The Connection between Organizational and National Cultures

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Abstract

National and organizational cultures have a cross-level influence on organizations and their management practices. Given such an impact of two cultures, the relation between national and organizational cultures has attracted the interest of researchers. Since organizations and their organizational cultures are nested and clustered within a nation and its societal culture, intuitively, it appears that national culture is connected to organizational culture. However, the connection between the two cultures is not as simple as believed. There are two perspectives regarding the relation between national and organizational culture: the "culture affecting culture" versus the "no effect" perspectives. There are various types of organizational culture, such as hierarchy, clan, market, and adhocracy. I explore and theorize the relation between national culture dimensions and these types of organizational culture in order to advance knowledge on such a relation. Then, I predict in what regions a type of organizational culture is most likely to develop.

Key Words

national culture, organizational culture, the competing values framework

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1 Introduction

The effect of national or organizational culture on management and organization has long been a topic in studies of management and organizations. Organizations are culture-bound or limited within the culture of a nation (Hofstede, 1980). The culture of an organization determines its goals, strategies, and operations (Schein, 1985). The understanding of national and organizational cultures helps to increase the understanding of organizations and their management practices. Researchers (e.g., Hofstede, 2001; House, Hanges, Javidan, Dorfman, & Gupta, 2004) have argued that national or societal culture can affect the features of organizations as organizations are surrounded by and nested within the cultural environments of a nation. National cultures explain differences in management and organizational practices between countries. A country has its unique organizational and management practices that are possibly attributable to the nature of its national culture. However, organizations within a country are different in terms of strategies, structures, and other features. These differences suggest that organizational culture exists and determines the features of organizations. The features of organizations can be shaped by both national and organizational cultures.

National and organizational cultures are important as they both have an impact on organizations and their management practices. Since organizations and their organizational cultures are nested or clustered within a nation and its societal culture, organizational culture may also be affected by national culture. House et al. (2004) studied culture in terms of values and practiced and presented a proposition: Societal cultural values and practices affect organizational cultural values and practices. They concluded that national or societal culture could have an impact on the homologous dimensions of organizational culture (for instance, national power distance values and practices were related to organizational power distance values and practices). Aycan, Kanungo, and Sinha (1999) also found in their empirical research that national culture is connected to organizational culture. Adler and Jelinek (1986), Gelfand, Nishii, and Raver (2006), Gerhart and Fang (2005), and Gerhart (2008) explored the relation between national and organizational cultures. However, as Kwantes and Dickson (2011) and Dickson, Kwantes, and Magomaeva (2014) mentioned, the relationship between national and organizational cultures is not as simple as believed. Understanding the following questions is never simple: What is the relation between national and organizational cultures? When does national culture affect organizational culture? How much effect does national culture have on organizational culture?

Hofstede (2001) even denied the effect of national culture on organizational culture as national culture is qualitatively different from organizational culture. He argued that although organizational culture researchers apply the concept of nation-level culture from anthropology or psychology to business organizations, the culture of a society has a long and rich history while the culture of an organization does not. Therefore, business organizations do not have values long and deeply held by organizational members that serve as a basis of organizational functions. Business organizations only develop culture as practices, but not as values. Thus, it is not right to compare national and organizational culture, as they are different in nature. The culture dimensions developed for understanding nations do not work when applied to organizations (Hofstede & Peterson, 2000). Hofstede (2001) found six dimensions of organizational cultural practices that can distinguish organizations, for instance, process- versus result-oriented culture and open- versus closed-system cultures. A dimension of national culture may be related to a dimension of organizational culture. For instance, high power distance may be related to process-orientation or emphases on technical and bureaucratic routines. However, Hofstede and Peterson (2000) argued that dimensions of national cultures do not have a strong relation to dimensions of organizational culture even though some relationship exists.

Thus, in regards to the relation between national and organizational cultures there are two perspectives: the "culture affecting culture" versus the "no effect" perspectives (Dickson, Kwantes, & Magomaeva, 2014). However, Dickson et al. (2014) argued that the idea that two cultures are unrelated seems to be unlikely. Hofstede himself mentioned that organizations are bound by culture, that is to say, national culture. Since organizational culture is an essential part of the organization, it is highly likely that national culture is connected to organizational culture. House et al. (2004) applied national culture dimensions to organizations and found that societal culture dimensions can have a homologous impact on organizational culture dimensions. As Hofstede found, however, it may be that organizations do not necessarily have cultural dimensions identical or homologous to national cultural dimensions. This is because national culture develops as people of a society learn the skills and gain knowledge regarding a way of life (Dressler, 1969). Organizational culture, on the other hand, develops as members of an organization learn to deal with issues concerning adapting to environments outside the organization and organizing people within the organization (Schein, 1985). National culture is general as it primarily involves the life of a society. Organizational culture is specific as it primarily involves operations and functions of the organization. Two cultures may be different in nature in terms of generalization versus specificity as well as values versus practices. In fact, organizational culture researchers have proposed various dimensions of organizational culture that are different from national culture dimensions.

Cameron and Quinn (1999) presented the following organizational culture dimensions: clan, hierarchy, market, and adhocracy. Denison and Mishra (1995) presented the following organizational culture dimensions: involvement, consistency, vision, and adaptation. These dimensions of organizational culture are related to management functions and are more specific than national culture dimensions. There is a possibility that dimensions of national culture are connected to these dimensions of organizational culture as well as organizational culture dimensions identical to national culture dimensions (for instance, organizational power distance values and practices).

National culture and organizational cultures have a cross-level influence on organizations and their management practices (Kwantes & Dickson, 2011). The connection between the two cultures has attracted the interest of researchers. Intuitively, it appears that national culture affects organizational culture since organizations are embedded within a society. However, as Kwantes and Dickson (2011) and Dickson et al. (2014) mentioned, the connection of national and organizational cultures is not as simple as believed. In this paper I explore and theorize the connection between national and organizational cultures. More specifically, I explore and theorize the connections between national culture dimensions found in cross-culture studies (Hofstede, 2001; House et al., 2004) and organizational culture dimensions presented in organizational culture studies (Cameron & Quinn, 1999, 2011; Cameron, Quinn, DeGraff, & Thakor, 2006). My theorization will advance knowledge on the relation between national and organizational cultures.

2 The Nature of National and Organizational Cultures and the Relation between the Two Cultures

Companies or business organizations are surrounded by or even embedded within a nation. Environmental factors of a nation are political, legal, economical, technical, ecological, and so on. Culture is as important in understanding the impact of environment on individual and work behavior in a company as other environmental factors. Organizations and their organizational culture are nested within a nation and its societal culture. Companies are affected by the culture of their nations and may thus be similar within a nation in terms of organizational and management practices. However, an organization is not necessarily similar because it is embedded within a nation and its societal culture. Organizational cultures can diverge through daily operations even though they are generally similar in a society. National and organizational cultures have separate and individual effects on organizations and their management practices. In addition, national and organizational cultures are also expected to have cross-effects or cross-level interaction effects on organizations and their management practices (Dickson, Kwantes, & Magomaeva, 2014). Despite a possible, separate, and interactive effect of two cultures, most national or cross-cultural and organizational-cultural studies have been conducted separately and have not found common ground, such as a relationship between national and organizational cultures. Some of these studies, such as the *Global Leadership and Organizational Behavior Effectiveness Research Program* or GLOBE research project conducted by House et al. (2004), are an exception as they explored the relation between the two cultures. Dickson et al. (2014) discussed issues concerning the relation between national and organizational cultures in terms of common aspect of two cultures, an effect of societal culture on organizational culture, no effect between the two cultures, and a reversed effect of organizational culture on national culture. Following discussions by Dickson et al. (2014), I discuss and elaborate on the relationship between the two cultures.

In the first place, what is culture? Dressler (1969) captured the meaning of culture from the sociological point of view as follows: culture consists of the skills, beliefs, and knowledge [s] commonly shared by a number of people and transmitted to their children (p. 45). Culture is shared. It is social heritage as it is transmitted by one generation to another. People learn to communicate with each other, behave, and think in a certain way through culture. A society such as a nation, region, community, or city is the breeding ground of culture. It consists of all the people who share a distinct and continuing way of life, that is, culture, and think of themselves as one united people. Culture is to a human collectivity what personality is to an individual (Hofstede, 2001).

Researchers have applied the concept of culture to organizations to increase the understanding of the nature of an organization. Hofstede (2001, 2010) defined culture as the collective programming of the mind that distinguishes the members of one group or category of people from others. He applied the definition to the culture of an organization and regarded organizational culture as the collective of the mind that distinguishes the members of one organization from another. Dickson et al. (2014) argued that although there are many different definitions of national and organizational culture, both definitions emphasize an explicit and underlying aspect of culture, namely values. However, Schein (1985) argued that values as well as attitudes and norms are not the essence of organizational culture. He went on to argue that the essence of organizational culture is a pattern of basic assumptions that underlie values, goals, strategy, structures, and other behaviors and practices in the organization.

Organizations are embedded and clustered within a nation and a society. Thus, it is likely that societal culture affects organizational cultures—which is descried as the "culture affecting culture" effect (Dickson et al., 2014). Why does organizational culture reflect national culture? One theoretical explanation is that an organizational founder can play a mediation role in the relation between national and organizational cultures (Dickson et al., 2014). Individuals learn societal values, expectations, attitudes, and norms as they grow up in a particular society. When they grow up and decide to found a business, they create organizational goals, policies, and culture in a way that is congruent with values, expectations, attitudes, and norms accepted within that society. Thus, national culture affects organizational culture indirectly through organizational founders. In other words, an effect of national culture on organizational culture is mediated by organizational founders. As mentioned earlier, Schein (1985) argued that the essence of organizational culture is a pattern of basic assumptions that underlie organizational goals, strategies, structures, and other features of an organization. It is likely that an organizational founder's basic assumptions, beliefs, and philosophy come from and are influenced by a nation's cultural values. When the basic assumptions of the founder are shared by organizational members, organizational culture develops. When the values, beliefs, and philosophy of the founder are shared by organizational members and turn into basic assumptions, organizational culture also develops. Schein (1985) presented a three-level model of organizational culture that is similar to Hofstede's (2001) value-practice cultural model. The surface and visible level of organizational culture includes strategy, structure, and other organizational practices and behaviors. The deep and invisible level of organizational culture includes stated organizational values and philosophy. The deepest and underlying level of organizational culture is basic assumptions. Underlying basic assumptions shared by organizational members are presumed to have come from national culture through organizational founders and their individual basic assumptions.

Dickson et al. (2014) also explained the connection between national and organizational culture by adopting institutional theory. The pressures that organizations experience to become similar to others are called isomorphic pressures (Scott, 1995). The national culture effect on organizational culture mediated by organizational founders may be a result of isomorphic pressures. A society may press organizational founders to conform to and accept its pre-existing culture so that they can have a connection to and have relevance to the society. Subsequently, organizational culture may become similar to national culture. A culturally-tight society is more likely to press organizational founders to conform to societal culture (Gelfand, Nishii, & Raver, 2006).

Adler and Jelinek (1986), Aycan, Kanungo, and Sinha (1999), Aycan (2005), Gelfand, Nishii, and Raver (2006), Gerhart and Fang (2005), Gerhart (2008), House et al. (2004), Nelson and Gopalan (2003), and Ouchi (1981) explicitly and implicitly expected national culture to affect organizational culture. However, Hofstede (2001) denied the relation between the two cultures, arguing that "A nation is not an organization, and the two types of culture are of a different kind" (p. 393). That is, business organizations do not have as long and rich a history to create culture as a nation does. However, it should be noted that Caswell-Massey, a US fragrance and personal care product company, was founded in 1752, 24 years before the Declaration of Independence. The Procter & Gamble Company or P&G, a US consumer goods corporation with strong culture (Deal & Kennedy, 1982), was founded in 1837 and has a history of over 180 years.

As mentioned earlier, Hofstede (2001) defined culture as the collective programming of the mind that distinguishes the members of one group or category of people from another. The core element of culture is values that are invisible until they become evident in behavior. Cultural values manifest themselves into visible cultural elements of rituals, heroes, and symbols—which Hofstede (2001) called "practices." Hofstede (2001) found that, on the one hand, nations are more distinct in their national values rather than in their national practices; on the other hand, organizations are differentiated more by organizational practices than by organizational values. The collective programing of the mind at the national level principally involves national values while the programing of mind at the organization level principally involves organizational practices of rituals, symbols, and heroes (Hofstede & Peterson, 2000). Thus, national culture was not connected to organizational culture in Hofstede's research. The cultural dimensions developed for understanding nations simply do not work when applied to organizations (Hofstede & Peterson, 2000). Instead, Hofstede and Peterson (2000) recommended that researchers apply the dimensions of organizational culture as practices that they found can distinguish organizations: process-oriented versus result-oriented cultures, job-oriented versus employee-oriented cultures, profession versus parochial cultures, tightly controlled versus loosely controlled cultures, and pragmatic versus normative cultures.

However, House et al. (2004) found that organizational culture reflects national culture. They explained national or organizational values as how things *should be* and national or organizational practices as how things *are*. They found that dimensions of both societal values and practices are related to homologous and identical dimensions of organizational values and practices. For instance, power distance value and practices at the societal level are connected to power distance value and practices at the organizational level. Such a connection is described as the "culture affecting culture" effect, as mentioned earlier. Meanwhile, Hofstede (2001) argued that since national culture dimensions are different from organizational culture dimensions, two cultures are not related to each other—which is described as the "no effect" between the two cultures (Dickson et al., 2014). Thus, there are two perspectives or propositions in research on the relation between national and organizational cultures: the culture-affecting-culture versus the no-effect perspectives.

As Dickson et al. (2014) suggested, however, the idea that societal culture is not totally related to organizational culture seems on the face of it to be unlikely. Modern organization and management theories propose and advocate the open system view, assuming that organizations are open to and subject to external environmental influences (Kast & Rosenzweig, 1985). Dickson et al. (2014) argued that national culture affects or does not affect organizational culture under some circumstances, such as different industries. Research is needed into the relation between national and organizational cultures by considering the circumstances under which national culture matters or not.

3 The Connections of National Culture Dimensions with Different Types of Organizational Culture

National and organizational cultures may be found to have homologous and identical dimensions in terms of both cultural values and practices when researchers apply cultural dimensions developed for understanding nations to organizations (House et al., 2004). However, as argued earlier, the two cultures are possibly different in nature in terms of generality versus specificity. National culture is general as it primarily involves the life of a society. Organizational culture is specific as it primarily involves operations and functions of the organization. Organizational culture researchers, for instance, Cameron and Quinn (1999, 2011), Cameron, Quinn, DeGraff, and Thakor (2006), Denison and Mishra (1995), and O'Reilly, Chatman, and Caldwell (1991) have developed organizational culture dimensions for understanding organizations. By using these organizational culture dimensions, researchers have examined and found the relation between organizational culture and organizational effectiveness or performance as well as job satisfaction. Researchers would be able to advance knowledge on the relation between national and organizational cultures by applying not only homologous culture dimensions both at the national and organizational levels but also organizational culture dimensions developed for understanding organizations. I explore and theorize the connection between national and organizational cultures by focusing on organizational culture dimensions presented by Cameron and Quinn, among other things. This is because, as they stated, their competing values framework can provide more general and comprehensive organizational culture dimensions than other organizational culture studies can. Cameron and Quinn (1999, 2011), and Cameron et al. (2006) proposed four types of organizational culture : clan, hierarchy, market, and adhocracy. They regarded a culture type as a cultural dimension. They defined a culture type as a specific kind of culture that is reflected in the organization. Cameron and Quinn argued that researchers can differentiate organizational culture in terms of the competing core values of flexibility versus stability and internal versus external orientation. Since Cameron and Quinn focused on hierarchy, market, clan, and adhocracy as dimensions, they should have referred to flexibility versus stability and internal versus external orientation as a higher dimension. When the higher dimension of flexibility versus stability is placed on a vertical axis and the higher dimension of internal versus external orientation is placed on a horizontal axis, the two higher dimensions produce quadrants that are op-

Table 1 Congruence of National Culture Dimensions with Types of Organizational Culture

	National cultural dimensions						
Types of organizational culture	collectivism versus individualism	Power distance	Performance orientation	Uncertainty avoidance	Short- versus long-term orientation	Regions where a specific organizational culture possibly develops	Possible mixed forms of organizational culture in respective regions
Hierarchy	Collectivism	**High Power distance**	High performance orientation	**High uncertainty avoidance**	Short-term orientation	South Asia and Middle East nations	Clan, market, and adhocratic hierarchy in South Asian and Middle East
Clan	**Collectivism**	Low power distance	Low performance orientation	High uncertainty avoidance	Long-term orientation	East Asian countries	Hierarchical, market, and adhocratic clan in East Asia
Market	**Individualism**	High power distance	High performance orientation	Low uncertainty avoidance	Short-term orientation	the USA	Clan, hierarchical, and adhocratic market in the USA
Adhocracy	Individualism	**Low power distance**	Lower performance orientation	**Low uncertainty avoidance**	Long-term orientation	European countries	Hierarchical, clan, and market adhocracy in Europe

Note. Bold cultural dimensions represent national culture that is strongly connected to an organizational culture.

posed to or competing against each other on the two diagonals. The upper left quadrant represents organizational culture that seeks internal orientation and discretion. This organizational culture is called *clan*. The lower right quadrant represents organizational culture emphasizing external orientation and control. This organizational culture is labeled as *market*. The upper right quadrant represents organizational culture that emphasizes external orientation and discretion. This organizational culture is named *adhocracy*. The lower left quadrant represents an organizational culture pursuing internal orientation and control, called *hierarchy*. The competing values framework is similar to an organizational culture framework presented by Denison and Mishra (1995). In their framework, the vertical axis refers to external orientation versus internal integration while the horizontal axis indicates change versus stability. The upper left quadrant is labeled *adaptability*, the upper right quadrant *mission*, the lower right quadrant *involvement*, and the lower left quadrant *consistency*. Table 1 is a summary of congruence between national cultural dimensions and different types of organizational culture, that is, hierarchy, clan, market, and adhocracy.

Hierarchy Culture

Cameron and Quinn (1999, 2011) argued that organizational culture is assessed in terms of dominant characteristics, organizational leadership, management of employees, organization glue, strategic emphases, and criteria of success. Types of organizational culture are delineated based on these assessments. For instance, hierarchy culture is characterized by a formalized and structured place to work—which is its dominant characteristic. The leaders are good coordinators and organizers who are efficiency-minded—which is organizational leadership. The management of employees is concerned with secure employment and predictability. Formal rules and policies hold the organization together—which is an organizational glue. The long-term concerns are stability and performance with efficient and smooth operations—which is strategic emphases. Success is defined in terms of dependable delivery, smooth scheduling, and low cost—which is criteria of success. Cameron and Quinn argued that the competing value model identifies core values held by organizational members. Although researchers can guess the organization's core values by using the model, Cameron and Quinn mostly discussed behavioral orientations of an organization following their model.

Although Cameron and Quinn (1999, 2011) discussed what hierarchy culture is, much remains to be identified about the features of hierarchy culture. I elaborate on the features of hierarchy culture by discussing the organizational culture in terms of planning, organizing, leading, and controlling. Table 2 summarizes the features of hierarchy culture. The core and espoused value of organizations with hierarchy culture may be control. Culturally hierarchical organizations tend to monopolize a market and to remain in the monopolized market with patents that protect their products or technology from competitors. Once they have invented a new technology or product, they tend to seek legal protection over it by getting a patent so that they can exclude persons or organizations that may infringe upon their new technology or product. These organizations are likely to enhance production volume of their products that are legally protected. They maximize efficiency so that they can further expand the monopolized market and exclude existing and potential competitors from the market dominated by culturally hierarchical organizations. The overall goals of culturally hierarchical organizations may be expansion

Table 2 Types of Organizational Culture and Their Features

Types of organizational culture	Hierarchy	Clan	Market	Adhocracy
Planning :				
Core and espoused value	Control	Cooperation	Competition	Change
Valuable stakeholders	Government and regulators, shareholders	Employees, customers, and suppliers	Shareholders and customers	The entrepreneur himself or herself as well as potential investors and customers
Strategic goals	(1) Monopolizing the market and keeping the monopolized market with a patent. (2) maximizing efficiency to further expand the monopolized market	(1) Developing employees as a source of competitive advantage. (2) improving products and production process by taking advantage of teamwork	(1) Expanding a current business and entering a new business to grow in terms of sales, profits, and market valuation. (2) not hesitating to discharge employees as cost to cut when necessary	(1) Exploring a new opportunity and delivering new products or services that might disrupt an existing market. (2) Innovation is a source of competitive advantage to those adhocratic organizations.
Organizing :				
Organization design	Concentrating authority or power on the top echelon of a company	A group of employees, not individuals, is a basic unit and a cornerstone of the organization.	(1) A divisional and decentralized organizational structure. (2) the division is regarded as a profit center and the divisional manager is responsible for divisional outcomes.	The organizational structure is fluid as the organization changes in response to the external business situation.
Decision-making	The possibility that lower-level managers attend a decision-making process with upper-level managers is limited.	Collective and participative decisions	The division is decentralized. But the opportunity that non-managerial employees in the division attend decisions with managers is limited.	Employees are granted freedom and can take initiative to exercise creativity and make innovative products.
A source of holding employees together	Rules and standards	Strong culture and trust	(1) Commitment to maximizing profits and market valuation, and (2) legal contracts	Commitment to innovation
Leading :				

Leadership style	Autocratic	Relation-oriented	Task-oriented	Entrepreneurial and visionary
Controlling :				
Evaluation	(1) Predictable and reliable employees are rewarded. (2) Mistakes may not be allowed.	(1) Seniority-based (2) work process considered	Performance-based	(1) Mistakes are allowed. (2) long-term based

of market share and maximization of market valuation. But their strategic goals are monopolization of the market, production efficiency, and expansion of production volume. They may value regulators, the government, and shareholders the most among their stakeholders. They are keen to abide by regulations and rules so that they will not violate anti-trust laws and other regulations as a result of their concentrated market power. Such organizations concentrate authority or power at the top echelon of the organization so that they can increase production efficiency and implement strategies. The centralized organizational structure limits the possibility of employees being part of the strategic decision-making process. Leadership style is autocratic as leaders try to contain organizational chaos and keep organizational order. Thus, organizational climate in terms of boss-and-subordinate relations are hierarchical. Organizational members are required to comply with regulations and standards so that they keep organizational order and, ultimately, improve production efficiency. Employees are evaluated based on reliability and productivity. Employees are not encouraged to experiment. If a mistake is made by employees, it is not tolerated.

Hierarchy culture is expected to emerge in and be built on a large power distance society. Power distance is the extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally (Hofstede, 2001, p. 98). A high power distance society is also defined as a hierarchical society while a low power distance society is defined as an egalitarian society. Superiors consider subordinates as being of a different kind in a high power distance society ; likewise, subordinates consider superiors as being of a different kind. Power holders are entitled to privileges. As a result, hierarchy is the norm in a high power distance society. Inequality in the form of power, wealth, and resources takes place in a high power distance society. The society tends to be stratified between haves and have-nots. High power distance culture is expected to bring out a hierarchical and long-distance human relation between managers and their members to an organization. People who have grown up in a high power distance society are likely to bring the norm of a hierarchical relations to organizations where they are going to work. Authority is concentrated on the top of an organization. Superiors are the right to decide everything and subordinates are not allowed to attend a decision-making process. Disparity in remuneration is expected to be wide between managerial and non-managerial employees at a company in a high power distance society. Information as well as salary may also be distributed unequally between these different groups. Privilege and status symbols, such as the use of private jets on business trips, may be common in such companies. Thus, it is highly likely that a national culture dimension of high power distance is connected to hierarchy culture.

High uncertainty avoidance is also expected to be connected to hierarchical organizational culture. Uncertainty avoidance is the extent to which the members of a culture feel threatened by uncertain and unknown situations (Hofstede, 2001, p. 161). People in such a society dislike change and are conservative. Organizational members are bound by rules and regulations, to which they tend to comply. They are integrated by rules and regulations more than by common values and trust. They prefer order and clarity to disorder and ambiguity. They tend to avoid risk. The organizational culture of companies in such a society is expected to be built upon and reflect the cultural dimension of uncertainty avoidance. The nature of hierarchical organizational culture is affected by, and is expected to have originated from, a high uncertainty national culture. Employees of culturally hierarchical organizations prefer a quick fix or the status quo to adaptability to changing environments. The norm is stability and reliability rather than innovation and creativity. Such a norm is affected by uncertainty avoidance culture.

Hierarchical organizational culture may also be connected to collectivist societal culture rather than to individualist societal culture. Although relations between bosses and their subordinates are hierarchical, relations among employees are collective as they may stress comradeship and organizational order. Hierarchical organizational culture may also be connected to high performance orientation rather than to low performance orientation. Employees in such an organizational culture are evaluated based on their outcomes more than on the process to achieve their outcomes. Outcome orientation in hierarchical organizations may reflect the society's high performance orientation. Thus, employees may be pressed to achieve goals quickly. Such pressures may come from their society's short-term orientation. Organizational members are required to achieve short-term goals, such as predictability, safety, and stability, rather than long-term goals, such as invention of new products.

Thus, hierarchy organizational culture would be connected to a national culture of high power distance, high uncertainty avoidance, collectivism, high performance orientation, and short-term orientation. Those culturally hierarchical organizations fit with, and are most likely to develop in, national cultures of high power distance and high uncertainty avoidance among other culture dimensions.

Clan Culture

Corporations are sometimes regarded not just as an organizational structure or a nexus of legal contracts but also as a community or a manor (Dore, 1973; Jacoby, 1997; Tönnies, 1955). Clan culture describes an aspect of such business organizations. Here are characterizations of clan culture (Cameron & Quinn, 1999). Clan culture is a friendly place to work where people share a lot about themselves. It is like an extended family. Leaders are thought of as mentors as well as parent figures. The organization is held together by loyalty and tradition. Employee commitment is high. The organization emphasizes the long-term benefit of developing employees with high morale and team spirit. Success is defined in terms of concern for people. The organization places a premium on teamwork participation and consensus.

I will now discuss further the features of clan culture in terms of planning, organizing, leading, and controlling. Table 2 summarizes the features of clan culture. A core and espoused value of organizations with clan culture is cooperation. Companies with clan culture value customers and respond quickly and satisfactorily to product quality complaints from customers. Although culturally clannish organizations try to meet customer expectations, it seems that they value employees the most among their stakeholders. Such employee orientation is sometimes reflected in their statements of espoused values, for instance, mission statements or corporate philosophy. Cooperation, harmony, teamwork, and other words stressing human relations are included into mission statements of clan corporations. A corporation with clan culture seems like what Ouchi (1981) called the Type-J company, as both business corporations stress job security. Managers at such companies expect that the employees whose job security is promised will be strongly committed to their jobs and the company. Teamwork and harmony are the norm for employees and they are expected to work together and maintain harmony at the workplace. People whom employees at a culturally clannish company regard as organizational members or co-workers include not only other employees within the company but also suppliers and their employees. Thus, clan organizations also stress the interests of suppliers as stakeholders.

Clan organizations can take advantage of good teamwork and solidarity among employees when they implement their strategies. Employees at clan organizations are likely to remain with the company over a longer period of time than people working for other types of organizations. Employees are unlikely to quit their job at such organizations and the labor turnover rate is thus lower at clan organizations than at other types of organizations. Thus, such organizations can take a long-term approach to employee training and enable them to accumulate skills and knowledge as a strategic resource and asset. Employees are also highly motivated to work for the company. Employees are a source of competitiveness. Teamwork practices at clan organizations are associated with improvement in product quality and labor productivity.

Employees tend to help each other and work together. Leaders are human- or relation-oriented. In a clan culture, employees are allowed to participate in decision-making processes. They tend to bear responsibility for work processes and outcomes as a team. A basic unit of a clan organization is not individuals but a team. Employees sometimes go for a drink together after work. They discuss work and personal issues over a drink. Employees may wear uniforms and share a canteen with superiors. The workplace landscape may symbolize egalitarianism. Employees work in a climate where they can feel a sense of teamwork, cooperation, friendliness, or comradery. They develop a strong culture as they work together. Organizational members at a clan organization are held together by a strong culture. Employees are also united by trust.

Employees are not expected to achieve a targeted goal at the expense of human relations at the workplace. Employees are rewarded for their success as a group but not as individuals. More importantly, they are likely to be assessed based on seniority rather than on their performance outcomes. Thus, clan organizations are egalitarian in that seniority is respected when it comes to evaluation and promotion. Employees are unlikely to be punished when they fail. Clan organizations evaluate employees by assessing not only work outcomes but also how much they are committed to work and how much they work together.

Clan culture develops mostly in a collectivist national culture. Triandis (1995) defines collectivism as follows: it is a social pattern consisting of closely linked individuals who see themselves as parts of one or more collectives (family, co-workers, tribe, nation); are primarily motivated by the norms of, and duties imposed by, these collectives ; are willing to give priority to the goals of these collectives over their own personal goals ; and emphasize their connectedness to members of these collectives (p. 2). Employees in a collectivist national culture make decisions in the best interest of their organization or group as they are well integrated into the organization or the group. They take making such a decision for granted as they have grown up in a collectivist society. Employees would have no doubt that group or organizational goals take precedence over individual goals as they seek to achieve organizational goals. Employees at a clan organization value human relations and teamwork among colleagues. Employees may regard their corporation as being like a large family. Since they stress similarity when the company recruits people, they tend to screen out people whose mindset does not fit the company's. Leaders take care of employees and their leadership styles are relation-oriented. Although organizational culture reflects societal cultural values of collectivism, it becomes elaborated and differentiated within the society. Organizational culture may be different between different organizations in a collectivist society. Nevertheless, clan organizations in a collectivist society will be more collectivist in general than organizations in societies of other cultural types.

Clan organizations are egalitarian in that seniority is respected when it comes to evaluation and promotion. The egalitarian nature of culturally clannish organizations may come from a national culture of low power distance. A clan organization develops employees as a source of competitive advantage. Employees are good at improving work processes and products continuously through teamwork. Improvement activities at clan organizations may be underlaid by a low uncertainty avoidance national culture. Clan culture may also be more likely to emerge in non-performance orientation nations as harmony, but not cut-throat competition, is accepted by its employees. Since clan organizations stress long-term development of motivated and skilled employees as a strategic asset, clan culture may be affected by and work well in long-term orientation societies.

To sum up, clan organizations and their organizational clan culture are expected to develop in and be built upon national cultures of collectivism, low power distance, high uncertainty avoidance culture, low performance orientation, and long-term orientation. Collectivism, more than other national culture dimensions, is strongly connected to development of clan organizational culture.

Market Culture

Market organization is a type of organization that functions like a market according to Cameron and Quinn (1999). They described market culture as follows (pp. 35–36). Its inside resembles a marketplace where employees compete against each other over recognition, bonus, and promotion—which are dominant characteristics of market culture. Leaders are hard-driving producers and competitors. The glue that holds the organization together is an emphasis on winning. The long-term concern is on competitive actions and achievement of stretched goals that seem difficult to attain. Success is defined in terms of market share and penetration. Beating the competition and attaining market leadership are important.

Researchers can elaborate on market culture in terms of planning, organizing, leading, and controlling. Table 2 summarizes the features of market culture. The core and espoused value of the market organization is competition. Employees tend to use harsh terms such as "beat" or "fight" at the workplace. They are tough and demanding. Market organizations put an emphasis on sales, sales growth, profitability, and market valuation as organizational goals. They are likely to emphasize the interests of shareholders most among their stakeholders and improve their share prices in order to meet shareholders' expectations. Market organizations aspire to grow in terms of sales and profits by dominating the existing markets and expanding a rage of business activities. They may not hesitate to merge or acquire peer companies in order to expand their market share and dominate the existing market. Such aggressive action reflects a common strategy of the market organization. Thus, given that profitability and market capitalization are important goals to market organizations, domination of the existing market by merging and acquiring competitors as well as expansion of the number of products offered by diversifying the business areas, are strategic goals for market organizations. Not only do these organizations aspire to grow in terms of sales, market share, and profits through expanding their market share and business areas, but they also tend to get out of a declining business and cut costs to improve profitability. These strategic goals or orientations are underlaid and driven by the core and espoused value of market organizations, that is, competition.

The organizational structure of market organizations may be a divisional structure since market organizations aspire to diversify and expand their business areas. In such a structure, each division is regarded as a company and can formulate its own strategy. A division and its divisional manager are allowed leeway to formulate their own strategy, however, they are responsible for performance outcomes. The divisional structure is decentralized as each division can formulate its own strategy. A divisional manager is pressed to achieve the division's target goals by the corporation's CEO and is responsible for divisional performance outcomes. The manager in the highest position in the division draws up specific goals from divisional goals. He or she assigns these specific goals to managers in the second-highest position under his or her direction in order to attain divisional goals. These managers then assign more specific goals to managers in the position below them to attain goals assigned to them. This process of setting goals at a higher position and then breaking them down into subgoals at a lower level continues to the bottom organization level. General employees are unlikely to be part of the decision-making process with their managers. Managerial and non-managerial employees at each level are required to attain goals assigned to them and, ultimately, divisional and company goals. They are responsible for, and evaluated on their job performance outcomes or to what extent they have attained assigned goals.

Market organizations and their managers may not hesitate to dismiss their employees to cut costs and improve profitability. Leadership styles at market organizations are task-oriented. Commitment to maximizing profits and market capitalization is something that holds employees together at a market organization. Employees are strongly bound by legal contracts, which are another source of holding people together at a market organization.

As a result of fierce competition among them, employees are evaluated on their performance outcomes, not on their age or length of tenure. Evaluation of the CEO and divisional managers at the highest level at a market organization is closely linked to share prices and market valuation of the company. They are required and pressured by shareholders to increase profits and return these profits to shareholders in the form of dividends. Employees who outperform their peer workers get paid more.

As a result, inequity in the form of remuneration and status may be present in market organizations ; therefore, inequity might be taken for granted and become the norm. Remuneration and status may be regarded as a barometer of success.

Market culture is more likely to develop in individualist nations rather than in collectivist nations. Market organizations stress the interests of investors and seek to maximize their stock prices. Employees are evaluated in terms of how much they have achieved organizational goals such as sales, profitability, and market valuation. Employees in market organizations compete with each other fiercely over better job performance outcomes and cut-throat competition among them is a norm. As a result, market organizations are individualist. It is therefore expected that such organizations are more likely to develop in individualist rather than collectivist societies.

Market culture may also be likely to develop in performance-orientation nations rather than in non-performance orientation nations as employees are evaluated exclusively on their performance outcomes. Employees who outperform their colleagues are compensated with generous bonuses. As a result, large income disparity is likely in market organizations. Inequality in the form of salary, bonus, status, and so on is common in market organizations. Since it is known that inequity takes place in power distance societies (Hofstede, 2001), market organizational culture is expected to develop in a power distance national culture.

Market organizations are also likely to develop in short-term orientation nations rather than in long-term orientation nations. People in the organization are required to achieve short-term outcomes in the form of profitability and stock prices by its biggest stakeholder, that is, shareholders. Market organizations are likely to develop in low uncertainty avoidance societies rather that in high uncertainty avoidance societies. Since such an organization tends to dominate the market and, if necessary, acquire its competitors, it may assume that it can control the external environment. Such a market organization is likely to take risks in a non-uncertainty avoidance society.

To sum up, market organizations and their organizational culture are expected to develop in and be affected by the following national cultural dimensions : individualism, high performance orientation, high power distance, short-term orientation, and low uncertainty avoidance. Individualist national culture, more than other national culture dimensions, is strongly connected to market organizational culture.

Adhocracy Culture

Cameron and Quinn (1999) described adhocracy organizational culture as follows (pp. 38–40). A culturally adhocratic organization is a dynamic, entrepreneurial, and creative place to work. People stick their necks out and take risks—which is a dominant characteristic. The leaders are innovators and risk takers—which is a leadership style. The glue that holds people together is commitment to experimentation and innovation—which is how to hold the organization together. The emphasis is on being on the leading edge. The organization's long-term emphasis is on growth and acquiring new resources—which is a strategic emphasis. Success means gaining unique and new products or services—which is criteria of success. The organization encourages individual initiative and freedom—which is management of employees.

I can characterize adhocracy organizational culture more in terms of planning, organizing, leading, and controlling. Table 2 summarizes the characterizations of adhocracy culture. The core and espoused value of organizations with adhocracy culture is change. Their strategies, organizational structures, and other practices and activities are underlaid and driven by this core and espoused value. These organizations may be start-ups that have just launched a new business without any customers or shareholders. The founder themselves, who holds ownership of the company, may be the only stakeholder. Although an adhocracy organization may have no existing customers or shareholders, the organizational founder may look at potential customers and venture capitalists as important stakeholders. The strategy of an adhocracy organization is to explore new business opportunities and to deliver new products and/or services that might disrupt the existing technologies and market. Innovation is a source of competitive advantage to adhocratic organizations and they are likely to create new markets with innovative products and/or services.

The company with adhocracy culture may be small and flexible. Culturally adhocratic organizations may be small startups managed by entrepreneur-owners. The organizational structure is fluid so the organization can change in response to the external business situation. Employees are granted freedom and are encouraged to exercise creativity, to take risks and initiative to make innovative products. The relation between a boss and employees is not hierarchical. Leaders are entrepreneurial and visionary. Employees are evaluated based on the work process in which they have been engaged in the development of a new product and/or service rather than on their work outcomes. Employees are not punished even if their projects fail. Instead, they are encouraged to learn from failures to drive innovation.

Such organizations' culture would develop in a low uncertainty avoidance national culture as these organizations search for new ideas and seek creativity. People from such a national culture are likely to take risks and accept change. Such attitudes translate into a high rate of start-up companies being founded. These companies would be eager to create new products and/or services by taking advantage of their innovative cutting-edge technology. Founders and engineers of adhocracy organizations are not overly bound by rules and precedents as they believe that bureaucracy prevents innovation. The workplace atmosphere is informal and casual; no dress codes exist.

Adhocratic culture is also likely to develop in a low power distance society. Relations between managerial and non-managerial employees are not hierarchical. Everyone is allowed to contribute to the decision-making process. Subordinates are allowed to question their superiors' ideas and to disagree with them. Employees at these organizations tend to be individualist as creativity is more likely to take place outside a setting where groupthink exists. Adhocracy organizational culture is likely to develop in an individualist society. It may also appear in long-term orientation countries as it takes long to develop innovative and/or creative products. Adhocracy culture would also fit with, and develop in, low performance-oriented societies as employees at adhocratic organizations prefer to work in a laid-back rather than a dog-eat-dog climate.

To sum up, adhocratic organizational culture is more likely to develop in a society of low uncertainty avoidance and small power distance, rather than other cultural dimensions. It may also be affected by a national culture of individualism, long-term orientation, and low performance orientation.

4 Mixed Organizational Cultures and Regions

A typical organizational culture is a dominant or typical mode of organizational culture within a nation or its national culture. The seventh column from the left of Table 1 summarizes regions where typical organizational cultures are likely to develop. However, organizational cultures vary within a nation or a region of nations. A typical organizational culture may diverge through daily operations in organizations. Typical organizational cultures are ideal or genuine forms of organizational culture. In reality, companies have a mixed form of organizational culture, embracing different types of organizational cultures within a county or a region of countries. The eighth column from the left of Table 1 summarizes possible mixed forms of organizational culture that are likely to appear within respective regions.

Hierarchical organizations fit with and are likely to develop in national cultures of high power distance and high uncertainty avoidance, rather than other national culture dimensions. More specifically, organizations with hierarchical culture are likely to emerge from South Asian and Middle East countries that have high power distance and strong uncertainty avoidance cultures (House et al., 2004). However, companies in such nations have mixed forms of organizational culture. On one hand, some organizations have typical, hierarchical organizational culture; on the other hand, other companies might have mixed organizational culture. Organizations with market hierarchy culture basically have a hierarchical structure and stress bureaucracy while they emphasize the interests of shareholders among their stakeholders and try to seek maximization of market value. Clan hierarchy is a mixed form of hierarchical organizational culture and clan organizational culture. Although organizations with such a mixed culture are intrinsically bureaucratic, they stress teamwork and job security, which are common among clan organizations. There might even be a mixed form of organizational culture of adhocratic hierarchy. Although organizations with such a mixed organizational culture aspire to become more entrepreneurial, their organizational culture remains largely bureaucratic.

Clan culture is affected by a national culture of collectivism rather than other national culture dimensions. Clan organizations are likely to emerge from East-Asian countries that value collectivism (House et al., 2004). However, not all organizational cultures within the East-Asian region are clannish. Some companies in these countries have mixed forms of organizational culture underlaid by clan organizational culture. For instance, they may have adhocratic clan, hierarchical clan, or market clan culture. Companies with adhocratic clan culture may seek innovation based on teamwork. Companies with hierarchical clan culture are intrinsically united by strong culture and trust. However, since these organizations have learned that organizational culture and trust are not enough to prevent employee misconduct, they introduce monitoring systems so they can make sure employees strictly comply with company standards and rules. Market clan is a mixed form of organizational cultures of clan and market. An example of a company with such an organizational culture is an organization that traditionally stresses seniority principles in assessing employees but has started introducing meritocratic principles in employee assessment to motivate employees to work harder. These companies may also be employing a number of non-regular or contingent workers to cut personnel costs in a competitive business environment. The presence of varieties of clan organizational culture within a region indicates that there are unique organizational cultures within that region.

Market culture is underlaid by a national culture of individualism, rather than other national culture dimensions. Organizational market culture is likely to develop in the US, where individualism is valued (House et al., 2004). But not all US companies have a market culture. Instead, they have mixed forms of organizational culture built upon on market culture, such as hierarchical market, clan market, or adhocratic market. Clan market is an organizational culture that is intrinsically individualistic in employee work activities. Organizations with such an organizational culture may be introducing team-based practices such as team production, self-managed teams, quality control circles, or job rotation. They may also be noticing effectiveness of job security and strong organizational culture in managing employees. Clan market is like the organizational culture of the Z-type organization combining both the A-type organization that has market orientation and the J-type organization that has group orientation (Ouchi, 1981).

Adhocratic market is a typical US innovation-oriented corporation or US startup. Companies with pure adhocratic culture are technology- and innovation-oriented and may not care about their stakeholders. Adhocratic companies or their own executives might be the most prioritized stakeholders. However, the adhocratic market values shareholders the most among its stakeholders. Employees are expected to improve profits and stock prices by making and developing innovative products. Hierarchical market is another mixed form of organizational culture deriving from market culture. Although market organizations are intrinsically market-oriented and try to meet expectations from investors and customers, hierarchy and market organizations care only for the interests of investors. Such organizations might struggle with political clashes within the company and may become bureaucratic in the end. Bureaucratic red-tape is endemic to hierarchical market organizations as they comply excessively with rules.

Companies with adhocracy culture would be more likely to emerge in European countries that have a low uncertainty avoidance and small power distance culture (House et al., 2004). Adhocratic organizational culture is an ideal or pure form of organizational culture. In reality, companies within these countries have mixed forms of organizational culture. For instance, some European companies would have a mixed form of market adhocracy, clan adhocracy, or even hierarchical adhocracy that is built upon adhocracy culture. The organizational culture of a market adhocracy may pursue improvement of their market valuation through the delivery of creative and innovative products and/or services. Organizations with clan adhocracy are essentially entrepreneurial but are also team-oriented. Hierarchical adhocracy is a mixed form of organizational culture composed of opposite organizational cultures. Organizations with hierarchical adhocracy are essentially entrepreneurial but are in transition to becoming a bureaucratic organization. These organizations may resist taking risks as they become older.

These differences in organizational cultures within a region of countries indicate that although national culture underlies and affects organizational culture, companies and their managers, in particular founders and CEOs, can define their organizational culture and are independent of national culture. Therefore, companies are different and unique when it comes to values and practices. This uniqueness indicates that organizational culture exists and matters within a region and national culture.

5 Concluding Remarks

Generally, culture refers to behavior, practices, knowledge, values, and other bases of a society (Dressler, 1969). Cross-culture management researchers have examined different management practices by taking into consideration the impact of a national culture on organizations (e.g., Hofstede, 2001 ; House et al., 2004). Organization behavior researchers have applied the concept of culture to organizations and have examined the culture of the organization, or organizational culture (e.g., Schein, 1985). Researchers from inter-culture and organizational culture studies have argued that cultures of a nation and a business organization have a significant impact on individual and group behavior, management practices, leadership styles, strategies, structures, and so on at the organization. National and organizational cultures are important to theories and practices of management and organizations. Thus, research on the relation between national and organizational cultures has attracted the interest of researchers (Kwantes & Dickson, 2011). Since organizations and their organizational cultures are nested within a nation and its national culture, it intuitionally appears that national culture can affect and be connected to organizational cultures within a specific nation. As Dickson et al. (2014) argued, although the relation between national and organizational cultures appears simple, understanding it is anything but. Hofstede (2001) argued that national and organizational cultures are quite different things in many respects. Culture at the national level involves implicit, societal values. Culture at the organizational level involves explicit, organizational practices. Thus, dimensions of national culture do not work when applied to organizations. He went on to argue that the relation between the two cultures is not strong, if it exists at all. House et al. (2004) treated cultural dimensions as similar or homologous across national and organizational levels. They found that values and practices as culture both serve to differentiate societies and organizations. In addition, it was also found that dimensions of national cultural values and practices are related to the homologous dimensions of organizational cultural values and practices (for instance, national power distance values and practices were related to organizational power distance values and practices, respectively).

In regards to the relation between national and organizational culture, thus, there are two perspectives : the “culture affecting culture” versus the “no effect” perspectives (Dickson et al., 2014). However, Dickson et al. (2014) argued that the idea that two cultures are unrelated seems to be unlikely. Hofstede himself argued that organizations are bound by culture, that is, national culture. Since organizational culture is an essential part of the organization, it is highly likely that national culture is connected to organizational culture.

Schein (1985) proposed a three-level model of organizational culture in which underlying basic assumptions shared by organizational members manifest themselves in espoused values—which affect visible, organizational behaviors, and practices. Basic assumptions of an organization may come from national cultural values through the organizational founder. The basic assumptions affected by national cultural values may translate into the organization’s core and espoused values and, consequently, its management practices. It is known that there are different types of organizational culture : hierarchy, clan, market, and adhocracy. I have tried to theorize the relation between national cultures and those types of organizational culture in order to advance knowledge on the relation between the two cultures. I will summarize these relations below.

Organizations with hierarchy culture have the core and espoused value of control. Hierarchy culture is likely to develop in South Asian and Middle East countries although there are variant or mixed forms of organizational culture as a base of hierarchy culture in the region, such as adhocratic hierarchy. These organizations are described as instruments to achieve efficiency and predictability with strict rules and centralized organizational structure. Employees are rewarded for doing things right and may be punished when they do not meet target goals. Hierarchical organizations value governments and regulators the most among their stakeholders. Hierarchical organizations are driven by the norms of precision and reliability. Employees are expected to strongly comply with rules, regulations, and standards. Thus, compliance is a norm of those organizations. Employees are monitored to make sure they follow rules. Employees are punished when they do not follow the rules or make a mistake. Employees will not take a risk since they fear they might take punishment. Employees are not allowed to attend a decision-making process. Supervisors and managers monitor and control employees to prevent them from taking unprecedented actions and to make sure they are doing things right. Those hierarchical organizations fit with, and are most likely to develop in, national cultures of high power distance and high uncertainty avoidance among other culture dimensions.

Organizations with clan culture have the core and espoused value of cooperation. Clan culture is likely to develop in East Asian countries although there are variant or mixed forms of organizational culture as a base for clan culture in the region, such as market clan. Clan culture builds upon underlying assumptions stemming from a national culture of collectivism, among other things. Companies with clan culture value employees the most among their stakeholders. Teamwork and harmony are the norm in these companies. Employees are expected to work together and maintain harmony at the workplace. They are also expected to achieve target goals but not at the expense of human relations at the workplace. Employees are rewarded for their success as a group but not as individuals. Employees in clan organizations are good at improving work processes and products continuously through teamwork activities. The company may be egalitarian in that employees are allowed to participate in decision-making processes. Leaders take a team-oriented or consultative approach when managing employees. Employees work in a climate of teamwork and friendliness.

Organizations with market culture have the core and espoused value of competition. Market culture is likely to develop in the US although there are variant or mixed forms of organizational culture as a base for market culture in the region, such hierarchical market. Market culture is underlaid by a national culture of individualism, rather than other national culture dimensions. Companies with market culture value shareholders the most among their stakeholders. Employees are expected to contribute to improvement in profitability and market valuations. Employees tend to compete to outperform each other. They may be sometimes expected to achieve individual goals at the expense of harmony at the workplace. Employees tend to make decisions for themselves rather than for the company. Consequently, cut-throat competition is common in the workplace. Employees who outperform their colleagues are highly rewarded and are promoted. Inequity in the form of salaries, bonuses, and status are common at companies with a market culture. They can gain return when they are successful; but they take complete responsibility when they fail. They often use terms such as "compete", "fight", or "beat" within the company. Organizational climate is characterized as competitive and result-oriented.

Organizations with adhocracy culture have the core and espoused value of change. Adhocracy culture is likely to develop in Europe although there are variant or mixed forms of organizational culture as a base for adhocratic culture in the region, such as market adhocracy. These organizations are driven by basic assumptions that may come from a national culture of low uncertainty avoidance and low power distance, rather than other national culture dimensions. These organizations are full of entrepreneurship as they seek new opportunities in the form of new markets, products, business, distribution channels, and so forth. It is likely that these companies are small- or middle-sized startups. Culturally adhocratic organizations value creativity and innovation. Employees are expected to develop and make new or innovative products. They are also expected to take risks in order to produce new things. Employees are rewarded for taking initiative and making new products and are not penalized even if their projects fail. Everyone is allowed to participate in the decision-making process with their managers. Leaders are visionary. Employees wear casual clothes. Employees work in a climate where they feel a sense of freedom, vibrancy, and creativeness.

Focusing on companies from within a nation, or non-multinational corporations, I have discussed the impact of national culture on organizational culture. This is because multinational corporations (MNCs) may be affected not only by the culture of their home country but also by the cultures of host countries. The relation between national cultures and MNCs' organizational cultures may be more complex than that of national cultures and non-MNCs' organizational cultures. MNCs may be a culturally hybrid organization as their organizational culture is rooted in multiple national cultures. MNCs are affected by their home countries' headquarters and accept organizational practices and culture from these head offices. The organizational culture of such headquarters is possibly affected by the home country's culture, as I have discussed. Managers at MNCs interact with local employees and learn the local culture. They may adapt organizational culture to local culture so that they can win local support. Thus, since MNCs are likely to be affected by multiple cultures, it is expected that the structure of their organizational culture is much more complex than the organizational culture of non-MNCs.

Although I have discussed and tried to theorize the connection between national and organizational cultures, there are issues I have not addressed, including organizational culture of MNCs or the relation between national culture and such an organizational culture. My next project would be to address these issues and continue to advance knowledge on the relation between these two cultures.

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