Srovnávací analýza kulturních a obchodních zvyklostí Jižní Koreje a států střední Evropy

Comparative Analysis of the Cultural and Business Practices of South Korea and Central European Countries

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1. PROLOGUE

Globalization is not a new concept. As far back as the ancient Egyptian civilization, trading with foreign nations for either rare or unavailable goods in the local environment was a sophisticated business practice. The time line has gone from the Agrarian to the Industrial and came into the Information Age where communication and travel have facilitated the amount and frequency of organizations operating and competing in more than one country.

Nowadays global organizations need to be aware of forces that will affect businesses abroad e.g. political, legal, economic and sociocultural. Organizations such as ASEM (Asia-Europe Meeting), WTO (World Trade Organization), APEC (Asia-Pacific Economic Cooperation) and NAFTA (North American Free Trade Agreement) have been established to facilitate and educate about trading globally.

In a future the ability of people to act together despite of different thinking will influence the survival of human mankind. Cooperation of international subjects assumes an understanding of 'how others think in difference with us'. One of the main contributions the social sciences can apply on policy regulations within government, organizations, and to ordinary citizens is deeper understanding of hidden cultural differences.

„When two or more cultures meet to conduct business, each representative needs to be well informed about the social mores, folkways and values of the business partner prior to any face-to-face meeting.“ (Scholes, 2003)

The aim of the diploma thesis is to provide guidance for business entities (companies, businessmen, organizations, individuals, etc.) from targeted Central European countries who plan to interact, conduct business or negotiate with those from other cultures, particularly from Korean culture. It's focused on the analysis of the impact which Korean national and business culture has on conducting a business between Korean and Central European partners. The conclusion provides suggestions and recommendations when doing business with Korean people. The recommendations are based on the analysis and comparison of Hofstede dimension indexes’s scores between South Korea and each chosen Central European country and Edward Hall’s cultural aspects of Czech Republic and South Korea. In
terms of primary research, two types of interviews has been created in order to verify the correctness of the results of analysis.

I decided for this topic for several reasons. First of them is that a topic related to multicultural issues and differences among various cultures is very interesting for me. However, cross-cultural studies and intercultural communication are relatively new disciplines. Since few years ago they were started to be teached students in some universities. I was lucky to attended one of these programs in Finland. Especially Prof. S. Crawford from JAMK University in Finland and Prof. Lin from National Cheng Kung University in Taiwan gave me a great intention for this topic as well as deeper understanding of cultural differences.

My second reason is my personal interest in Asian cultures. I had a chance to stay in South Korea for exchange program. While staying in Korea, I gained sort of cultural awareness and observation which can help me in order to analyze the cultural differences. The cultural study will have significant value in the future since Korean business people started to do a lot of business and investment in foreign countries, Europe included.

Conclusion of the thesis is valuable not only for the companies from Central European countries who plan to enter particular Asian market, but also for travellers, people interested in specific cultures or any individuals who might come into contact with other individuals, groups or institutions of different cultural background.
2. THEORETICAL BASIS

2.1 Culture and its aspects

Culture is a concept borrowed from cultural anthropologists who believe that cultures provide solutions to problems of adaptation to the environment. Eskimo, for example, have by necessity a large number of words to deal with the nature of snow. Culture helps people become attached to their society. It tells us who we are and to what group we belong. Culture provides mechanism for continuation of the group. For example, culture determines how children are educated and tells us when and whom to marry. Culture influences most areas of our life, determining, for example, how we should dress and what we should eat. [12]

Anthropologists have numerous and slightly different definitions of culture although it is not easy to find simple one. According to Hill: „Culture is a system of values and norms that are shared among a group of people and that when taken together constitute a design for living.“1 Another author, Kluckhohn, defines culture as follows:

„Culture consists in patterned ways of thinking, feeling and reacting, acquired and transmitted mainly by symbols, constituting the distinctive achievements of human groups, including their embodiments in artifact; the essential core of culture consists of traditional ideas and especially their attached values.“2 Webber offers interesting metaphor related to culture: „We are dug into a sea. It is warm, comfortable, supportive, and protecting. Most of us float below the surface; some bouncing about, catching glimpses of land from time to time; a few emerge from the water entirely. The sea is our culture.“(Webber, 1969)

Perhaps the most famous author when it comes to the culture differences is Geert Hofstede who understand the culture as „a collective programming of the mind that distinguishes the members of one group or category of people from another. “3

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Culture is spread everywhere in society. It affects almost everything we do, see, feel and believe. If I pick any aspect of the life, it will be most likely affected by my culture. What people sleep on, what they eat, what clothes they were, how they address their family members and boss, whether they believe that old age is good or not, all respond to their cultural differences. [12]

2.2.1 Cultural Iceberg

Another metaphor which describes culture is cultural iceberg. This well-known model was created by Edward T. Hall in 1976.

Image 2.1 Culture as an Iceberg

Resource: teendiversophy.com

Just like with an iceberg there is more to culture below the surface than above, and just like and iceberg, culture is not static, it drifts and shifts (see Image 2.1)

Visible above the squiggly „waterline“ of the cultural iceberg are behaviors and institutions; visible part of culture, such as body language, clothing, lifestyle, drinking or eating habits. Some of the most obvious cultural behavioral differences are differences in greetings. For example, in Japan people bow; in India they may press hands together in ‘namaste’; in Latin America they grab each other’s upper arms, and in France, Italy, and Spain they kiss on the cheeks. Institutions on the iceberg figure stands for economic, social, political, legal, religious environments. [3]
Below the waterline are two deeper, psychological levels. The internal, or subconscious, part of culture is below the surface of a society and includes some perceptions, beliefs, attitudes, values and thought patterns that underlie behavior. [37] The basic aspects of „hidden part“ of the culture are:

- values,
- norms
- beliefs
- symbols, heroes, rituals

2.2.2 Values

Values are abstract ideas about what a group believes to be good, right, and desirable. Values are also judgments of what is important in social interaction. Values are hidden until they become evident in behavior, but culture manifests itself in visible elements, too. [1]

2.2.3 Norms

It is important to distinguish between the desirable and the desired. 'How people think the world should be' versus 'what people want for themselves'. What distinguishes the desirable from the desired is the nature of the norms involved.

The norms are words, gestures, pictures, and objects that carry often complex meanings recognized as such only by those who share the same culture. Norms are also the standards for values that exist within a group or category of people. (Hofstede, 1991)

2.2.4 Beliefs

Cultural beliefs represent our understandings about what is true. For example, most people in the United States accept the scientific method as a valid way of discovering facts. In contrast, other cultures may have the belief that facts can only be revealed by God. [12]

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4 For a complete model of the iceberg see Appendix 2 Iceberg Theory of Culture
2.2.5 Symbols, Heroes and Rituals

*Rituals* are collective activities, technically superfluous in reaching desired ends, but which, within a culture, are considered socially essential. Ways of greeting and paying respect to others, social and religious ceremonies are examples. Business meetings organized for seemingly rational reasons often serve mainly ritual purposes, like allowing the leaders to assert themselves (Hofstede, 1991)

*Heroes* are persons, alive or dead, real or imaginary, who possess characteristics which are highly prized in a culture, and who thus serve as models for behavior. Even phantasy or cartoon figures, like Batman or, as a contrast, Snoopy in the USA, Asterix in France, or Ollie B Bommel in the Netherlands can serve as cultural heroes.

*Symbols* are words, gestures, pictures, and objects that carry often complex meanings recognized as such only by those who share the culture. In Fig. 2.1 symbols, heroes, and rituals have been subsumed under the term *practices*. They are visible to an outside observer.

*Values, mores and folkways* are learnt mostly unconsciously by inhabitants through socialization. In this way the behaviors and responses within a culture become predictable. In order for an expatriate to do business successfully he/she must be aware of the differences between his/her own and his/her foreign partner’s culture. [35]
Levels of Culture

The international businessperson needs to be aware of three levels of culture that may influence multinational operations. These levels include:

- national culture,
- business culture,
- organizational (occupational) culture.

National culture

*National culture* is the dominant culture within the political boundaries of the nation-state. Political boundaries, however, do not necessarily reflect cultural boundaries. For example, many countries, such as Canada or Singapore, have more than one major cultural group within their political boundaries. Even states with relatively homogenous cultures have various subcultures, representing regional and rural/urban cultural differences that affect business transactions.

Business culture

*Business culture* can be characterized as norms, values, and beliefs that pertain to all aspects of doing business in a culture. It describes how national cultures influence business...
operations. Business cultures tell people the correct, acceptable ways of conduct business in a society. [12] In following chapters Korean national and business culture are analyzed.

2.2 Importance of Cross-Cultural Knowledge

In the era of rapid globalization and global communication, the time when people from one part of the world can easily connect with those from another part of the Earth in few minutes, one usually forgets how different various people’s way of communication, perceptions and customs might be. Especially in business, people too often focus on their own interest and fulfillment of the goals they have set instead of trying to understand the other party’s point of view and its expectations.

They tend to think about their business partner as about themselves and expect the same behavior. This is the significant reason why many businesses or negotiations failed. Ignorance of the assumption of difference can even end-up in serious misunderstanding or be an obstacle in further negotiations. Let me give you an example: „In China, guangxi or a network of social relationship with others backed by reciprocal obligations, are central to getting business done. Firms that lack sufficient ‘guangxi’ may find themselves at a disadvantage when doing business in China. The lesson: „To succeed in China you have to play by Chinese rules.“(Hill, 2008)

As companies expand trade across the borders, develop new relationships, form strategic alliances and joint ventures with foreign partners, they are beginning to be aware of the impact of culture of the host country on creation of competitive advantage. Companies that are aware of cultural issues, will see results on their bottom lines. [23] Therefore, when doing international business, it’s tremendously important to realize that the people from various cultures might be different, not only by their appearance or behavior which are visible, but also by underlined beliefs, values, hidden characteristics, attitudes or expectations. Especially the world of business is closely associated with cultural issues. „Many modern organizations operate in a global context, and even domestic businesses face intensive competition from abroad. To function efficiently and smoothly in the era of globalization, it is important, more than ever before, to understand national and cultural differences in employees’ and customers' beliefs, values and their behaviors.“ [35]

Cultural competence is no longer a nice skill to have, it is competitive advantage and essential ability for cross-cultural business. Competent, culturally-aware managers and
salespeople are now a top priority for many companies. With spreading globalization there are growing reasons for business interaction with foreign countries and cultures, such as high-technology knowledge, cheap labor, scarce resources, or specific ability or knowledge of particular culture. [23]

The business success in a variety of countries requires specific skill which is known as cross-cultural literacy. By cross-cultural literacy it is meant to gain „an understanding of how cultural differences across and within nations can affect the way business is conducted. 5 However, cross-cultural literacy can be dangerous for „wrongly-informed“ company that goes abroad. Any international business that are wrongly-informed or lack of information about the culture of the focused country is likely to fail. Executives, business people, salesmen, dealers must ensure that they understand enough differences between their own, native country’s culture and culture of country choosen for business in terms of how these differences might affect the practice of international business. [4] Especially when it comes to business between individuals or groups from Western6 and Asian countries. Knowledge is necessity, however it can creates stereotypes.

Stereotype is described as „fixed notion about persons in a certain category, with no distinctions made among individuals.“7 Stereotypes apply for nations as well. For example, French are fashionable and Italian are never organized. In business, to be strictly on time as German or formal as British, creates its own categories. Stereotypes, however, are hardly half-truth and it is misleading to judge national habits, traditions or even personality features on the basic of one person’s characteristics, especially in business. Knowing about differences among the cultures is important, though it is wiser not to make judgments and create prejudices before knowing each individual personally.

Maddox claims that „all countries are different from others. Some are just more different than others.“8 Especially when talking about Asian countries, such as Japan, China, and Korea which are often grouped together because of their similarities. It is known that if

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6 Term „Western countries“ refers to Non-Asian countries, mostly European and American.
one can function in Japan, he/she will be successful in Korea or China as well. However, it is not true. Researchers claim that each country has distinct management style and business practices. While Japanese appreciate group loyalty and consensus the most, Chinese relationship heavily depends on above mentioned guanxi. Korea particularly refers to usage of inhwet which means harmony, mainly between people of unequal social status. [5]

Therefore it is more than useful to deliver knowledge concerning about these issues to anyone. It is the knowledge which let us to be more aware of differences, be culturally sensitive, patient, indulgent and at the end help us to be better people.

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9 The term guanxi can be described as personal network of contacts used mainly in business. Guanxi is necessity in order to trust and conduct business in China.
3. THE CHARACTERISTICS OF KOREAN BUSINESS AND NATIONAL CULTURE

In the case of rapidly developing country like South Korea, being informed about the economy makes obvious sense; the businessman or woman whose image of South Korea is rooted back in the days of cheap labour and low-tech mass production will be unaware of business opportunities as the nation moves towards high-tech, capital-intensive production.

In case of South Korea, a knowledge of Korean history will help businessperson to appreciate the Koreans’ pride in their cultural, political and economic achievements. An understanding of even the most basic elements of Confucianism will explain the Koreans’ liking for structure and hierarchy, their respect for older people, their desire for education, and the low status afforded to women in the workplace.¹⁰

3.1 Business etiquette and protocol

A common error made by many businessmen and women is to assume that doing business in such a truly distant culture is simply a matter of western common sense. They play by the same rules, apply the same logic, and expect the same responses as they would back at home. Does it really matter, one may ask, if he/she mistakenly refer to South Korea as Japan in a meeting, or walk into a Korean-style restaurant with shoes on? It does.

Whereas being unaware of the polite way to give and receive, or being unsure of how to address Korean counterpart correctly, is unlikely to lose a deal, getting it right will be appreciated. Showing that one has been informed about Korea and aware of Korean sensibilities will create a lasting good impression. [18]

„Understanding the subtleties and beliefs underlying the Korean social etiquette can pave the way for a successful business relationship.“¹¹ The following text introduces the main features of Korean business culture.

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¹⁰ For some of the basic features of South Korea see Appendix 1.

3.1.1 Relationships & Communication

Korean society is often described as having "high private trust" and "low public trust". High private trust resides in the networks of family, school, and religion, which operate actively in the everyday lives of Korean people. Some business firms, for instance, ask their applicants to name family members who have high social status or power. These firms then use their employees' personal networks when in need. Personal connections provide the boundary of high trust in which its members cooperate. [13] South Koreans simply prefer to do business with people with whom they have a personal connection.

Therefore learning the meaning of Kibun might be useful. Kibun has something to do with a person's dignity, pride and feelings. Koreans like to do business with people they can relate to or are comfortable with on a personal level. One must establish a good level of trust and respect with the person they aim to do business with. It is to a good businessperson's advantage to protect his Korean colleague's kibun and not make him lose face by criticizing or insulting him in front of others.[7]

In Korean society it is highly offensive under no circumstances directly criticize Koreans in front of others. It is connected with "loosing face" issue. Sensitive matters should be communicated indirectly through the intermediary that first made the introductions or privately. [8]

Relationships are developed through informal social gatherings and meetings that include a considerable amount of drinking and eating. This social activity is important to create informal relationship and trust; and might be significant step in reaching an agreement. Individuals who have established mutual trust and respect will work hard to make each other successful. South Koreans treat legal documents as memorandums of understanding. They view contracts as loosely structured consensus statements that broadly define agreement and leave room for flexibility and adjustment as needed. [36]

3.1.2 Communication style

In contrary with another Asian businessmen South Koreans are relatively direct communicators. They are not averse to asking questions if they do not understand what has been said or need additional clarification. Especially when they deal with Western business
people. Perhaps their directness comes from the knowledge or perception they might have about Western negotiating style and therefore they try to adjust it.

Since there is a tendency to say "yes" to questions so that the other party won’t lose face, it is essential to find the way to phrase a question. It is better to ask, "When can we expect shipment?" than "Can we expect shipment in 3 weeks?", since this question obviously requires a direct response. [36]

3.1.3 ‘Losing face’

The term ‘Losing face’ is defined by David Yau-Fai Ho, a Hong Kong social scientist, as follows: ‘Face is lost when the individual, either through his action or that of people closely related to him, fails to meet essential requirements placed upon him by virtue of the social position he occupies.’[12] The Chinese also speak of ‘giving someone face’, in the sense of giving honor or prestige. ‘Face’ describes the proper relationship with one’s social environment, which is as essential to a person (and that person’s family) as the front part of his/her head. The importance of face is the consequence of living in a society that is very conscious of social contexts. Korean society is an example.[7]

3.1.4 Business Meeting

Business meeting with Koreans requires some preparation and knowledge about how to cope with differences in negotiating and dealing with sensitive issues. Appointments are required and should be made three to four weeks in advance. It is wise to send both an agenda and back-up material including information about the company and client testimonials prior to the meeting. It is recommended to arrive on time for meetings as it demonstrates respect for the person you are meeting. The most senior South Korean generally enters the room first. The upper cloth should’t be removed unless the most senior South Korean does so. Meetings are used to understand a client's needs and challenges. They lay the foundation for building the relationship. Therefore the main purpose of the first meeting is to get to know each other. [36]

Business cards are exchanged after the initial introductions in a highly ritualized manner. The way how someone's business card is treated indicates the way you will treat the person. Using both hands, business card should be presented with the Korean side facing up so that it is readable by the recipient. Have all written materials available in both English and Korean including business cards.

### 3.1.5 Hierarchy

The Korean culture holds great respect for seniority in age and rank. The eldest person in the gathering initiates activity, such as entering a room, greeting and eating. The person of lower status bows to the one higher. In a business discussion, Korean counterpart will choose to be with a person of equal or parallel rank. Companies tend to be strictly hierarchical with major decisions being taken at the top and delegated down for implementation. Showing a respect to senior people is welcomed.

Koreans are very status conscious, and their speech behavior reflects the hierarchical relationship between social actors. Except among former classmates and other very close friends, adults do not use first names to address each other. Position titles such as "professor," "manager," "director," and "president" are used in combination with the honorific suffix *nim* to address a social superior. Koreans are generally courteous to the extent of being ceremonious when they interact with social superiors but can be very outgoing and friendly among friends and acquaintances of equal social status.

Traditional Confucian teaching emphasized propriety in the five sets of human relationships, which included the relations between sovereign and subject, father and son, husband and wife, senior and junior, and friend and friend. Confucianism still serves as the standard of moral and social conduct for many people.[42]

### 3.1.6 Dress Etiquette

Business attire is conservative. Men should wear dark- coloured, conservative business suits with white shirts, but should avoid wearing jewellery other than a watch or a wedding ring. Women should dress conservatively and wear subdued colours.
3.1.7 Dinning etiquette

For some of the following business meetings (except the first meeting) businessperson might be invited by his/her Korean counterpart into his/her house. It is also unusual for guests to meet at a common spot and travel together. You may arrive up to 30 minutes late without giving offence.

Before entering the house, shoes should be removed. The hosts greet each guest individually. The host pours drinks for the guests in their presence. The hostess does not pour drinks. The hosts usually accompany guests to the gate or to their car because they believe that it is insulting to wish your guests farewell indoors.

3.1.8 Giving and accepting gifts

Not only in business, gifts express a great deal about a relationship and are always reciprocated. It is inconsiderate to give someone an expensive gift if you know that they cannot afford to reciprocate accordingly. Bringing fruit or good quality chocolate or flowers if invited to a Korean's home is appreciated. Gifts should be wrapped nicely in red or yellow paper or alternatively yellow or pink paper since they are considered as royal colours and denote happiness. It is not recommended to use green, white, or black paper or to sign a card in red ink. The number 4 is considered unlucky, so gifts shouldn't be given in multiples of 'four', however 'seven' is considered lucky. Guest should use both hands when offering a gift.

3.1.9 South Korea Management Style

Korean management style has its own particularities. Some of the most significant patterns are as follows:

1. Obedience, loyalty, respect: Managers expect that their instructions will be obeyed and this expectation of obedience is usually fulfilled. Confucianism stresses obedience and loyalty. It is useful to think of the manager as a father who, in return for loyalty, respect and obedience, gives the subordinate support and help at all times.

2. Harmony: Although leadership is hierarchical and paternalistic, Koreans strongly emphasise the harmony between people of equal rank and standing. Thus, it is important that group situations are characterised by lack of confrontation.
3. Decision making: The Koreans also employ a process of consensus decision making in certain situations, which is similar to the system of nemawashi found in Japan. This system ensures that the group feels involved in the decision, whilst manager can still make his/her final decision.

4. Personal attitude: Managers are expected to take a holistic interest in their subordinates and this necessitates greater involvement in much more personal areas of life than would be expected in Anglo-Saxon countries, where work and private are very strongly separated.[41]

3.2 Cultural Dimensions Models

Multinational managers face a complex array of cultures that challenge their ability to manage. To help managers understand the important ways in which national and business cultures differ so that they can manage success fully in the various cultures in which they do business, the following models have been developed.

3.2.1 Hofstede Cultural Dimensions Model

Geert Hofstede, born in October 1928 in Haarlem, Netherlands, is an influential Dutch scientist and professor of International Management at the University of Limburg. Hofstede collected data between c within IBM subsidiaries in 66 countries on cultural differences. His model is primarily based on differences in values and beliefs regarding work goals. Management scholars now use Hofstede’s work extensively as a way of understanding cultural differences.[2]

Hofstede developed a model which initially identified five dimensions to differentiate cultures. These dimensions are:
- "Power distance (PDI): expectations regarding equality among people."
- "Individualism (IDV): the relationship between individual and relationship in society"
- "Masculinity (MAS): expectations regarding gender roles"
- Uncertainty avoidance (UAI): typical reactions to situations considered different and dangerous
- Long-term orientation (LDO): a basic orientation towards time.\[13\]

**Power distance**

There is inequality in any society. Difference is `in which extent people in particular society feel to be treated unequally`. It is visible in the existence of different social classes: upper, middle, and lower. All nations can be distinguished by the way they are accustomed to deal with inequalities. According to the result of the research among IBM employees in similar positions but different countries, it is possible to assign to each of the countries a score indicating its level of power distance. It reflects the range of answers found in the various countries. [2]

„Power distance can be defined as the extent to which the less powerful members of institutions and organisations within a country expect and accept the power is distributed unequally. ‘Institutions’ are the basic elements of society like the family, school, and the community; ‘organizations’ are the places where people work.\[14\]

Tab. A3.1 (see Appendix 3) shows high power distance values also for Asian countries in contrary with lower values for Scandinavian countries and USA. Data for Central European countries in presented Table A.3.1 are missing. Scores represent relative, not absolute positions of countries, it means only differences are measured.

PDI scores inform about dependence relationships. In small power distance countries employees are not seen as very afraid and bosses as not autocratic or paternalistic; there is limited dependence of subordinates on bosses, and a preference for consultation. The emotional distance between them is relatively small.

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13 Hofstede managed to measure countries’ score of 4 dimensions as a result of his original research, prior to his work on Long-term versus Short-term orientation. The figure A3.1- Appendix 3 shows the scores of countries involved in the research.

In large power distance exists considerable dependence of subordinates on bosses and employees are afraid of disagreeing with their bosses. Boss’s attitude and management style is more likely considered autocratic or paternalist.

**PDI score differs among the countries: roots in family**

All people start acquiring their mental software immediately after birth from the elders in whose presence they grow up. The impact of the family on our mental programming is extremely strong, and programs set at this stage are very difficult to change.

In large power distance society children are expected to strictly obey their parents. Sometimes there is even an order of authority among the children themselves, younger children being expected to follow and obey older siblings. Respect for parents and other elders is seen as a basic feature. Parents and grandparents are treated with formal respect.

In the small power distance situation children are more of less treated equally and expected to take care of themselves as soon as possible. Relationships with others don’t depend on individual’s status, formal respect is shown rarely.

On the workplace the model of relationship between boss and subordinate is followed by the model of role pair ‘parent-child’. It means attitudes towards parents and other authorities from the childhood are transferred towards bosses.

In larger power distance organisation (e.g. South Korean), superiors and subordinates consider each other as principally unequal. Within the organization exists strong hierarchy. In the organization exists larger gap between managers and non-managerial employees. Subordinates are expected to follow rules and being told what to do. Superiors are allowed to have private privileges and contacts between superiors and subordinates are supposed to be initiated only by the superiors. These relationships go along very often with emotions in the way of superior’s adoration or contempt by subordinates.

In small power distance (e.g. USA, Finland) situation, subordinates and superiors consider each other as principally equal. The hierarchical system within organization is established just for convenience and it seems to be very flexible so that roles may change if it’s needed. Organization is fairly decentralized, privileges of managers are undesirable. Managers can communicate freely with their subordinate employees, teamwork is common.
and blame can be shared. Subordinates participate on decision making. In countries with small power distance it is reasonable to socialize with your boss, it is reasonable to talk to your parents freely, and it is even reasonable to talk to the head of your government. These examples are extremes and they don’t apply in such extent for every situation and organisation. Table A3.2 (Appendix 3) shows key differences between small and large power distance societies.

**Individualism**

Other Hofstede’s dimension index is Individualism\(^\text{15}\). “*Individualism* pertains to societies in which the ties between individuals are loose: *everyone is expected to look after himself or herself* and his or her immediate family. *Collectivism* as its opposite, pertains to societies in which people from birth onwards are integrated into strong, cohesive ingroups, which throughout people’s lifetime continue to protect them in exchange for unquestioning loyalty.”\(^\text{16}\)

**Individualist versus collectivist cultures**

For the Swedes business is done with a company; for the Saudis, with a person whom one has learned to know and trust. As long as one does know another person well enough it is convenient to have present an intermediary or go-between, someone who knows and is trusted by both parties. At the root of the difference between these cultures is a fundamental issue in societies: the role of the individual versus the role of the group. [2]

**Collectivist society**

The first group in our lives is always the family which consists of a number of people living closely together; it means also grandparents, uncles, aunts, servants, or other housemates. This is known in cultural anthropology as the *extended family*. When children grow up they learn to think of themselves as a part of a ‘*we*’ group, a relationship which is not voluntary but given by nature. The ‘we’ group is distinct from other people in society who belong to ‘*they*’ groups. The ‘we’ group (or ingroup) is the *major source of one’s identity*.

\(^{15}\) Table A3.3 - Appendix 3 shows the scores which represent relative positions of countries in IDV index.

Breaking the loyalty to one’s group is one of the worst things a person can do. Between a person and the ingroup a dependence relationship is developed.

‘Personal opinions’ do not exist: they are predetermined by the group. A child who repeatedly voices opinions deviating from what is collectively felt, is considered to have a bad character. The loyalty to the group which is an essential element of the collectivist family also means that resources are shared. If one member of an extended family of 20 persons has a paid job and the others have not, the earning member is supposed to share his or her income in order to help feed the entire family.

Obligations to the family are not only financial but also ritual. Family celebrations like baptism, marriage, and funeral are extremely important and should not be missed. Expatriate managers from individualist societies are often surprised by the family reasons given by employees from a collectivist host society who apply for a special leave; the expatriates think they are being fooled but most likely the reasons are authentic.

**Individualist society**

A minority of people in our world live in societies in which the interests of the individual prevail over the interests of the group. These cultures can be presented as individualist. Most children are born into families consisting of two parents and, possibly, other children; in some societies there is increasing share of one-parent families. Other relatives live elsewhere. This type is a nuclear family.

The purpose of education is to enable the child to stand on its own feet. Children, after having left home, reduce relationship with their parents to a minimum or break them off altogether. Children are expected and encouraged to develop their own opinions, and a child who only ever reflect the opinions of others is considered to have a weak character. In individualist cultures parents will be proud if children at an early age take small jobs in order to earn small money. In these countries more usually the government contributes substantially to the living expenses of students.

**Communication**

In most individualist cultures when people meet they feel a need to communicate verbally. Silence is considered abnormal. Social conversations can be depressingly banal, but they are mandatory. In a collectivist culture the fact of being together is emotionally sufficient; these is no need to talk unless information needs to be transferred.
In most collectivist cultures direct confrontation of another person is considered rude and undesirable. The word ‘no’ is seldom used, because saying no is a confrontation; ‘you may be right’ or ‘we will think about it’ are examples of polite ways of turning down a request. In the same vein, the word ‘yes’ should not be necessarily seen as an approval, but as maintenance of the communication line: ‘yes, I have heard you’.

In individualist cultures, on the other hand, speaking one’s mind is valued. Telling the truth about how one feels is the characteristic of a sincere person. Confrontation can be beneficial; a clash of opinions is believed to lead to a higher truth. The effect of communications on the other people should be taken into account, but it doesn’t, as a rule, justify changing the facts. Adult individuals should have learned to take direct feedback constructively. [2]

Shame versus guilt

Another important concept within collectivist society is shame. Individualist societies have been described as guilt cultures. Persons who infringe upon the rules of society will often feel guilty, ridden by an individually developed conscience which functions as a private inner pilot. Collectivist societies, on the contrary, are shame cultures: persons belonging to a group from which a member has infringed upon the rules of society will feel ashamed, based upon a sense of collective obligation. Shame is social in nature, guilt individual; whether shame is felt depends on whether the contravention has become known by others.

Individualism and collectivism in the workplace

Employed persons in an individualist culture are expected to act according to their own interest, and work should be organized in such way that this self-interest and the employer’s interest coincide.

In a collectivist culture an employer never hires just and individual, but a person who belongs to an ingroup. The employee will act according to the interest of this ingroup, which may not always coincide with his or her individual interest.

Management style

Management in an individualist society is management of individuals. Subordinates can usually be moved around individually; if incentives or bonuses are given, these should be linked to an individual’s performance. Management in a collectivist society is management of
groups. The extent to which people actually feel emotionally integrated into a work group can differ from one situation to another. If the work group functions as an emotional ingroup, incentives and bonuses should be given to the group, not to individuals.

„In the collectivist society the personal relationship prevails over the task and should be established first; in the individualist society the task is supposed to prevail over any personal relationships.”[17]

Differences in values[18] associated with the individualism-collectivism dimension will continue to exist and to play a significant role in international affairs. Individualism versus collectivism as a dimension which is responsible for many misunderstandings in intercultural encounters.[1]

**Masculinity**

Societies can differ to which extent there is the desirability of assertive behavior against the desirability of modest behavior. Every society recognized many behaviors, not immediately related to procreation, as more suitable for females or more suitable for males; but which behavior belong to which gender differs from one society to another.

„Masculinity stands for a society in which social gender roles are clearly distinct. Men are supposed to be assertive, tough, and focused on material success; women are supposed to be more modest, tender and concerned with the quality of life. Femininity stands for a society in which social gender roles overlap: Both men and women are supposed to be modest, tender, and concerned with the quality of life.”[19]

The ‘masculinity versus femininity’ dimension is associated most strongly with the importance attached to:

‘Masculine pole’:

1. *Earnings* (having an opportunity for high earnings)
2. *Recognition* (get the recognition one deserve when he/she does a good job)

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[18] For the differences see Tab.A 3.4, Appendix 3

3. Advancement (have an opportunity for advancement to higher level jobs)
4. Challenge (have challenging work to do; personal sense of accomplishment)

‘Feminine pole’:
5. Manager (having a good working relationship with the direct superior)
6. Cooperation (work with people who cooperate well with one another)
7. Living area (live in an desirable area person and his/her family)
8. Employment security (have the security that one will be able to work for his/her company as long as he or she wants to) [1]

“In higher-MAS countries, values of men and women in the same jobs differed more than in lower-MAS countries.” Tab.A 3.5 (Appendix 3) shows the scores among most cultures.

Masculinity and femininity in family and workplace

The family within a masculine society socializes children towards assertiveness, ambition, and competition; organizations in masculine societies stress results, and want to reward it on the basis of equity, which means, to everyone according to performance. The family within a feminine society socializes children towards modesty and solidarity, and organizations in such societies are more likely to reward people on the basis of equality (as opposed to equity), which means, to everyone according to need.

The organization from masculine culture gives meetings different function than the one from feminine culture. In masculine situation meetings are opportunities for participants to assert themselves and to show how good they are. Decisions are made by individuals. In feminine situation, meetings are places where problems are discussed and common solutions seek; they serve for making decisions.

In feminine society, more women work on higher-level technical and professional positions. In masculine society, women have to be very ambitious to beat their male competitors for higher positions.

Management style

Masculine and feminine cultures create different management 'hero' types. Masculine manager is, of course, assertive, decisive, and 'aggressive'(only in masculine societies does this word carry a positive connotation). He is a lonely decision maker who is looking for facts rather than being a group discussion leader. The manager in a feminine culture is less visible, intuitive rather than decisive, and accustomed to seeking consensus.

Uncertainty avoidance

The term uncertainty avoidance has been borrowed from American organization sociology, particularly from the work of James G. March. Uncertainty avoidance is another dimension index and can be defined as "the extent to which the members of a culture feel threatened by uncertain or unknown situations or as a degree of tolerance of the unpredictable"21. This feeling is, among other things, expressed through nervous stress and in a need for predictability: a need for written and unwritten rules.

As human beings, we all have to face the fact that we do not know what will happen tomorrow: the future is uncertain, but we have to live with it anyway. The way how societies want to avoid a fear from the uncertainty is by using:

1. technology,
2. law,
3. religion.

Technology helps to avoid uncertainties caused by nature. Law and rules try to prevent uncertainties in the behavior of the other people. Religion helps in the acceptance of the uncertainties one can’t defend oneself against. Some of the religions offer the ultimate certainty of a life after death.

The essence of uncertainty is that it is a subjective experience, a feeling. Somebody can feel comfortable in one situation in which someone else can feel very uncomfortable or even afraid. It is not only personal, but may also be partly shared with other members of one’s society. Those feelings and the ways of coping with them belong to the cultural heritage of societies and are transferred through basic institutions like the family, school, and state. [2]

Tab.A 3.7 – Appendix 3 shows that high scores occur for Latin American, Latin European, and Mediterranean countries. High scores have also Japan and South Korea. Medium to low are the scores of all Asian countries except Japan and Korea.

In countries with strong uncertainty avoidance people are usually seen as busy, nervous, emotional, aggressive, and active. In countries with weak UAI people give the impression of being quiet, easy-going, indolent, lazy. These impressions are in the eye of the beholder: they depend on the level to which the observer has been accustomed in his or her own culture. People from strong uncertainty avoidance cultures look for structures in their organizations, institutions, and relationships which makes events clearly interpretable and predictable. On the other hand, they are often prepared to engage in risky behavior in order to reduce ambiguities, like starting a fight with a potential opponent rather than sitting back and waiting.

In the countries with weaker uncertainty avoidance there is less of a prevailing sense of urgency, and therefore a more public acceptance of a lower speed limit. Not only familiar, but also unfamiliar risks are accepted: such as those involved in a change of job or in engaging in activities for which there are no rules. [2]

Uncertainty avoidance in the workplace

Laws and rules through which a society tried to prevent uncertainties in the behavior of people is an issue very noticeable at the workplace. In uncertainty avoiding societies there are many formal laws and/or informal rules controlling the rights and duties of employers and employees. There may be many internal rules and regulations controlling the work process, although in this case the power distance level plays a role too. There is an emotional need for rules in a strong uncertainty avoidance society which often lead to establishment of the rules which are clearly nonsensical, inconsistent, or dysfunctional. However, even ineffective rules satisfy people’s emotional need for formal structure. This need can be turned into a talent for precision and punctuality. [2]

In countries with weak uncertainty avoidance there rather seems to be an emotional horror of formal rules. Rules are only established in case of absolute necessity. People in such societies claim that many problems can be solved without formal rules.
In strong UAI societies people like to work hard, or at least to be always busy. Life is hurried, and time is money. In weak UAI societies people are able to work hard if there is a need for it, but they are not driven by inner urge towards constant activity. Time is framework to orient oneself in, but not something one is constantly watching. [1]

Common rules within companies and organizations from strong UAI cultures:
- It is important for a manager to have at hand precise answers to most of the questions that his subordinates may raise about their work.
- If you want a competent person to do a job properly, it is often best to provide him/her with very precise instructions on how to do it.
- An organizational structure in which certain subordinates have two direct bosses should be avoided at all costs.

Weak uncertainty avoidance countries are more likely to stimulate basic innovations as they maintain a greater tolerance towards deviant ideas. On the other hand they seem to be at a disadvantage in developing the basic innovations towards full-scale implementation, as such implementation usually depends on greater sense of detail and punctuality. [22]

Long-Term Orientation

Long-Term Orientation is the last dimension of Hofstede research. It was found by Chinese value survey distributed across 23 countries in order to specify the difference in thinking between the Eastern and Western cultures. From results of the survey, and with the understanding of the influence of Confucian teaching on the East, long term vs. short term orientation was added as the fifth cultural dimension to previous research.[43]

<table>
<thead>
<tr>
<th>Long-term orientation</th>
<th>Short-term orientation</th>
</tr>
</thead>
<tbody>
<tr>
<td>-persistence</td>
<td>-personal steadiness and stability</td>
</tr>
<tr>
<td>-status ordered relationships</td>
<td>-protecting ‘face’</td>
</tr>
<tr>
<td>-thriftiness</td>
<td>-respect for traditions</td>
</tr>
<tr>
<td>- having a sense of shame</td>
<td>- reciprocation of greetings, favors, and gifts</td>
</tr>
</tbody>
</table>

Resource: ClearlyCultural.com

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[22] Table A3.6, Appendix 3 summarizes key differences between weak and strong uncertainty avoidance societies.
Tab. 3.1 indicates the main features of Long and Short-Term Orientations. These features apply on various cultures depending on their ‘orientation’. Cultures with low Long-Term Orientation scores respect traditions, and prefer to solve problems as soon as possible. The short-term orientation is identified with *Truth*, while the long-term orientation is identified with *Virtue*. Possible interpretation of the Truth is how Western cultures view religion, science, and management.[43]

In *long-term orientation* society one of the values can is described as ‘*persistance*’. It can be associated with perseverance in reaching whatever goal, if this goal has been already set; or endurance, or stubbornness to give up whether in sports or relationship. *Persistance* is major characteristic of most Asian cultures. Majority of people within these cultures are hard-working and diligent in everyday duties.

*Status ordered relationship* indicates harmony, stable hierarchy and distribution of roles in unequal relationships, having roots in Confucian teaching.

*Thriftiness* refers to emotional need for saving money and natural sense of canny ness. Having a *sense of shame* means to be sensitive towards the ‘face‘; not to be ashamed. If an individual has broken rule, disturbed the harmony within the group or is strongly criticized by others, he/she will lose face or be ashamed. Not to ‘loose the face‘ is important mainly in collectivist society. Sense of shame encourages individual’s commitment to group and sensitivity to social interactions. [2]

Cultures with *short-term orientation* have characteristics shown in Tab. 3.1. *Personal steadiness and stability* is typical for these cultures. However, too much stability or too much *respect for traditions* can prevent innovations and new ideas to be accepted and implemented. People tend to be risk-averse, tend to be indifferent or lethargic, unwilling to change even when the environment or trend has changed. This is one disadvantage for entrepreneurship because most markets are changing very quickly. Too much *protecting ones face* can prevent person to do business more directly. ‘To have face‘ is always strongly connects with Asian countries. Although most of these countries are long-term oriented, they use to ,take care of

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23 Short-Term Orientation can be specified as low Long-Term Orientation.
their face‘ as well. Research showed that not only Asian nationals are careful *not to lose their face*.

*Reciprocation of greetings, favors, and gifts* is used to show mutual respect to each other and good manners. However, nowadays this obligation is less stressed even in Asian cultures. In the Western countries which score relatively higher on the short-term and lower on long-term orientation values, the equivalent of face, tradition, and reciprocation is a sensitivity to social trends in consumption, to ‘keeping up with the Joneses’, which is put above values like thrift and persistence. [2]

### 3.1.2 Edward Hall's Cultural Model

US anthropologist Edward T. Hall distinguishes cultures on the basis of their way of communicating along a dimension from ‘high-context’ to low-context’. The first research on the topic of intercultural communication worldwide was done by E.Hall. He distinguished cultures between high and low context, according to their perception of time as monochronic and polychronic cultures, their nonverbal behavior, etc. His theories and books are famous and used as guidelines through cross-cultural interactions. [11]

**High versus low context communication**

A *high-context communication* is the one in which little has to be said or written because most of the information is either in the physical environment or within the person, while very little is included in code and explicit part of the message. This type of communication is frequent in collectivist cultures. The body language or silence are tools to deliver message as well. In communication individuals from high-context societies prefer to use visual effects to deliver their message more effectively with particular emotional context. They also like to express themselves by nonverbal communication rather than by talking.

A *low-context communication* is the one in which a mass of information is vested in the explicit code. This is typical for individualist cultures. Lots of things which in collectivist cultures are self-evident must be said explicitly in individualist cultures. Therefore communication is more direct, straightforward and uses verbal messages.
The Images A4.1 and Figure A4.1 (Appendix4) show low and high context communicators and their environment as well as typical distribution of cultures within high and low context. Individual from high context culture while speaking tend to include variety of elements in his/her environment as underlying assumptions, expectations, status, etc. Individual from low context culture talks directly and the meaning of the message is clear.

**Monochronic vs. Polychronic Cultures**

There might be serious clashes and misunderstandings between businesspersons from cultures of different time perception. Swedish manager can feel disrespected and offended by his Mexican counterpart who let him waited for more than ten minutes. Mexican businessman can consider Swedish manager impatient and intolerant. It is caused by different perception of time which vary across the cultures.

Most western cultures have monochronic perception of time. Troester, western author, explains this term as follows: „We perceive and understand time as a valuable commodity to be wisely spent, carefully invested, and certainly not wasted. Monochronic cultures value being on time to appointments and spending time in meetings and at the office productively, and feel slighted and offended if others don’t share the same perceptions.“24 Other than monochronic, there are polychronic cultures as well. These cultures value time differently, for example they use time for improvement of their relationships, enrichment of social contacts, investment into people. Therefore these relationships might help them to enhance their performance, achieve productivity in order to accomplish the task. To build the relationship regarding on time is more important issue in polychronic cultures. Time spent communicating helps build positive relationships that help to the conduct of business in such cultures. Most Latin American, South European, Middle East and most Asian countries have this particular perception of time. (Troester, 2007)

**Deal vs Relationship Focus**

Some cultures emphasize task accomplishment over relationships, while other cultures assign a priority to relationship over task. Task cultures often express an underlying world view related to „doing‘ and „action.‘ In some cases, working hard and successful task completion express self-worth. In general, task cultures typically approve action and results as

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a higher priority than people, although the opposite is true in people cultures. (Dodd, 1998) It doesn’t mean, however, that task cultures don’t experience relationship or relationship cultures don’t experience task productivity. Some cultures are just more driven by relationship, the others by task.

“In Asia, particularly in East Asia, global goals precede local goals, relationships precede actions, styles precede contents, and characters precede arguments.” In other words, accomplishing the current task or performing the intended speech act successfully by elaborating the informational content and reasoning with evidence is not as important as maintaining the relationship by following culturally ‘ordered’ styles or establishing one’s character by showing good deeds. Asians tend to be concerned more with the overall emotional quality of the interaction than with the meaning of particular words or sentences. (Gudykunst, 2003)

**Direct vs Indirect Communication Cultures**

Typical indirect culture is represented by Japan, Korea and most Asian countries. Asians tend to gulp back confrontations or expression of negative verbal messages. Courtesy often takes precedence over truthfulness. This is a typical feature of indirectness in in particular culture. The message sent might have hidden meaning and word ‘yes’ is not always the word of agreement. In Japan, word ’yes‘ means ’yes, I can hear you‘ or ’I understanding what you have said‘. Direct disagreement will cause loss of face and that is unacceptable. On the other side, most western cultures are considered direct communication cultures. In ’direct culture’, on the other hand, person expresses the message directly, content is not hidden. The meaning of the message is explicit. Word ’yes‘ usually means ’yes, I agree‘.

Role of *silence* in indirect communication cultures is significant. „Silence in the West is often considered a pause, empty space, absence of sound, or blank in communication. When silence prolongs, conversationalists become feel uneasy. In Asia, however, silence is valued rather than feared. Two friends can sit side-by-side for hours not talking to each other. A subordinate may remain silent for entire period of a superior’s preaching.“ However, when response or participation is expected, it is impolite to keep silent. Silence is valued only

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when person disagree, or person may remain silent not to interrupt the other’s speech or to break peace by initiating conversation. (Gudykunst, 2003)

**Conversational Overlap**

“The way that turn-taking works in a conversation, and the role of silence, also differ among cultures. In some cultures it is acceptable, and even desirable to interrupt, whereas in some others it is normal wait for your partner to finish speaking before making a point. In some other cultures, a period of silence between contributions is accepted as the norm.”

In most Asian countries conversational overlap is undesirable. However, in Italian and most Latin American cultures, fast exchange of information with particular overlap is expected. Not to do so can be perceived as low interest in conversation or even not enough confidence.

**Non-verbal behavior**

**Spatial Relationship and Position**

*Proxemics* was first time introduced by E. Hall. Hall distinguished four zones of space people consider in their lives, see Image 3.1. ‘Intimate zone’ is approximately 0,5 metre around the person. It is the nearest space and private zone for touching or whispering. Another zones are personal, social and public. Public zone is not shown on the picture. These zones refers to different actions and distance between person and object or another person.

Hall discovered differences among cultures concerning these zones. „The four zones of space related to different types of communication transactions still exist interculturally, but each culture may have different perceptions of the size of these zones and different perceptions of the type of interactions that can be conducted in the various zones.”

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example person from Latin America tend to stand very near when talk face-to-face which can be very uncomfortable for person from United States which values his/her personal space.

**Tactile Relationships**

Some cultures accept *touching or physical contact (or tactile relationship)* with others in larger extent than other. For example, Latin American, Eastern and Southern European or Arab world can tolerate some forms to physical contact, while North American and some countries from Western and Northern Europe feel uncomfortable with it. In Sweden or United States, touching is regulated by social norms in term of when, how, where and who can be touched by whom. In other countries mentioned above (as Latin American) casual touching like hugging, or even kissing is acceptable.

**Body language**

Kinesics (body language) includes not only body movement, but also body position, facial expressions and dress. People use many gestures and body expressions although they might not be aware of it. Different cultures interpret gestures differently.

An example is „Clinton’s thumb“ (see Image 3.2). This gesture indicates ’OK’ or ‘Fine’, however in Iran, Afghanistan, Greece or Italy this gesture is considered very rude. Even the way people dress for business differs widely across cultures. One famous example is that of a businessman from continental Europe, wearing a sports jacket and tie, arriving for a meeting in London with his British counterpart wearing a suit, to be greeted with the words, ‘Did the airline lose your luggage?’ To the British partner, the other man’s choice of a sport jacket suggested inappropriate informality. (Gibson, 2002)

Another example is about German businessman having a meeting with British counterpart. German manager sits upright felt disturbed by his British counterpart sitting relaxed in his chair. For him it seems that his British partner doesn’t take the meeting seriously. There are many perceptions and communication clashes in intercultural communication, therefore it is important to be familiar at least with the most frequent one.
Oculesics

One of the aspects of oculesics that affects intercultural communication is *eye behavior*. Like all the other aspects of nonverbal behavior, *eye contact* and its length varies culturally. The length of time that it is acceptable to look directly at someone can also differ from one country to the next. In some cultures, looking someone in the eye is taken as a sign of interest and honesty. In others, however, this can be seen as a sign of arrogance and disrespect. German or Russian use to „stare“ at someone, however most Asians consider staring as rudeness or confrontation. Tourists or business people coming from some Western cultures to Asia should gradually learn not to look too directly. (Gibson, 2002)

Another example is interpretation of *eye winking*. Among US and European people it means ‚making a hidden joke‘ or flirting, however in Thailand eye winking on somebody may be offensive. Interesting is also interpretation of a *widening of the eye* among the cultures in Table 3.2

<table>
<thead>
<tr>
<th>Significance</th>
<th>Intention</th>
<th>Culture</th>
</tr>
</thead>
<tbody>
<tr>
<td>Really!</td>
<td>Surprise, wonder</td>
<td>Dominant Anglo</td>
</tr>
<tr>
<td>I resent this.</td>
<td>Anger</td>
<td>Chinese</td>
</tr>
<tr>
<td>I don’t believe you!</td>
<td>Challenge</td>
<td>French</td>
</tr>
<tr>
<td>I don’t understand!</td>
<td>Call for help</td>
<td>Hispanic</td>
</tr>
<tr>
<td>I’m innocent</td>
<td>Persuasion</td>
<td>African American</td>
</tr>
</tbody>
</table>

Resource: Dodd, 1998

3.1.3 Schwartz’s Shared Values Method

The example of another author dealing with cross-cultural communication and values scales is Shalom H. Schwartz. Schwartz is social psychologist and author of *The Structure of Human Values: Origins and Implications* and *Theory of Basic Human Values*. [38]

He identified shared values by “averaging the value priorities of individuals in matched samples from each society.” (Crawford, 2009)
Schwartz’s study

In 1992 Schwartz conducted a values survey across 67 nations and three sub-national ethnic groups that included over 50 value items, such as social justice, humility, creativity, social order, pleasure and ambition. Using multidimensional scaling analysis, Schwartz derived 45 values judged to be equivalent conceptually across the groups measured, and these were chosen by Schwartz to describe his cultural-level dimensions. Each respondent was asked to rate the importance of each “single value item” as a guiding principle in his or her own life. [29]

The pattern of correlation is represented by plotting each value item relative to the others, and overlaid on the three bipolar, overarching dimensions (see Fig.A5.1, Appendix 5)

- embeddedness versus autonomy,
- hierarchy versus egalitarianism,
- mastery versus harmony.
4. METHODOLOGY

4.1 Preparation phase

4.1.1 Purpose of the research

The purpose of the research is mainly aimed to provide deeper recognition and knowledge about Korean national and business culture, make a comparison between Korean and Central European business cultures and show significant differences among the chosen cultures. On the basic of the results there are provided recommendations and suggestions on cultural considerations for Central European businesses when dealing with Korean counterparts.

4.1.2 Content of the research

Fig. 4.1 Research Flow

Research has several steps (see Fig. 4.1). Step one consists of clarifying the topic and research’s objective. Second step involves searching and collection of references and literature necessary to conduct the research. Step three refers to decision about the research’s design and methodology. In the research, primary and secondary data were collected and processed. Secondary data were collected from printed resources and electronic resources which refer to electronic journals, internet resources, electronic books and powerpoint
presentations used in lectures „Business Cultures of the World“ and „Cross-Cultural Management“ (JAMK University of Applied Sciences, Finland). Data also reflect and record my own observation. They are related to cross-cultural project done during the studies abroad. Primary data was gained from conduct of interview. I conducted 4 interviews. Three interview were answered by managers from Korean companies. Their answers were processed and following conclusions stated at the end of the thesis. One important part of collection of primary data was Interview with Slovak manager who had been working for Korean company in Slovakia for several years. His interesting observations and opinions helped me to gain knowledge of real implication of Korean management style in practice.

The research is conducted on the basis of collection and analysis of the secondary and primary data. Following step six includes comparative study of cultural data and differences founded between choosen Central European countries and South Korea according to Hofstede cultural dimensions values and Edward Hall's culture aspects as well as comparison with data gained from Interviews. Step seven „Conclusion“ suggests techniques and considerations to take into account while approaching and dealing with Korean business partners.

4.1.3 Time Schedule of the Research

Step one and two (see above) were taken approximately 1 year. I chose the topic during attending courses: „Business Cultures of the World“ a „Cross-Cultural Management“ in Finland. Through these classes I've got to know about Hofstede and E. Hall. These quality courses gave me enough academic support, literature advice and knowledge to focus on my own cross-cultural project. I have decided for final topic while staying in South Korea, because this culture was the first and very distinguished from anything else I had experienced before. The second longest part after collection of secondary data was thinking about the way to analyse the data and collection of primary data through interview.

4.1.4 Sample size and structure

As for interview, I have collected answers from 3 Korean managers. For comparison I have interviewed one Slovak manager who was working in Korean company in Slovakia for several years.
4.1.5 Way of creating the sample size

Basic sample consists of value scores of five indexes of all countries who had been involved in Hofstede’s research. Chosen sample contains value scores of five indexes of four chosen countries (South Korea, Czech Republic, Poland and Hungary). These data were obtained primarily from Hofstede’s research and cross-cultural consultant companies’ websites as well as study materials from above mentioned courses (E. Hall). Additionally there were collected primary data from interviews.

4.1.6 Method of the research

Chosen method is a collection, analysis and assessment of secondary data. The second method used within the research is method of observation and interview for gaining primary data.

4.2 Realization phase

4.2.1 Planned and real size of the pool

In terms of processing secondary data, the plan was to analyze four Central European countries’ data. They refers to Poland, Czech Republic, Hungary and Slovakia. In reality there has been found and analyzed relevant data just from the first three-above-mentioned countries. My further research had found data for Slovakia irrelevant and incomparable. The planned number of interviews had been five. The real number was three.

4.2.2 Way of collection, analysis and evaluation of the data

As for collecting of secondary data, they were obtained from several resources within which two are essential. Those are Hofstede cultural dimensions model and E. Hall’s cultural model’s materials. I found significant information in Hofstede’s famous books and other cross-cultural and intercultural communication’s books, websites, journals and electronic resources. Majority of data resources were found in libraries in South Korea and Taiwan and some of main resources, included teaching material and knowledge from the lectures, were collected and processed during the stay in Finland.
As for analysis, secondary data were processed in program MS Excel into the graphs showing the value scores differences. These differences were analysed and interpreted in subhead „Analysis“. They were compared with primary data obtained through interviews and in the last section there were designed conclusions and recommendations. Interviews were conducted through email communication. Finding common features among the answers of interviewees enable me to evaluate and compare the results to analysis of the secondary data and make particular conclusions.

4.2.3 Problems appeared during the Research

Secondary research

Originally I planned to compare four Central European countries (Czech Republic, Poland, Hungary and Slovakia) with South Korea in terms of Hofstede values scores. However, data for Slovakia were missing, because this country was not included in Hofstede’s research study. I have found additional research\textsuperscript{28} concerning about this issue. Author in this study conducted the research within Central European countries in order to substitute missing Hofstede’s data about some countries. However, after careful examination of this study I concluded that the data from this research are not comparable even though author claims that they do so. His sample comparing to Hofstede’s former research was too small and majority of respondents were students. Students‘ values measured are not very representative sample for all population’s values. He used method of calculating in order to make the scores gained comparable with Hosfetede’s previous study. I found these method pointless and irrelevant.

Another error may exist in assumption that data from Hofstede’s cross-cultural research conducted between years 1967 - 1973 and conclusions derived from the research are not actual. Simply, we can ask a question: „Are Korean managers still so traditional and collectivist as they were twenty year ago?“

Primary research

The major obstacle in conducting the interview was lack or low personal access to Korean managers. Basically these managers didn’t have enough time to devote to the research. Even though I have tried many ways to access them, such as direct email contact, publication through social and personal networks, return of questionnaire was relatively low. Eventually, I have managed to collect totally 3 interviews.

Another bias within the research might be small number of managers interviewed. This sample size might not represent all Korean managers’ attitudes and opinions.
5. ANALYSIS OF HOFSTEDE DIMENSIONS AND HALL’S CULTURAL ASPECTS

The chapter „Analysis“ consists of two subheads. First subhead describes Hofstede cultural dimension’s scores for South Korea and Central European countries’ scores and its description. These graphs show the differences and common features among countries more clearly. Afterwards I make a comparison between the descriptions and draw particular conclusions. In the second subhead I describe Edward Hall’s cultural elements for Korea and compare them with Czech Republic’s elements. In this case, Czech Republic is representative for Central European countries. I find common and different characteristics for Korea and Czech Republic.

5.1 Hofstede cultural dimensions

5.1.1 South Korea versus Asian Countries Cultural Values

In the following subhead I make the analysis of South Korea’s scores in Hofstede cultural dimension model. I compare the South Korea’s scores’ graph with the graph showing the average scores of all other Asian countries. Afterwards, I draw the conclusions which suggest the differences and common features of both cases.

Graph 5.1 South Korea Cultural Dimensions          Graph 5.2 Asian Countries’ Cultural dimensions


29 Within the thesis Central European countries refer to Czech Republic, Poland and Hungary. Slovakia is excluded because of lack or non-existence of relevant comparative data.
Legend: South Korea Index values:

- Power Distance Index=60
- Masculinity=39
- Individualism=18
- Uncertainty Avoidance=85

Graph 5.1 shows the scores for each of Hofstede’s dimension indexes for South Korea. Besides the graph 5.1 there is a graph 5.2 showing the scores which indicate the average of all other Asian Countries except South Korea.

The picture shows high score (‘85’) of Uncertainty Avoidance Index. The index’s score in this case is higher then an average index scores of Asian countries. Such a high score indicates the strong averse to uncertainty in society. This society will consequently establish lot of rules and regulations in order to decrease a level of uncertainty. The goal of implementation of such strict policies and laws is regulation of unexpected behavior. When it comes to business, companies within themselves have strong hierarchy and organization with lot of formal rules and bureaucracy. These characteristics can slow down the process of reaching an agreement or even might be obstacles.

South Korea scores low in Individualism index (‘18’). It refers to relatively highly collectivist culture. The features of collectivist society are strong long-term obligation towards the group. Group refers to a family, activity club, company, religion group, etc. Loyalty, commitment and responsibility are highly expected and appreciated by the group.

In Masculinity index, South Korea scores relatively low (‘39’), especially in comparison with the average score of all Asian countries. China or Taiwan or some other Asian countries are considered masculine societies. However, South Korean culture is distinguished markedly as feminine culture. In feminine society, values such as harmony, mutual care, consideration and respect are appreciated.

Higher PDI\(^{30}\) index of South Korea (‘60’) refers to the larger power distance society. This score of PDI has its roots in history. Confucian theory can be particularly

\(^{30}\) PDI = Power Distance
responsible for the index score level. Even today’s society is highly influenced by the Confucian teaching which promotes maintenance of harmony and balance in society. Theory presents five essential relationships based on inequality and respect. These relationships have mutual obligations: the junior partner shows to the senior respect and obedience; senior owes junior partner protection and consideration. Nowadays Confucius’ teaching has been giving the direction for suitable behavior in some of Asian cultures, such as Chinese or Korean.

In last dimension „Long-Term Orientation“ (LTO) South Korea scores ‘75’. Comparing to the average of other Asian countries (‘90’) it is relatively lower. However, in comparison with the rest of world’s cultures, Korea scores very high and can be considered long – term oriented society. In business particularly, it means that the most companies set long term plan and goals. However, they don’t only establish, but also follow and plan everyday actions in order to reach this plan. They are more likely invest in high-technology or in research and development for their future success. Meanwhile, they take into consideration the short-term plans as well. LTO score can be responsible for Korean „hard-working“ as they always consider future.

5.1.2 Comparison of index‘ scores between South Korea and Central European Countries

Comparison 1: South Korea and Czech Republic

Graph 5.3 Comparison of Czech Republic and South Korea Cultural Dimensions

Resource: Itim international, 2009; corrected by author
Graph 5.3 shows the scores of Hofstede Cultural Dimensions for Czech Republic and South Korea. The graph implies significant differences between scores of almost each index.

Tab. 5.1 Index Values of Countries Chosen – Comparison 1

<table>
<thead>
<tr>
<th>Countries/Index</th>
<th>PDI</th>
<th>IDV</th>
<th>MAS</th>
<th>UAI</th>
<th>LTO</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Korea</td>
<td>60</td>
<td>18</td>
<td>39</td>
<td>85</td>
<td>75</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>57</td>
<td>58</td>
<td>57</td>
<td>74</td>
<td>13</td>
</tr>
</tbody>
</table>

Resource: Clearly Cultural.com

Tab. 5.1 shows certain number of each index for each of the countries.

**PDI** scores for both countries are almost identical. It means that the distance between those who have power and those who don't have is approximately equal in these countries. It can be inferred from the scores for both countries that there will be approximately the same emotional distance between employees and managers. However, hierarchy in company and among relationships will be stronger and more rigid in South Korea as it scores slightly higher. Employees might be more afraid to confront or express that they disagree with their superiors. It also means that in both cultures, South Korean and Czech, important decisions concerning company’s strategy are made by top management.

According to the graph, Czech Republic scores much more higher than South Korea in **IDV**. It means that the level of individualism is much higher in Czech culture than in South Korean. Korea with such a low score represents typical collectivist culture.

Tab. 5.1 shows that the **MAS** score is significantly higher in Czech then in Korean culture. This result implies relatively high level of masculinity in Czech Republic meanwhile South Korea can be considered feminine culture. From business point of view, Czech business partner will be probably perceived by Koreans as more assertive and impatient. Korean businessperson may feel pressure or force to comply with deadlines and offended by his kind of behaviour which he/she can seen as impatient and disrespect. South Korean culture is relationship driven culture. However, some other Asian countries consider South Koreans as more assertive and competitive than Asian average.

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31 IDV = Individualism vs. Collectivism
32 MAS = Masculinity (Assertiveness), Femininity (Nurturing)
Both countries score high in UAI\textsuperscript{33}, however South Korea scores in some respect higher. This index refers to amount of fear and uncertainty within society as well as the need for creating the rules and regulations for each situation. It refers to Korean stronger emotional need for establishment of written or unwritten rules. These rules might be seen by Czech businessperson as an obstacle and unnecessary bureaucracy which slower the process of reaching an agreement.

The most significant difference among the scores of both countries is in LTO\textsuperscript{34} index. South Korea scores relatively much higher than Czech Republic. Korea has fifth position among the cultures with the highest score of LTO. It means that South Korean managers will more likely setting and following long-term plans and goals. They might focus more on innovations. In order to reach their long-term goal, they are searching for stable partner who would be able to establish long-term relationship based on mutual trust. Czech culture is typical short-term orientation culture. Businessmen from Czech Republic will be more likely satisfied when they reach short-term goals and solve problems as soon as possible. In order to reach an agreement, it is necessary to clarify the goals, plans and actions between partners.

**Comparison 2: South Korea and Poland**

*Graph 5.4 Comparison: Poland and South Korea Cultural Dimensions*

![Hofstede Cultural Dimensions: Poland and South Korea](image)

*Resource: Itim international, 2009; corrected by author*

\textsuperscript{33} UAI = Uncertainty Avoidance  
\textsuperscript{34} LTO = Long Term Orientation
Graph 5.4 presents Hofstede Cultural Dimensions’ scores for Poland and South Korea. The graph implies considerable distinctions between scores of these two countries.

Tab. 5.2 Index Values of Countries Choosen- Comparison 2

<table>
<thead>
<tr>
<th>Countries/Index Values</th>
<th>PDI</th>
<th>IDV</th>
<th>MAS</th>
<th>UAI</th>
<th>LTO</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Korea</td>
<td>60</td>
<td>18</td>
<td>39</td>
<td>85</td>
<td>75</td>
</tr>
<tr>
<td>Poland</td>
<td>68</td>
<td>60</td>
<td>64</td>
<td>93</td>
<td>37</td>
</tr>
</tbody>
</table>

Resource: Clearly Cultural.com

Tab. 5.2 shows exact number for each index for both countries.

PDI refers to extent in which inequality is distributed within the society. Power distance is also an extent to which employees are willing to accept their superiors to have more power than they have. It also refers to amount of hierarchy respected in organizational structure. In this case, Poland seems to have a higher score in some respect. Therefore it might be deduced that the distance among less and more powerful members of society and organization are consistent in these two countries.

Table 5.2 shows very unequal results in IDV for Poland and South Korea. Poland scores much higher than South Korea. Therefore, the suggestions may be very similar to those in case of South Korea and Czech Republic indexes’ comparison.

MAS index: In this case Poland has relatively high score, therefore it’s regarded as masculine and South Korea as feminine culture. This finding leads to the same suggestions as in the previous case of South Korea comparison with Czech Republic. The conclusion is that the Czech and Polish managers have common or similar values and features.

However, in case of UAI, Poland refers to country with higher uncertainty avoidance culture. It means that Polish managers prefer structured situations with obvious goals and their behavior is strongly rule-oriented.

According to the graph 5.4 South Korea refers to long-term oriented culture. Poland is relatively short-term oriented. Polish managers will probably primary focus on plans and achievement of goals within next 2-3 quarters on the contrary with Koreans who take into
consideration long-term vision more. Korean managers give an impression of relaxed managers in the eyes of their Polish counterparts. This is because of slow tempo or reaching an agreement. However, the true reason for Koreans to deal in the way they deal is their focus on establishing relationship and trust. This might be seen by Polish businessmen as „waste of time“. They treat time as they would treat money.

**Comparison 3: South Korea and Hungary**

*Graph 5.5 Comparison: Hungary and South Korea Cultural Dimensions*

![Hofstede Cultural Dimensions: Hungary and South Korea](image)

*Resource: Itim international, 2009; corrected by author*

Graph 5.5 shows scores of Hofstede Cultural Dimensions' indexes for Hungary and South Korea. According to the graph, there are remarkable differences in scores of each index.

*Tab. 5.3 Index Values of Countries Chosen- Comparison 3*

<table>
<thead>
<tr>
<th>Countries/Index Values</th>
<th>PDI</th>
<th>IDV</th>
<th>MAS</th>
<th>UAI</th>
<th>LTO</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Korea</td>
<td>60</td>
<td>18</td>
<td>39</td>
<td>85</td>
<td>75</td>
</tr>
<tr>
<td>Hungary</td>
<td>46</td>
<td>55</td>
<td>88</td>
<td>82</td>
<td>50</td>
</tr>
</tbody>
</table>

*Resource: Clearly Cultural.com*

Tab. 5.3 presents numeric information about the scores for Hungary and South Korea which makes this information more comparable. The countries have similar scores only in one
of the indexes: **UAI**. They score high. It means that both societies appreciate formal rules. Managers will more likely make agreement within some time limit and comply with deadlines.

South Korea scores higher than Hungary in **PDI**. Therefore *power distance* in Hungary is lower than in South Korea. It is generally easier to conduct international business between countries who has similar PDI. Therefore Hungarian manager can probably expect some difficulties to do business in Korea as Korean prefer to organize society and themselves by using rules and regulations. Hungarian culture has low power distance index, so that managers will probably use to consult the problem or make a decision cooperating with their subordinates. Some part of manager’s responsibility or part of project can be easily delegated to lower level employees. Therefore, it can happened that the other business party will deal in some point with manager’s subordinate instead of manager directly. This kind of situation can apparently surprised Korean manager as he is use to be the only decision maker dealing with the business agreements by himself/herself.

**IDV** index scores of Hungary are higher than South Korea and very similar to the other Central European countries. Therefore the suggestion will be identical.

According to the Table 5.3 Hungary culture has very high level of **MAS**. It ranks as second among the all countries (*Tab.A 3.5, Appendix 3.*) It has strongly masculine culture. Hungarian managers are mostly very competitive, aggressive and task-oriented. Time means money to them and task prevails over relationship. It will highly contrasted with Korean managers who come from much more relationship - driven and ‘considerable’ cultures. Korean businessman can perceive Hungarian as arogrant, impatient, and lack of respect. Therefore it is necessary to understand the cultural differences between these nations, so that both parties can gain mutual understanding.

South Korea is typical *long-term oriented* country (see *Tab. A3.8, Appendix 3*). Hungary is one of few European countries who tend to be more long than short-term oriented. Thus, Hungarian manager might have better understanding of Korean business culture and goal-setting. These two counterparts can cooperate on long-term plans more effectively. They both easily accept innovations and are willing to invest into research and development. This fact makes cooperation easier.
5.2 Edward Hall

Following analysis concentrates on Korean national culture using Hall’s cross-cultural business behaviors in comparison with Czech business characteristics (such as perception of time, communication style, non-verbal behavior, etc.) Czech business style has many similarities with other Central European countries’ business styles. Therefore it is used as a representative in comparative analysis. The last section of subhead consists of description of the typical Korean company’s business behavior when dealing with Czechs.

5.2.1 Monochronic vs polychronic cultures

Hall considers Czech culture as moderately monochronic culture (Gore, 2007). Therefore Czechs put relatively high value on time, but it also depends on the situation and perceived relationship. In business it is expected to meet and start, e.g. meeting, „on time“ and comply with deadlines. Delays without reasoning and apologizing can be seen as an insult. Punctuality is valued when it comes to business, however is not strictly required in less formal situations such as family visits, parties, etc. Businessman from moderately monochronic culture will more likely tries to „save“ time. Korean counterpart, coming from moderately polychronic culture, might seen Czech person as impatient and always in „hurry“. Czech person not being aware of the cultural differences might perceive his/her Korean partner in the way that he is not taking the situation seriously enough because of his/her time delays. He even can consider Korean counterpart as unreliable and disrespectful. Korean businessman treats time differently. Time should be spent in order to create relationship and establish trust between partners. Therefore, meetings take long time and the topic of discussion is not always concerning business. However, this might be seen by Czech counterpart as „waste of time“. In response, he will try to push the deal quickly forward. Acting like this makes Korean possibly angry or confused. Both sides must be aware of their different perception of time and its value.

5.2.2 Low versus high context

Korean culture, as most of the Asian cultures, belongs to high context cultures (Gore, 2007). Czech culture, as a typical Central European culture, seems to be right in the middle between low and high context cultures, however it can be described as culture of slightly higher context.
From business point of view it means that Korean businessmen deal and negotiate in very indirect way. Therefore process of signing final contract between parties can be relatively slow. In this business culture it’s important to have social network of contacts and know people who have the information. Czech culture has lower context than Korean. It means that Czechs express themselves more directly using explicit form of message. Czech will be probably less willing to negotiate the price than Koreans. In Czech Republic it is preferable, for example at school, to find most of the information in written form of document or in database on the internet. They are explaining every detail and it might be easier to access the information needed.

5.2.3 Deal versus relationship focus

According to E. Hall Czechs are moderately deal focused. Koreans, however are typically relationship focused. (Gore, 2007) What are some of the differences between these two focuses which might cause conflict and misunderstanding?

Czech businessman more likely concentrates on the task at hand rather than on the relationship with people involved. Korean counterpart will pay much more attention to people involved in business. South Korea is typical relationship driven culture. To succeed in business with Koreans requires creation of network and trust. Relationship building with Korean counterpart is essential, however no quickly-made task. It is important to involve Korean person in some of the activities he/she might like. Key factor of successful agreement between Korean and Czech business party can be the awareness of importance of building a relationship for Korean counterpart.

At the beginning of the meeting, Koreans welcome courteous and gentle small talk which is not always invited by Czech partner. When it comes to conflict, Czech person will probably resolve the problem more by use of logical arguments, contracts, law and compromise. Koreans will take into consideration evidence of loyalty, prestige, mediators and authority figures. Korean businessman will also more likely mix work and private life, he/she will treat colleagues as friends. On the other side, Czech person may be relatively more concentrate on the task and friendship with colleagues keep separated from business.
5.2.4 Direct vs Indirect Communication

Korea are considered to have one of the most indirect cultures in the world. In their communication word ’no‘ is somehow hard to find, especially when speaking with strangers and in business. They use different words, sentences or methods to show their disagreement with other side. For example ,silence‘ can be interpreted as particular disagreement in some situations. Other methods involve a direct change of topic or asking irrelevant questions. Statement „It is too difficult‘ almost always refers to disagreement or unwillingness for cooperations. For relatively direct Czech might be conversation with indirect Korean very confusing unless he is aware of his/her counterpart’s communication style.

Is criticism acceptable in such indirect culture? Yes, however it must be done by several approaches, e.g. business partner may criticize through the colleague or friend of the partner. Or he may mentioned the problem in front of whole group rather then speaking directly to person. Another tip is to mention a hypothetical case or to ask indirect questions. The person might understand that this indirect criticism has been addressed to him/her. In Korea silence is valued in some situations and preferred to improper words. One must know that modest, considerative Korean’s talk is a sign of respect and politeness. Therefore, Czech businessman should be equiped with very good communication styles.

5.2.5 Conversational Overlap

Czech communication style is characteristic by fast exchange of opinions with occasional overlap (turn-taking). The conversational style involves particular emotions and gestures. However, in most formal situations such as business meetings, conversational overlap is considered impolite and way to provoke the partner. South Koreans are very polite and respectful in formal situations, and very friendly and humorous in informal situations. Perhaps, Czech and Korean business partners won’t need to face any problem with turn-taking while talking to each other.

5.2.6 Proxemics (use of space)

Asian nationalities, especially Chinese might not be very sensitive with their personal space. It is caused by high density of population which leads to overcoued public transportation, full classes in seminar or „hard-to-breathe“ shopping malls and subway stations. Therefore people are use to stand very nearby one another.
However, when it comes to business, partners will appreciate particular distance when meet and greet each other by bowing or shaking hands. The physical distance is approximately the same as in most European cultures. Czech people maintain medium space (30 – 40 cm) while communicating with each other. There won’t be any discomfort caused by different spatial relationship between Korean and Czech businessperson.

5.2.7 Tactile Relationship

In some countries physical contact might be accepted and expected, in others, seen as presumptuous and unacceptable. In Czech culture gentle physical contact is receivable, however frequent touch from other people, especially from strangers is not welcomed. Business partner is used to greet by handshake, following facial expression, gestures, body language and eye contact. Handshake is very common as a sign of respect, and between friends as a sign of agreement or support. In business all touches except handshake are taboo.

In South Korea greeting is very serious act to show respect. Koreans bow following ‘An-nyeong-ha-se-yo’, means ,hello‘. There is not formal or informal word to greet and this word applies for morning as well as evening. It is essential for Czech businessman to know about greeting tradition in South Korea.

5.2.8 Eye contact; Oculesics

Eye contact is perceived differently depending on culture. In business, people from different cultures might have different perceptions. Germans and most European countries, will expected to have direct eye contact as a sign of honesty and trust towards their business counterpart. This also applies for Czechs. In Czech business culture direct eye contact is very important as a sign of listening. However most Asian countries, South Korea included, prefer NOT to have eye contact or look into the eyes very indirectly.

Therefore, when Koreans meet their Czech partners, they might feel uncomfortable or consider their partners rude by their directness. On the other side, Czech, Polish or Hungarian may have wrong perception of Korean eye-avoidance. They can feel confused and consider them untrustworthy or deceitful.
5.2.9 Kinesics

Most Koreans prevent to display their emotions in public and they might be perceived as cold and reserved by their Czech counterparts. However, the opposite is true as far as one gains trust and friendship with Korean person. Perhaps the only expression which is visible is smile. However, smile may in fact be used as a mask. Like Japan, a smile in Korea may be used to mask embarrassment or unwillingness to give a negative answer. (Kim, 2002)

5.3 Interviews

For the primary research two types of interviews had been created. Interview 1 sought for opinions and statements from Korean nationals who have managerial working experience in Korean company. Second type (Interview 2) includes almost identical questions. Interview 2 was answered by former Slovak manager. This manager was working in Korean company in Slovakia for several years. Through the interviews I can compare and test the results gained from analysis of Hofstede’s value indexes from previous chapter in chapter „Conclusion“.

5.3.1 Interview 1

In the first case I interviewed three Korean managers. Interview consists of six questions related to Hofstede’s value dimensions and E. Hall’s cultural aspects. In the following text I analyse Korean managers‘ answers and compare them with the analysis of Hofstede’s cultural dimensions‘ scores of South Korea.

Questions 1, 2

(Q1) Does the manager (CEO, Head) in your company (institution/organization) consult the decisions about the company’s strategy or important decisions which will influence a whole company with his/her subordinates?

(Q2) Who does make final decisions?

First and second question (Q1, Q2) is related to Hofstede’s Power Distance Index (PDI). These questions measure how much empowerment to make final decisions is given to

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35 See Appendix 6 A Interview 1 for English version and B Interview 1 for Korean version. Korean version is direct translation of Interview 1 into Korean language.
lower level employees. It measures level of trust and expected contribution in terms of decision making.

**Result**

In all three cases\(^{36}\) managers stated that management involves employees in decision making and seek for opinions of his/her subordinates when make final decisions. The final decisions are made by president or Chief Executive Officer.

One of the managers mentioned: „We do have “signature authorization limits“ rules. This allows most managers to have their responsibility to make various decisions.“ It means that most managers within the company have the right to make decisions within their department or area of power and control, however these decisions must be signed by CEO. Employees with status lower than managerial haven’t been mentioned.

**Question 3**

\(^{36}\) (Q3) Do you and your colleagues or your subordinates operate the task individually or collectively? What do you prefer? Explain.

Question number three is related to Hofstede’s Individualism Index (IDV). It discovers whether the tasks are fulfilled more through cooperation or expected to conduct by individual.

**Result**

First manager mentioned that this issue depends on the character of the task itself. She stated that if it is more effective to work on the case individually, in this case individual contribution is preferred. Other managers mentioned collectivist attitude to find solution and cooperation are essential issues within the company. These answers are likely consistent with the result of analysis of Hofstede’s indexes‘ values. These results show collectivist orientation in Korean society.

\(^{36}\) For the view of answers, see Appendix 6 Interview 1: Answers
Question 4

(Q4) What are the typical characteristics of manager/teacher in your company (institution/organization)? (State at least 4)

Question four is related to Hofstede’s Masculinity Index (MAS). The answers should describe expected characteristics of manager (or professor) is his/her position. Mentioned characteristics imply that the company tend to seek for individuals with ability to create harmony, cooperate and those who are people and relationship-oriented which are characteristics typical for more femininity oriented culture. Term ‘assertiveness’ is perceived completely differently in Korean company than in any Western company.

Result

From some characteristics mentioned, most frequent are:

- ‘Hard-working’ which includes: working over time, diligence, work „preferred“ from family, or even ‘workaholic‘ with mindset ‘nothing is impossible.’
- Loyalty, obedience (forced blind obedience), harmony

Regarding to my knowledge about Asian society, analysis of Hofstede’s cultural dimensions’ scores and answers from interviews, ‘hard-working’ is the one of expected and forced characteristics of Korean companies nowadays. This fact can explain their economic boom and growth in last twenty years. Unconditional loyalty, obedience and following the orders are other strong and well-known attributes of most Korean companies.

Question 5

(Q5) Are you flexible in changing the rules and regulations of the company (institution/organization)? Why? When yes, when no?

Question five refers to Uncertainty Avoidance Index (UAI). This index is also related to freedom and flexibility in changing rules and regulations in company. As I mentioned in a chapter „Characteristics of Korean business and national culture“, cultures with strong uncertainty avoidance tend to avoid the uncertainty which can arise from too flexible environment and unsettled casual rules. People living within this culture more often

37 For attestation see Appendix 6 Interview 1: Answers
consider anything unknown to be dangerous. On the contrary, weak uncertainty avoidance cultures will probably expect open, flexible situations. Exact rules don’t need to be necessarily set. People will more likely perceive anything new and unknown as interesting and worth to discover.

**Result**

All there managers answered the question differently. Therefore the conclusion is that rule changing policy is obviously different from one company to another. One of the managers mentioned that „most of those changes are not so necessary“ and can increase the work. Most managers cannot change the rules without approval from committee or their supervisor. Managers‘ opinions confirmed results from analysis of UAI index scores of South Korea.

**Question 6**

(Q6) *Is it important for you to build the relationship with your business partner (colleague) when start to do business (cooperation) in order to trust him/her?*

The last question is related to E. Hall’s cultural dimension „Task vs. Relationship Focus“*. It concerns about orientation either to finish task or to create the relationship. All three managers agree with the importance of establishing the relationship at the beginning. Last answer explains that „reliability and trust given to business partner are of the most valuable assets“.*

**Result**

According to the result from analysis of E.Hall cultural aspects, South Koreans are primary *relationship focus*. It doesn’t mean that they don’t care about the completion of the task, but they prefer to cooperate with partner and complete the task after relationship has been created.

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38 See Appendix 6 Interview 1: Answers
Interview 2

In the case number two Slovak manager has been interviewed. This manager had been working for Korean company for several years and has many experience dealing with Koreans on daily basis. His interesting and important observations gave me essential insight into functioning and decision making in Korean company on management level.

In question one the manager presented his former position and responsibilities within the company. In the second question (Q2) he stated his observation of typical features of Korean management style (KMS) and made comparison with Slovak management practices he had experienced. From his observations I chose several ones which can support the analysis‘ results. He mentioned that in KMS „action, activity and positive mind-set for reaching the result“ are important. He also stated however that at the end „final result is not so important.“

He observed that during communication with Korean colleague it is not literally allowed to say ’NO‘. As I described in previous chapters, Korean communication style is very indirect avoiding to offense somebody. The fact which can appear for Western manager as „telling a lie“ is a very indirect way of disagreement or reluctance with the other party. In order not to ashamed her/him or cause loss of „face“, Korean will „tell a lie“ and one should realize this disapproval by himself. Ability to do so, however, requires some experience with Asian way of conversation.

The manager has experienced that in Korean company most people values hard work. Therefore they spend long hours at work to show their attitude. However, he also remarked that „attendance is more appreciated than results“.

Question three (Q3) is related to involvement and participation in decision making. He mentioned that at the beginning his (not always positive) comments and suggestions were misinterpreted as „attack against the board“. After several year of speaking up, Koren managers realized that these comments were just useful suggestions for more effective progress.

He stated that „All official approvals have to be signed by CEO. “ This system led to protraction of the process, but it was a good way to assign clear responsibility.

---

39 See Appendix 7 „Interview 2 (Interview - Slovak Manager)“ for questions and „Interview 2: Answers“ for answers
40 „The manager“ refers to Slovak manager who was interviewed within the research.
6. SUGGESTIONS AND RECOMMENDATIONS

6.1 Assessment of results of the analysis

6.1.1 Hofstede

1. Comparison among chosen Central European countries
   Central European countries\(^{41}\) have significant similarities, although minor differences still exist. Their similarity might be caused by their close geographical position to one another, common or similar history and culture.

2. Comparison between South Korean and average of whole Asian results
   Most Asian countries carry similar features and characteristics, however it is necessary to distinguish different nationalities (for example don’t misdeem Korean to be Japanese or Taiwanese being Chinese). Koreans seems to be more feminine oriented as the rest of Asian cultures. The scores are similar, however Korea scores higher in Uncertainty Avoidance Index. South Koreans will be probably less open towards anything new and uncertain. They also prefer more structure and familiarity in their lives, preserve group harmony and cohesiveness.

3. Comparison between South Korean and Czech Republic’s results\(^{42}\)
   
   PDI: SK = CZ  
   IDV: SK < CZ  
   UAI: SK > CZ  
   LTO: SK > CZ 

   Power distance is almost the same in both countries. This findings implies that in both countries the distance between manager and subordinates is perceived identically, however South Korea has very strong hierarchy not only inside the company, but also in ‘outside’ relationships among friends or families (index PDI). It is suggested that Czech manager should be highly polite, especially to older people and individuals holding higher status within the company. When trying to reach an agreement, it is recommended to deal with the manager on the highest level of hierarchy. Only this person can make final decision or agreement with other party within the company.

\(^{41}\) Within the thesis Central European countries refer to Czech Republic, Poland and Hungary.

\(^{42}\) “SK>CZ” = South Korea has higher score than Czech Republic; “SK<CZ”South Korea has lower score than Czech Republic; “SK=CZ” = South Korea has or has almost identical score with Czech Republic
For Czech businessman or woman is important to realize that his/her counterpart is from strong collectivist culture (index IDV). It means that for business meeting he/she can expect most likely two to three Korean managers. In order to decide any issue or agreement during the meeting, they might pause and talk to each other to verify their standpoint. Koreans are generally careful or even suspicious when it comes to meet people for the first time. To start doing business with South Koreans, one needs to have third party which is already known to them. Czech must expect that his/her Korean counterpart will not easily accept any risky business and unclear rules of play (index UAI). He/She is conservative and prefers structured situations with clear objectives. Trying to avoid unfamiliar and unknown practices and procedures is wise. Czech businessman or woman need to possess ‘long-term mind-set’. Koreans value long-term relationships as well as establishment of long-term goals (index LTO). They are full of innovative ideas, especially in technological terms. Manager should be familiar with new trends in high-tech, otherwise he/she might seen as ‘old-fashioned’.

6.1.2 Edward Hall

The most important issues to pay attention to are:

1. Tempo of dealing and relationship focus

Korean tempo of dealing with business is slower and conducting business takes time. Korean counterpart needs time to know his/her partner better in order to trust him/her. Czech businessman has to be patient and friendly. He/She shouldn’t refuse personal invitation and give space to talk about personal issues concerning family, etc.43

2. Indirectness

It is essential to be familiar with indirect language and „face saving“ concept when interacting with Korean business person. Person should avoid direct disagreement, criticism or correction as well as jumping to other’s speech. Understanding of hidden language or meaning of silence make person culturally sensitive which can help to succeed.

3. Space orientation and non-verbal behavior

Very friendly attitude or even hug can be confusing and perceived as a sign of disrespect. Czech business representative should avoid direct eye contact, however indirect eye contact is expected. Bowing and shaking hands are common greetings.

---

43 Refers to „time perception“ – Monochronic and polychronic cultures.
6.1.3 Interviews

Korean business culture was approved by the interviews to carry these main characteristics:

1. Politeness & Respect
2. Positive mind-set & Hard-working
3. Obedience (towards the superior in any relationship)
4. Indirectness & Harmony (maintenance of group harmony)
5. Collectiveness
6. Long-term orientation (long-term goals and lasting relationships)

Typical Korean companies possess these characteristics and it’s essential for Czech (and Central European) business person to know and accept them when dealing with Korean counterpart. Interview with Slovak manager\(^{44}\) shows essential differences between Korean and Slovak (and Central European) management style and business culture. Among the most significant belongs obedience of strict rules and authority, respect for seniors despite the effectivity or logic; attendance being more important than results and very indirect way of communication. Even though there are some common features of Korean corporate cultures, my intention is not to approve the stereotypes. Nowadays many companies from Korea operate internationally and more Korean managers affiliate global mind-set changing the way they had thought and acted.

\(^{44}\) “Slovak manager“ is the manager of Slovak nationality who was working in Korean company in Slovakia for several years.
CONCLUSION

South Korea is no longer a country that provides low-cost labor or can be considered as one of the "third countries." In last twenty years Korea made a remarkable record of economic growth and human development. Its economic power has escalated faster then many expected. This 'Asian Tiger' gradually switched from low-cost labor based economy to capital- and technology-intensive focused. Some Korean companies became known as the leaders in technology industry and names as "LG" or "Samsung" are warranty of quality. Nobody can underestimate the impact of Korean economic boom on world economy as more. Korean companies and managers are being more and more respected and recognized for their achievements. The aim of the thesis was to identify the differences in business cultures of South Korea and chosen Central European countries as well as introduce South Korean business culture. Chapter one „Prologue“ introduces the problematics and states the aim of the thesis as well as reason for topic’s choice. Theory about culture and its aspects as well as importance of cross-cultural knowledge are mentioned in Chapter two „Theoretical Basis“.

Chapter three „Characteristics of Korean business and national culture“ provides the introduction of Korean national and business culture, and brief explanation of cultural models. Chapter four „Methodology“ proposes the research structure and states resources used in this paper.

Practical part of the thesis implies Chapter five „Analysis of Hofstede dimensions and Hall’s cultural aspects“. The main focus of analysis is on:

1. Comparation of collected secondary data:
   - Hofstede dimensions’ scores for each Central European country (except Slovakia) and South Korea
   - E. Hall’s cultural aspects for both sides

2. Comparation of primary data collected through interviews of:
   - Korean managers (see Appendix 6)
   - Slovak manager working in Korean company (see Appendix 7)

The analysis of the thesis showed the differences among the cultures. Ability to understand these differences as well as recognize particular business culture (South Korean, in this case) is essential in order to conduct successful business in international environment. This is the key assumption for both to acknowledge in order to conduct business effectively. Especially nowadays when dealing with people of different race, nationality and with different cultural background is becoming everyday’s reality, not only in business.
LIST OF REFERENCES

A Literature


B Printed and Electronic Periodicals


[26] Nationality, cultural values and the relative importance of task performance and organizational citizenship behaviour in performance evaluation decisions.. Professional


### C Internet and Electronic Resources


List of Abbreviations and Symbols

CEO = Chief Executive Officer

e.g. = for example

Etc. = et so on

km$^2$ = square kilometer

KMS = Korean management style

Korea/ S.Korea = South Korea

vs = versus
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………………………………
jméno a příjmení studenta

Adresa trvalého pobytu studenta:

………………………………

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Appendix 1 South Korea: Country profile

Basic Facts and Institutions

Name: The Republic of Korea
Location: Eastern Asia, southern half of the Korean Peninsula bordering the East Sea and the Yellow Sea
Population: 48,598,175 (July 2007 EST.)
Capital: Seoul
Ethnic Make-up: homogeneous (except for about 20,000 Chinese)
Languages: Korean (Hangeul) 99%, Korean dialects
Religion: no affiliation 46%, Christian 26%, Buddhist 26%, Confucianist 1%, other 1%
Time zone: GMT + 9
Literacy rate: 99% (men); 97% (women) (2003 EST)
Unemployment rate: 40% (2005 EST.)
Government: Presidential system backed by unicameral
President: Lee Myung-bak
Currency: ROK Won (KRW)

<table>
<thead>
<tr>
<th>South Korea and the World</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Nominal GDP ($)</td>
<td>832 billion</td>
</tr>
<tr>
<td>GDP Rank</td>
<td>15/192</td>
</tr>
<tr>
<td>Per Capita GNI ($)</td>
<td>19,830</td>
</tr>
<tr>
<td>Per Capita GNI Rank</td>
<td>54/213</td>
</tr>
<tr>
<td>Population Rank</td>
<td>26/227</td>
</tr>
<tr>
<td>Geographical Area Rank</td>
<td>108/249</td>
</tr>
<tr>
<td>Global Competitiveness Rank</td>
<td>19/133</td>
</tr>
<tr>
<td>Economic Freedom Index Rank</td>
<td>31/179</td>
</tr>
<tr>
<td>Human Development Index Rank</td>
<td>26/182</td>
</tr>
<tr>
<td>Major Industries</td>
<td>Steel, Automotive, Electronics</td>
</tr>
</tbody>
</table>


1 Kwinessential.com: South Korea, 2010
2 British Foreign and Commonwealth Office, 2011
Appendix 2 Iceberg  Theory of Culture

Just as nine-tenths of the iceberg is out of sight and below the water line, so is nine-tenths of culture out of conscious awareness. The out-of-awareness part of culture has been termed deep-culture.

Resource: ConstantForeigner.com
Appendix 3  Hofstede's dimensions of culture (Countries scores)

Tab.A3.1  Power distance index (PDI) values for 50 countries and 3 regions.

<table>
<thead>
<tr>
<th>POWER DISTANCE INDEX (PDI) VALUES</th>
<th></th>
<th></th>
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<tbody>
<tr>
<td>Malaysia</td>
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<tr>
<td>Guatemala</td>
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<tr>
<td>Panama</td>
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<td></td>
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<tr>
<td>Philippines</td>
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<td>Mexico</td>
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<td>Venezuela</td>
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<td>China</td>
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<td>Arab countries</td>
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</tr>
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<td>Ecuador</td>
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<td>Indonesia</td>
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<td>India</td>
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<td>Singapore</td>
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<td>Brazil</td>
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<td>France</td>
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<td>Hong Kong</td>
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<td>Poland</td>
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<td>Columbia</td>
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<td>Belgium</td>
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<td>East Africa</td>
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<td>Thailand</td>
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<td>Greece</td>
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<td>South Korea</td>
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<td>Iran</td>
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<td>Argentina</td>
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<td>Hungary</td>
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<td>Jamaica</td>
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<td>United States</td>
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<td>Australia</td>
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<td></td>
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<td>Costa Rica</td>
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<td>Germany</td>
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<td>United Kingdom</td>
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<td>Israel</td>
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<tr>
<td>Austria</td>
<td>11</td>
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Resource: ClearlyCultural.com

Tab. A3.2  Key differences between High and Low Power Distance

<table>
<thead>
<tr>
<th>Key differences between High and Low Power Distance</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>High PDI</td>
<td></td>
</tr>
<tr>
<td>Other people are a potential threat to one's power</td>
<td></td>
</tr>
<tr>
<td>and rarely can be trusted</td>
<td>People at various levels feel less threatened</td>
</tr>
<tr>
<td></td>
<td>and more prepared to trust others</td>
</tr>
<tr>
<td>Latent conflict between the powerful and the</td>
<td>Latent harmony between the powerful and the</td>
</tr>
<tr>
<td>powerless</td>
<td>powerless</td>
</tr>
<tr>
<td>Employees fear to disagree with their boss</td>
<td>Employees less afraid of disagreeing with</td>
</tr>
<tr>
<td></td>
<td>their boss</td>
</tr>
<tr>
<td>Managers seen as showing less consideration</td>
<td>Managers seen as showing more consideration</td>
</tr>
<tr>
<td>Employees reluctant to trust one another</td>
<td>Employees show more co-operation</td>
</tr>
<tr>
<td>Co-operation among the powerless is difficult</td>
<td>Co-operation among the powerless can be</td>
</tr>
<tr>
<td>because of the low faith in people norm</td>
<td>based on solidarity</td>
</tr>
<tr>
<td>Weaker perceived work ethic; more frequent belief</td>
<td>Stronger perceived work ethic; strong disbelief</td>
</tr>
<tr>
<td>that people dislike work</td>
<td>that people dislike work</td>
</tr>
</tbody>
</table>

Resource: Harrison, 1996
**Tab.A 3.3 Individualism index (IDV) values for 50 countries and 3 regions**

<table>
<thead>
<tr>
<th>INDIVIDUALISM INDEX (IDV) VALUES</th>
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<tbody>
<tr>
<td>United States  91 Hungary  55</td>
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<tr>
<td>Australia       90 Israel    54</td>
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<td>United Kingdom  89 Spain     51</td>
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<td>Netherlands     80 India     48</td>
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<td>New Zealand     79 Argentina 46</td>
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<td>Italy           76 Japan     46</td>
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<tr>
<td>Belgium         75 Iran      41</td>
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<tr>
<td>Denmark         74 Jamaica   39</td>
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<tr>
<td>France          71 Brazil    38</td>
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<td>Sweden          71 Arab countries 38</td>
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<td>Poland          60 Malaysia  26</td>
</tr>
<tr>
<td>Czech Republic  58 Hong Kong 25</td>
</tr>
<tr>
<td>Austria         55 Chile     23</td>
</tr>
</tbody>
</table>

*Resource: Hofstede, 2001*

**Tab.A 3.4 Key differences between collectivist and individualist societies.**

<table>
<thead>
<tr>
<th><strong>Collectivist</strong></th>
<th><strong>Individualist</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>People are born into extended families or other in-groups which continue to protect them in exchange for loyalty. Identity is based in the social network to which one belongs.</td>
<td>Everyone grows up to look after him/herself and his/her immediate family only. Identity is based in the individual</td>
</tr>
<tr>
<td>Children learn to think in terms of 'we'.</td>
<td>Children learn to think in terms of 'I'</td>
</tr>
<tr>
<td>Harmony should always be maintained and direct confrontations avoided.</td>
<td>Speaking one's mind is a characteristic of an honest person</td>
</tr>
<tr>
<td>High-context communication</td>
<td>Low-context communication</td>
</tr>
<tr>
<td>Trespassing leads to shame and loss of face for self and group</td>
<td>Trespassing leads to guilt and loss of self-respect</td>
</tr>
<tr>
<td>Purpose of education is learning how to do</td>
<td>Purpose of education is learning how to learn</td>
</tr>
<tr>
<td>Diplomas provide entry to higher status groups</td>
<td>Diplomas increase economic worth and/or self-respect</td>
</tr>
<tr>
<td>Relationship employer-employee is perceived in moral terms, like a family link</td>
<td>Relationship employer-employee is a contract supposed to be based on mutual advantage</td>
</tr>
<tr>
<td>Hiring and promotion decisions take employees' in-group into account</td>
<td>Hiring and promotion decisions are supposed to be based on skills and rules only</td>
</tr>
<tr>
<td>Management is management of groups</td>
<td>Management is management of individuals</td>
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<tr>
<td>Relationship prevails over task</td>
<td>Task prevails over relationship</td>
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</table>

*Resource: Hofstede, 2001*
Tab.A 3.5 Masculinity index (MAS) values for 50 countries and 3 regions

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Resource: ClearlyCultural.com

Tab.A 3.6 The Uncertainty Avoidance Index (UAI) values for 50 countries & 3 regions

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<td>Austria</td>
</tr>
<tr>
<td>Pakistan</td>
</tr>
<tr>
<td>Taiwan</td>
</tr>
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Resources: ClearlyCultural.com
**Tab. A.3.7 Key differences between weak and strong uncertainty avoidance societies:**

<table>
<thead>
<tr>
<th>Weak UAI</th>
<th>Strong UAI</th>
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</thead>
<tbody>
<tr>
<td>Low stress: subjective feeling of well-being</td>
<td>High stress: subjective feeling of anxiety</td>
</tr>
<tr>
<td>Comfortable in ambiguous situations and unfamiliar risks</td>
<td>Acceptance of familiar risks, fear of ambiguous situations and of unfamiliar risks</td>
</tr>
<tr>
<td>What is different is curious</td>
<td>What is different is dangerous</td>
</tr>
<tr>
<td>There shouldn’t be more rules than is necessary</td>
<td>Emotional need for rule, even if they will not work</td>
</tr>
<tr>
<td>Time is framework for orientation</td>
<td>Time is money</td>
</tr>
<tr>
<td>Precision and punctuality have to be learned</td>
<td>Precision and punctuality come naturally</td>
</tr>
<tr>
<td>Tolerance of deviant and innovation ideas</td>
<td>Suppression of deviant ideas, resistance to innovation</td>
</tr>
</tbody>
</table>

_Resource: Hofstede, 2001_

**Tab. A.3.8 Long-Term Orientation Index values for chosen countries**

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<thead>
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<th>Long-Term Orientation Index Values</th>
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<td>Germany</td>
</tr>
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</table>

_Resource: ClearlyCultural.com_
Fig. A3.1 Hofstede's original 4 dimensions of culture

<table>
<thead>
<tr>
<th>Power Distance (higher # mean more distance)</th>
<th>Individualism (higher # mean more individualism)</th>
<th>Masculinity (higher # mean more masculine)</th>
<th>Uncertainty Avoidance (higher # mean more avoidance)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malaysia 104 2/3</td>
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<td>Japan 95 1</td>
<td>Greece 112 1</td>
</tr>
<tr>
<td>Guatemala 95 2/3</td>
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</table>

Resource: Cultures and Organizations: Software of the Mind by Geert Hofstede
Appendix 4  Low Context and High Context Cultures

Image A4.1  Low Context/High Context Cultures

Image A4.1: High/Low Context Cultures

High Context Cultures

- Japan
- Arab Countries
- Greece
- Spain
- Italy
- England
- France
- North America
- Scandinavian Countries
- German-speaking Countries

Low Context Cultures

Source: Hall, E. and M. Hall (1990)
Understanding Cultural Differences

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Appendix 5  Schwartz Values and Countries Typology

Fig. A5.1  Schwartz Values Typology

Fig. A5.2  Schwartz Countries Typology

Resources: Crawford, 2009
Appendix 6

A Interview 1 (English version)

Dear Mr./Mrs.

My name is Monika Kubikova, I’m an exchange student from Slovakia, currently studying in Taiwan. I have studied in Dongguk University, Seoul, South Korea in 2010.

I’m working on academic research related to Hofstede's cultural dimension values of South Korea for my Master Thesis: *Analysis of the cultural and business practices of South Korea and Czech Republic*

I’m kindly asking you for 10-15 min. of your time to answer the questions related to my research. Your opinions and answers will have significant contribution in order to finish my thesis. You may answer in English, or Korean.

The answer and opinions obtained through this interview will be used only within the thesis. You may provide or not provide either your full name and position or name of the company which you may mention in the beginning of the questionnaire.

Name:

Position:

Company:

THANK YOU!

QUESTIONS:

- (Related to Power Distance)
  
  *(Q1)* Does the manager (CEO, Head) in your company (institution/organization) consult the decisions about the company’s strategy or important decisions which will influence a whole company with his/her subordinates? (Please, comment!)

- *(Q2)* Who does make final decisions? Please, comment!
(Related to Individualism) **(Q3)** Do you and your colleagues or your subordinates operate the task individually or collectively? What do you prefer? Explain.

(Related to Masculinity) **(Q4)** What are the typical **characteristics** of manager/teacher in your company (institution/organization)? (State at least 4)

(Related to Uncertainty Avoidance) **(Q5)** Are you flexible in changing the rules and regulations of the company (institution/organization)? Why? When yes, when no?

(Related to E. Hall) **(Q6)** Is it important for you to build the relationship with your business partner (colleague) when start to do business (cooperation) in order to trust him/her?
친애하는 선생님/부인

안녕하십니다. 저는 Monika Kubikova(모니카 쿠비코바)입니다. 저는 슬로바키아 교환 학생입니다.
그리고 2010년에 한국 서울에 있는 동국대학에서 공부한 적이 있습니다.

저는 체 소사논문을 위해 한국의 흙스테드의 문화차원 가치에 대한 학술 연구중입니다.: 한국과 체코 공화국의 문화와 비지니스 관행 분석

관리자, 경영자, 또는 강사라면, 혹은 아시는 관리자, 강사, 교수가 있으시다면, 저에게 10~15 분 정도만 시간을 내주시어 이서치와 관련한 몇 가지 질문해 대답해 주셨으면 합니다.

영어나 한국어로 대답해 주시면 됩니다.

이름:
직위:
회사명:

시간 내주셔서 정말 감사합니다.

QUESTIONS:

● 귀하의 회사(기관/조직)는 관리자(경영자, 사장)가 중요한 의사 결정을 내릴 때 부하직원과 관련 사항을 의논합니까?

● 누가 최종 결정을 합니까?

귀하의 회사(기관/조직)의 규정이나 규칙의 변화에 유연합니까? 왜 그렇습니까? 언제 그렇고 언제 그렇지 않습니까?

귀하에게 있어 사업을 시작할 때 사업 파트너(새로운 동료)와 신뢰를 형성하기 위해 친분관계를 구축하는 것이 중요합니까?
Interview 1: Answers

Q1:

⇒ Yes. Depends on the issue, the range to discuss will be vary. [1]
⇒ Definitely, the managers or management give or involve the most of important decision making processes. And also we do have “signature authorization limits “rules. This allows the most of managers to have their responsibility to make the various decisions.
   For instance, the Capital Investment, I, as a country manager, have <100KUSD responsibility, and if the amount is over 100KUSD, then I need to go to the Asia Pacific VP for approval. [2]
⇒ CEO in Korean company almost always makes decision considering staff’s opinion, because he/she respects participated decision making rather than his/her own opinion. [3]

Q2:

⇒ If it’s about the direction of company business or company vision/mission level of strategy, of course CEO makes final decisions. [1]
⇒ As I explained above, it all depends on the different subjects and it’s related to the „signature authorization limits“ [2]
⇒ CEO makes final decisions in all Korean companies...[3]

Q3:

⇒ Mostly we operate the task individually because we don’t have enough resources (especially less man power and time limitation) to do collectively. I personally also prefer to do individually. It’s much easier to make quick decisions. However, all the individual work needs to be assembled at some point. So team leader is monitoring the whole process. [1]
⇒ There is no single or simple conflicts or problems/or issues in the organizations. It has to be solved by communications and involvements of each individual [2]
⇒ We always operate the task collectively under team playing with our colleagues. [3]
Q4:
⇒ Over time working, Work is always the top priority. Mindset of ‘nothing is impossible’. Find the value of his/her life in work... - simply Workaholic. [1]
⇒ A. Responsibility
   B. Achiever
   C. Woo
   D. Harmony [2]
⇒ A. strong headship rather than leadership
   b. requests unconditional loyalty for the company
   c. requests diligence rather than private life with family
   d. forces obedience blindly
   e. makes decisions with manager’s own opinion etc...[3]

Q5:
⇒ Not really. Even though I did pass through many changes in the rules and regulations in short period, I still feel most of those changes are not so necessary. It’s just increasing our work. [1]
⇒ If the rules or regulations are not reasonably set or implemented, it should be changed. However, these changes should have the consensus with appropriated peoples in the companies and agreement in advance.[2]
⇒ I’m not so flexible in changing rules and regulations of the company. Because sometimes it’ll be a great threat that influences negative aspect for the company. But I can accept these changes only when I comprehend all influences and measures, otherwise I can’t accept these changes. [3]

Q6:
⇒ Yes. The relationship really matters in business. Not only official relationship, but also personal relationship affects the work quality. [1]
⇒ Yes.[2]
⇒ It is very important for me to build the relationship with my business partner, because reliability and trust with business partner are of the most valuable assets. [3][45]

[45] Answers were adjusted only in terms of grammatical correctness.
Dear Manager

My name is Monika Kubikova, I'm Slovak exchange student studied in Dongguk University, South Korea in 2010. I'm working on academic research related to Hofstede's cultural dimension values of South Korea for my Master Thesis: Analysis of the cultural and business practices of South Korea and Czech Republic.

I'm kindly asking you for 10-15 min. of your time to answer the questions related to my research. Your opinions and answers will have significant contribution in order to finish my thesis.

You may answer in English or Slovak. The answers and opinions obtained through this interview will be used only within my thesis. You may provide or not provide either your full name and position or name of the company which you may mention at the beginning.

Name:

Position:

Company:

THANK YOU!

QUESTIONS:

(Q1) What were your position and your responsibilities within the company you have worked for?
(Q2) Did you find any significant differences between Slovak and Korean management style? Which of those you have found the most difficult?

(Q3) Does the manager (CEO, Head) in your former company (institution/organization) consult the decisions about the company with his/her subordinates? (Please, comment!)

(Q4) Who does make final decisions? Please, comment!

(Related to Individualism)

(Q5) Do you and your colleagues or your subordinates operate the task individually or collectively? What do you prefer? Explain.

(Related to Masculinity)

(Q6) What are the typical characteristics of manager in your former company (institution/organization)? Which characteristics of manager in your former company are expected and appreciated? (State at least 4)

(Related to Uncertainty Avoidance)

(Q7) Were you flexible in changing the rules and regulations of the company (institution/organization)? Why? When yes, when no?
(Q8) Is it important for you to build the relationship with your business partner (new colleague) when start to do business (cooperation) in order to trust him/her?

In

Q1:

**Hanil E-Hwa Automotive Slovakia s.r.o. – Material Manager**

- Purchasing team responsibility – 10 purchasers (EU, Asia).
- Warehousing teams’ responsibility – 12 and 35 members in each plant.
- Responsible for material delivery and JIT line feeding including quality and cost responsibility.

**pac-tra Logistics s.r.o. - Logistic Manager - senior**

- Responsible for material flows (JIT, JIS) in automotive line production. Operation team leading in logistic consolidation centre. Direct leading of 18 supervisors with shifts managers’ support. Assembly team leading in one part of line production. This team with 16 operators was covered by shift leaders. Recruitment and training of logistics supervisors.
  - Based on production plan shift schedules planning, checking and analysing, vacation spending, absence ration checking and in case of necessity solving personal agencies manpower support.

Q2:

- In Korean management style (KMS) is important action, activity and positive mindset for reaching the result; however final result is not important.
- Saying ‘NO’ is forbidden in KMS, even though there is no any other option. Important is again a positive mindset.
- For Korean is important to present status and present an action even it can have negative (often irreversible) impact to the future. Planning in KMS does not take sources (financial, manpower, equipment, time…) into consideration.
- ‘To Lie’ is in Korean culture less negative as being negative. It creates mistrust among Slovak and Korean staff.
- Everybody is doing everything. There are not clear responsibilities and competences’ borders in KMS. It more likely depends on situation and mood of a superior.
- Manager has not to work, but to be present at work for long hours according KMS. This long hours’ attendance is more appreciated then work results.

Q3:

- This is really difficult to answer. Korean management has meeting in Korean language. Decisions made in this way are often unchangeable. But I am used to say my opinion (even
negative). After few years Korean superiors have found out that I am not playing again them
and/or company and more and more of my opinions were accepted.

Q4:

➢ All official approvals have to be signed by CEO. In the beginning stage I had hated this
approval system because of time used for administration and long term approving. But later
on I’ve understood it as an advantage because a signed document is not reversible and also
responsibility is clear.
➢ I will mention one example: I was responsible for 400 employees. 95% were workers and
there were big fluctuations. Sometimes 15 employees left company or were fired per month
and they had to be substituted in short time. It means 30 CEO signatures per month
according to common approval process. But each approval took a long time. How to act faster
with such a slow approval process? That is why I set up new approval process (signed by CEO)
which gave full firing and recruiting responsibility to me and HR manager. It has saved me
huge quantity of hours monthly. But unfortunately it has taken months or years to reach this
kind of approvals.

Q5:

➢ I had not Koreans on my level so it is hard to answer. I prefer neither. For bigger tasks I think
a one of good methods is following.
1) Task explanation on first team meeting. Request colleagues to individually reason it out and
collect useful information.
2) Brainstorming on second team meeting. Made plan and spread tasks (individual or/and group
tasks).
3) Partial and final results checking (meeting, reports, field control, …)

Q6:

➢ Allegiance, not negative, being at work for long hours, ability to play ‘empty game’ (last one
is not expected but needed for survival)

Q7:

➢ I like change that is why I was flexible in rules changing. Of course in case of rule which bring
more negative that positive from my point of view it was more difficult for me especially way
of communication to my subordinates.

Q8:

➢ Simple answer – yes.
I do not like cold official relationship especially in case of long time cooperation. Relationship
has to be clear, respectful, open, positive, and rational. It includes relationships with
superiors, subordinates, other colleagues, business partners (suppliers, customers).