Re-examining the influence of societal culture on organizational identity

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ABSTRACT

Today's global organizations are facing questions regarding their organizational identity across different locations. Understanding employees' diverse cultural perspectives (House, Javidan, & Dorfman, 2001) of organizational identity is critical for effective recruitment and retention, as well as for maximizing their contributions to and identification with the organization. This paper explores how societal culture influences organizational identity in a global organization and offers a set of propositions for future theory development. The discussion focuses on how the local societal cultures in which regional offices are located – as defined by the relative strengths and priorities of the nine cultural dimensions for the GLOBE study (House et al., 2006) – may influence the way the employees of a global organization perceive their organization's identity.

Keywords: societal culture, organizational identity, GLOBE, global organization, HRD

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INTRODUCTION

Understanding diverse cultural perspectives has become critical (House, Javidan, & Dorfman, 2001) not only for recruitment and retention, but also for maximizing employees' contributions to and identification with the organization. Thus, global companies must increasingly understand the impact that multiple cultural perspectives have on employees' perceptions of the organization's identity—that is, those characteristics considered to be the most core, enduring, and distinctive (Albert & Whetten, 1985)—to foster more effective connections between the corporation and its members. The influence of societal culture on organizations has been explored from a variety of perspectives including leadership, management practice, and organizational culture. Societal culture includes the culture of the country in which the global organization is located, as well as the societal cultures of the organization's employees. Through a discussion of organizational identity and local employees' identification with a global company, this paper will contribute to literature by exploring the relationship between societal culture and organizational identity, particularly the ideational and phenomenological components (Whetten, 2006) of the definition of organizational identity, given the increasing number of global corporations.

Global organizations have been defined as those where "products and services are created, where costs are the lowest, quality is the highest, and time to delivery is the shortest and delivered wherever demand is sufficient. Resources are sought from wherever the best quality for cost can be found" (Briscoe & Schuler, 2004, p. 43). In 2007, *Fortune's* list of the 500 largest public firms in the world - based on revenues - included firms from 32 different countries, employing some 40 million employees. The number of firms and the number of countries involved in international commerce is continuing to expand rapidly, making the world of business increasingly competitive and complex. From January 2002 to March 2003, the United Nations Conference on Trade and Development (2003) reported 829 regional headquarters operations worldwide, involving 52 countries. In a global economy, companies are competing with local as well as other national and international companies to attract the best talent and expertise (House et al., 2001) and then to retain those individuals.

Beyond talent and expertise, the demand to recruit and retrain highly skilled workers on an international level has also been significantly impacted by related second-order societal issues. In particular, the impact of widespread immigration continues to increase dramatically, effecting societal demographics, talent pools and workforces. Likewise, Brodbeck, Chhokar, & House (2007) predicted that instead of converging into an "amalgam of global cultural standards," societal cultural differences may become more distinct, as people strive "to preserve their cultural heritage and social identity" (p. 1080). Thus, it appears that the global locations of organizations, coupled with the growing cultural diversity of the workforce, have created significant challenges for organizations. A better understanding is required to determine how employees from societal cultures with different values and cultural practices perceive the identity of the organization for which they work, as well as to learn how those perceptions can foster more effective identification with the organization.

Organizational identity is a complex construct originally defined by Albert and Whetten in 1985. Since that time, its meaning has been studied and debated (e.g., Corley et al., 2006; Ravasi & Schultz, 2006; van Rekom, Corley, & Ravasi, 2008). More recently, Whetten (2006) defined it as a property of an organization constituted of those claims that are "the central and enduring attributes of an organization, those that distinguish it from other organizations" (p. 220). These

core, enduring, and distinctive (CED) qualities are reflected in an organization's "unique pattern of binding commitments across time and environments" (p. 220) that repeatedly distinguishes it from others in its social category.

To date, many identity-based models of organizational identification have been developed (Ashforth & Mael, 1989; Dutton et al., 1994) with little empirical work, particularly on the process of identification and the factors that influence it (Foreman & Whetten, 2002). While organizational identity theory has been useful in helping understand how individuals identify with organizations (Pratt, 1998), the role of societal culture is not well understood. As internally consistent organizational identity claims - facilitated through stories and myths - can facilitate organizational identification (Kriener & Ashforth, 2004), societal culture does have the potential to help influence and shape these identity claims.

THEORETICAL BACKGROUND

Evolution of organizational identity theory and research

Albert and Whetten's (1985) original conceptualization of organizational identity as those qualities that are most central, enduring, and distinctive has been both the base and the catalyst for a dynamic, often contentious conversation over the past two decades, creating an extensive body of theory and research (e.g., Corley & Gioia, 2004; Corley, Harquail, Pratt, Glynn, Fiol, & Hatch, 2006; Dutton & Dukerich, 1991; van Rekom, Corley, & Ravasi, 2008; Walsh & Glynn, 2008). Researchers have questioned the degree to which identity endures over time in response to threats (Casey, 1997; Elsbach & Kramer, 1996; Golden-Biddle & Rao, 1997); whether there are single or multiple identities (Corley & Gioia, 2004; Fiol, 2001; Pratt & Foreman, 2000); as well as identity's relationship to organizational culture and image (Hatch & Schultz, 2002; Ravasi & Schultz, 2006); collective memory (Casey, 1997) and identification (Elstak, 2008; Foreman & Whetten, 2002; Kriener & Ashforth, 2004).

In a recent literature review, Corley et al. (2006) reflected on the history and future of organizational identity research. They described major inconsistencies around organizational identity's definitions, related theories, and the models that have evolved over the past 20 years. While they pointed to areas of general convergence that have emerged around common elements of its meaning as a self-referential, inherently contextualized and comparative construct involving "a shared understanding by a collective" (p. 87), they also described continuing problems that have led to two distinct perspectives with different underlying ontological and epistemological views: the "essentialist" or social actor and the social constructionist.

The essentialist (Corley et al., 2006), institutional (Elstak, 2008) or social actor view has been most fully articulated by Whetten (2006) who has defined organizational identity as those most central and enduring attributes that distinguish an organization from others in its social category, reflected in its "unique pattern of binding commitments across time and environments" (p. 220). CED attributes, especially those at the highest social level, represent an organization's deepest commitments, most likely invoked when members are grappling with profound "fork in the road choices" (p. 221). These attributes are "consistent with an organization's history" (p. 221) and its founders (Casey, 1997; Ravasi & Schultz, 2006; Walsh & Glynn, 2008) and have been shown to remain constant, even during major mergers (Margolis & Hansen, 2002).

Whetten has further clarified the original Albert and Whetten definition (1985) by delineating three identity components: (1) the *ideational:* "members' shared beliefs in answer to

the question, 'Who are we as an organization?'"; (2) the *definitional:* "a specific conceptual domain for organizational identity characterized by the CED features of an organization;" and (3) the *phenomenological:* which surfaces around identity-related conversations during significant organizational crises or threats (p. 220). He has suggested that organizational identity research has focused almost exclusively on the *ideational* component, mostly ignoring the other two.

From a social constructionist perspective, organizational identity is more fluidly formed by continuous, emergent conversation among members whose shared understandings are shaped by the "interchange between internal and external definitions of the organization offered by all organizational stakeholders who join in the dance" (Hatch & Schultz, 2002, p. 1004). It is a relational, socially constructed and dynamic process of ongoing dialogue among organizational stakeholders, organizational culture, and the external environment (Gioia et al., 2000). This view, articulated by Hatch and Schultz (1997; further developed and refined, 2000, 2002) and others (Dutton & Dukerich, 1991; Corley & Gioia, 2004; Fiol, 1991, 2002; Gioia & Thomas, 1996; Nag et al., 2007) emphasizes the interactive process of members' sensemaking (Fiol, 2002; Ravasi & Schultz, 2006).

Both views of organizational identity define organizational identity within a CED approach (Corley et al., 2006), with the difference primarily focused on the degree to which identity changes over time and the factors that influence this change. This debate is evolving (van Rekom et al., 2008; Elstak, 2008) with researchers suggesting that the "two perspectives—institutional claims and collective understandings—represent different aspects of the construction of organizational identities" (Ravasi & Schultz, 2006: 436). The maturation of this field of study is providing promising re-conceptualizations of organizational identity (van Rekom et al., 2008; Elstak, 2008). Taking into consideration the purpose of the paper, the social actor perspective was chosen, as it lends itself to identifying enduring outcomes and addresses the ideational and phenomenological components of organizational identity.

Societal culture from an organization studies perspective

Similar to the theory and research on organizational identity, several perspectives on societal cultures were evident in literature. In the international HRD literature, the intersection of societal and national cultures and organizations have drawn primarily from Hofstede's (1980, 1992) work, which asserts that cultural differences between nations can be described and measured in a set of dimensions that reflect answers to "universal problems of human societies" (Hofstede, 2006, p. 883). Hofstede provided a foundation for understanding cultural values as it relates to global business.

More recently, others have suggested a homogenization (Howes, 1996) or convergence view (Dorfman, Hanges, & Brodbeck, 2004) of globalization, where national cultural differences are "being replaced by global corporate cultures and universal organizational identification" (Jack & Lorbiecki, 2007, p. S82). And yet a third perspective would agree that while countries and societies play a major role in the construction of social reality in organizations in global organizations, within a national culture (Ailon-Souday & Kunda, 2003) multiple social identities do exist. The research has investigated differentiation and plurality among employees as well as the consumers in a specific country or society (Jack & Lorbiecki, 2007). McSweeney (2002), and others have challenged the homogeneity assumption in Hofstede's work, suggesting that it does not take into account the agency of individuals in defining and shaping this identity (Ailon-

Souday & Kunda, 2003), and related research has focused on the complexity of these relationships. Jack and Lorbiecki's (2007) study has surfaced the role of national identity in organizational identification, and, at the same time, has also contradicted the "received wisdom in the cross-cultural management literature which attributes a certain fixity and homogeneity to the concept of national identity" (p. S91), introducing further complexity to this relationship by asserting that organizational identity should be "thought of as differentially constructed according to the complex interdependencies of the level of identity in question, the nature of dominant discourses with an organization and the social and cultural position of the individual" (Jack & Lorbiecki, 2007, p. S93).

A different perspective has been taken by the GLOBE (Global Leadership and Organizational Behavior Effectiveness) research project that focuses on the relationships between societal culture, organizational culture, and leadership. GLOBE built on Hofstede's (1980) and others' (Trompenaars & Hampden-Turner, 1997, Kluckhorn & Strodtbeck, 1961) work, and through its research surfaced 10 cultural clusters representing core dimensions from 62 cultures around the world. GLOBE used the term *societal culture* instead of *national culture* to "indicate the complexity of the culture concept and because in several instances we sampled two subcultures from a single nation" (House, Javidan, Dorfman, & de Luque, 2006, p. 104). A working assumption of the GLOBE project was that many countries have multiple, large subcultures within their borders (Chhokar, Brodbeck, & House, 2007), which many times expand beyond the borders.

GLOBE represented a large-scale cross-cultural research project of multiple phases, including quantitative and qualitative methodologies, with 173 researchers across 62 participating countries (Leung, 2007). The initial goal of the project was to develop measures of cultural and leadership attributes that could be used across cultures (Chhokar et al., 2007). The GLOBE project "seeks to refine Hofstede's societal culture dimensions and link the projects' new measures to organizational culture and leadership" (Peterson, 2004, p.641). The sample for the GLOBE project was more than 17,300 middle managers from 950 mainly domestic companies from three industries (Chhokar et al., 2007). Responses to the survey were aggregated to the culture level of analysis, providing measurement of the nine core GLOBE cultural dimensions. The study built off previous work of many cross-cultural scholars including Hofstede (1980), Hofstede and Bond (1988), Kluckhohn and Strodtbeck (1961), McClelland (1961, 1985), Putnam (1993) and others.

The theoretical foundation of the GLOBE studies centers around the research of culture. Culture represents the shared understanding of a collective that differentiates it from other collectives (House et al., 2001; Chhokar et al., 2007). Culture is defined as "shared motives, values, beliefs, identities, and interpretations or meanings of significant events that result from common experiences of members of collectives and are transmitted across age generations" (House & Javidan, 2004, p. 15). The GLOBE project examined the shared values as well as the shared practices. The focus on shared values stemmed from anthropology (i.e., Kluckhohn & Strodtbeck, 1961), with values defined as judgments about "the way things should be done" and practices defined as the "way things are done in this culture" (Triandis, 2004, p. xv). Nine attributes of culture were identified during the project, and when quantified represented "core cultural dimensions" (Chhokar et al., 2007, p. 7). These dimensions were performance orientation, uncertainty avoidance, humane orientation, institutional collectivism, in-group collectivism, assertiveness, gender egalitarianism, future orientation, and power distance. Six of these dimensions were consistent with Hofstede's (1980, 1991), and the remaining three surfaced

from related literature, such as the World Values Survey (Inglehart, Basanez, & Moreno, 1998), and the data collected (Leung, 2007; Triandis, 2004). Profiles of the cultural dimensions for 10 societal clusters (related countries within each) were created based on the GLOBE research. These closely corresponded to past research on cultural regions (Gupta & Hanges, 2004). Drawing from these seminal literatures on societal cultures, [seems like a phrase is needed here that recognizes again the differences among the perspectives—not sure what it should be exactly, though] it is apparent that a deeper understanding of how employees from particular societal clusters with different values and cultural practices perceive the identity of the organization for which they work needs attention. Therefore, linking the aforementioned work on societal culture and establishing its interdependency with organizational identity is crucial to understanding the reciprocal relationship between these constructs.

PROPOSED RELATIONSHIP BETWEEN SOCIETAL CULTURE AND ORGANIZATIONAL IDENTITY

Although there is considerable interest in the relationship of societal cultures to organizations (Dickson, BeShears, & Gupta, 2004), there has been little theoretical or empirical work investigating the relationship of societal culture and organizational identity. The studies that have addressed this relationship have focused on the organizational identification process (Jack & Lorbiecki, 2007) and, secondarily, organizational identity, and have emphasized national cultures. In organizational studies, discussions of societal culture and its relationship to organizations have focused on management practices (Schuler & Rogovsky, 1998) and, to a lesser degree, organizational culture (Lee & Barnett, 1997).

Taking a broader perspective, there is a well-developed body of work in sociology that links societal and national culture and identity (collective as well as individual) (Dimaggio, 1997) and with collective memory and commemoration of past events (Schwartz, 2000, 2005; Cerulo, 1995). Commemorations are rituals that facilitate "order and continuity" and are connected with emotionally significant events that affirm "the identity of one's group and redefining membership with that group" (Frijda, 1997, p. 109). Events that are recalled are most often turning points and threaten the essence or the identity of the community (Pennebaker & Banasik, 1997). Why or how these events are remembered is influenced by societal culture and the related identity of the groups in which they are recalled (Schwartz & Kim, 2002). In the section that follows, the term *societal culture* is used to represent the broader perspective of a collective, and *national culture* is used when the literature specifies a country with defined geographical boundaries.

The framework for this paper is conceptualized as the intersection between societal culture and organizational identity. The paper's contribution to this conversation is developing a theoretical framework, exploring how the local societal cultures in which regional offices are located – as defined by the relative strengths and priorities of the nine cultural dimensions for the GLOBE study – influence the way the employees of a global organization perceive their organizational identity, as indicated in Figure 1 (Appendix).

The concept of culture arose from the disciplines of sociology and anthropology and has been defined by many scholars (e.g., Herskowitz, 1948). However, through the work of the GLOBE studies, House and Javidan (2004) framed culture as "shared motives, values, beliefs, identities, and interpretations or meanings of significant events that result from common experiences of members of collectives that are transmitted across generations" (p. 15). They also

asserted that this definition can span various levels of analyses. Further, in the GLOBE research, societal culture was operationalized to consist of "commonly experienced language, ideological belief systems (including religion and political belief systems), ethnic heritage, and history" (House & Javidan, 2004, p. 15). The researchers looked at cultural manifestations in terms of agreement and "the commonality of observed and reported practices of entities such as families, schools, work organizations…" (p. 16). Their focus was on the sharedness of these values as emphasized in the anthropological work of Kluckhohn and Strodtbeck (1961).

Given the GLOBE studies definition of societal culture, HRD scholars can view organizational identity through two lenses (i.e. social constructivist and social actor). Those who view organizational identity through a social constructionist lens (Hatch & Schultz, 2000) make strong connections between organizational culture and identity, and, although Whetten from a social actor view sees the two constructs as having separate conceptual boundaries, he does describe how "members are most likely to invoke specific cultural elements as distinguishing features when they are experienced as central and enduring attributes" (p. 228), citing Clark (1972) as a scholar who used organizational sagas as "a form of differentiation among private colleges" (p. 228).

Alternatively, the social actor view of organizational identity and the GLOBE research on societal culture both draw from institutional theory, especially the principle of isomorphism, where organizations are pressured to conform to institutionalized beliefs and processes. In the case of organizational identity, organizations need to be recognized within their social category but also differentiate themselves from other organizations in that category. It has been noted that "whereas different types of isomorphism may operate at various levels of cultural influence (national or societal versus industrial), specific cultural dimensions may drive organizational isomorphism differentially" (Dickson et al., 2004, p. 84). Furthermore, "although institutional theory can provide a framework to interpret and predict the transmission of cultural values and establishment of common organizational behavioral patterns, it is neither a simple process nor a simplistic explanation" (Dickson et al., 2004, pp. 84-85). Investigating the intersection of societal culture and organizational identity is one step in understanding the dynamics of this relationship.

Societal culture is just one of the many different types of cultures – such as professional, community, workgroup - that constitute the social environment in which an organization constructs its identity (Fiol, Hatch, & Golden-Biddle, 1998). "Although culture provides the system of rules that defines a social system, identity provides the contextual understanding of those rules that govern people's understanding of themselves in relation to the larger social system" (p. 56). Given the interdependent relationship between societal culture and organizational identity, this section will explore the nine cultural dimensions of the GLOBE studies; identify corresponding propositions that apply to a global organization; and offer explanations of the human connections that allow relationships to exist between societal culture and organizational identity, as indicated in Table 1 (Appendix). In fact, it is this human-side of organizations (Pfeffer, 2010) that demands particular attention, as it drives and sustains both the industrial and cultural based phenomena explored here.

Performance orientation.

This dimension refers to "the degree to which a society encourages and rewards group members for performance improvement and excellence" (Javidan & House, 2001, p.300). In

societies where performance orientation is high, a great deal of emphasis is placed on training and developing the individual, communicating in a direct and explicit manner, and displaying a sense of urgency, whereas in societies where performance orientation is low, competition and direct feedback create uneasiness and adversely affect relationships (Javidan & House, 2001). Therefore, for a regional office of a global company situated in a societal culture where performance orientation is high, the perceived organizational identity is likely to contain a greater number of attributes that reflect competing, scoring, winning, evaluating, achieving, comparing, distinguishing, and elevating – as compared to a regional office of the same company that is situated in a societal culture where performance orientation is low(er).

Proposition 1

The perceived organizational identity in a societal culture, where performance orientation is high, will have more attributes associated with competing, scoring, winning, evaluating, achieving, comparing, distinguishing, and elevating.

Uncertainty avoidance

This dimension is defined as "society's reliance on social norms and procedures to alleviate the unpredictability of future events" (Javidan & House, 2001, p.295). In societies where there is high uncertainty avoidance, individuals value orderliness, consistency, structure, clear expectations, rules, and laws, whereas in societies that have a lower uncertainty avoidance, individuals possess a greater tolerance for ambiguous situations, seek less structure, and are not much concerned about rules and regulations (Javidan & House, 2001). Therefore, for a regional office of a global company situated in a societal culture where uncertainty avoidance is high, the perceived organizational identity is likely to contain a greater number of attributes that reflect categorizing, regulating, controlling, governing, directing, planning, structuring, and communicating – as compared to a regional office of the same company that is situated in a societal culture where uncertainty avoidance is low(er).

Proposition 2

In a societal culture, where uncertainty avoidance is high, the perceived organizational identity will have more attributes associated with categorizing, regulating, controlling, governing, directing, planning, structuring, and communicating.

Humane orientation

This dimension is defined as "the degree to which a society encourages and rewards individuals for being fair, altruistic, generous, caring, and kind to others" (Javidan & House, 2001, p. 300). In societies where humane orientation is high, a great amount of emphasis is placed on maintaining good human relations, belongingness, and sympathizing and supporting the weak, whereas in societies with low human orientation, individuals are more motivated by self-enhancement, through which wealth and power is gained through individual efforts (Javidan & House, 2001). Therefore, for a regional office of a global company situated in a societal culture where humane orientation is high, the perceived organizational identity is likely to

contain a greater number of attributes that reflect caring, empathizing, supporting, including, protecting, fostering, nurturing, loving, and comforting – as compared to a regional office of the same company that is situated in a societal culture where humane orientation is low(er).

Proposition 3

In a societal culture, where humane orientation is high, the perceived organizational identity will have more attributes associated with caring, empathizing, supporting, including, protecting, fostering, nurturing, loving, and comforting.

Institutional collectivism.

This dimension reflects "the degree to which individuals are encouraged by societal institutions to be integrated into groups within organizations and the society" (Javidan & House, 2001, p. 296) or "the degree to which organizational and societal institutional practices encourage and reward collective distribution of resources and collective action" (House, Javidan, & Dorfman, 2001, p. 497). In societies where institutional collectivism is high, the common goals and interests of the group take precedence over those of individuals and rewards are set up in a way to recognize and honor the collective body rather than the individual, whereas in societies where institutional collectivism is low, individuals place greater emphasis on elements that set themselves apart from others and greatly value autonomy, freedom, and personal achievement (Javidan & House, 2001). Therefore, for a regional office of a global company situated in a societal culture where institutional collectivism is high, the perceived organizational identity is likely to contain a greater number of attributes that reflect collaborating, team-building, uniting, institutionalizing, bonding, ritualizing, consolidating, and building tradition – as compared to a regional office of the same company that is situated in a societal culture where institutional collectivism is low(er).

Proposition 4

In a societal culture, where institutional collectivism is high, the perceived organizational identity will have more attributes associated with collaborating, team-building, uniting, institutionalizing, bonding, ritualizing, consolidating, and building tradition.

In-group collectivism.

This dimension "refers to the extent to which members of a society take pride in membership in small groups such as their family and circle of close friends, and the organizations in which they are employed" (Javidan & House, 2001, p. 297) or "the degree to which individuals express pride, loyalty, and cohesiveness in their organizations or families" (House, Javidan, & Dorfman, 2001, p. 497). In societies where in-group collectivism is high, individuals provide special treatment to and favor close friends or family members over peers - irrespective of skills or qualifications – whereas in societies where in-group collectivism is low, family members and close friends do not anticipate rules and regulations to be overlooked in their favor (Javidan & House, 2001). Therefore, for a regional office of a global company situated in a societal culture where in-group collectivism is high, the perceived organizational

identity is likely to contain a greater number of attributes that reflect developing fraternalism, belonging, building family, and establishing roots – as compared to a regional office of the same company that is situated in a societal culture where in-group collectivism is low(er).

Proposition 5

In a societal culture, where institutional collectivism is high, the perceived organizational identity will have more attributes associated with developing fraternalism, belonging, building family, and establishing roots.

Assertiveness.

This dimension is "the extent to which a society encourages people to be tough, confrontational, assertive, and competitive versus modest and tender" (Javidan & House 2001, p. 293). In assertive societies, individuals value competition and sympathize with the strong, whereas in less assertive societies, individuals are inclined to form warm and cooperative relationships grounded in harmony (Javidan & House, 2001). Therefore, for a regional office of a global company situated in a societal culture where assertiveness is high, the perceived organizational identity is likely to contain a greater number of attributes that reflect pressing, leading, trailblazing, exploring, challenging, dominating, and commanding – as compared to a regional office of the same company that is situated in a societal culture where assertiveness is low(er).

Proposition 6

In a societal culture, where assertiveness is high, the perceived organizational identity will have more attributes associated with pressing, leading, trailblazing, exploring, challenging, dominating, and commanding.

Gender egalitarianism.

This dimension is "the extent to which a society minimize gender role differences" (Javidan and House, 2001, p. 294). In societies where gender role differences are strongly emphasized, men receive greater social status and women find it difficult to reach positions that grant them authority, whereas in societies where practices do not emphasize gender role differences, women are usually granted higher status and are widely included in decision-making processes (Javidan & House, 2001). Therefore, for a regional office of a global company situated in a societal culture where gender egalitarianism is high, the perceived organizational identity is likely to contain a greater number of attributes that reflect establishing maternalism, emphasizing femininity, conveying community decision-making, and demonstrating gentleness– as compared to a regional office of the same company that is situated in a societal culture where gender egalitarianism is low(er).

Proposition 7

In a societal culture, where gender egalitarianism is high, the perceived organizational identity will have more attributes associated with establishing maternalism, emphasizing femininity, conveying community decision-making, and demonstrating gentleness.

Future orientation

This dimension refers to "the extent to which a society encourages and rewards future-oriented behaviors such as planning, investing in the future, and delaying gratification" (Javidan & House, 2001, p. 294). In cultures where future orientation is high, individuals save more for the future and employ a longer timeframe in their thinking and decision-making process, whereas, in cultures where future orientation is low, individuals do not usually plan for the long term, employ a short timeframe in their thinking, and place a higher priority on instant gratification (Javidan & House, 2001). Therefore, for a regional office of a global company situated in a societal culture where future orientation is high, the perceived organizational identity is likely to contain a greater number of attributes that reflect being patient, demonstrating discipline, saving, planning for contingency, and leaving legacy – as compared to a regional office of the same company that is situated in a societal culture where future orientation is low(er).

Proposition 8

In a societal culture, where future orientation is high, the perceived organizational identity will have more attributes associated with being patient, demonstrating discipline, saving, planning for contingency, and leaving legacy.

Power distance

This dimension is defined as "the degree to which members of a society expect power to be unequally shared" (Javidan & House, 2001, p. 295). In societies where power distance is high, individuals with power and status are clearly set apart from those without and are expected to receive strong obedience and respect, whereas in societies where power distance is low, there is much less distinction between those with and without power (Javidan & House, 2001). Therefore, for a regional office of a global company situated in a societal culture where power distance is high, the perceived organizational identity is likely to contain a greater number of attributes that reflect attaining power, gaining status, establishing superiority, possessing authority, and creating distinction – as compared to a regional office of the same company that is situated in a societal culture where power distance is low(er).

Proposition 9

In a societal culture, where power distance is high, the perceived organizational identity will have more attributes associated with attaining power, gaining status, establishing superiority, possessing authority, and creating distinction.

IMPLICATIONS FOR FUTURE RESEARCH

There is no doubt that particular challenges arise when investigating the proposed relationship between organizational identity and societal culture. The most significant challenge requires isolating the influence of societal culture from other factors that could potentially account for differences observed in perceived organizational identity across a global company's regional offices. However, the use of a multiple case study research design may reduce such confounders and enable the investigation of more complex dynamics within the boundaries of this relationship. As this is a nascent area of exploration (Edmonson & McManus, 2007), where little empirical evidence exists and the context and phenomenon are interconnected (Yin, 2010), empirical case studies are recommended (Eisenhardt, 1989; Patton, 1990; Merriam, 2001).

Another benefit of using a case study design is that it provides the opportunity to conduct a thorough, longitudinal, comprehensive study of a complex phenomenon using multiple methods or triangulation to describe a full picture of the phenomenon involved (Yin, 2010). By employing an emergent study design, researchers could follow a general roadmap detailed by Eisenhardt (1989) by employing qualitative fieldwork, where the goal is to describe and analyze a pattern of relationships. For example, as illustrated in Figure 2 (Appendix), it might be possible to sample members of a global organization from several different regional offices – each situated in a separate GLOBE societal cluster – to constitute a pool for focus groups to identify core, enduring, and distinctive identity claims.

Regardless of the method employed, the fact remains that the relationship between societal culture and organizational identity requires deeper theoretical and empirical investigation. At a time when global integration is a key priority for many organizations and directly impacts human sustainability, today's companies regularly find themselves in situations where they have to deal with cultural elements both within and outside of their organizational boundaries. Therefore, it is imperative that scholars and executives alike develop a better sense of and appreciation for the influence of societal culture in defining an organization and understand how that interrelationship in turn affects employees. Bereft of this knowledge, the questions related to organizational identity will remain incomplete and generate confusion when clarity is essential during the shift of the global economy.

APPENDIX

Figure 1. How does Societal Culture Influence Organizational Identity?

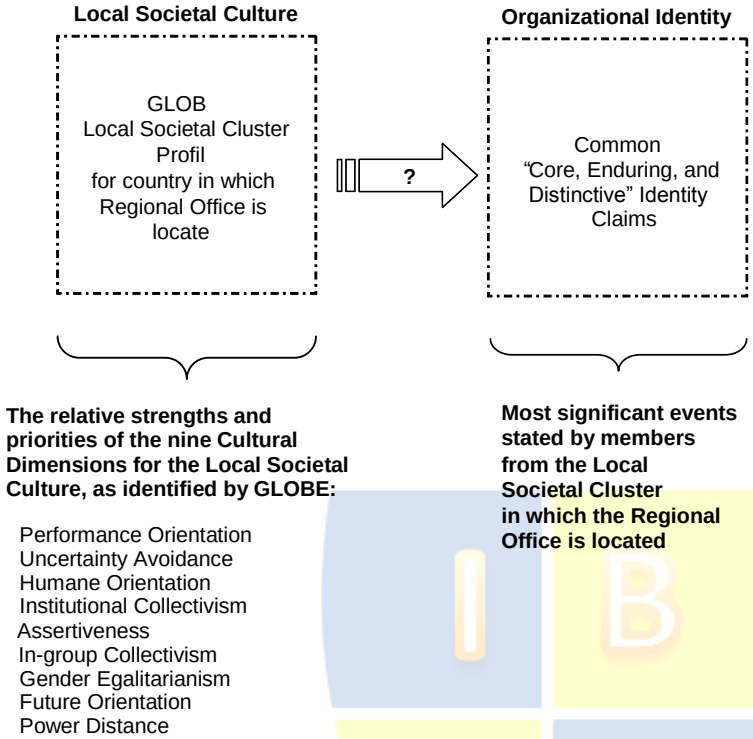

Figure 2. Potential Research Design Overview

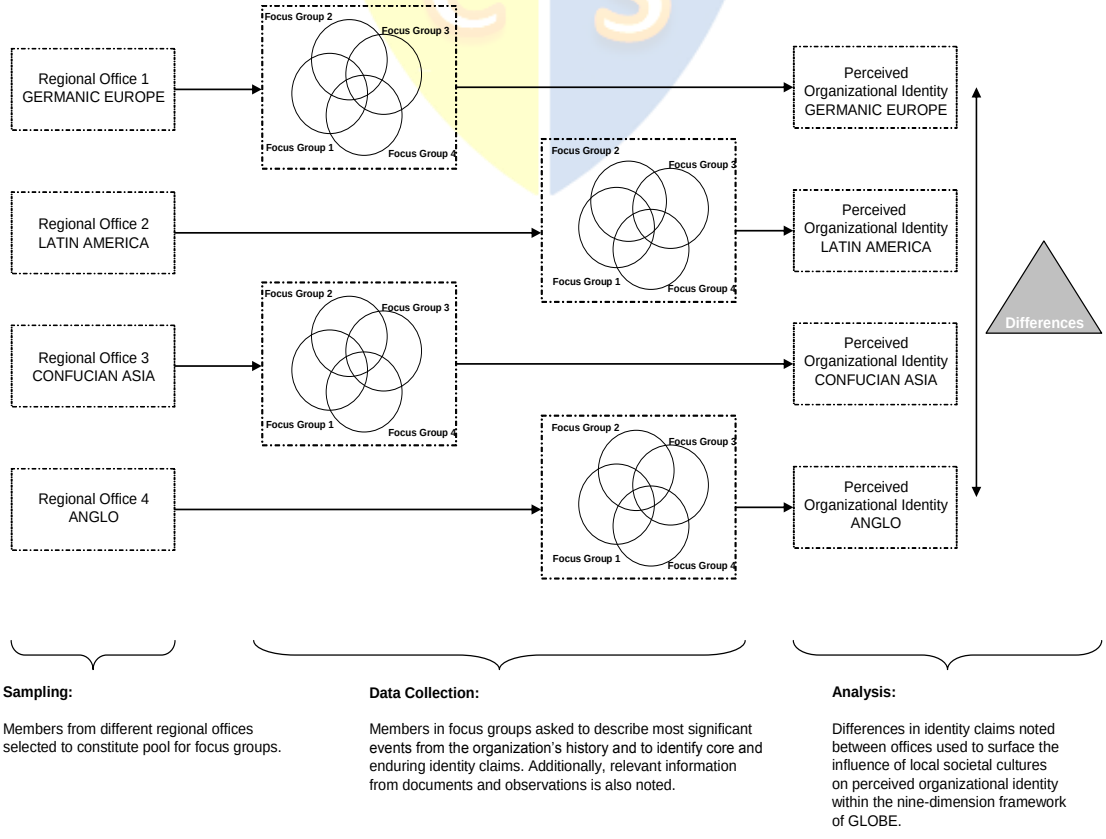

Table 1. Summary of Proposed Relationship between Dimensions of Societal Culture and Attributes Representing Organizational Identity

Higher degree of…	…leads to more identity attributes associated with…
Performance Orientation	Competing, Scoring, Winning, Evaluating, Achieving, Comparing, Distinguishing, Elevating
Uncertainty Avoidance	Categorizing, Regulating, Controlling, Governing, Directing, Planning, Structuring, Communicating
Humane Orientation	Caring, Empathizing, Supporting, Including, Protecting, Fostering, Nurturing, Loving, Comforting
Institutional Collectivism	Collaborating, Team-building, Uniting, Institutionalizing, Bonding, Ritualizing, Consolidating, Building Tradition
In-group Collectivism	Developing Fraternalism, Creating Sense of Belonging, Building Family, Establishing Roots
Assertiveness	Pressing, Leading, Trailblazing, Exploring, Challenging, Dominating, Commanding
Gender Egalitarianism	Establishing Paternalism, Emphasizing Masculinity, Conveying Toughness, Demonstrating Ruggedness
Future Orientation	Being Patient, Demonstrating Discipline, Saving, Planning for Contingency, Leaving Legacy
Power Distance	Attaining Power, Gaining Status, Establishing Superiority, Possessing Authority, Creating Distinction

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