THE FACT of CULTURAL DIMENSIONS of HR in MULTINATIONAL COMPANIES

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Abstract

The main aim of this study is to analyze the fact of cultural dimensions on HR in multinational companies, where they are located in Turkey, to see if there is a correlation result between power distance and individualism/collectivism dimensions for an only HR department, rather than including the whole departments of companies.

The article examined only two of the six dimensions of Hofstede which are Power Distance and Individualism.

It was research conducted to examine the relationship between two different dimensions in the human resources department in multinational companies. Application areas for having interviews with 15 people from three different multinational companies and 104 participants answering the survey in the structure of human resources departments operating in Turkey were selected. The research was created especially about the significance of the lack of theoretical research on culture and cultural practices in Turkey to see to what extent can reflect. According to the test result, it was found that a positive and significant relationship between power distance and individualism/collectivism dimensions in the HR department.

Keywords: human resources; HRM; cultural dimensions; geert hofstede
JEL Code: F23, M1, O15

1. Introduction

With the globalization process, as a result of the economic crises of the 1970s, international companies have now had to make their national production lines international. The internationalization of the dollar due to the oil crises in the seventies played an important role in this. Today, it is much easier to observe the globalization of business. (Güney, 2005)

Human Resources Management is a discipline that is oriented towards meeting the needs of employees in general and that is based on human beings, makes them more effective, more efficient, and useful, on the other hand, they have job satisfaction and make arrangements to be happy (Ozkeser, 2019). Starting from recruitment, adaptation training, wage adjustment, legal bond with the enterprise, efficiency, performance appraisal, meeting the individual and social needs, and finally leaving the work, all processes are carried out within the framework of HRM practices.

Human Resources Management is one of the most important business functions required for an organization to make production, to provide services, to survive with profit, and to fulfill
its corporate social responsibility in return. Without human resources and proper management, other resources cannot be properly managed. (Bayat, 2008)

Culture: it is learned according to the conditions of civilization, social lifestyle. Civilization is material development and is the consciousness of material development; culture is learning, and culture is achieved by learning. At the same time, when we say a class phenomenon for culture, the contribution and the importance of national elements such as traditions and traditions should not be forgotten. (Ergun, 2004)

It is not possible to mention the importance of culture for international companies. We can explain this as follows; Since cultural differences demonstrate the effect of teamwork in multinational companies, such warnings are frequently heard. Managers should always consider their culture when developing and implementing strategy and human resources practices for different cultures. The experience we have gained from the studies we have conducted with the managers in these cases has repeatedly shown that almost no situation is not observed. The main question to be asked in organizational science is not whether culture has an impact on organizations, but how and in what direction this effect is. (Göka, 2014)

This article will be examined four different topics. Those are the Concept of Globalization, Multinational Business Concept, Concepts and Definitions of Human Resources Management, Definition of Culture, and Hofstede's cultural dimensions.

2. Literature Review

As studies are analyzing the fact of cultural dimensions on the HR department in multinational companies, we need to know the relationship between globalization, human resource management, and the concept of cultural topics.

Concept of Globalization

Globalization is one of the most discussed concepts in the process of transition to an information society. It is possible to say that almost every country is affected positively or negatively by globalization. Globalization is also a difficult process to define because it is a process. This situation shows that the concept can gain different meanings over time and can be interpreted in different ways. (Gerşil ve Araci 2015)

Although the origins of the globalization process are based on the old ones, it is one of the most discussed concepts since the end of the 20th century because of the direct effects on the social, political, cultural, and economic life and the reinterpretation of the political systems. When we examine the literature on globalization, there is still no clear definition of globalization. It should be remembered that Giddens defines globalization as a process in which contradictory or opposing factors come into play by stating that globalization is not a single process. Giddens de Globalization is a reality and makes the results feel everywhere. Globalization refers not only to things that are far from the individual but also to the intimate, personal aspects of the lives of all people in the world (Kuşdil & Giddens, 1994)

Multinational Business Concept

Multinational enterprises are a concept of intense debate. The multinational enterprise is confused not only with international business but also with global business, transnational business, and transnational business concepts. (Ülgen 2005) To prevent such confusion, it is useful to explain these concepts.
**International Company:** They are established in a single country but have a permanent and meaningful relationship with foreign countries, in other words, to sell goods to other countries or to buy material from them. Relations with the international arena are more intense than local enterprises but less frequent than multinational enterprises and global enterprises. (Yüksel ve Erkutlu, 2002)

**Global Company:** It continues its activities worldwide, using high technology, global product, price, etc. businesses that conduct policies, managed by world citizen managers are defined as global businesses. It is seen that global enterprises are expanding their activities by crossing geographical, social, or physical boundaries more easily without being dependent on any region. Employees of global enterprises often come from different ethnic, religious, and national backgrounds. Marketing activities and purchasing processes are carried out in the most appropriate places for the enterprises. (Akgül, 2008)

**Supranational Company:** Although not currently available, the term supranational company; It is used for companies that do not belong to any country, are established by an international agreement, are registered and controlled by an international organization, and continue to exist by paying tax to this organization and, when necessary, legally abolish their ownership. (Kutal & Büyükuslu, 1996)

**Transnational Company:** It is defined as a truly free capital that has an internationalized management, is the most secure in the world, or at least potentially hoping to move or relocate to places where there is the highest profit. (Gürün, 2001)

**Multinational Company:** Multinational enterprises; While the headquarters are in a certain country, the branches coordinated by them in one or more countries are the major companies that carry out their activities by a company policy determined by the headquarters and the brokers. (Ronen, 1986)

**Human Resources Management: Concepts and Definitions**

The term human resources refer to the goal of reaching the goals of contemporary organizations. They are one of the sources they must use. This term refers to the top-level executive from an enterprise to the bottom level employee It covers. It is also associated with the potential workforce outside the enterprise as well as the workforce within the enterprise (Vardarlıer, 2016). Nowadays, no matter how solid a material resource is, it is not possible to survive if there is no successful human resource. It is impossible to achieve productivity with unhappy occupations and to maintain a quality business life. (Eroğlu, 2014)

If an enterprise cannot manage its human resources correctly, it is highly likely that it will face several problems. Employee performance, employee satisfaction, and employee health are the concepts used as a criterion in their efforts to increase efficiency and quality of work life. If there is an increase in indicators such as absenteeism, workforce transfers, occupational accidents, occupational diseases, customer complaints, individual and collective labor disputes in the workplace, it can be said that the workplace does not work well in terms of human resources. (Adal, 2001)

If we need to give a few more definitions about HRM;

- All management decisions and actions that affect the relations between the organization and employees. (Armstrong, 1992)

- It is the process of managing an organization to meet human resources or business, organization goals. The human resources profession deals with areas such as recruitment and selection, performance evaluation, remuneration and profitability, occupational development, security and health, future, and business relationships. (Mercin, 2005)
- It is a new chain of worker-manager relations that represents employment relations in a wide range and contributes to the development of individual business relations, trying to achieve organizational integration. (Keçecioğlu, 2009)

**Definition of Culture**

Culture; is the way of life of a society. The different ways of life of each society differentiate cultures. Culture: knowledge, faith, art and morality, traditions, and customs, as a member of a community to which it belongs because of the habits and all the skills acquired, is a complex whole. (Savcı 2014)

While culture is defined, it is important to talk about Hofstede's Study.

**Geert Hofstede's Study on the Subject of Culture**

*Cultural Dimensions of Hofstede*

According to the Dutch researcher Geert Hofstede (1980), culture is the common mental programming in the environment in which people live. Culture is not unique to individuals, it is a feature that surrounds individuals with the same education and life experience, not hereditary, derives from the social environment of one's genes (Randall, 1993). Culture is very difficult to change and is very slow. Hofstede has wondered whether differences are arising from national cultures and has carried out a worldwide survey for this purpose (Ferreira et al., 2014). Hofstede handled IBM (International Business Machines), one of the world's largest multinational organizations, based in New York, from 1967 to 1973. To measure and evaluate the culture and the national cultures of the members of this organization, which has branches in more than 50 countries, the questionnaire questions have been translated into 20 different languages and applied to approximately 116,000 people from 70 different countries working under IBM. (Hofstede, 2001)

Hofstede has found that six dimensions help explain how and why people from various cultures are affected. These are Power Distance, Individualism, Masculinity, Uncertainty Avoidance, Long Term Orientation, and Indulgence.

*Power Distance*

The power range, which is one of the dimensions that Hofstede uses to define national culture, points to the degree to which the hierarchy in social inequality and social relations is accepted within the society and the institution (Mazanec et al., 2015). Societies trying to minimize the differences caused by power, the culture where Low Power Distance is concerned; The societies where power is adopted and institutionalized reflect the High-Power Distance culture. Inequality has different consequences in different cultures and is more evident in areas such as prosperity, reputation, power. (Yeşil, 2007)

The power range indicates the degree of acceptance of the unequal distribution of power of members (employees) with little power in organizations. If the power range is large, the subordinates easily accept status differences, and the superiors and subordinates consider the gradual loss of relations as a status loss. However, in the cultures where the power range is small, subordinates often carry out their jobs bypassing the upper levels to overcome the jobs. Power Distance is related to the unequal distribution of power in individuals and organizations of society. The distance that power leads to among the members of society takes place in the extent of the values and norms of that society, and the differences in the level of power adopted by the society are internalized and institutionalized over time. In different countries, being at a certain age, coming from certain families, or studying in certain
educational institutions; it is known that it brings privilege to individuals regardless of effort, skills, technical education, and experience. In such societies, hierarchically powerful individuals do not have to find the true things to be right, because their right is due to their power. In some societies and cultures, people with little power have accepted an unequal distribution of power.

When the Power Distance dimension is examined in terms of the countries discussed in the research conducted by Hofstede in the 1970s, countries such as Austria, Israel, Denmark, England, Germany, and the USA are in the low Power Distance countries; Philippines, Mexico, India, Brazil, Hong Kong, France, while countries like Turkey, is located in the High-Power Range group of countries. (Hofstede, 2001)

*Individualism*

Hofstede measured this cultural difference as bipolar. Individualism at one end and collectivism at the other end. Individualism Common behaviorism is the most important dimension of cultural differentiation, explaining the relationship between society and the individual. This dimension is mainly concerned with how the individual defines himself. In individualist societies, people define themselves as independent units. In cultures that attach importance to communities, individuals define themselves as part of their families or other important communities. Accordingly, they keep the interests of the community ahead of their interests and try to respond to the expectations of others. In individualist societies, individuals prioritize their wishes on important matters and give importance to individual success.

In grouping cultures, because the priority is to maintain the integrity and harmony of the group, one is expected to sacrifice his or her goals for the group. In individualist cultures, groups are maintained only as long as the purposes are common; when the goals begin to become incompatible, people seek out other settings, groups, where they can achieve their goals.

As a result of Hofstede's research, we can say that Turkey's a collectivist nation. In other words, individuality is low, and collectivism is high. National interests, the interests of his family precede his individuality. Group success is more satisfactory than individual success. Therefore, it can be seen as a suitable nation for teamwork. (Hofstede, 2001)

Table: 1

<table>
<thead>
<tr>
<th>Power Distance</th>
<th>Individualism</th>
</tr>
</thead>
<tbody>
<tr>
<td>66</td>
<td>37</td>
</tr>
</tbody>
</table>

Source: https://www.hofstede-insights.com/country-comparison/turkey/

3. Method and Data Set

The method of this study, the qualitative and quantitative research methods were adopted. Data were compiled by face-to-face interviews based on a 6-item question prepared in advance for the qualitative research. In total, it was interviewed with 15 people working in the
HR department. For the quantitative analysis, the survey was responded by 104 people working in the HR department and the data were analyzed by using the SPSS program.

Data Collection of this study, the opinions of the human resources department of the companies whose name is branded have been examined by the interview technique about the fact of the cultural dimensions of Hofstede on the human resources department. For this purpose, three companies were identified. Some of the interviews were recorded by the device and the other part was recorded with a note. Interviews vary from ten minutes to half an hour depending on the availability of human resources specialists. The participants wanted to keep the company names and their names hidden. All the interviews and took place in the city of Hatay in Turkey.

Data Analysis, In the interview with the participants of this study, a semi-structured interview form consisting of six questions was used by the researcher. The opinions of the people working in the human resources department were transmitted based on confidentiality and coded without giving their names. The coding was determined as the interviewee and the number was given as 1st Interviewee, 2nd Interviewee, 3rd Interviewee, 4th Interviewee, and so on.

According to the descriptive analysis, the data obtained are summarized and interpreted according to the previously determined themes. Direct citations are frequently taken to reflect the views of the interviewed individuals. The purpose of this kind of analysis is to present the findings to the reader in an edited and interpreted manner. The data obtained for this purpose are first described systematically and clearly. Then, these descriptions are explained and interpreted, cause-effect relationships are examined, and some results are reached.

For the survey analysis, first of all, a frequency table was created. Secondly, the descriptive statistic was given, and last but not least, the correlation was calculated for power distance and individualism\collectivism in SPSS.

4. The Purpose of Research and Hypothesis

The purpose of this study is to understand the fact of cultural dimensions on HR in multinational companies, where they are located in Turkey, to see if there is a correlation result between power distance and individualism\collectivism dimensions for an only HR department, rather than including the whole departments of companies.

H₀: There is a positive relationship between power distance and individualism\collectivism

H₁: There is not a positive relationship between power distance and individualism\collectivism

5. Result

In this part, the result of the research, which is qualitative and quantitative research, is showed below.

5.1 Interview Answer

*POWER DISTANCE

1) Do you think there is a hierarchical structure in the company structure?
2) Can you appeal against your manager/boss?
3) What is the attitude of your superiors towards every working person? Is it equal?
According to interviewees' answers for the first question show us that most employees believe a hierarchical structure in the company. Some of them said that they have that hierarchical structure because their company is an institutional company which means that type of company effects having a hierarchical structure. 3rd Interviewee said that Regarding the institutional structure, the hierarchical structure is inevitable. So, we have this structure in our company. 11th Interviewee said that We have this structure because we are an institutional company. Even though we have a hierarchical structure, both managers and employees happily work within this framework. 7th Interviewee said that Some of them think that a hierarchical structure brings success to the company. The hierarchical structure exists in our company and I support that structure. Thanks to the hierarchical structure, we have achieved many successes in our company.

According to the second question's answers that show us, most of the employees are instead of being against their manager/boss, they usually prefer to share their thoughts according to issues or situations. 7th Interviewee said that Some of them think sharing their thoughts/ideas make the company better. I can share my thoughts as an exchange of ideas. I think this is important for companies to the developers themselves in the competition. Some of them think sharing is good but if the idea or thought is right. 2nd Interviewee said that I can express my thoughts that I think is right. I prefer to share every thought of mine If they are correct and useful. Mostly managers care about the value of ideas. They think that because It makes it more effective when they are making decisions. 11th Interviewee said that Everyone can express their ideas freely. It does not matter whose idea; it matters about the value of ideas.

According to the answers to the third question, I can say that most of the employees do not think they are being treated equally in the company. Generally, they think that is impossible to be equal to everybody. 5th Interviewee said that Not everyone is treated equally, and I do not think that is possible. Most of them think that there is no equality because of their positions. That brings a hierarchical structure again. 3rd Interviewee said that I cannot say everyone is treated equally. It depends on the dynamics of the departments. 7th Interviewee said that the concept of equality varies according to the section and position. 15th Interviewee said that They are treated differently according to the competence of the personnel.

The summarize of interviewees' answers to those three questions: according to the answers of people, who work in the HR department, are more likely to have a high level of Power Distance. That means employees need hierarchy in the company. Because of this structure, they must follow their bosses, managers, and supervisors in the company. And employees must do whatever their bosses want to do. Also, employees expect pressure and power from their bosses to do something.

**INDIVIDUALISM**

1)How do you solve the problem when you encounter any problems? Do you try to get help from your co-workers?
2)In general, do you think that your employees/colleagues reflect their relations with a family to business life?
3)Do you go beyond your job description when It is necessary?

According to answers to the first question for the individualism dimension, most of the employees would prefer to work and solve a problem as a team. Even some of them start to
solve a problem individually, they usually make a solution to the problem with a team. 1st Interviewee said that Even if I start the solution of the problem individually, it is necessary to discuss the result of the problem with the managers/supervisors due to the hierarchical structure. This shows that we act as a team. 6th Interviewee said that I begin to solve the problem on my own and then involve my co-workers in that way they learn what to do when they encounter the same problem. Because of this, teamwork is important. 15th Interviewee said that Although I solve the problem sometimes by myself, I usually prefer to work with the team. Some of them care about their co-worker’s ideas when a person faces a problem. 14th Interviewee said that Since we exchange ideas on every subject, I also give importance to the thinking of my teammates when solving problems. 7th Interviewee said that Since sharing information is important when I encounter a problem, I give importance to the thoughts of my friends for the solution of the problem.

According to answers to my interviews for the second question show us that most of the employees do not prefer to reflect their family problem to business life. That means people are most likely being individual for that question. 14th Interviewee said that Within the framework of my experiences, I do not reflect my work life to my family life, and I do not reflect my family life to business life. Some of them said that being professional does not accept that kind of problems to reflect into the business life. 11th Interviewee said that We always stand to be professional, because of that, we keep family problems in the background of our business life.

According to answers to the third question, it shows us that employees usually prefer to help their co-workers, even though It is not part of their jobs. Some of them said that If their co-workers need his/her help, She/he can consider that to help them. 4th Interviewee said that I can help them when my friends need my support in their job positions. 9th Interviewee said that Even though everyone has a job description and responsibilities. But I help colleagues when they need it. Some of them see that as an improvement and can be happy with that. 2nd Interviewee said that I am going out of my job definition when It is necessary. I see this as an opportunity to improve myself. Those answers show us, employees, usually work as a collective in the company. And they care about other people. That means prefer to be collective instead of being individual.

The summarize of interviewees’ answers for those three questions: according to the answers of people, who work in the HR department, are more likely to have a collectivist structure. This means they care about each other in the group and they usually avoid open conflicts. The relationships/communication are/is more important than work in the group for employees.

5.2 Survey and SPSS Result

Frequency Tables

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>48</td>
<td>46.2</td>
<td>46.2</td>
<td>46.2</td>
</tr>
<tr>
<td>Male</td>
<td>53</td>
<td>51.0</td>
<td>51.0</td>
<td>97.1</td>
</tr>
<tr>
<td>Prefer not to say</td>
<td>3</td>
<td>2.9</td>
<td>2.9</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>104</strong></td>
<td><strong>100.0</strong></td>
<td><strong>100.0</strong></td>
<td></td>
</tr>
</tbody>
</table>

Source: Based on Survey
According to the table, the percentage of people’s age, who participated in the survey, is % 46.2 female, % 51.0 male and % 2.9 prefer not to say.

<table>
<thead>
<tr>
<th>Table: 3 Age</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-21</td>
<td>1</td>
<td>1.0</td>
<td>1.0</td>
<td>1.0</td>
</tr>
<tr>
<td>22-25</td>
<td>21</td>
<td>20.2</td>
<td>20.2</td>
<td>21.2</td>
</tr>
<tr>
<td>26-29</td>
<td>33</td>
<td>31.7</td>
<td>31.7</td>
<td>52.9</td>
</tr>
<tr>
<td>30-33</td>
<td>34</td>
<td>32.7</td>
<td>32.7</td>
<td>85.6</td>
</tr>
<tr>
<td>38-41</td>
<td>7</td>
<td>6.7</td>
<td>6.7</td>
<td>92.3</td>
</tr>
<tr>
<td>Over 42</td>
<td>8</td>
<td>7.7</td>
<td>7.7</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>104</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

**Source:** Based on Survey

According to the table, the percentage of people’s age, who participated the survey, is % 1 18-21, % 20.2 22-25 and % 31.7 26-29, % 32.7 30-33, % 6.7 38-41 and % 7.7 Over 42.

<table>
<thead>
<tr>
<th>Table: 4 Position</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel and Industrial Relations Specialist</td>
<td>17</td>
<td>16.3</td>
<td>16.3</td>
<td>16.3</td>
</tr>
<tr>
<td>Recruitment Specialist</td>
<td>13</td>
<td>12.5</td>
<td>12.5</td>
<td>28.8</td>
</tr>
<tr>
<td>Human Resources Manager</td>
<td>30</td>
<td>28.8</td>
<td>28.8</td>
<td>57.7</td>
</tr>
<tr>
<td>Payroll</td>
<td>4</td>
<td>3.8</td>
<td>3.8</td>
<td>61.5</td>
</tr>
<tr>
<td>Director of Human Resources</td>
<td>9</td>
<td>8.7</td>
<td>8.7</td>
<td>70.2</td>
</tr>
<tr>
<td>General Director of Human Resources</td>
<td>2</td>
<td>1.9</td>
<td>1.9</td>
<td>72.1</td>
</tr>
<tr>
<td>Intern</td>
<td>12</td>
<td>11.5</td>
<td>11.5</td>
<td>83.7</td>
</tr>
<tr>
<td>Others</td>
<td>17</td>
<td>16.3</td>
<td>16.3</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>104</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

**Source:** Based on Survey

According to the table, we can say that the Human Resources Manager position has the biggest number which is 28.8% among other positions.

**Descriptives**

1) Power Distance Questions

<table>
<thead>
<tr>
<th>Table: 5 Descriptive Statistics</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>How strong is a hierarchical structure in your workplace?</td>
<td>104</td>
<td>3.8269</td>
<td>.99944</td>
</tr>
</tbody>
</table>
As seen in the table for Power Distance questions, 'How strong is a hierarchical structure in your workplace?' question has the highest mean which is 3.8269. That means people, who answered the questions, mostly agreed on that, they have a hierarchical structure in their company. As I coded the points, that can be equal to in between Neutral and Strong but closer to the strong side.

When it was checked Std. Deviation, ‘How strong is the equal attitude of your supervisor\boss\manager towards every working person?’ question has the highest number which is 1.01740. This question’s mean has the lowest number which is 3.6154. That can be equal to in between Neutral and Strong but closer to the strong side.

2) Individualism Questions

Table: 6 Descriptive Statistics

<table>
<thead>
<tr>
<th>Question</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>How strongly do you try to get help from your co-workers when you face issues?</td>
<td>104</td>
<td>3.9519</td>
<td>.99883</td>
</tr>
<tr>
<td>How strongly do you think that your colleagues reflect their relations with a family to business life?</td>
<td>104</td>
<td>3.1827</td>
<td>1.14709</td>
</tr>
<tr>
<td>How strong are you willing to go beyond your job description when It is necessary?</td>
<td>104</td>
<td>3.7212</td>
<td>1.26535</td>
</tr>
</tbody>
</table>

Source: Based on Survey

According to the table for Individualism questions, 'How strongly do you try to get help from your co-workers when you face issues?' question has the highest mean which is 3.9519. That means people, who answered the questions, mostly agreed on that they are collectivist people who would like to help each other. As I coded the points, that can be equal to the strong side.

When we check Std. Deviation, 'How strong are you willing to go beyond your job description when It is necessary?' question has the highest number which is 1.26535. This question's mean has the middle number which is 3.7212. That can be equal to in between Neutral and Strong.

Power Distance vs Individualism\Collectivism Correlation

Table: 7 Correlations

<p>| power_distance_average | collectivism_average |</p>
<table>
<thead>
<tr>
<th>power_distance_aarage</th>
<th>Pearson Correlation</th>
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<th>.195*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td></td>
<td>.047</td>
</tr>
<tr>
<td>N</td>
<td>104</td>
<td>104</td>
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</table>

<table>
<thead>
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<th>collectivism_aarage</th>
<th>Pearson Correlation</th>
<th>.195*</th>
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<td>Sig. (2-tailed)</td>
<td>.047</td>
<td></td>
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<tr>
<td>N</td>
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*. Correlation is significant at the 0.05 level (2-tailed).

Source: Based on Survey

According to the result of the analysis, it was concluded that there is a positive correlation between power distance and Individualism\collectivism. Result also showed that the Correlation is significant at the 0.05 level.

6. Conclusion

Although the basic elements and characteristics of the company culture do not mean the same thing for each company, their reflections on their perceptions, thoughts, behaviors, and ways of doing business differently. Company culture is a must for an organization; employees are guided to common goals by providing unity and solidarity. This provides commitment and motivation to cultural workers.

The management of intercultural differences in a multinational company is an important human resource phenomenon. Because the case has two faces. If intercultural contacts are not managed well, it is a source of conflict in the workplace, and if it is managed well, it is a competitive advantage in terms of creativity, innovation, and providing the necessary information to reach different target groups. If businesses in the globalized world cannot avoid the diversification of the workforce and thus the differentiation, it will be a logical approach to seek ways of managing it.

Based on the result, the hypothesis, which is H0: There is a positive relationship between power distance and individualism\collectivism, is supported.

The obtained result showed the high-power distance in the human resources department creates the hierarchy structure in the HR department. The existence of hierarchy makes people, who work in the HR department, expect to get orders or directions from their superior co-workers. Getting those directions from superior co-workers makes the team engage with each other. Engagement brings good communication to the team and that will help to work more effectively inside of the team. A good engagement has increased a collectivist structure in the team. Furthermore, people, who work in the HR team, would prefer collectivism than individualism. To sum up, the improvement of power distance will affect collectivism positively.

References


