For example, the behavior of the employees reflected a higher power distance and more effective relationships between employees (an indicator of the influence of Egyptian culture). However, the Semiramis InterContinental adopted a mix of both the American and the Egyptian cultures. For example, it showed a high power distance mixed with neutral relations, low levels of uncertainty avoidance, and a high consideration of time. Although both the Four Seasons and the Semiramis InterContinental have a hierarchy organizational culture, the levels of satisfaction in both hotels varied widely. Thus, the effect of the organizational culture on employee satisfaction was not evident.

Based on the results of the study and comparing the three hotels, it was concluded that embracing the national culture of the host country, in addition to having a strong organizational culture, had a positive effect on the level of job satisfaction of employees. Therefore, when international hotels open branches in new regions, they need to familiarize themselves with the host country's national culture, especially if they are dependent on hiring local employees. This way, they will be able to adopt many aspects of the host country's culture and will end up with "happier" employees.

Questions

1. How do the Egyptian, American, and Canadian cultures differ according to Hofstede and Trompenaars?
2. The Hyatt and the Semiramis InterContinental should have shown similar results when it comes to cultural assessment. Do you agree or disagree?

Source: Sherif Kamel, dissertation, under the supervision of Dr. Hadia FakhrElDin, the British University in Egypt.

CASE INCIDENT 2 Did Toyota's Culture Cause Its Problems?

You may be familiar with the problems that have recently plagued Toyota. However, you may not know the whole story. First the facts. In 2010 Toyota issued a series of recalls for various models. The most serious was for a defect called "unintended acceleration," which occurs when a car accelerates with no apparent input from the driver. Investigations revealed that unintended acceleration in Toyota cars has been the cause of 37 deaths since 2000. When the problems first surfaced, however, Toyota denied it was the cause. Eventually, Toyota apologized and recalled more than 9 million cars.

To many, the root cause of Toyota's problems was its insular, arrogant culture. *Fortune* argued: "Like GM before it, Toyota has gotten smug. It believes the Toyota Way is the only way." *Time* reported "a Toyota management team that had fallen in love with itself and become too insular to properly handle something like the current crisis." Transportation Secretary Ray LaHood described Toyota's culture as "safety-deaf."

But is this the reality? Increasingly, evidence suggests that Toyota's culture—or even the cars it produces—is not the source of the problem.

A 2011 report released by the U.S. National Highway Traffic Safety Administration (NHTSA) concluded that unintended acceleration was not caused by problems in the electronic circuitry. *The Wall Street Journal* wrote that "safety regulators, human-error experts and auto makers say driver error is the primary cause of sudden acceleration." *Forbes* and *The Atlantic* commented that most of the incidents of sudden acceleration in Toyota cars occurred