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The impact of culture on the management of subsidiary organizations: The case of Viettel in Peru

El impacto de la cultura de gestión en las subsidiaras: el caso de Viettel en Perú

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Abstract

As south-south investments increase so do the issues experienced by investing companies. One of these is the impact of culture. This article analyzes the effects of the subsidiary country culture on an investing firm's organizational culture and the managerial practices used to address them. Data is gathered from cultural databases, a company-wide survey and semi structured interviews. Descriptive statistics are used to reveal country and organizational culture differences, with content analysis to expose management responses.

There is a clear difference between the firm's Vietnamese and Peruvian workers, with the company's practices more amenable to the Vietnamese employees. Recognition of this has resulted in a number of initiatives to reduce its impact. The study's results offer suggestions that may be valued by other foreign companies interested in operating in Peru and may be especially relevant to Southeast Asia and Asian companies interested in investing in or looking to start operations in Latin America.

Keywords:

Organizational culture, National culture, Cultural differences, Subsidiary company, Vietnam, Peru, Latin America

Resumen

A medida que aumentan las inversiones sur-sur, también incrementan los problemas experimentados por las empresas inversoras. Uno de ellos es el impacto de la cultura. Este artículo analiza los efectos de la cultura del país filial en la cultura organizativa de una empresa inversora y las prácticas de gestión utilizadas para abordarlos. Los datos se recopilan de bases de datos culturales (Hofstede), una encuesta para analizar cultura organizacional (Modelo de Denison) y entrevistas semi-estructuradas.

Existen diferencias culturales entre los trabajadores vietnamitas y peruanos. Las prácticas de la empresa favorecen más a los empleados vietnamitas debido a su cultura organizacional. Los reconocimientos de estas diferencias han generado iniciativas para reducir el impacto de la cultura nacional peruana sobre la cultura organizacional de la empresa. Las empresas extranjeras que operan en Perú, especialmente las del sudeste asiático y de Asia interesadas en invertir en América Latina pueden usar esto como un ejemplo para abordar las diferencias culturales nacionales y su impacto sobre las culturas organizacionales.

Palabras clave:

Introduction

As the world became increasingly globalized around the turn of the century, firms from emerging economies began investing outside their borders. While Foreign Direct Investment (FDI) flows remain dominated by firms from developed economies, global FDI flows are increasingly being made by firms from emerging economies (UNCTAD, 2019a; UNCTAD, 2019b). It is estimated that this so called south-south investment will generate one-third of global FDI outflows by 2025 (Saha et al., 2020). As such, trade and FDI flows between Asia and Latin America are on the rise, fueled in part by bilateral trade agreements together with the recent completion of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), a free trade agreement between eleven countries around the Pacific Rim: Canada, Mexico, Peru, Chile, New Zealand, Australia, Brunei, Singapore, Malaysia, Vietnam and Japan. The agreement's Latin American member nations, namely Mexico, Chile and Peru, are set to expand trade gains and receive preferential access to its Asian members (Ciuriak et al., 2017).

With increased south-south trade and investment, important questions arise not just regarding the quantity of trade and investment, but regarding its quality and the "actors and relationships […] involved, and who gains or loses" (M. Leach in Saha et al., 2020, p.iv). Thus, as emerging economy firms enter other emerging markets, they come face to face with host country operating risks. One of these risks has to do with culture and the management of cultural differences between host and subsidiary country personnel to create an optimal organizational culture and ensure subsidiary performance (Singh et al., 2019).

In *Culture and Organizations. Software of the Mind*, Hofstede (2005) states that "managers and leaders, and the people they work with, are part of national societies. If we want to understand their behavior, we have to understand their societies" (p.20). In the same book, Hofstede also emphasizes that "research results about national cultures and their dimensions proved to be only partly useful for the understanding of organizational cultures" (p.36). Thus, according to Hofstede, both the values of the host country and the societal values of the foreign company must be understood to be able to conduct an unbiased and reliable analysis of a firm's organizational dynamics.

However, this intersection of national culture, organizational culture and cultural difference is acknowledged as being under researched (Khan & Law, 2018), with authors suggesting a need for more multi-level research (Schnieder et al., 2013) to clarify the effect of culture's on the workplace (Kim & McLean, 2014; Dartey-Baah, 2011), the workforce, and the firm's performance (Cartwright & Cooper, 1993).

As such, this article intends to add to the literature on the practicalities of south-south investment and the management of subsidiary firm culture through an analysis of the case of a Vietnamese telecommunications subsidiary operating in Peru. This case was chosen as it reveals situations and responses that investing companies from Asia may experience in Latin America and provides an outline of the company's responses to adapt its operations to this context, which other firms with south-south investments may wish to emulate.

Thus, the article begins with a summary of the underlying theories of culture and its national and organizational constructs. Then, the case study context is introduced followed by the data and methods used to identify the results. The results are then presented as (i) cultural differences between the two countries, (ii) their effects on organizational culture and (iii) responses made by the company to maintain performance. These results are briefly discussed, with conclusions presented to close out the article.

1. The Study of Culture in Nations and Organizations

Culture is seen as having an important role in defining the value of work and its priority within a society (Hofstede, 1980; Pelled & Xin, 1997; Schneider & Barsoux, 1997; Trompenaars & Hampden-Turner, 1998; Holden, 2002). The definition of culture has a rich history, with Tylor (1871) defining it as a group of beliefs, customs, habits, knowledge, art, norms and laws acquired by people who are members of a particular society. These shared elements ensure that cultures are unique and continued by transmission to following generations (Arbaiza Fermini, 2014). This sharing and communication of culture across societies has also been described as a programming of the mind (Hofstede, 1980) and while variations regarding cultures (Au, 1999) or subcultures may exist within societies, the differences between these tend to be less than those between nations (Schwartz, 2004).

Hofstede pioneered the measurement of cultural values with his global study on the value of work (Hofstede, 1980) producing a framework that allows classifying countries on six dimensions (see Table 1).

Table 1. Hofstede's cultural values dimensions

Dimension	Description
Power Distance	How a society handles inequalities among people, where a large degree of Power Distance has people accepting a hierarchical order in which everybody has a place while in a low power distance society people strive to equalize the power distribution and demand justification for inequalities of power.
Individualism versus Collectivism (IDV)	The high score of this dimension, called Individualism, is a preference for a loosely-knit social framework in which individuals are expected to take care of only themselves and their immediate families. Its opposite is Collectivism (low score), represents a society in which individuals can expect their relatives or members of a particular ingroup to look after them in exchange for unquestioning loyalty.
Masculinity versus Femininity (MAS)	The Masculinity side of this dimension represents a more competitive society, which expresses achievement, heroism, assertiveness, and material rewards for success. Its opposite, Femininity, stands for a more consensus-oriented society with preferences for cooperation, modesty, caring for the weak and quality of life.

Dimension	Description
Uncertainty Avoidance Index (UAI)	The Uncertainty Avoidance dimension expresses the degree to which the members of a society feel uncomfortable with uncertainty and ambiguity. Strong UAI countries maintain rigid codes of belief and behavior, and are intolerant of unorthodox behavior and ideas. Weak UAI societies maintain a more relaxed attitude in which practice counts more than principles.
Long Term Orientation versus Short Term Normative Orientation (LTO)	This represents how a society maintains links with its own past while dealing with the challenges of the present and the future. Societies with a low LTO prefer to maintain traditions and norms while viewing societal change with suspicion, while high LTO societies are more pragmatic, encourage thrift and education as a way to prepare for the future.
Indulgence versus Restraint (IVR)	Indulgence stands for gratification of basic and natural human drives for enjoying life and having fun, while restraint suppresses gratification of needs and regulation by strict social norms.

Source: https://hi.hofstede-insights.com/national-culture

The configuration of a country's values has an effect on how that society views the purpose of work and the relative emphasis placed on work-related incentives and payment (Schwartz, 1999). Thus, the value placed on the intrinsic and extrinsic rewards people get from work and the financial and non-financial incentives that firms use, will vary depending on cultural norms (Schneider & Barsoux, 1997). As such, there are links between a country's national culture and a firm's organizational values resulting from that culture (Hofstede, 1985), and its organizational practices also tend to be linked to national cultural norms (Omar & Urteaga, 2010).

However, management techniques favored by one national culture will not necessarily be seen as appropriate in another (Hofstede, 1984). This has implications for companies as they become more global, where national cultural differences will impact organizational culture, workforces and firm performance (Cartwright & Cooper, 1993), suggesting that multinational firms will benefit more from understanding and coordinating the range of cultural values that exist within their subsidiaries, rather than trying to enforce a single culture common to all (Ralston et al., 2008).

However, as organizations have their own histories, values, beliefs and identities, their organizational cultures may be different, even if they are from the same country (Serna, 2008). An organization's culture will be made evident by the models of behavior, ideas and values shared by its members and expressed through what people say and do in the workplace (Koontz, 2007). Organizational culture is initially conceived and generated by a firm's founders as a means to transfer the drive of the individual into a collective purpose and commitment towards the organization's members (Pettigrew, 1979; Ehrhart et al., 2014), and has a major impact on how the group initially defines and solves adaptation and integration problems (Schein, 1992). The resulting culture also reflects and reinforces structures and social roles that its members play and helps create special meaning for them within that company's workplace (García Álvarez, 2006).

An organization's culture will therefore embody symbols such as the firm's identity and brands, its rituals and the rules and norms to be followed, and its organizational heroes or role models (Olie, 1990). Thus, an organization's culture is a reflection of its identity and essence, linking its initial orientation with its current behavioral guidelines, shared values and shared beliefs (Capriotti, 2009). Some of these attributes will be visible, while others, such as a firm's

focus on results or its customer orientation, may not be so easily observed (Kotter & Heskett, 2008). But even though an organization may seem to have a single shared culture, Martin (2002) proposes that it is likely to be more complex, as there may be fragmentation. This may be expressed as ambiguity by people at various levels who may not have the same experiences of or meanings for the organization's values, or as differentiation, where members of organizational subcultures may have quite different experiences and derive different meanings from the events they share with their colleagues.

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Unlike national or societal culture, the concept of organizational culture is recent and, therefore, there is a lack of agreement on how it should be studied (Schnieder et al., 2013; Denison et al., 2014). In their organizational culture review, Schnieder et al. (2013) explain that there are two main views of organizational culture. The first of these relates to the culture that an organization has, where researchers look at the ways in which organizations differ using comparative attributes in survey-based data. The second relates to organizations as cultures, where researchers are concerned with describing and understanding how an organization functions, mainly using qualitative data gathered from insiders.

In addition, Martin (2002) proposes that to achieve such improved research outcomes, culture can be observed from a number of perspectives, such as through a macro or nation-level view, where a macro-micro view would distinguish organizational differences at a national level, and a micro or organization-level view to distinguish within-organization subcultures. It is also becoming common to measure a firm's culture using surveys that are used to assess and understand the prevailing culture and its relationship to organizational performance (Schnieder et al., 2013).

2. Study context, method and data

2.1 *Study Context*

The company that is the focus of this study is Viettel Peru S.A.C., more commonly known by its Peruvian brand name, Bitel. Bitel is a subsidiary of Viettel, a Vietnamese state-owned, Ministry of Defense directed telecommunications company that provides communications services in Vietnam and focusses on universalizing communications in developing economies through its eleven overseas subsidiaries (Viettel, 2020). Viettel is one of four business ventures of the Vietnamese military, whose success is credited to military attributes that include high levels of organization, strict executive command and discipline, self-awareness, the ability to handle sensitive situations and willpower to resolve difficulties (Huong, 2017).

To appreciate the setting and Bitel's home company culture, important aspects of social relations in Vietnam should be understood. The Vietnamese world view is influenced by a search for harmony between two different sets of principles and values, which are: Ying, the expression of equality, flexibility, increasing female participation and an emphasis on feelings, spontaneity and empathy; and Yang, which tends towards male dominance, competitiveness, rigidity, hierarchy and an adherence to rules and behaviors. Through the historical teachings of Taoism, Buddhism and Confucianism, the Vietnamese also have a deep respect for family and feelings of gratitude towards parents and ancestors and the power of natural order and justice, with Vietnamese children learning to associate good behavior with luck when young (Jamieson, 1995).

In contrast Bitel's host country Peru has, like other Latin American countries, a culture that is based on warm relationships, close family and social bonds, particularism as opposed to universalism, low levels of trust and an in group-out group dynamic affecting people's affinity to their workplace (Osland et al., 1999). A respect for authority and the maintenance of social relations are also key characteristics of Latin American management (Elvira & Davila, 2005).

Bitel obtained their Peruvian license to operate a mobile telephone service in 2011, with operations set to begin in Peru's concentrated, high mobile handset per capita mobile telephone market by 2013 (Yamakawa et al., 2013). The entry was considered a strategic move with promising potential for the Viettel Group, as Peru, who's GDP was higher than that of Vietnam, was the largest GDP market Viettel had attempted to enter. It entered service in Peru in 2014 with a 3G service (Vy, 2017). Bitel has since grown to provide both 3G and 4G mobile coverage for 80% of Peru, with 2.5 million subscribers supported by over 21,000 km of fiber optic cable and more than 1,500 employees (Viettel, 2020). In 2017, Bitel was Viettel's top growth subsidiary, accounting for 82 per cent of Viettel's total revenue from foreign markets, confirming the Peruvian market's potential and justifying Bitel's 2017 $45 million investment to make it Peru's largest 4G network (Vy, 2017).

2.2 Study Method

The study uses a mixed methods format, under which one method's findings can be built on by the application of another, providing the researcher with better results than that can be achieved from the application of a one method alone (Zhang & Creswell, 2013). As such, three techniques are applied to explore the focal firm's national and organizational culture. First, Hosftede's cultural dimensions are applied to compare the two national cultures, followed by an examination of Bitel's organizational culture by taking Schnieder et al.'s

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(2013) perspective on the culture the firm has and using the Denison Organizational Cultural Model (Denison Consulting, 2019) and, finally, applying the view of the firm as a culture, responses to interview questions that reveal how the firm manages the firm's cultural issues are analyzed.

A number of studies have confirmed the Denison model's value for determining the relationship between organizational culture and the different factors of firm performance and improvement in Latin America. It has been used to find contrasting organizational cultures between industries, to diagnose leadership improvement attributes and identify possible adjustments for addressing performance and workforce issues (Martinez Ramos, et al., 2011), to identify degrees of correlation between culture and organizational effectiveness (Reyes-Martínez, et al., 2017), and to correlate organizational culture and workforce performance (Montero Pacheco, 2018).

Denison's Organizational Culture model (see Fig. 1) is considered appropriate for this type of study as it enables comparative generalizations of an organization's culture (Balcazar Guerra, 2018). The model depicts organizational culture across two dimensions - External-Internal and Flexible-Stable. These dimensions further define four quadrants named Involvement, Consistency, Adaptability and Mission, which enables assessing an organization's performance in terms of its Growth, Innovation and Customer Satisfaction, Quality and Employee Satisfaction, and Efficiency and Profitability (Denison Consulting, 2019). Table five in the appendix at the end of the article provides an in-depth description of the quadrants and their indices.

Figure 1. The Denison Organizational Culture Model

Source: Adapted from Denison Consulting (2019)

2.3 Study Data

To investigate national cultural differences, the two countries' national culture dimensional data from Hofstede's database were compared. Then, to assess organizational culture, data were gathered using Denison's survey of Bitel's workforce. At the time of the survey, Bitel had 1506 employees, 106 of which were Vietnamese, and the remainder included 1,381 Peruvian employ-

ees and 15 other nationalities, leading to a survey sample of 99 Vietnamese employees and 249 Peruvians. Responses were collected through an online survey sent to workers over the company intranet. This survey contained the model's 48 questions which were to be answered using a 3-option scale of agree, neutral or disagree. These data were processed in Excel spreadsheets to produce the spider charts found in Figure 2 and enable analysis. Third, data to understand the focal firm's culture, workforce differences and its managerial responses were gathered through semi structured interviews, which followed a pre-determined question guide that canvassed differences in adaptability, behavior and conformity of the workforce with nine (9) key informants, who provided information directly related to the focus of the study and the role that they have within the focal firm (Palys, 2008). Interviews lasted approximately 45 minutes each. The key informant responses were recorded in situ, transcribed and analyzed to provide key themes (Julien, 2008) about the focal firms' culture. Table two provides limited information on the key informants, respecting Bitel's wish for respondent confidentiality.

Table 2. Key Informants

Interviewee	Area of Work	Nationality	Years at Bitel
1	Management Division	Peruvian	4 years
2	Commercial Division	Peruvian	4 years
3	Commercial Division	Peruvian	5 years
4	Management Division	Peruvian	2 years
5	Management Division	Vietnamese	3 years
6	Management Division	Vietnamese	3 years
7	Management Division	Vietnamese	1 years
8	Commercial Division	Vietnamese	2 years
9	Commercial Division	Vietnamese	4 years

Source: Authors

3. Results

The results of the study's three parts are presented in the following separate subsections, beginning with national cultural differences, followed by Bitel's organizational culture and finally, the results of the key informant interviews.

3.1 Examining National Cultural Differences between Peru and Vietnam

While the two countries have different antecedents, there are certain similarities as well as differences that can be observed in their cultural dimension scores (see Table 3).

Table 3. Cultural Dimension scores for Peru and Vietnam

Dimension	Peru	Vietnam	Difference*
Power Distance	64	70	6
Individualism	16	20	4
Masculinity	42	40	2
Uncertainty Avoidance	87	30	57
Long-term Orientation	25	57	32
Indulgence	46	35	9

Source: https://hi.hofstede-insights.com/national-culture
Note: * Differences are presented as absolute values

Table 3 reveals two major differences between the countries. The first is the uncertainty avoidance dimension, which is much larger for Peru than Vietnam, and the second is the long-term orientation dimension, which has also been related to certain aspects of uncertainty avoidance (Nguyen & Truong, 2016). Thus, it is expected that these differences will also reveal themselves in behavioral and performance traits of the workers.

3.2 Examining Bitel's Organizational Culture
Three charts were produced from the Denison survey data to enable a visual comparison (see Figure 2), one for Bitel as a whole, one for Vietnamese nationals and one for Peruvian workers.

Figure 2. Organizational Culture Charts for Bitel

Source: Authors

From these charts, we can see that Bitel is middling overall, with some indices marginally stronger than others. In the workforce nationality charts, however, stark differences can be seen between the two groups. Figure 2b shows that the Vietnamese workers rate uniformly high against the organization's culture, while there is a great disparity between these data and those in Figure 2c representing the Peruvian workforce. To enable closer examination, these data were summarized into a table recording the percentages of agreement regarding each cultural quadrant and its indices (see Table 4).

Table 4 Results of the Denison Model Survey

Quadrant	Index	% of Workforce Score			Difference
		Bitel	**Peruvian**	**Vietnamese**	
Involvement		**59**	**48**	**93**	**45**
	Empowerment	58	46	98	52
	Group orientation	62	51	95	44
	Capability development	55	46	84	38
Consistency		**54**	**41**	**97**	**56**
	Core values	64	53	97	44
	Customer focus	51	37	97	56
	Coordination and integration	48	33	96	63
Adaptability		**50**	**40**	**84**	**44**
	Creating change	45	35	78	43
	Customer focus	53	39	98	59
	Organizational learning	52	45	78	33
Mission		**50**	**36**	**97**	**61**
	Strategic direction and intent	54	41	97	56
	Goals and objectives	51	37	96	59
	Outlook	46	29	97	68

Source: Authors Mission

These data reveal that the Vietnamese workers show significantly more affinity with the firm's norms, values and strategies. In particular, the Involvement quadrant rates the highest, with the group orientation or teamwork index showing affinity from both sets of workers. Employees also indicate that they are given responsibility and that the organization trusts them. Next is Consistency quadrant, which represents how the employees feel about their connection to the organization, a shared vision and advancing these values. While there is some alignment with core values, there is a large variation between the two groups as to meanings and if and when the firm's values can be put into action. The Adaptability quadrant rates 3rd equal, reflecting that change cannot be easily achieved and reveals issues with the workforce adapting to change and with learning processes. Finally, the Mission quadrant reveals substantial uncertainty, as there are differences across all three of the quadrant's indices, a barrier to improved performance and goal achievement.

3.3 Examining the effects of culture on Bitel

While the preceding two sub sections provide the results of a national culture comparative analysis and differences between workforces using the results of the Dennison model, they do not indicate the implications of these results or how they may affect Bitel's operations. Key informant interview transcripts help clarify this and reveal that the differences between national cultures differences and the existence of two groups of workers or subcultures were being recognized and acknowledged. For instance, one interviewee identified the long-term orientation difference as an issue due to Peruvians viewing work as "*more in the short term and therefore things are simpler and easier*" and acknowledging differences between Peruvians, Bitel's work culture and their expectations, for "*the longer one works for Bitel, one begins to handle things better*" [Interviewee 3].

The respondents also commented on the differences related to uncertainty avoidance, in that when a plan or decision is put in place by a Peruvian manager *"everything goes well"* resulting in satisfied Peruvian workers. The difference found in uncertainty avoidance was reinforced by another respondent who commented that *"for the Vietnamese it is much simpler… the Peruvians do not like change"* [Interviewee 5], and another *"the Vietnamese are used to the sky being blue one day and red the next, adaptation to change is not a problem for our culture"* [Interviewee 7]. This theme was reinforced again with a comment that *"the Vietnamese have a culture of discipline and adaption… we adapt very easily"* [Interviewee 7], while the Peruvian counterpoint was that it "*is necessary to prepare well for each change"* [Interviewee 1]. Underpinning these differences are issues related to styles of communication. As one interviewee said, *"many times we find things out after they have been launched… the way of communicating is very different between both cultures… [so] we have to adapt to both forms of communication"* [Interviewee 2]. Additionally, as Viettel's origins lie in a military hierarchy, roles remain an important feature of its organizational culture, with one respondent remarking, *"when someone in the department wants to recommend something to the Vietnamese leadership it is often not taken very well or it can be taken as disrespectful"* [Interviewee 2], which is different for local workers as, "*Peruvians are not as accustomed to receiving orders and doing them, we tend to question a lot… [and this] betrays that it is very difficult for us to adapt"* [Interviewee 3].

The interview analysis also found that Bitel has recognized that worker adaptation and change acceptance are recognized issues and that Bitel has introduced a number of measures to address them. One measure was to refine recruitment and selection processes by becoming *"very selective and well formed to find the capabilities that we require as a company"* [Interviewee 7]. an onboarding program has been developed in recognition of further difficulties transitioning from a Peruvian workplace to the Bitel culture. This allows employees time to get to know the organization and to integrate more effectively and become more familiar with the way things get done. Another management measure put in place to address cultural differences has affected executive appointments: "[…] *now there are many departments and branches that have Peruvian leaders, I dare say that almost 30% of the leaders are Peruvians"* [Interviewee 3].

Bitel has also initiated a number of social and team building events to bridge the cultural divide, such as "*soccer championships, corporate parties, the events we have each month. They all serve to get to know both cultures better and therefore help workers who want to improve and develop their capacity to adapt to the other culture and thus be able to obtain better results in their day-to-day work"* [Interviewee 6].

4. Discussion

As reflected by the results, core cultural differences emanate firstly from the national culture. These are then inserted into Bitel's organizational culture and seem to be amplified through the unique founding culture of Bitel's parent Viettel. However, these differences are acknowledged, with the firm enacting measures to address some of their more debilitating effects.

In terms of national cultural differences, these are initially reflected as uncertainty avoidance in the way firms and their workers address uncertainty. Peruvian companies commonly adopt economic uncertainty strategies characterized by reductions in operating costs and the adoption of low prices to ensure sales and continued operations, leading Peruvian managers to be cautious when conducting business and managing change slowly and consciously (Scott & Chaston, 2012).

This avoidance of uncertainty is also reflected in Peruvian management's attitude towards planning, where on many occasions set plans will not be followed, and attention is more likely to be focused on day-to-day activities (Morales, 2013). The lower uncertainty avoidance in the Vietnamese culture is demonstrated by their cultural affinity for flexibility and practicality, leading Vietnamese workers to readily adapt to new tasks or situations quickly (Nguyen & Aoyama, 2013). Second, there is a difference in long-term orientation, where Peruvian businesses' focus on the present is consistent with their lower score in this dimension, while Vietnam's higher dimensional score has been reinforced by its historical response to the state of war the country endured for almost half a century (Nguyen & Aoyama, 2013).

Hofstede's other cultural dimensions tend to be expressed in Vietnamese firms through centralized decision-making systems, employees obeying directives without question or debate, tolerance for oversight or inspection, and acceptance of wage differentials between employees and management (Nguyen & Truong, 2016; Nguyen & Aoyama, 2013). Given that there is little difference between Peru and Vietnam in these dimensions, these general workplace attributes are similar to the Peruvian work culture of order, with many Peruvian workplaces exhibiting harmony and stability, tending to avoid open conflict or unpleasantness, although this has negative consequences such as passive aggressive behavior and many workplace issues being addressed through gossip and rumor. Peruvian managers also exhibit a certain brusqueness, related to Peru's high power distance, as a means of maintaining social order (Osland et al., 1999).

Secondly, the Denison data reveals the existence of two distinct subcultures within the company based on national culture groupings, where the Vietnamese workforce aligns almost uniformly with the company's culture and the Peruvian workforce reports a consistently lower affinity. These two groupings expose different perceptions and experiences (Alvession, 2002) of Bitel for each group. This is an example of Martin's (2202) fragmentation / differentiation perspectives, where even though Bitel may view its organizational culture as integrated, the data shows this not to be true, which suggests problems for Bitel in terms of achieving alignment between its culture and its performance objectives and provides some insight into why change may be difficult for Bitel.

The organizational culture data also reveal the difficulties Peruvian workers have adapting to change and also how workers in the workplace may receive and respond to managerial direction. It can be seen that the Vietnamese workers are more accepting of stronger direction, which is both a reflection of their national culture and of the parent company's founding as a military venture. This is quite different for the Peruvians, however, whose wish to experience a stable workplace means they are not as accommodating to changes and orders from above. This discomfort regarding managerial style, direction and authority flows both ways. For the Vietnamese it is reversed, with the Vietnamese managers being uncomfortable receiving bottom-up communication, which is, again, a symptom of Bitel's parent being born out of a hierarchical military culture.

However, the interviews revealed that this discomfort has been acknowledged and that measures are being implemented to deal with its effects. This reflects an aspect of Bitel's parent's culture, where Houng (2017) reports that Viettel's attributes of flexibility and will to address difficult situations is considered to be a contributor to the firm's success. Bitel's application of the cultural attributes of its parent firm has been to adapt its recruitment procedures to account for its different work environment and identify candidates who possess better adaptability, teamwork, flexibility and change orientation. This measure,

together with an increase in the number of Peruvian middle managers, seems to be aimed at improving horizontal communication across work teams and speeding up organizational participation and workplace learning capabilities: two deficiencies that were also indicated by the Denison analysis.

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5. Conclusion

This article studied the issue of culture within an organization. Through an analysis of a multinational Vietnamese subsidiary operating in Peru, the two countries' national cultures were compared, the orientation of the workforce investigated, and key respondent accounts reviewed.

This multi-level mixed method analysis allowed identifying points of difference between the Vietnamese and Peruvian cultures using Hofstede's dimensions, revealing two dimensional differences: Uncertainty avoidance and Long-term orientation. These dimensions align with weaknesses in Bitel's organizational culture profile as determined by the Denison Organizational Culture Model that showed implications for organizational adaptability. The model's results also showed important gaps between the two nationalities represented in the workforce, which were distinct enough to be considered sub-cultures. While these results revealed that Bitel had issues with its organizational culture, interview analysis showed that these were recognized by management and were being acted on. In particular, respondents were candid about identifying uncertainty, change resistance, communication style and acceptance of authority issues and remarked on measures to address them. These measures include improving recruitment and selection processes, balancing leadership by increasing the percentage of Peruvian managers, and operating social and athletic programs. Programs were initiated to improve Peruvian worker adaptation to Bitel's work culture, improve intra-organization communication and learning and promote cross cultural awareness and understanding.

This study indicates that it is unrealistic to expect organizational performance improvement without acknowledging enabling factors such as appropriate communication, how authority is applied and its implications for workforce morale and worker enablement. It is implicit that peoples' experiences and ingrained cultural norms are difficult to erase.

As Cartwright and Cooper (1993) and Ralston et al. (2008) contend, when an organization is faced with workers from a national culture that is in opposition to the firm's national culture, it has two options: (i) to continue to enforce the parent organizational culture or (ii) to take the time to understand the differences and implement appropriate measures. Thus, the closing observation of the study is that organizations in similar situations, or those contemplating investments in other countries, may choose to follow Bitel's lead and seek to avoid culturally related performance problems and promote workforce satisfaction by identifying the implications of cultural differences and committing to implementing well planned initiatives to overcome them.

6. Appendix

Table 5. Descriptions of Denison's quadrants and their indices

Quadrant	Indices	Description
Involvement		Concerns the personal engagement of individuals within the organisation, focussing on internal dynamics and flexibility
	Empowerment	People's authority and control over their work to create ownership, and sense of responsibility within the organisation
	Group orientation	How much the work is performed or oriented towards common goals for all employees.
	Capability development	Continually investing in developing the skills of employees, to remain competitive and respond to ongoing business needs
Consistency		Refers to organisational members having shared values, efficient systems and processes, reflecting an internal and stable focus.
	Core values	Members of the organisation share a set of values that creates and sense of identify and clear expectations
	Customer focus	The level that the members of an organization are able to reach agreement and how they reach agreement or reconcile differences.
	Coordination and integration	How much the organizational units are able to work with each other to reach common purposes and that the organizational boundaries do not disrupted such working.

Quadrant	Indices	Description
Adaptability		The employees' ability to understand customer needs, to learn new skills and to change in response to external demands and exhibit flexibility.
	Creating change	The organization's ability to create change to adapt to new environments, respond quickly and anticipate future changes.
	Customer focus	How much organizations seek to understand customers, respond to them and sought to satisfy them and the degree in which the organization is directed toward satisfying them
	Organizational learning	The level of which the organization receives, translates and interprets environmental signals and creates opportunities for innovation, gaining knowledge and developing capabilities.
Mission		An organisation's purpose and direction that reflects an external focus and its stability.
	Strategic direction and intent	A clear strategic direction that conveys the organization's is clear how each person may participate.
	Goals and objectives	How organisational purposes are integrated with the strategy and vision of an organization and can be identified with the work direction of the employees.
	Outlook	How an organization involves workers to take a shared view of a desired future and to identify its core values, direction and common vision about future.

Source: (Denison, et al., 2014)

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