

Kazakhstani Management Culture : Perception of French Managers

PLAN

Introduction.....	2
Chapter 1. Culture.....	4
Chapter 2. Kazakhstan : general information and literature review.....	13
Chapter 3. French business culture : literature review.....	17
Chapter 4. Research Propositions.....	20
Chapter 5. Methodology.....	22
Chapter 6. Results and discussions.....	26
Conclusions.....	48
References.....	52

Introduction

The purpose of this paper is to serve as a guide for foreign managers who want to work in Kazakhstan on major aspects of the country's business culture climate.

Why should one be interested in business culture of Kazakhstan? What is Kazakhstan? Why should one study it?

As one of the largest countries in the world in terms of land area with vast natural resources, Kazakhstan recently became open to the world after the break-up of the Soviet Union. Favorable geographic position (it is located on two continents, Europe and Asia) makes Kazakhstan an important Eurasian geopolitical crossroad, a bridge between West and East.

The world of business is becoming global. To succeed in this highly competitive environment, one should constantly look for new markets, new relationships and partners, new sources, etc. Working in emerging markets is a risky process. In order to minimize risks, companies should be kept informed of all changes occurring in the country, but firstly they should be aware of how to deal with people: it is the Human Resource Management aspect that is often underestimated.

One of the key determinants of success in this increasingly global business environment is the extent to which its actors are able to cope with cross-cultural differences. The effective coordination of multinational companies becomes more and more dependent on the success of international or global assignments.

According to organizational researchers such as Black, Gregersen, Mendenhal and Stroh (1999), Transportation and Communication Technology, Cultural Diversity, and Geographic Dispersion are the main factors that create difficulties in the day-to-day business of international corporations.

In this paper, the author would like to focus on one of the factors cited by Black et. al (1999) as being a major source of complication in the international business environment: *cultural diversity*.

Segalla and Besseyre des Horts (1998) claim that at the present time, there are two main waves of cultural researches in the dimension of Human Resources management: convergence and divergence theories. While the supporters of the first theory argue that the way of management and enterprise behavior of different countries are becoming similar (universalistic approach), their opponents believe that the world is not becoming homogenous but on the contrary, the cultural differences are strongly maintained. According to Segalla and Besseyre des Horts (1998), the supporters of divergence theory are in the absolute majority. Researchers state that it is impossible to explain the differences of management practices without taking into account culture.

The first chapter of this paper reviews some of the scholarly theories and conclusions about culture.

Before going deeper into the specifics of Kazakhstani business mentality, it is necessary to provide some general information about Kazakhstan and a review of the literature on Kazakhstani management culture. Thus, chapter 2 introduces some recent literature about Kazakhstan, the situation in the country at the present time, and the management culture.

Kazakhstani management culture is observed by French managers. In order to be objective, the specifics of French management culture should be taken into account. A review of the literature on business culture of France is given in Chapter 3.

Research Propositions are presented in chapter 4.

Chapter 5 details the methodology used.

Results and Discussions of the research findings are presented in chapter 6;

Conclusions end the paper.

1. Culture

A generally accepted definition of culture is that offered by Kroeber and Kluckhohn (1952 cited in Adler, 1986, p.8-9):

Culture consists of patterns, explicit and implicit of and for behavior acquired and transmitted by symbols, constituting the distinctive achievement of human groups, including their embodiment in artifacts; the essential core of culture consists of traditional (i.e., historically derived and selected) ideas and especially their attached values; culture systems may, on the one hand, be considered as products of action, on the other as conditioning elements of future action.

Culture is:

- Something that is shared by all or almost all members of some social group;
- Something that the older members of the group try to pass on to the younger members; and
- Something (as in the case of morals, laws and customs) that shapes behavior, or structures one's perception of the world.

According to Trompenaars and Hampden-Turner, all cultures are similar in the problems and dilemmas they have but cultures vary in the way they solve these problems and reconcile dilemmas. Observing the specific solutions to problems one can distinguish cultures.

Hofstede (1991) defines culture as “software of the mind”. It is “the collective programming of the mind which distinguishes the members of one group or category of people from another” (p. 5). By using the word “software”, Hofstede does not mean that people behave like computers: people have an ability to be unpredictable and the capability to create something new; it only means that by knowing the mental programming of a particular culture it is possible to understand a people's reactions and behavior. Hofstede emphasizes that culture is learned, not inherited.

Edward and Mildred Hall (1990) consider culture as *communication*. "The essence of effective cross-cultural communication has more to do with releasing the right responses than with sending the "right" messages." (p.4)

Another imaginative and interesting definition of culture is given by Black, Gregersen, Mendenhal and Stroh (1999). The authors view culture as a tree, with its visible parts above the surface (tangible aspects of a culture or artifacts) and with its invisible parts below the surface (the values and assumptions). Thus, culture is the set of artifacts, values and assumptions shared by people (explicit aspects) as well as the set of assumptions and values that influence and guide people's behavior and that is passed on from older to younger generations(implicit aspects).

Edgar Schein (1985) distinguishes three interconnected levels of culture: artifacts and creations which are visible manifestation of a culture (language, technology, art); values and ideology which are the rules, principles, norms, values, moral and ethics; and basic assumptions and premises which are unconscious, invisible and create the essence of culture. The set of basic assumptions have evolved over time and are passed on from one generation to another. These assumptions serve to solve the problems of external adaptation (how to survive) and internal integration (how to stay together).

Susan Schneider and Jean-Louis Barsoux (1997) propose to consider cultural dimensions through the perspective of the Schein's definition and synthesize all basic dimensions relevant to management using the works of the following authors (cultural dimensions developed by them are indicated):

- Kluckhohn and Strodtbeck (1961): relationship with time, human activity, human nature, relationship with people, and time;
- Schein (1985): relationship with nature, human activity, human nature, relationship with people, time, and truth and reality;
- Adler (1991): human nature, relationship with nature, individualism/collectivism, human activity (being/doing), space (private/public), and time (past/present/future);
- Hofstede (1980, 1991): uncertainty avoidance, power distance, individualism/collectivism, masculinity/femininity, and "Confucian dynamism" or long-term versus short-term orientation;
- Hall (1960): space (personal/physical), time (monochronic/polychronic), language (high context/low context), and friendship;

- Trompenaars (1993): relationship with nature, relationship with people (universalism versus particularism, individualism versus collectivism, affectivity, diffuse versus specific, achievement versus ascription), relationship with time.

Schneider and Barsoux organize all above-mentioned dimensions in three patterns:

- the assumptions to solve the problems of *external adaptation*: relationship with nature: control and uncertainty avoidance; nature of human activity: doing versus being, achievement versus ascription; nature of reality and truth;
- the assumptions to solve the problems of *internal integration*: human nature (basically good/basically evil); nature of human relationships: social versus task orientation (particularism/universalism), affectivity, femininity/masculinity, hierarchical (power distance), individualism/collectivism;
- *linking assumptions*: space; language; communication (high-low context); time: monochronic and polychronic, short- versus long-term orientation.

The description of cultural dimensions of the better known authors is given following the above-described schema.

External adaptation

Relationship with nature

- *control*

Are people meant to dominate their environment, live in harmony with it, or be subjugated by it? Do people believe that they can control environment or they accept the force of nature? In order to understand cultural attitudes toward the environment one has to answer these questions. In many Western countries people believe that nature can be controlled. On the other hand, in many Oriental societies, people believe they have to live in harmony with nature. Cultures vary in the degree to which they believe they have control over the environment and have the capacity to change it.

- *uncertainty avoidance*

This dimension was proposed by Geert Hofstede (1991). It is the extent to which people accept the uncertainty and ambiguity prevalent in situations and the extent to which they try to avoid such situations by establishing more formal rules, rejecting deviant ideas and adopting a belief in absolute truth.

In the countries with a high degree of uncertainty avoidance, people try to establish as much regulations and rules as possible to reduce ambiguity and to make relationships and events clear and predictable. In the countries with a weak degree of uncertainty avoidance, regulations are established in the case of extreme necessity and they can be easily reformulated if needed; problems are often solved without formal rules.

Hofstede (1991) affirms that technology, law, and religion help people to avoid uncertainties in their life. Technology deals with uncertainties caused by nature, law – with other people behavior, and religion – with more ambiguous and incomprehensible things.

Fear and risk avoidance have nothing in common with uncertainty avoidance, argues Hofstede (1991). Uncertainty avoidance is a response to anxiety caused by no clearly defined object. Fear and risk avoidance always has an object: one is afraid of something specific and tries to avoid it.

Nature of human activity

- *doing versus being*

This dimension relates to the willingness to act and attitude to the essential question of doing or being: whether people create their own destinies or they should react to and enjoy whatever is provided. People in doing society are more active because they believe that everything is in their hands. In being society people are more passive, they experience their life rather than try to create it.

- *achievement versus ascription*

The way people judge others is different in different cultures. In an achievement culture, social status is based on one's achievements. In an ascription culture, the status is based on factors such as age, gender, social class, social connections, education or profession. Who you are is therefore more important than what you do.

Nature of reality and truth

The way truth is determined is also different in different cultures. Truth may be objective or subjective; it may be based on facts and figures or on the interpretation of facts and figures, on the logic that lies behind them.

This dimension is also about what is reality and how it is determined. The way people act and the way they define what information is relevant and what is not are different.

Internal integration

Human nature

This dimension relates to the perception of human nature as good or evil. In some cultures people are considered as originally evil and sinful. It is supposed that they have to ask forgiveness and have to deserve “paradise”. In these culture there is a tendency to suspect people and mistrust them. In other cultures people are considered as basically good and trusted implicitly.

It can be interpreted as “people are generally lazy” versus “people work with a pleasure because the work is natural for human being”. In management application it is presented by theory X and theory Y offered by McGregor (McGregor *The Human Side of Enterprise*, McGraw-Hill, 1960 cited in Adler, 1986, p.30). In theory X, workers are supposed to be lazy and need to be highly supervised because they always try avoid working. This may cause the appearance of strong hierarchical system. In theory Y, workers are supposed to enjoy working and therefore they do not need the control and supervision. In this case less hierarchical systems with more emphasis on autonomy may appear. People are considered to be self-motivated, responsible and creative in the decision-making process.

Relationship with people

- *social versus task orientation or universalism versus particularism*

This dimension can be described as rules versus relationship: how people judge other people's behavior. Universalistic cultures are rule-based culture in which all persons should be treated equally with no exceptions. Attention is paid to law, rules, and regulations. The preferential treatment of people is considered as a violation of the rules. Hiring relatives or friends is nepotism.

On the other hand, in particularistic cultures, relationships are based on exceptions. People treat others according to the believe of importance to them, not according to any rules, and sometimes despite the rules. Special relationships, such as friendship, are more important

than abstract rules. In order to do business, one has to establish trustful relationships with business partners first. Hiring relatives and friends is seen as less risky than hiring a stranger.

- *affectivity*

This dimension is referred to as neutral versus emotional: the degree to which a culture accepts displays of emotion. There are cultures where emotions are considered as the obstacle for successful or efficient work. In other cultures one's feelings are part of one's work; and it is appropriate to express them.

- *femininity versus masculinity*

This is the extent to which people prefer values of success, competition, assertiveness, acquisition of money over modesty and concern for others. This dimension was proposed by Hofstede (1991) who clarifies the terms “masculinity” and “femininity”. They are relative which means that a man may behave in a feminine way and a woman may behave in a masculine way. Thus, the masculine behavior is aggressive, tough, and competitive while feminine behavior is more tender and caring.

Masculine societies are societies in which “social gender roles are clearly distinct” (Hofstede, 1991, p.82), i.e. men are tough, aggressive and focused on material success, women are tender, modest and focused on family life. Feminine societies are societies in which there is no clear distinction between social gender roles, both men and women are supposed to be modest, not aggressive, and focused on the quality of life. It does not mean that there are countries in which the values of men and women are identical, it means only that there is no strong opposition of the social female and male roles (tender- tough opposition) in feminine societies.

- *hierarchy or power distance*

This is the extent to which the less powerful members of society accept unequal distribution of power, the extent to which hierarchy is respected. In other words, it describes how people in different cultures perceive inequality. The Power Distance Index (PDI) calculated by Hofstede (1991) shows the degree of dependency of subordinates on their bosses. In small power distance countries, the dependency is limited, contradiction to a boss is possible, the preference is given to consultation rather than to order. In large

power distance countries, the dependency of subordinates on their bosses is significant. Hofstede (1991) writes about the polarization which exists in large power distance societies: there is either preferable dependency (the case of autocratic or paternalistic bosses) or counter-dependency. In the first case, subordinates accept the dependency; in the second case, subordinates reject dependency completely, but they do not contradict directly, i.e. they accept dependency in a negative way.

In large power distance countries, power is usually centralized and held by a few managers on a high level of hierarchical scale. By opposite, in a small power distance countries, subordinates and superiors are considered equal, hierarchical system is flat, and subordinates accept the fact that decisions should be made by bosses, they expect to be consulted before decisions are made.

- *individualism versus collectivism*

This is the extent to which people are expected to look after themselves and their family only. Individualism, as opposed to Collectivism, is characterized by a loosely versus a tightly knit social framework. In collectivist-oriented societies, people define themselves as members of groups or clans, the interests of the group prevail over the interest of the individual. Workers in organizations act according to the interests of the group first and then according to their own interests.

In individualistic societies the emphasis on personal characteristics is made, the interests of the individual prevail over the interests of the group. People in these cultures are weak on team, their relationships in the group is less permanent. In work situation people act according to their self interest first of all, therefore the work should be organized in the way that match the interests of employee and employer.

Linking assumptions

Space

The social context of this dimension was described by Trompenaars, F. and C. Hampden-Turner (1998) as specific versus diffuse, or the range of involvement. It is explained by the authors through the notion of U-type (American) and G-type (German) "life spaces" firstly presented by Kurt Lewin. In the view of researchers, the personality can be considered as a series of concentric circles with "life spaces" or "personality levels" between. The most

private space is near the center and the most public space is at the peripheries. U-type circle is the circle with more public than private space, segregated into many specific sections (p.82). The person whom you know in one domain of your activity (one of the space) does not necessary have an access to another domain of your activity (another space). This is *specific* involvement. By contrast, G-type circle, which is the circle with much more private than public space, one can not enter into your space as easily as in U-type circle. However, if the person is accepted, he (she) is accepted to all spaces: not only public, but private space also. This is *diffuse* involvement.

Language

Vern Terpstra and Kenneth David (1991) define language as the repository of the four cultural operations - classifying, coding, prioritizing and justifying reality. It is not a universal means of communication, but a means of communication within a particular culture. The view and perception of the world changes with the changes of the language. Language is one of the strongest forces that unifies or separates communities.

Many authors use a metaphor defining language as the mirror of culture. Czinkota,, Rivoli and Ronkainen (1992) consider four important roles of language in international business:

- Gathering and evaluation of information: the manager is more efficient when he/she can rely on his/her personal impression, i.e. when he/she is able to speak the language of the country of his/her work.
- Access to local society;
- Importance to communicate within the company;
- Ability to interpret the context because language is not only the method of communication, it is also the way of living and thinking. The meaning of a message may be lost during the process of translation.

Communication

Hall and Hall (1990) make distinctions between high context and low context cultures. "Context is the information that surrounds an event. A high context (HC) communication or message is one in which most of the information is already in the person, while very little is in the coded, explicit, transmitted part of the message. A low context (LC) communication is just the opposite; i.e. the mass of the information is vested in the explicit code." (Edward T. Hall, 1976 cited in Hall and Hall, 1990).

Thus, in low context culture, communications are supposed to be clear, direct, and should be assessable, information spreads rapidly and flows freely. Meanings of events are universal.

In high context culture, the access to information is a privilege, communication is situational, personal, and subtle: non-directness and ambiguity are encouraged, information is highly focused and controlled. It is an instrument of management and control. The meaning of words and actions depends on the context, on who, why, and under what condition is speaking.

Time

- *monochronic versus polychronic*

Monochronic time means paying attention to and doing only one thing at a time. In this system, time is experienced and used in a linear way, it is scheduled and compartmentalized. The schedule is extremely important and not a subject to disrupt. People don't like to be interrupted. Time is extremely valuable. One speaks about time as a spent, well used or wasted. Monochronic time is linked with efficiency.

Polychronic time means being involved with many things at once. It is more important to pay attention to human relationships than to schedules and efficiency. Time is less tangible and can be compared to a single point than to a road in this system. Punctuality, deadlines may not have a high value in such societies.

- *Short-term versus long-term orientation*

Hofstede (1991) introduces the dimension called "Confucian dynamism" or long-term versus short-term orientation. This is the extent to which people prefer future-oriented perspective (dynamic thinking) over present-oriented perspective (static thinking).

Summarizing the description of basic cultural dimensions, it is worth to emphasize that culture is always more than just the above-mentioned assumptions and that all discussed dimensions are interrelated (Schein (1988), Schneider and Barsoux (1997)). For example, the character of the relationship with nature has the implications for the nature of human activity and truth. If nature is perceived as dominant in the culture, i.e. people do not believe that nature can be managed, the being activity has a priority, the person himself is

more important than what he does. It means that the priority of the ascription is over achievement, relationships are over task performance, the group over the individual, etc. One dimension is always linked with another, and some of them are often presented together.

2. Kazakhstan: general information and the management culture literature review

Kazakhstan declared its independence in 1991 after being one of the republics of the Soviet Union for 70 years.

Natural resources, land, a skilled and cheap labor force, political stability, and a favorable geographical location are among the major factors which attract foreign companies to do business in Kazakhstan. The country has enormous rich natural resources. 99 elements among 110 elements of the Mendeleev periodic system are found in the depth of the country. Ethnical kaleidoscope of the country (Kazakhstan counts more than 100 nationalities) is unique because of nationalities' diversity and variety of religions: apart from Kazakhs and people living in neighboring countries such as Russians, Kyrgyzs, Uzbeks, Uighurs, Dungans, etc., there are Koreans, Tatars, Germans who were transferred respectively from Vladivostok, Krym and Volga region by Stalin.

Kazakhs represent the transitive race between European and Mongolian South-Siberian race. In the language respect, Kazakhs belong to the Kipchak group of the Turk languages. Kazakhs are Sunni Muslims (web page of Kazakhstan, 1997). The original lifestyle was herdsmen or nomads till 1930s, when the period of forced collectivization started in the Soviet Union.

During the collectivization period, which was characterized by execution and famine between 1926 and 1939, the Kazakh population in the Republic decreased from 3.7 to 2.3 million that is by 38% (Kolstoe, 1995). Part of Kazakhs emigrated to China and Mongolia, but significant decrease in population was due to the execution and starvation. Kazakhstan was the only republic in the Soviet Union in which the titular nation was in minority: 38% of Kazakhs as against 40% Russians in 1930s, 30% as against 42.4% in 1959 (Kolstoe, 1995).

Kazakhstan has undergone the strongest russification during the Soviet Union period because of the strong concentration of Russians and also because of the low status of the Kazakh language in the Soviet Union. According to the research made by Kolstoe (1995), less than 1% of Russians in Kazakhstan could speak Kazakh language, and it is the smallest percentage of Russians speaking the titular language among the former Soviet Union republics.

At the present time, there are 34% of Russians living mostly in the north of the republic. This significant presence of Russians explains the country's internal policy, late proclamation of the independence and recognition of the Russian language as the language of communication (not the official language) in particular.

Kazakh intellectuals declare that only 60% of the Kazakh youth master their native language (Kolstoe, 1995). Russian was and still is the language of conversation in large cities where "elite" is linguistically russified.

The last time, nevertheless, rather fast derussification process and the process of national identity are observed: the law imposing the use of Kazakh language was adopted. Cultural organizations directed to the preservation and development of national language, culture, tradition, etc. appeared last time.

In their paper prepared for the research workshop "Privatization in Kazakhstan", Dana Minbaeva and Nigel Holden (1998) propose to use the term *Kazakhstani* management culture as opposed to Kazakh management culture because of ethnic heterogeneity.

The percentage of ethnic present in the country with total population 16.5 million is as following (web page of Kazakhstan, 1997): Kazakhs 48%, Russians 34%, Ukrainians about 5%, Germans 3%, Uzbeks 2.4%, Tatars 2%, other ethnic groups are presented in less than 1%: Belarussians, Koreans, Uigurs (more than 100 nationalities in total).

It is reasonable though to describe the Kazakhstani business culture as the synthesis of all ethnic groups' cultural components, but it is true that the business culture is mostly the mixture of Kazakh and Russian components with an influence of other ethnic groups elements. However, it is not as simple as that: the Soviet time had a strong influence upon the management culture. In addition, at the present time of constant changes toward the market relations, the increasing influence of western-type management culture on Kazakhstani culture is observed. The significant presence of business schools providing the western concepts of a free market economy is one of examples.

Political system, law, and economy.

The Republic of Kazakhstan is a democratic, secular, and unitary state. The President of Kazakhstan is the head of the state. The Parliament of Kazakhstan is bicameral and consists of two chambers. The head of the executive branch of power in the country is the *Government*, which is appointed, reports to the President, and is subject to approval by the Parliament. The Government consists of the Prime minister, two Deputies of the Prime Minister and 12 Ministers (web page of Kazakhstan).

Despite the attempts of the government, the legislative policy is loose because it directs to fulfil a short-term needs of the country in transition (Taylor, 1997). Laws are changed frequently that can be explained by the meeting short-term needs, the parliament is slow to approve them. Some business and activities are still regulated by the old Soviet legislation. As a result, the corruption exists at all levels of highly complicated hierarchical scale. In such atmosphere of bureaucracy, it is crucial for every businessmen to have good connections in order to manage the problems of registration, licensing, transport, taxation, and security (Taylor, 1997). Good connections means the connections with right people: family, friends, friends of friends, etc. However, it mostly means blood relatives (Holden and Minbaeva, 1998).

Kazakhstan was formed and remained as the raw material's adjunct in the economy of USSR: the country has the primary economy, mining industry and agriculture (web page of Kazakhstan). At the present time, the country is the biggest producer of ferrous and non-ferrous metals, uranium, coal, oil, corn, and products of stock-breeding.

Even now, the country remains dependent on Russian economy because Russia is the biggest major trading partners.

Brain leakage from universities is considerable and it causes the crisis of the education system well developed in the past. In addition, students who have an extremely small stipends and who are not sure to find the well paid job after graduation, begin to doubt the value of education (Taylor, 1997).

Additional problems are the intercontinental position of Kazakhstan, the remoteness from the sea, the particular infrastructure created in the Soviet time and directed to maintain the

connections among republics (there are few transport and pipe lines which connect the main economic units such as plants and deposits of mineral resources within the country).

To overcome this crisis, Kazakhstan began the privatization process in 1993. The policy to attract foreign capital is announced. The establishment of joint ventures, representative offices, and subsidiaries was aimed to encourage the foreign investments in the economy. It included small and medium scale, mass, and case-by-case privatization. The program was ambitious, but slow in implementation. However, there are some inefficient enterprises and public assets such as education and medical organization, organizations of social infrastructure which require enormous government subsidies. Besides, government support are required to resolve the problems of inter-enterprise difficulties: e.g. inefficient enterprise is incapable to pay its debts blocking the activity of its partner.

Budget deficit is becoming an obvious problem: many state employees do not receive their salaries, the delay (sometimes till few months) in payment of pensions, student stipends, salaries of certain organizations by the state is rather frequent.

Hierarchy and Managerial career.

In Kazakhstan as well as in the countries of the former Soviet Union, the successful management career traditionally means the vertical promotion from “rank-and-file to the top of the government or political establishment rather than a company level” (Zhuplev and Kozhakhmetov, “Business Education in Kazakhstan: Ramification Under Transition », p. 69, 1997). To be a member of *nomenklatura*, hierarchy of positions in the key functional areas of government and business administration, is to be a member of the wealthy and powerful group. The entrance into this corrupted group required the nepotism and kinship in the past. These elements of nepotism and relations are still important for successful management career in state enterprises.

According to Holden and Minbaeva, 1998, state organizations are still highly complicated, centralized and vertically structured, they still have a rigid decision-making structures.

Another problem of managerial career is the lack of administration skills needed in the new market relations environment. However, the situation is improving with the appearance of young managers who receive education in a relatively new business schools and institutes.

In the opinion of Chinese researcher Chzhen Kun Fu (1999) who spent five years in Kazakhstan studying geopolitical problems of the country, one of the main reasons of the crisis is the people mentality. He claims that more than seventy years of communist ideology could not pass without trace: the people mentality, their habits, the way of work remain the same. Therefore, even if one can ascertain the collapse of the Soviet Union and the system, it is a formal collapse. Unfortunately, the system is still working.

3. French Business Culture

In order to understand the perception of Kazakhstani business culture by French managers better, one has to be acquainted with their business culture: how French business methods are perceived in the world, what place this culture has. Thus, a brief observation of literature concerning French business is done in this chapter. The literature overlooked is examined by the author through the perspective of cultural dimensions (see the Chapter 1).

Before examining French management culture using above-mentioned dimensions, the opinion of the French researcher Philippe d'Iribarne (1989) is worth to be considered. According to him, it is the logic of the honor that reigns in French society. People have a very strong sense of honor: honor is more important than everything else: money, career, etc. The logic is to accomplish the duties that are set by habit: it is by these duties that groups are identified. The logic is to do the job well: there is a proud of the work that is well done. The job's duties and privileges together characterize the identity of each group.

Hierarchy or power distance. According to prior research results concerning hierarchy and received by Hofstede (1991), the rank number of France among 53 countries is 15/16 (1 is the largest, 53 is the smallest power distance). This rank shows a high value of power distance for French business people. France is considered as a large power distance country where there is a considerable dependence of subordinates on bosses. Many studies confirm the findings of Hofstede. Barsoux and Lawrence (1991), for example, assert that France has a long tradition of hierarchical rigidity, respect for authority, and centralization. According to them, French companies are highly hierarchical with the président-directeur-général (PDG) in the head. D'Iribarne (1989) writes about existing classic images of French hierarchy: centralization, the strong power of the boss, the distance between superior and subordinate.

Femininity versus masculinity. Hofstede's (1991) findings concerning masculinity and femininity place France on 35/36 position (again, among 53 countries). Thus, France is rather moderate feminine culture where more tender, not aggressive behavior for both women and men is appreciated. The compromise and negotiation rather than good fight or even physical violence, are the methods of conflict resolving.

Uncertainty avoidance. France has a rather high score of uncertainty avoidance index in Hofstede studies (1991). The country has a rank of 10/15 with the lowest rank of 53. It means that French culture is characterized by the existence of many rules regulating the duties and rights of workers. Hall and Hall (1990) write about famous rigid French bureaucracy with high centralization.

Individualism versus collectivism. The relative position of France in the table scoring the individualism index is 10/11 among 53 countries: the lower the rank, the more individualist country is (Hofstede, 1991). Thus, France has a reputation of individualistic society with all attributes of it: e.g. they are not good team players from the American perspective, they are not responsive to other people's needs, they don't like to follow the crowd (Hall and Hall, 1990). One has to understand the importance of pride and self-respect of the French to motivate people to cooperate because France is the country of *individualists*: individuality is highly respected.

This dimension is interrelated with *Social versus Task dimension*. As in an individualistic society, in France, hiring persons from the family may be considered as nepotism and is undesirable. From this point of view, France could be considered as universalistic culture where task prevails over relationships. However, there is a specific network of graduates of grandes écoles which plays significant role in the government and business structure of France.

It is worth to briefly describe the hiring process of the country based on education people receive. Those who have a chance to graduate from grande école, have enormous advantages before others to make a successful career in France (Barsoux and Lawrence, 1991). The five most prestigious grandes écoles (the Ecole Polytechnique (X), Ecole Nationale d'Administration (ENA), Ecole Normale Supérieure, and the business schools, Ecole des Hautes Etudes Commerciales (HEC), Ecole Supérieure des Sciences Economiques et Commerciales) contribute to the creation of a high proportion of managers

(cadre), administrators and engineers. People at the top levels are mostly people of this elite group of graduates who maintain school ties after graduation (Hall and Hall, 1990).

Therefore, speaking about French culture, one has to keep in mind the importance of the professional network of elite schools graduates. Personal contacts are extremely important for making a business.

In addition, Hall and Hall (1990), in their comparative study of French, German, and American cultures, mention the importance of not only professional, but social connections also: they affirm that it is possible to find the general director of the company who has his position through the marriage or connections.

D'Iribarne (1989) highlights the fact that the informal relations keep significant place in French management practice. It is very important that people 'have contacts'. To achieve a high level of professional cooperation, one needs positive relations.

Some characteristics of previous dimension are also the characteristics of *Space* dimension. The importance of the connections goes further to the close long-term relationships of the salespeople with their customers as one of examples (Hall and Hall, 1990). According to the researchers, these are important for making a business in France.

One of characteristics of French businessmen is their capacity for quantitative thought and the importance they give to the numbers (Barsoux and Lawrence, 1991). The strategy formulation process highly depends on the number processing. This characteristic could be considered from the perspective of *Nature of reality and truth* dimension. The requirements of strong mathematics knowledge and skills for entrance to Grandes Ecoles and Universities is the confirmation of this. French business people require all figures they can see when studying another company: to estimate the situation, they need to analyze everything and to have their own conclusion. The summary reports made by the management of the company are not enough. There is an admiration and respect of logic: the logic is the basis of French managers thinking.

Another feature of this dimension is that French managers prefer the written communication, all commitments should be get in writing (Barsoux and Lawrence, 1991). Foreign managers, especially managers of those countries where commitments could be done verbally, should be careful: French people like formality and written arrangements.

In comparison with German and American, French business culture is considered as *high-context* and *polychronic* (Hall and Hall, 1990). It means that the information does not flow freely, subordinates do not have some information from their bosses often, people like doing many things at the same time, interruptions are possible, etc.

4. Research Propositions

The theoretical assumptions described in chapter “Culture” are guidelines to explain the peculiarities of the Kazakhstani culture that create problems and difficulties for French managers. These assumptions serve as tools to highlight important dimensions of the studied culture which will not be deciphered fully and profoundly.

In the opinion of the author, the main differences between the two cultures are the differences of Soviet and Western systems. Soviet administration, famous for its high centralization, strong hierarchy, and planned organization, is completely different from the Western market relation system. This system still works in state enterprises and organizations of Kazakhstan. Even if the system is constantly changing, the problems of the former methods of organization remain. People used to live in strongly planned and centralized environment with numerous rules and regulations, they used to obey to a higher power. All decisions were taken by the Center and had to be implemented by the rest of the organization. It means that initiative was dangerous, passive behavior was encouraged. Thus, according to the literature review and the opinion of the author, Kazakhstani business culture is characterized by a highly centralized hierarchy and a preference to a being behavior with strong uncertainty avoidance.

Therefore, it would be reasonable to suppose that the main difficulties experienced by French managers should be the problems relating to hierarchy (power distance), uncertainty avoidance, and doing versus being dimensions.

The scale of degree of significance is as following: highly significant, significant, moderately significant, insignificant.

The research propositions are as follows:

Proposition 1: French managers consider Kazakhstani management culture as a *larger power distance* culture than the management culture of France.

Proposition 2: French managers consider Kazakhstani management culture as a *being rather than doing* culture.

Proposition 3: French managers consider Kazakhstani management culture as a *higher uncertainty avoidance* culture than the management culture of France.

The language is the most important tool of communication, it is the strongest force to unify people. It is extremely difficult to work and have a success in business without speaking a common language. The number of Kazakhstani people mastering foreign languages is not so high and is restricted to the younger generation. On the other hand, the Russian language which is the business language of the country was not among the languages in priority for the French to learn.

Therefore, the author proposes the following:

Proposition 4: *Language* difficulties are *highly significant* problems experienced by French managers working in Kazakhstan.

Other anticipated differences relate to the individualism versus collectivism dimension. The family-oriented, relational culture of Kazakhstan should be different from that of French people who have the reputation of individualists. As it was mentioned above, all cultural dimensions more or less interrelated. The dimension of individualism versus collectivism is closely related with the social versus task and space dimensions. The strong sense of family, which is one of characteristics of Kazakh culture, influences the work behavior of people from the perspective of all these three dimensions. Therefore, the propositions are:

Proposition 5: French managers consider Kazakhstani management culture as a more *collectivist* culture than the management culture of France.

Proposition 6: French managers consider Kazakhstani management culture as more *particularistic (social rather than task orientation) culture* than the management culture of France.

Proposition 7: French managers consider Kazakhstani management culture as a *diffuse rather than a specific involvement culture*.

5. Methodology

The study uses qualitative research method that allows to understand the differences between two cultures perceived by French managers. The study uses an adaptation of the *critical incident technique* developed by Flanagan (1954). A critical incident is defined as a procedure for collecting certain important facts concerning any observable human activity in a defined situation. A critical incident in this study is an event or behavior that defines the problems of French managers when working in Kazakhstan. In other words, critical incidents are specific for French managers characteristics of a new for them Kazakhstani business culture.

A record of incidents (a number of specific observations of particular differences) are collected and analyzed in order to provide a relatively objective description of Kazakhstani business culture peculiarities perceived by French managers.

Schein (1988) emphasizes that to uncover cultural assumptions one has to

- avoid the subjectivity bias of outsider who “inevitably imposes his own categories of meanings onto observed events, and these interpretations are incorrect to an unknown degree” (p.113), and
- overcome internal invisibility of insider who has difficulties in defining the basic assumptions as they are taken for granted.

Interviewing French managers (outsiders) and being Kazakh with work experience in Kazakhstan (insider), the author tries to overcome the internal invisibility and outside subjectivity difficulties.

To identify critical incidents, the interviews with French managers of Joint Ventures and French companies in Kazakhstan were conducted and audio-taped. Each interview was about 20 minutes (the shortest one) and more than one hour-long (the longest one). The anonymity of data is provided. In the case of unwillingness of interviewees to record the conversation on the tape, the tape recorder was not used.

The list of French companies and joint ventures was received in the Kazakhstan embassy in France. The initial contact with French managers was done by fax indicating the general aims of interview asked. The only response was received with the following interview in Paris in March, 1999. Other managers were contacted in Almaty by telephone between June 20 and July 20, 1999.

In total, thirteen interviews were conducted. Among them, only one was not allowed to be audio-taped, it was written up during the conversation. A tape recorder was used for the rest interviews. However, it is worth to emphasize that some managers were very cautious in describing their problems while working in Kazakhstan, and they have not had a strong desire to say “bad things” about Kazakhstani management culture.

Fifteen managers took part in interviews: two interviews were conducted with two managers together each. The gender composition is the following: twelve men and three women.

Interviews were conducted in French, the translation of quotations is made by the author. The number appropriated to each manager is indicated after each quotation.

Interviewees were asked to describe the circumstances of the specific situations in which they experienced problems. Questions asked are as follows:

"Entering a new country is not an easy process. The differences in cultures of your country and Kazakhstan may sometimes cause problems. Can you describe, in detail, when you feel bad about your job working with Kazakhstani managers. Could you provide me with examples from your own personal experience?"

"I am trying to learn in detail what differences in business cultures exist between Kazakhstan and France"

“What do you advice to French managers to know about Kazakhstani management culture before they come to work in Kazakhstan?”

Multiple incidents were collected from each interview. The problems were sorted and categorized into cultural dimensions described in the chapter “Culture”. Some of the generated critical incidents were dropped because they were not relevant. All items were transported to the table which lists each category (cultural dimension). The list of the sorted and categorized problems made for each interview is presented in the appendix.

The next step is to determine the size of each category (frequency of critical incidents' emerging). For all interviewees, the table is arranged in the following way:

Cultural dimensions	Interviewees	1	2	..	13	Frequency of emerging	Percent %
External adaptation							
Relationship with nature:							
- control		X			X		
- uncertainty avoidance				X			
Nature of human activity :							
- doing versus being		X		X			
- achievement versus ascription		X			X		
Nature of reality and truth							
Internal integration							
Human nature							
Nature of human relationships :							
- social versus task orientation (particularism/universalism)		X		X			
- affectivity		X			X		
- femininity/masculinity		X		X			
- hierarchy (power distance)		X		X	X		
- individualism/collectivism					X		
Linking assumptions							
Space		X			X		
Language		X					
High-low context communication				X			
Time			X				

X - this sign means that the problem concerning the particular item appeared during the interview.

Validation of research propositions

The category size of more than 50% allows to validate propositions 1, 2, 3, 5, 6, and 7. For example, if the size of the category *collectivism versus individualism* is more than 50%, the proposition 5 stating that French managers consider Kazakhstani management culture as more *collectivist* culture than the management culture of France could be considered as confirmed proposition.

To validate proposition 4, the size of the category *language* should be more than 75%. In this case, language difficulties could be considered as the problems that are *highly significant* problems experienced by French managers working in Kazakhstan.

By defining the largest critical incident categories the method allows to determine the degree of significance of problems that French managers experience working in Kazakhstan. The levels of frequency of critical incidents' emerging or the sizes of each category are classified following the quarterly percent interval. The intervals and their coding are as following:

Interval (%)	Frequency of emerging	Coding
0 – 25%	Very low	The problems caused by the existence of the differences in the cultural dimension are insignificant for French managers working in Kazakhstan
25% - 50%	Low	The problems caused by the existence of the differences in the cultural dimension are moderately significant for French managers working in Kazakhstan
50% - 75%	High	The problems caused by the existence of the differences in the cultural dimension are significant for French managers working in Kazakhstan
75% - 100%	Very high	The problems caused by the existence of the differences in the cultural dimension are highly significant for French managers working in Kazakhstan

Methodology limitations.

One of the methodology limitation concerns the fact that almost all interviewed managers work in Almaty. The city which has been the capital of Kazakhstan till very recent time (Astana is the present capital since 1998) is still economical, business, and cultural center of the country. All foreign enterprises, embassies, organizations, etc. have their offices in Almaty, many of them are present only in Almaty. The mentality of people, the infrastructure, the general development of the city are different from those of all other cities and parts of Kazakhstan. One can't judge the management culture of Kazakhstan taking into account the peculiarities of the only city, the center. However, it is the representative of the country. Only a few of interviewed managers have an experience of working outside of Almaty.

Another limitation concerns the validation of research interpretation. Critical incidents collected from each interview were sorted and categorized by the author. This categorization, i.e. research interpretation was not discussed with interviewed managers.

It is important to remember the fact that French managers contributed to this research are managers of companies of various types of organization. The perception of the manager working for a state owned organization is different from the perception of the manager heading a private company. The size of company and its activity sector influence the perception of managers as well.

6. Results and discussions.

The final table with collected and categorized critical incidents is as following.

Cultural Dimension / Interviewees (number)	1	2	3	4	5	6	7	8	9	10	11	12	13	Frequency of emerging	Percent %	Level of frequency
External adaptation																
Relationship with nature:																
- control											X			1	7.7	Very low
- uncertainty avoidance		X	X		X	X	X		X	X		X	X	9	69.2	High
Nature of human activity :																
- doing versus being	X		X	X	X	X			X	X				7	53.8	High
- achievement versus ascription														0	0	
Nature of reality and truth	X	X	X	X	X		X	X			X	X	X	10	76.9	Very high
Internal integration																
Human nature	X			X	X	X	X			X	X		X	8	61.5	High
Nature of human relationships :																
- social versus task orientation (particularism/universalism)		X	X	X			X	X	X	X		X		8	61.5	High
- affectivity														0	0	
- femininity/masculinity		X									X			2	15.4	Very low

- hierarchy (power distance)	X			X	X			X	X	X				6	46.2	Low
- individualism/collectivism	X	X	X	X						X	X	X		7	53.8	High
Linking assumptions																
Space	X		X				X	X		X	X	X		7	53.8	High
Language	X	X		X	X			X	X	X	X	X	X	10	76.9	Very high
High-low context communication		X						X			X	X		4	30.8	Low
Time		X		X	X		X	X		X				6	46.2	Low
Corruption		X	X	X		X	X			X				6	46.2	Low

Before going deeper into discussions of the difficulties that French managers have when working in Kazakhstan, it is important to clarify things and give some details observed by interviewees themselves.

First of all, the clear distinction should be made between state own organization and privatized enterprise styles of management.

Secondly, almost all managers have emphasized the difference in mentality of younger and older generations: while older generation (people who are more than forty years old) still have some kind of nostalgia of the former, stable, and habitual for them Soviet time and style of work; the younger generation is more flexible and have a strong desire to learn new methods of work, foreign languages, etc. This opposition of generations underlined by the majority of the interviewed managers is important to remember.

One more dimension was added; it is considered separately and not in the frames of other dimensions. It is corruption that create problems for all foreign people working in Kazakhstan.

EXTERNAL ADAPTATION

relationship with nature:

- control

People of some cultures believe that they are able to change the environment, people of other cultures feel subjugated by nature. There are cultures where people are in harmony

with nature. France is considered to be a culture where people believe they can dominate the environment. Do Kazakhstani people believe that they are able to control nature? What do French managers think about it?

The differences of this dimension are mentioned only by one manager: the level of frequency of critical incidents' emerging is very low. It could be explained by the fact that she is the only manager who has an experience of working in many regions of Kazakhstan because she travels frequently all over the country due to the work specifics. The manager was impressed by the capacity of Kazakhstani people to live in unbelievable conditions outside of Almaty. *"...in Kyzyl-Orda I have seen people living without heating, hot water, with only one hour of cold water in the evening, one hour of electricity in the morning during the whole winter. People complain, but they live. I have never seen such things before... People have capacity to accept many difficult things. People get so used to... that it is normal for them, but... It's incredible, but may be it's not good. They have to move so as to change things..." [11]* For the person from the culture dominant over nature, where people are meant to be capable of changing the environment and not just to accept it, it is surprising to see the tolerance of Kazakhstani people.

Kets de Vries (1998) in his paper about Russian character states that some Russian national characteristics such as courage, endurance, and hardiness have their roots in the harsh climate of Russia. The severe, continental climate of Kazakhstan characterized by extreme seasonal changes: cold winter and hot summer have had an impact on the perception of nature as a dominant environment. The wolf metaphor is popular to describe nomads: the animal who survives, due to its ability to move quickly depending on the danger.

- **uncertainty avoidance**

This category, presented by Hofstede (1991) relates to the extent to which people of different cultures accept uncertain situations. People of cultures of higher degree of uncertainty avoidance establish more rules and regulations in order to reduce uncertainties encountered in everyday situation.

The countries of the former Soviet Union have experienced highly centralized control for more than 70 years. Centralization helped to reduce uncertainty avoidance and to have a powerful control over all parts of people's life. This is a main reason of a great fear to make a mistake, to take initiative. People of the older generation have a strong sense of helplessness and they are afraid of taking decisions.

France, in the studies of Hofstede (1991), has a relatively high score of uncertainty avoidance index. However, differences of this dimension create problems for French managers. A high frequency of critical incidents' emerging of this dimension emerging (69.2%) illustrates the point. Many interviewees mention difficulties which relate to uncertainty avoidance degree: heavy bureaucracy, centralization, detailed and strict law. In order to avoid the repetitions only some expressions highlighting the difficulties connected with this dimensions are quoted:

“...work is difficult here because of hyper centralization, strict regulations, numerous personal categorization...” [9]

“...great difficulties are observed on the administrative level. There are more rules here, the law is more strict than in France, fees are more important. You have to justify yourself in a more precise manner everywhere: in bank, juridical instances, etc. If you have mistakes, it is more difficult to justify... We spend many time on administration. In France, it is also complicated, but it is easier there...” [6]

One of the managers mentions heavy bureaucratic processes: e.g. decisions that are to be done take such a long time, that one should never expect a fast solution to the problem.

For another manager the excessive administration was the most serious problem: *“I have started my business more than three years ago. It was former soviet system of administration: my project, my business... to open it, it took four years to open!.. Not because of financial problems, no, it was the history of late papers, license, customs, etc. Now, fortunately, it is much easier, the system is more open, the administration is more adapted to the environment now than four years ago.” [10-1]*

However, despite the fact that the situation is changing in a positive direction, not only French, but all western managers (the author dares to generalize because the problems of this case were confirmed by other foreign managers interviewed) suffer from the existence of heavy bureaucracy and administration which is one of the biggest obstacles for them to work in Kazakhstan.

To avoid ambiguities in the work, in other people behavior, there is a high concentration on law and regulation design. It causes difficulties for French managers: *“There is a lots of paper! I have twice as many accountants as I need. I do not need so many, but everything must be precise. There is a focus on details or substances” [7]*

Another big problem for French managers is the constantly changing legislation: *“law is changing almost everyday. We work in one way, then, in two days the rules are changed. We have no time to adapt, you always have to be ready for sudden changes.”* [10-2]

The advice of one of the manager is: *“you have to know the law very well to work in Kazakhstan... It is very prescriptive and detailed. In France, we used to do business almost without law, i.e. by experience! Here, law interferes in your work without stops: this you can do, this - not. You think that you can do something like in France, but it could be forbidden. Here, there is no experience, many things did not exist before, it is a law that dictates directly what you can do and you can not.”* [12-2]

There is another explanation of the existence of detailed law and regulations. Privatization, security market, many kinds of bank and financial activities, and everything relating to the creation of market relation economy are completely new for the country. People of the culture of high uncertainty avoidance need regulations for something that did not exist before. Many managers give their opinion on this: *“everything is because of nonexistence of many things in financial sector, for example, the security market is very recent. The youth of the country is the explanation of such a detailed law.”* [12-2]

Thus, the proposition 3 stating that French managers consider Kazakhstani management culture as the higher uncertainty avoidance culture than the management culture of France is confirmed.

nature of human activity

- doing versus being

As it was mentioned above in chapter 2, the being takes priority over the doing behavior in the cultures where people do not believe to dominate the nature. While people of doing cultures are more active and try to achieve something in their life, people of being cultures exhibit passive behavior. The interviews with foreign managers prove the assumption that Kazakhstan is being rather than doing culture.

The Soviet regime influenced people's behavior. Initiative was not encouraged, the slogans were: continue to work like you work now or do what you are told to do. The passivity, the absence of initiative create difficulties not only for French but for all western managers. The level of frequency of the dimension problems emerging is high (53.8%). The majority

of interviewees complained about these problems. There is no willingness to take initiative, to take responsibility.

“...I would say people have ‘ostrich behavior’: they know the problem, but they hide their heads. The problem remains. The reason, I think, is in the Soviet Union heritage: standardization of everything, people follow norms and rules: it kills the initiative, it makes people passive. People have instructions and procedures, there is no desire to take initiative, to change things... In addition, there was no economic criteria. People did not need to economize resources, everything was planned and centralized. For example, electricity was free of charge, people did not care how much they spend, is it reasonable, etc. Now, it is different, you have to pay for everything, but the mentality of people is the same. For example, people are able to spend much electricity only to follow the previous methods of work. Nobody wants to take initiative to change and improve the situation.” [5]

While the western system is run by the notion of profitability, to gain money, receive profit, obtain interest, the Soviet system had different objectives. *“...the labor cost did not exist. In western countries, it is extremely expensive because of salary, social security, etc. It is not the same way to understand and view things. There are no capitalist references: interest was to MAINTAIN PRODUCTION. Everything was organized by the state, there were no costs, everything was public...” [1]*

It is worth to emphasize that in this case, working for state or privatized enterprise does not play an important role. Managers from both types of organization: state and private notice the problems of initiative, creativeness, passivity, and responsibility.

“There is not much initiative. People do not come with many ideas. I think because people, especially older employees, they are still in Soviet style, for them it is difficult to change. Before, there was no need to make profit, the whole system was based on that everybody has equal sharing of profit, revenues, etc. If you are not successful, you still could survive due to authorities. Now, it is changing, people get used to the fact that they have to make money to survive, they have to eat.” [1]

The problems of this dimension are closely connected with the dimension hierarchy or power distance. The fact that Kazakhstan is a culture of high power distance degree (discussed below) interrelates with the being perception. The absence of initiative and lack of creativity are mainly the causes or consequences of acceptance of the higher power.

“...people mentality is the biggest problem for me, it is difficult to work with people... ideas that they have had during many years... The question of responsibility, for example. My boss told me this, it is my work, I will not do the rest: there are no deviations neither on the left, nor on the right. It is not like this in our system, you have to look around to understand better, to work better. Here, I have an impression that people think like: I am not interested in this, it does not concern me. It is an absence of initiative. And it is married with the question of responsibility. They do not take responsibility, they are not interested in taking initiative: they do not view the potentiality that lies behind the initiative. For them, it is OK, to work at the same place instead of progressing, instead of being promoted by taking initiative. It is changing, but it is still the problem.” [10-2]

It would be worth to highlight the difference between the mentality of old and young people once more. In the opinion of some interviewees, the process of adaptation of the younger generation to a new style of work is extremely fast; but it is difficult for the older generation: *“for people who always lived in a different way from our society it is almost impossible to change. Nobody was responsible, it was the kingdom of impersonality. The state, impersonal state is a monster which created anonymous society where there is no personal responsibility.” [1]*

Fortunately, the situation is changing. The speed of change depends mainly on the type of the enterprise in consideration. While people working for state enterprises retain the same behavior only because they do not know any other way, employees of foreign organizations or privatized companies adapt to the new situation.

“...when I started my business here, I faced strange for me situations: if there is a problem, local people are not in hurry to analyze and solve it, they start to cry and postpone it. Sometimes, being in France I received the calls from my subordinates saying ‘we have a problem’, that’s it. Now it is different. They call me, they indicate problem and! they propose solutions to this problem. It is called initiative. And it is great to feel it after all.” [3]

Thus, one can observe the negative influence of the Soviet system on the levels of passivity, lack of initiative and responsibility, and the absence of creativeness among the older generation. The system called by one of the manager "anonymous society" had a different economic view. The elements of this anonymous society such as total

standardization, existence of norms, work segmentation, high hierarchical administration scale, total centralization, and false equality were the cause of all problems mentioned in this paragraph. It is worth to underline that all these problems concern more the older generation rather than the youth.

Proposition 2 is confirmed. French managers consider Kazakhstani management culture as being rather than doing culture. Differences of this dimension are significant (the level of frequency emerging is high, 53.8%).

nature of reality and truth

The way of determining truth varies from one culture to another. People of different cultures judge the reality differently.

The majority of French managers experience difficulties relating to this dimension. This category turned out to be one of the largest category. The level of frequency of critical incidents' emerging is very high (76.9%).

The reality was perceived otherwise in the Communist. All decisions were imposed from above, employees were supposed to follow their bosses without any right for their own opinion. As a result, the notion of personal responsibility was transformed into the notion of collective responsibility: all people together are responsible, but nobody personally. There was a gap between what has to be done and what is the reality.

These problems: problems of word, signature responsibility, etc. were noticed by many managers:

“...I notice the following thing. Kazakhstani managers sign the contract, but they have no money. It happens often. It is the inverse process: they are looking for the sources to perform contract after the signature, not before like in France..” [3]

“I have seen it many times. People sign contract, project starts, and then, suddenly, in the end of the month your partner stops his activity.” [7]

Manager working for state company is completely upset with the present situation:

“...the level of management is zero, it is nothing, it is catastrophic. Management never knows what situation it has now, where they are now on the level of performance. They did not understand why it is important. There are reports, etc., but the numbers in these reports are not good at all, they are not true. I have already mention the rule of standards here. It is again because of this. Everything is based on these norms, all results on the

management level always connected with them. Local manager does not hesitate to remake numbers in order to follow standards, he invents something easily. ALL STATISTICS IS FALSE. People tell their bosses what they want to hear, not what is in reality. Balance performance is awful. They change figures of profit and loss account to have a good balance.” [5]

Taking into account the importance that French managers give to numbers and logic, it is easy to understand that French managers experience great problems relating to this dimension.

One of the managers emphasizes the importance of the stamp for people. It is also one of the former era heritage: believe in a higher power, anonymous authority: *“The stamp is extremely important in Kazakhstan, its value is something... In France it is neutral, the signature is important, here, the stamp is more valuable than the signature”.* [1]

One can conclude that there are many aspects of this dimension that are perceived differently by French managers. The differences in the perception of the reality and truth are highly significant.

INTERNAL INTEGRATION

human nature

The frequency of critical incidents' emerging of this dimension is high (61.5%). The perception of human nature by French and Kazakhstani managers is different from the point of view of French managers. One of the observations made by many managers concerns the service notion. The service notion reflects how people treat each other, how they perceive the human.

One of the relics of the Soviet time Era is the absolute absence of such notions as *service and customer*. The western slogan “the customer is king” was completely alien to the soviet way of administration and management. French managers were shocked by different mentality.

“...people mentality is the biggest problem ... It is difficult to work with people: there is no notion of service at all, no willingness to anticipate customers' desire. The great challenge that I had with my staff was to make them understand the service notion. People have problems with the smile, they do not understand that with a smile they can achieve much more than with the manner they act.” [10-1]

One of the managers is surprised by the existence of the gap between the complete absence of service notion in the administration and the ability of Kazakh people to serve personal guests in the best way. He is pleased to note the Kazakh hospitality, politeness, tact, correctness, curiosity, ability to learn and serve without losing dignity. He said that in the personal sphere the notion of service is working very well: people know how to receive guests. Unfortunately, a high appreciation of people traditionally kept by Kazakhs was not transferred to the soviet style of working where people were more demanders rather than a customers.

The former ideology of total suspicion, control, and verification has had a deep influence on people mentality. One of the examples is cited by a manager who works for an audit company:

“In Kazakhstan, people are afraid of audits. People always remember the soviet era when auditors came to inspect and to punish. They see us as the controllers, therefore the reaction is negative. They think that we are going to report to their boss about their mistakes. In reality, we are there to discuss mistakes if they are in order to improve the situation and to solve problem. It is not for punishment.” [11]

Another manager when speaking about the problems on the administration level (see uncertainty avoidance dimension) notices the perception of human nature in Kazakhstan.

“In Kazakhstan, you are guilty a priori; in France, you are not guilty a priori...” [6]

In his opinion, there is a tendency to suspect people and mistrust them. His view is shared by other managers:

“...the first people reaction is mistrust and suspicion. They say to themselves: attention, he wants to have us. I think it is not only toward foreigners: it is my partners, Kazakh partners who deal with customers, with other companies, etc.

For example, when you introduce a new product to them... They think immediately whether this product is a true product or it is a falsification. It is difficult for me to understand. They always doubt. You have to always create the trust atmosphere, present the certificate. However, as soon as you created good relations you do not have such problems.” [4]

One of the manager notices *“management paradox in Kazakhstan. There are so many norms and standards to be kept, people know about all of them, and they follow them*

formally, but not profoundly. You can easily observe a bad quality of the work because of this. You have to always check. There is no trust, you have to be always behind people to check that they are working well”.[6] In other words, this manager applies the theory X described in the theory observation (McGregor, 1960 cited in Adler, 1986). In this theory, workers are supposed to be lazy and need to be supervised and controlled.

The above-mentioned tendency of mistrust and suspicion could also be explained by the economic situation of the country at the present time. During the transition period from soviet era where there was no choice at all to new market relations where many new products and types of service invaded the country, there are enormous kinds of “pirate” things, falsified products, etc. People have had many problems with that, as a result, there is a certain suspicion which is reasonable in this situation.

The negative reactions penetrated to the personal life also: *“The manner of phoning here is very unpleasant. People call, ask something in a not polite way, and then they can hang up without saying anything. It is rather rude sometimes. In professional sphere it is much, much better now than five years ago.”* [11]

However, the same manager adds: *“Now, I do not pay attention to all of this. I know now that if I start to speak to the person who has just pushed me, he would be extremely glad to have a conversation with me, he would be very curious and open. It is impressive: the coldness of people in the beginning and immediate warmness, smile, curiosity after you start to speak to them. There is a certain cold ‘facade’, but they warm out fast. I communicate with people much better here than in France.”* [11]

nature of human relationships

- social versus task orientation (particularism/universalism)

Do French managers view Kazakhstani business culture as universalistic (task orientation) culture where rules reign the society and where all people are treated equally? Or they view it as particularistic (social orientation) culture where relationships are more important than rules, where people are treated on the basis of relations?

61.5% (high frequency of critical incidents' emerging) of French managers consider Kazakhstani management culture as a culture of social rather than task orientation. It is the

country of *particularists*. It is the rule of the Kazakhstani society to always help family and friends. Cheating in order to help friends during exam is the question of honor, giving the job to cousins rather than to unknown people is normal. People easily break rules in the favor of their relatives and friends. From universalistic point of view such an attitude is a corruption. French managers perceive nepotism as corruption.

Interpersonal relations are very important for Kazakhstani people.

“...connections... It is important. To do a certain business, you have to know certain people. Big positions in the administration are always given on the basis of acquaintance: the husband of top manager’s daughter, relatives, friends, etc.” [10-2]

“The main problem for me is to make people understand that we have different system: it is the equality that rules our organization. In local organizations it is not. They treat customers differently. They treat them on the basis of personal attitude: if he is M. X, he has advantages; there are preferential problems.” [9]

“...it is relational country. It is necessary to create warm atmosphere with your partners and customers to work well...” [7]

One manager, emphasizing the differences between older and younger people mentality, notices: *“It is a young people who are the future of the country, they are progressive. They want to stop corruption, nepotism, etc., they want to change the country as soon as possible. BUT among younger generation there are some that are worse than some people of older generation. They want to maintain the present situation because they have direct connections with the top caste of former hierarchy.” [2]*

Managers who were quoted above consider the particularism of the country with neutral or rather negative attitude. However, some managers have positive attitude toward this characteristic. They understand that instead of trying to change the culture, it would be better to adapt to it. One of the manager says that foreigners do not have to expect local people adapt to their rules, it is the task of expatriates to accept the values of society where they work.

“There is an importance of connections here. It is almost the same in France, but here, it happens more often. It is normal, I think. It is normal when you are trying to find a better job for your son or daughter and you use your relations and connections. Of course, in a legal way, but still...” [13]

As it was mentioned in the chapter devoted to the description of French business culture, social connections and relations are important in France. However, Kazakhstani culture is perceived by French managers as more social oriented than their own culture. Thus, the proposition 6 is confirmed: French managers consider Kazakhstani culture as more particularistic than the management culture of France.

- **individualism/collectivism**

The size of this category is as large as expected (the level of frequency of critical incidents' emerging is high, 53.8%). France is considered as the country of individualists (see literature review): the interests of the individual prevail over the interests of group. Kazakhstani mentality is collectivist mentality for French managers: the family and the tribe are important, the interests of group prevail over the interests of individual, people define themselves as members of a group. Everybody knows to what tribe and zhuz (clan, there are three zhuzes called senior, medium, and junior) his/her family belongs. To know one's tribe, the names of one's predecessors (at least seven) is the kind of one's pride and dignity for Kazakh people. To help one's relative is one's duty, moral obligation.

Many managers recognize the importance of the family.

"The weight of the family is specific here. As I know, such notions as region where people live or their ancestors lived, and zhuz are very important for Kazakh people. It is fundamental what family, region, and zhuz you are from. Origin is important. People judge each other on the basis of this, on the basis of their history. There is a very strong family obligation." [1]

Kets de Vries (1998) mentions the "mir" (literal translation from Russian are "world" and "peace" at the same time) mentality of Russians which contributes to the collectivist vision of life, importance of the group, clannish loyalty, conservatism.

However, despite collectivist vision, Russian culture is considered by French managers as less collectivist than Kazakh culture. One of the French managers mentions differences between Kazakh and Russian mentality: *"The mentality of Russians is closer to European than to Kazakh mentality. Russians of Kazakhstan are different from Russians of Russia, it is intermediate position between Kazakh and Russian. I know that many Russians try to go to Russia to live, but some of them return because their mentality is different... They try to leave Kazakhstan because, in my opinion, they are not integrated in Kazakh relations well."*

Here, even the government was created on the basis of the family connections and relations.” [3]

The majority of French and other western managers emphasize the collectivist character of Kazakhstani culture. It is family oriented culture with well developed understanding of group belonging. The family values have priorities over the rest.

“Without the risk not to be right I can say that it is a clan culture.” [12-1]

The problem of the country’s management is that the interests of the family as a group are more important than the interests of organization as a group. The remark of one of the managers is the best confirmation of this: *“In Kazakh family... They never leave somebody of their family outside. If somebody has difficulties, all family members add him/her, they give money if needed, etc. Everything for him or her to survive...” [2]*

The proposition 5 is confirmed. French managers consider Kazakhstani management culture as more collectivist culture than the management culture of France.

- femininity/masculinity

The extent to which people prefer values of success, competition, and assertiveness over modesty and concern for others is different in different cultures. People of masculine cultures behave in aggressive, tough, and competitive way; there is a clear distinction of social gender roles. People of feminine cultures prefer more tender behavior. The distinction of social gender roles is not so clear (Hofstede, 1991).

Kazakhstani society which is the society of traditional Muslim values (at least for the half of the population) was the culture where the social roles of men and women were clearly distinct. At the present time, the situation is different: women are starting to play important role in the society. The distinction of social gender roles are not noticed by French managers.

Some of the interviewed business people mention the toughness of Kazakhstani culture which indicates its more masculine character in comparison with the French culture. *“...it is a violent culture, I would say. And it is a conflict culture. I observed a conflict situations. People say: if you continue, I will hire somebody to beat you. In France or Britain or wherever in Europe, there is never a physical violence. It is more by negotiation and compromises that you try to solve the conflict in Europe.*

I have an image of Kazakhstani culture, I see it as a pond: it is like a sleeping water, but a great battles which are very difficult to suspect happen under the surface.” [2]

Only two managers out of thirteen are touched with the more masculine character of Kazakhstani culture. Others either do not mention problems of this dimension at all or do not find significant differences.

- **hierarchy or power distance**

The main idea of this dimension is about how people perceive inequality. This is the extent to which hierarchy is respected. As it was mentioned before, the studies of Hofstede (1991) show that France is considered as a relatively large power distance country. France has a long tradition of hierarchical rigidity, respect of authority, and centralization.

Soviet centralization and control with a highly hierarchical bureaucracy contributed to the creation of a strong respect and obedience to the authority. The status and position were more important than a person himself.

As it was discussed earlier, being versus doing dimension is interrelated with the present dimension. The problem of initiative is the problem of hierarchical scale organization: *“...the notion of initiative is different. In France, you have to discuss possible solution to problems to find right decision. In Kazakhstan, it was dangerous to be initiative as the proposal could be wrong. You became guilty: you destroy or damage the industrial machine. In France, initiative comes from a lower level to the top. If it is good (the verification and approval is done by top management level), it is applied and implemented. It is never dangerous because it makes people think. In Kazakhstan, it is not possible. It is always the top management who decides what, where, when, and how things should be done. Nobody in a lower level of hierarchical scale pays attention whether it is a good idea or not, they just do it. For older generation who have always worked like this, it is impossible to change. There is the fear of initiative, the fear to recommend something to a boss because he/she may not like this idea.” [1]*

According to French managers' observations, Kazakhstan in comparison with France is the culture with a higher degree of power distance acceptance. In this larger power distance atmosphere, the dependency on the boss is high, contradiction to a higher authority is almost impossible, people easily accept the dependency.

“The notion of hierarchy is stronger here, much stronger than in France. In some societies, and it is in Kazakh mentality,... there is one boss, and then...around him there is

nothing...very often, there is no responsibility delegation. It seems to me that it is rather new - to delegate responsibility. It is ever-present in government and administration. The boss decides, others execute.” [4]

The absence of the delegation of responsibility is one of characteristics of a highly centralized system and a strong hierarchy.

Power is highly centralized, and only few people on the top manage organization. One manager working for state enterprise says: *“People tell their bosses what they want to hear. They are able to lie. People from my staff have desire to work, but they do not change, they do not worry to loose their job. The project is closing soon, they do not move, they are not looking for a new job. They trust me, they think that I will try to find the job for them. And it is true. There is a total patronage.” [5]*

The phrases like *“People tend to often accept what higher people tell them to do” [10-2]* are typical for French managers expressing their opinion about Kazakhstani culture.

The situation described above is typical for state owned organization where the soviet high centralized administration is still in presence. It is also true for places where older people are the majority of the employees. In private and foreign companies the situation is changing: *“...yes, it is changing due to young people. They are very eager to learn, to change, to know new ways of working. For them, it is an advantage to have the possibility to speak, to propose things, to take decisions together...It is a part of my work here, the pedagogy. It is extremely interesting to create a team, to trust, to work together well.” [1]*

On can not conclude that Kazakhstan is the culture of a larger power distance in comparison with France: a low level of frequency of critical incidents' emerging (46.2%) does not allow to validate hypothesis 1. The differences of hierarchy dimension are moderately significant for French managers working in Kazakhstan. The rigidity of French hierarchy was underestimated. However, almost a half of the interviewed managers mention the difficulties they experience concerning hierarchy. French managers indicate that there are characteristics of autocratic leadership style with the lack of responsibility delegation, low emphasis on participation, and the authority by position and rules in Kazakhstan. People do not contradict bosses, do not confront managers, they accept the dependency from boss, they do what they were told to do. It is due to young people who receive education in new Kazakhstani management schools and universities, who receive their education abroad, who learn from their experience in privatized companies or foreign

enterprises, that the situation is changing. But still, all problems of the soviet heritage are to be solved in one generation period.

LINKING ASSUMPTIONS

space

In the theoretical part of this paper, the different types of the range of involvement defined by Trompenaars and Hampden-Turner are described. These types are U-type (specific) and G-type (diffuse) “life spaces”. People of U-type life space culture tend to separate their life in different sections, i.e. the person who has an access to one of the level of life space does not necessarily have an access to another level – there is a separation of different types of activity. In G-type culture, people tend to mix all levels of their activity, the person's ideas are not separated from him (her). All problems are viewed as highly personal problems.

Using these models and comparing only two countries, Kazakhstan could be defined as rather G-type or diffuse involvement culture and France as rather U-type or specific involvement culture. This conclusion is drawn from the perception of Kazakhstani culture by French managers.

The majority of French managers notice the differences of this dimension, and apart from one manager, interviewed people do not indicate them as difficulties. The positive attitude toward the differences in the way of working is observed. Many managers speak about the mixture of professional and personal life in Kazakhstan.

“There is a mixture of personal and professional events. It does not exist in France, people try to separate these spheres. In Kazakhstan, birthdays and some private events are celebrated at work place also. I was very surprised and touched when I came at work on my birthday. My subordinates organized a party, the party with the table, presents...” [1]

“In France, sometimes, you do not even know with whom you are working: you are communicating by e-mail, fax. Here, in Kazakhstan, you always know and you have to know. It is a very strong feeling of chumminess. People invite you at home, you go to the restaurant together, etc.” [8]

There is no separation between the image of the person at work and the person at home.

“...when my partners learnt that I have a six-month son, they immediately asked his photo, they asked detailed information about him, my feelings, etc. It never happens to me in

France. In Kazakhstan, people with whom I work are always interested how my wife is doing, what news (personal news) I have, etc.” [8]

Some of the managers are pleased to notice a warm atmosphere of the party à la Kazakh. Other managers like the habit of Kazakh people to make a toast. *“Here, when you sit with your friends, customers or partners at the table, you make a toast. I like it very much, you become closer to people. It is the art of speech, you speak out what you feel. Even if it is not complete true that you are saying, there is always a part that is true. It creates an incredible atmosphere. Most of customers became my friends. I think it is necessary to work here. In France it does not exist...” [7]*

Thus, proposition 7 is confirmed. French managers consider Kazakhstani management culture as diffuse rather than specific involvement culture. The level of frequency of critical incidents' emerging is high (53.8%).

language

Kazakhstan is the country of linguistic heterogeneity with two official languages: Kazakh and Russian. As it was mentioned above, Russian is still the language of everyday life, business, administration, etc. in large cities. At the present time, one has to master Russian in order to be able to work in the country. However, due to the government policy, the need to speak Kazakh is increasing: law requires to have all documents of organization in Kazakh, Russian, and English for foreign enterprises or joint-ventures.

All French managers who do not speak Russian emphasize a high importance of mastering it. Not speaking Russian creates problems in business affaires. Below are the quotations from some interviews:

“...using interpreter you loose a very important things such as intonation, the sense that lies between words. People rarely speak English on the governmental level, you almost never meet people speaking French...” [1]

Generally, the opinions are like *“it is very difficult to work without Russian: it is impossible to create relations, you can not even to have a diner with your partner without translator, you always depend on your translator...” [5]* or

The first rule in showing a high respect to people is to speak their language: it shows one's willingness to communicate, one's openness and desire to work together in a long-term

perspective. One of the managers says about his colleague: *“as soon as she started her work here, she was immediately invited by Kazakhstani people to anniversaries and parties. She speaks Russian very well while others do not...”* [12-2]

It is worth to learn the language for successful business activity taking into account a high importance of relationships in Kazakhstan. One of the managers shares his experience of the language problems and highlights the importance of the ability to speak Russian. *“I have not spoken Russian at all when I arrived. Now, I understand, I have an advantage to listen to the conversation twice during the negotiations: people speak, then interpreter translates. It changes everything. When you understand the language there is a different lighting: the image of people in front of you change, you understand people’s humor, relations become less distant. The rhythm of conversation is changing without translation, translation always makes communication artificial. Direct conversation allows to understand people reactions...”* [12-2]

At the present time, it is enough to speak Russian for foreign managers who want to master local language. However, with the time, the need to speak Kazakh will be essential. One of the manager speaking a good Russian notices: *“I learnt Russian after I arrived in Kazakhstan. The ability to speak Russian eases the work here very much. However, often, I have meetings where the majority of people are Kazakh. If they do not want I understand them, they speak Kazakh.”* [8]

The level of frequency of critical incidents' emerging is very high (76.9%). The problems coming from not speaking Russian by French managers are highly significant, the proposition 4 is confirmed.

high-low context communication

Hall and Hall (1990) define culture as communication, they distinguish high- and low-context communication cultures. Low context culture is characterized by free information flow, clear communication process. In high context culture, the information is focused and controlled; it is the instrument of control and management.

For one of the interviewed manager, the problem of information is a central problem in Kazakhstan. *“Here, people believe that INFORMATION is not something that should flow freely. To receive information, you have to put much efforts, to give a good reason. The spontaneous flow of information is something that does not exist here... It is difficult to*

obtain an answer to a simple question. Even in the case when an enterprise is interested in our service, and we ask necessary information, we have difficulties to communicate... It is not straightforward: you want this, we need this in exchange – it should work like this, but here you always hear: Why do you need this information? I have noticed that our questions are perceived almost like an aggression.” [12-1]

It is in the cultures of high-context communication where information is considered as the instrument of power. The owner of information has advantages, therefore there is unwillingness to share information.

The manager adds. *“I have another experience with the society where there is a double management: foreign and local at the same time. It is very interesting to notice that there is no visible communication between foreign auctioneers and local management.*

For me, it is the biggest problem here because for me the information is the MOST WANTED COMMODITY.” [12-1] France is considered as the culture of high-context communication. However, one can observe that the way Kazakhstani people deal with information creates problems for French managers. The access to information is more difficult, information is highly focused and controlled. The ambiguity, passing round, non-directness, non willingness to share information are usual situations that create difficulties for French managers in Kazakhstan.

Another manager is also annoyed by the information flow difficulties: *“People do not like to tell bad news in business. For example, the government organizes a tender, everybody has this information, everybody waits, waits, but nobody knows what is happening. If this tender is postponed or cancelled, the participants have the right to know about it. But here, there is a tendency not to tell bad and exact news.” [2]*

Even if frequency of critical incidents' emerging is low (30.8%), it is worth to pay attention to the problems of this dimension.

time

- monochronic and polychronic

According to the literature review and personal observations of the author, France is considered as polychronic country: the culture where people pay more attention to human relationship than to schedules and efficiency. However, everything is relative: France is the

country of polychronic time in comparison with United States, but it is less polychronic than Kazakhstan. The author is surprised by a small frequency of critical incidents' emerging of this dimension, the presence of more important differences relating to other dimensions and the limited time of interview could be the explanation of this.

The only manager speaking about this notices a more polychronic character of Kazakhstani culture: *“There were strange things for me when I came in Kazakhstan... meetings for example... people say: Come in the morning (or in the afternoon), they do not give an exact hour. (I have to add that things are changed since the time I arrived in Almaty, it was in 1993). It is good and it is not good at the same time. In France, you give an exact time, you are under pressure, you arrived at the meeting and you understand that if you come 30 minutes later, nothing dangerous would happen. The manner in Kazakhstan gives you certain flexibility: if you, for example, did not prepare your paper at time, you come a bit later, it is OK. On the other hand, it is not good as you do not used to this manner.*

Another problem is that there are always numerous interruptions during meetings. The telephone is ringing, people answer: I have never had one-hour meeting without interruptions. It is not like this for me: if I fix a meeting, I try to give all my time to the person I see. My secretary tell people who call at this time to contact me later...” [8]

This manager mentions typical characteristics of polychronic time: doing many things at the same time, being involved in many activities at once. Time is less tangible thing, it is less important, schedule can be disrupted, meeting can be interrupted.

- **short- versus long-term orientation**

Some of French managers consider Kazakhstani business culture as a short-term oriented culture. In other words, in their opinion, it is present-oriented perspective (static thinking using the definition of Hofstede, 1991).

“In Europe, the idea of time is different. A manager think like: I will work in this company a certain period of time, I will become a manager in such a period of time. In Kazakhstan, on the question ‘What you are going to do in 30 years?’, the usual answer is ‘I have no idea’. In Europe, the motivation is founded on this, you organize management training, etc. Here, people have an idea about their future few years, but not longer.” [10-2]

The reason of this short-term thinking is the unstable economic situation of the country. It is difficult to plan for a long time in such a situation of uncertainty.

“The government policy is a short-term policy, you see it in the law, its actions, etc. It starts to change... It is a question of economic situation, I think. Another reason is may be corrupted people who do not think about the country, they think about their immediate richness only.” [4]

corruption

The problems of corruption that causes difficulties for all business people in Kazakhstan are considered separately. The frequency of critical incidents' emerging is low (46.2%), but corruption is one of the biggest problem for many French managers in Kazakhstan. The reasons of a such corrupted environment could be the following:

- The heritage of soviet centralized administration where the access to the power and money was very limited and where only few people on the top called *nomenklatura* had all advantages. As a result, members of this corrupted group managed the country. Nepotism, kinship were and are still needed to be admitted to this group.
- A strong sense of the family, G-type life spaces organization, and other features of Kazakhstani people culture have some influence on work organization. The consequences of such kind of behavior like a nepotism are considered by many western managers as corruption.
- Transition period of the country from soviet to market relation economy brings many problems, one of them is corruption. People experience difficult time and unstable situation: many of them try to receive immediate and illegal profit in order to survive.

French managers indicate the problem of corruption and express their worry for the future of Kazakhstan in case if corruption will prosper at the same level longtime.

“Kazakhstan has a negative reputation concerning administration: enormous amount of paper, long time to make them, and bribes. For foreigners, it is easier to work here, we can always appeal to the presidential arbitrage. For Kazakhstani people, it is much more difficult.” [6]

“The first and the biggest problem for me is corruption... every time you do something, you have to see somebody who refuses your paper and documents even if they are OK. It could take two weeks to receive one signature. But if you give a certain amount of Tenge, they do it immediately... I could say that corruption is ‘officialized’ here.” [7]

While one manager defines this corruption as “ever-present corruption”, i.e. corruption presented in all spheres of the country’s activities, another managers calls it “organized

corruption”: *“I would say, it is not a simple corruption, it is organized corruption. Road police, for example. They buy their positions, and then they take bribes to refund their money. It is something... Even if everything is OK, you may have problems easily because they need money, they need to return them.”* [3]

There are some hopeful opinions: *“People gain so little for their life, it is a survival level for the majority of population. I would say, they are obliged to take bribes. A priori, the situation should gradually change with the improvement of economy.”* [2]

Conclusions

The main idea of this study is to give the French managers’ perception of the management culture of Kazakhstan. The aim of this paper is not to give a profound description of Kazakhstani business culture, and it is not to decipher its bad or good features.

All cultures are different, there are no two cultures that live according to the exactly the same regulations, that see the world in the same way. People of one culture perceive another culture through their perspective. Parochialism which is “viewing the world solely through one’s own eyes and perspective” (Adler, 1986, p.5) is something that is extremely difficult to avoid. That’s why one, while reading this paper and getting acquainted with Kazakhstani business culture, should take into account the biased vision of managers of one culture working in another.

It is also important to view this study in the context of its limitations. One of them is the fact that French managers are the managers of the companies of different types of activities and organizations. While some managers work for state owned organizations, others work in private sector; while some managers head small companies, others are the directors of big organizations. It should be taken into account that the ways of the management vary according to the size and the type of the company. The sphere of business activity influences the management style as well: the organizational culture of a bank is not the same as that of an oil and gas company. However, this study provides evidence that French managers working for different companies emphasize for the most part the same differences that exist between two cultures.

Another concern highlighted by the majority of French managers is a significant difference that exists between the mentality of younger and older generations. The work methods and

behavior of young people who have an experience working in foreign companies or who have received their business education abroad or in western type schools of Kazakhstan are completely different from those of older generation who still work following soviet standards.

This study provides evidence that French managers working in Kazakhstan have many difficulties caused by cultural differences.

The results reveal two highly significant problems: one is *language* difficulties, another is difficulties of *nature of reality and truth* dimension.

Therefore, proposition 4 is confirmed: language difficulties are highly significant problems experienced by French managers working in Kazakhstan. The majority of French managers highlight the importance of mastering the Russian language for successful business activity in Kazakhstan. Apart from the advantages of direct conversation such as gaining time, better understanding people's behavior, and independence from interpreter, the ability to speak the language helps to create good relationships with partners and customers. Taking into account the importance of relationships in Kazakhstan, the need to speak Russian is difficult to overestimate.

The other considerable difference between the two cultures is the difference in the cultural dimension *nature of reality and truth*.

This category turned out to be one of the largest category, i.e. the problems of this dimension are mentioned by the absolute majority of interviewed managers. The perceptions of reality and truth by managers of the two countries are different. For French managers who respect given information, who try to find the logic behind numbers, it was a great shock to discover false presentations of results in official documents. The soviet heritage with its false self-presentation is still present in many state owned organizations. People trying to follow standards often present reports of fake results. By now, foreign managers have learnt not to trust statistics and some other documents presented by state owned organizations.

As expected, French managers consider Kazakhstani management culture as a *being rather than doing* culture with a *higher degree of uncertainty avoidance*. Propositions 2 and 3 are confirmed.

The burden of the soviet system with a highly centralized administration, planned organization with numerous rules and regulations to be respected, and a strong hierarchy resulted in the existence of people with passive behavior and the needs of strict regulations to avoid uncertainties. The absence of initiative, lack of creativity, and passivity (doing versus being dimension) are the main characteristics of people behavior that cause problems for French managers. Managers have difficulties coping with the existence of numerous regulations and laws that constantly interfere with the business activity. They also experience problems with the complicated administrative paperwork that takes time (uncertainty avoidance dimension). In addition, the law of the country in transition is always in the process of changing and that is difficult to adapt to.

The findings of this study would seem to indicate that differences in *hierarchy* dimension are moderately significant for French managers. Proposition 1 is not confirmed: one can not say that French managers consider Kazakhstani management culture as a culture of a larger power distance than the management culture of France. The rigidity of French administration and its strong hierarchy were slightly underestimated. None the less, the size of this category (46.2%) is close to the size indicating that problems of the dimension are significant for French managers. Apparently, French hierarchy is not as strong as the hierarchy of the soviet system where people used to be managed and to obey to a higher power. It means that even if problems of this dimension are not among the most important, they create some difficulties for French managers. Thus, these differences should not be underestimated. French managers reveal the characteristics of the Kazakhstani autocratic management style such as the concentration of the power on the top of the hierarchical scale, authority based on position and rules, a low emphasis on participation in decision making process, a lack of responsibility delegation, obedience to higher authorities.

The findings indicate that French managers consider Kazakhstani management culture as *more collectivist* and family-oriented. It is also, in the opinion of French managers, *a more particularistic* culture where social orientation prevails over task orientation. Results also suggest that Kazakhstani management culture is considered by French managers to be *diffuse rather than specific involvement*. Propositions 5,6, and 7 are confirmed.

France, as it was argued earlier, is the country of individualists. From the point of view of French managers, Kazakhstan is a collectivist culture where the family values have a higher importance. Group interests (in this case, the group is the extended family) prevail over individual interests. People treat professional partners or customers on the basis of

relationships. To French managers' surprise, in Kazakhstan people tend to mix private and professional life: people do not separate their "life spaces". To have good results at work, one has to create good relationships with people. People are able to break rules in favor of family members and friends. It is a particularistic culture in the opinion of the French managers, who come from rather universalistic French culture where nepotism, so popular in Kazakhstan, is considered as corruption.

Another discovery of the study relates to differences in human nature perception. The problems caused by the existence of the differences in the cultural dimension *human nature* are significant for French managers working in Kazakhstan.

In the soviet era, people were a priori supposed to be guilty. French managers notice a tendency of suspicion and mistrust among Kazakhstani business people. People are supposed to be supervised and controlled. According to the opinion of most interviewed managers, the first reaction of people is mistrust. It is not a kind greeting with a smile, it is suspicion instead. The service notion so common in France is something that has appeared very recently in Kazakhstan. However, as soon as French managers created friendly relations with their partners, customers, etc., the situation completely changed. Mistrust and suspicion disappear, people start to enjoy a warm atmosphere where there is the above-mentioned mixture of professional and private life. French managers perceive Kazakhstan as indeed a very relational country where everybody is treated on the basis of relationships.

Corruption is one of the Kazakhstani management culture characteristics that complicates the successful work of all business people.

In conclusion of this paper, the opinion of one of the interviewed managers is worth to be considered. According to him, many problems of Kazakhstan relate to the youth of the country, its recent independence, and its transition period. Trying to build a new market economy, the country faces difficulties to find people who are able to manage in a new way. The absence of business education, nonexistence of many disciplines and notions in the past cause problems when creating a completely different economic system. It is the absent experience in many domains of business activity that is difficult to cope with for foreign managers.

People from different economic systems need time and patience to understand each other.

REFERENCES

1. Adler, Nancy, *International Dimensions of Organizational Behavior*, Kent Publishing Company, 1986.
2. Barsoux, Jean-Louis and Peter Lawrence "The Making of a French Manager", *Harvard Business Review*, July-August, 1991
3. Black, J. Stewart, Hal B. Gregersen, Mark E. Mendenhal, Linda K. Stroh, *Globalizing People through International Assignments*, Addison-Wesley, 1999.
4. Chzhen Kun Fu *Geopolitics of Kazakhstan. Between past and future*, Zheti Zhargy, Almaty, 1999
5. Critchlow, James « Kazakhstan : The outlook for ethnic relations », *RFE :RL Research Report*, January 3, 1992.
6. Czinkota, Michael R., Pietra Rivoli and Ikka A. Ronkainen, *International Business*, Dryden Press, Second Edition, 1992
7. D'Iribarne, Philippe avec Alain Henry, Jean-Pierre Segal, Sylvie Chevrier, Tatjana Globokar *Cultures et Mondialisation. Gérer par-delà les frontières*, Editions du Seuil, 1998
8. D'Iribarne, Philippe, *La logique de l'honneur. Gestion des entreprises et traditions nationales*, Editions du Seuil, 1989
9. Flanagan, John C., "The Critical Incident Technique", *Psychological Bulletin*, Vol. 51, No. 4, pp. 327-358, July, 1954
10. François-Poncet, Jean, Philippe François, Louis Minetti, Bernard Barraux, Michel Bécot, Jean Boyer, Gérard Braun, Roland Courteau et Léon Fatous *Le Grand Retour de l'Asie Centrale*, Les rapports du Sénat, Commission des Affaires économiques, N 412, 1997-1998

11. Hall, Edward T., and Mildred Reed Hall *Understanding Cultural Differences. Germans, French, and Americans*, Intercultural Press, 1990.
12. Hofstede, Geert, *Cultures and Organizations. Intercultural cooperation and its importance for survival. Software of the mind*, Harper Collins Business, 1991.
13. Kets de Vries, M.F.R. "The Anarchist Within: Clinical Reflections on Russian Character, Leadership Style, and Organizational Practices", *INSEAD Working paper*, 1998 (publication forthcoming)
14. Kolstoe, Paul with a contribution by Andrei Edemsky *Russians in the Former Soviet Republics*, Hurst&Company, London, 1995 (340 p.)
15. Kroeber, A.L., Kluckhohn, C. "Culture. A critical review of concepts and definitions", *Peabody Museum Papers*, vol. 47, no 1, 1952.
16. Laurent, André, « The cultural Diversity of Western Conceptions of Management », *International Studies of Management & Organization*, Vol. XIII, No. 1-2, pp. 75-96, M.E.Sharpe, Inc., 1983
17. Minbaeva, Dana and Nigel Holden, "Self-perception of managers in Kazakhstan as agents of privatization: ideas for researchable issues", *Working paper 5/ Occasional paper 46, Research Workshop: Privatization, Enterprise Development and Change in Business Culture – the Kazakh Case in Perspective*, Almaty, Kazakhstan, June 4-6, 1998 (publication forthcoming)
18. Schein, Edgar H. « Does Japanese Management Style Have a Message for American Managers ? » in *The Art of Managing Human Resources, Sloan Management Review : The Executive Bookshelf* (p.209-227), Oxford University Press, 1987
19. Schein, Edgar H. *Organizational Culture and Leadership*, Jossey-Bass Publishers, San-Francisco, London, 1988
20. Schneider, Susan C. and Jean-Louis Barsoux *Managing across cultures*, Prentice Hall Europe, 1997
21. Segalla, Michael and Charles-Henri Besseyre des Horts "La gestion des ressources humaines en Europe: une divergence des pratiques?", *Revue Française de gestion*, N117, Janvier-Février, 1998
22. Taylor, Martin « The business culture in Kazakhstan », in *Business cultures in Central and Eastern Europe*, edited by M. Bateman – Butterworth – Heinemann, 1997
23. Terpstra, Vern, Kenneth David, *The Cultural Environment of International Business*, South-Western Publishing Co,1991.

24. Trompenaars, Fons and Charles Hampden-Turner *Riding the waves of Culture. Understanding Cultural Diversity in Business*, Nicholas Brealey Publishing, London, Second Edition, 1998
25. *Web Page of Kazakhstan*, <http://www.kz> and <http://www.kazecon.kz> last time modified on August 4 , 1997
26. Zhuplev, Anatoly V. and Asylbek B. Kozhakhmetov, «Business Education in Kazakhstan : Ramification Under Transition », *Journal of East-West Business*, The Haworth Press, Vol. 3 (3), p. 67-89, 1997

APPENDIX

Categorization of critical incidents according to the cultural dimensions scheme (key words and phrases)

External adaptation
<p style="text-align: center;"><i>Control:</i> <i>Harmony with the environment</i></p> <ul style="list-style-type: none"> • The capacity of people to accept extremely difficult life conditions

Uncertainty avoidance: High

- Many rules, procedures, regulations
- Heavy bureaucracy
- Centralized and complicated administration
- Existence of soviet rigid standards and norms
- Very strict, detailed law; rules are often stupid
- Long time to change law and rules
- More strict and complicated rules
- Long time spent on administration
- Existence of many written norms and standards
- Old people obedience and easy acceptance of these norms
- Need of additional staff because of complicated rules and laws
- Company was registered few times because of constant law changing
- Highly structured management system with many regulations
- Numerous personal categorization (categorization of work positions)
- Heavy administration
- Existence of numerous documentation
- Constantly changing legislation
- Detailed law that constantly interferes in the activity

Doing versus being: Being

- Lack of initiative
- People need somebody to help them to solve the problem
- Inability to face problems
- Initiative inertia
- 'Ostrich behavior' of people: avoiding to face the problems
- No desire to take initiative
- Passivity of people
- Lack of creativity
- Difficulties in taking responsibility: people do not used to be responsible for the whole job, they worked at different segments
- Absence of initiative
- Absence of responsibility

Nature of reality and truth:

- High importance is given to written things, stamp
- Possibility to say “black” and do “white”
- Inverse process of signing the contracts: people sign firstly, then they are looking for sources to perform the contract
- No signature and word responsibility concerning contracts
- False presentation of figures, etc. in reports
- False statistics in state enterprises
- People do not hesitate to remake and change numbers to follow norms
- No importance of the contract signature value: people break easily signed contracts
- Oral words count more than written things
- Doubt: whether received information is true or false
- False self presentation of enterprises: false, unreasonable, and not understandable decision making process that could damage company reputation

Internal integration

Human nature: “evil”

- Fear to be guilty
- No service notion
- No trust to people a priori, people are suspicious and cautious in the beginning
- People are perceived as guilty a priori
- People do not apply norms profoundly, they need to be checked and controlled
- People have problems of welcome and smile on the level of administration
- No smiling, gentle welcome
- Fear to be controlled, negative perception of auditors
- Not polite manner of phoning and of the way of people behavior toward unknown person in the beginning. Warm attitude after making acquaintance or talking

Social versus task orientation: Particularism

- Strong fraternity and interpersonal relations: you help me, I help you
- Everything is done by relations
- Incompetence of some people because of nepotism
- Relational net is very strong in administration and government
- Need of a collaboration and good relations creation to succeed
- People work with people whom they know only
- Need to create good relations with customers to work well
- More cordial type of relationships with customers and partners
- Treatment of the customers on the basis of interpersonal relationships
- Taking position by acquaintance
- Trials to enter somebody’s relatives and friends into his/her business sphere

Femininity versus masculinity: Masculinity

- Violent culture (with possible physical violence)
- More tough intercommunication of people

Power distance (hierarchy): Larger power distance

- Vertical hierarchy, decisions come from the top, no initiative from the lower level of hierarchical scale
- Obedience to the boss
- The fear to recommend something to a boss
- Stronger hierarchy: people know who is a boss; others are subordinates
- No responsibility delegation
- People tell bosses what they want to hear (lying)
- People accept the patronage of their bosses
- High centralization: one boss who decides everything
- Different conception of secretary job: no responsibility delegation
- Hyper centralization of all levels of management
- People perceive their bosses as a superior, they are afraid of the boss rather than respect him/her

Individualism versus collectivism: Collectivism

- Importance of the family
- Strong family relations: there is no outsiders
- Importance of Zhuz (tribe) relations
- Russians are good in team work
- Strong sense of family and friendship
- More collectivist (close to family) style of life
- Clan culture

Linking assumptions

Space: Specific involvement

- Mixture of professional and private life
- Warm atmosphere at work place
- Mixture of professional and private life: most of customers became friends
- Hospitality of people, warm reaction, willingness to know more, curiosity - acceptance of the person to their private life
- People are more ready to communicate
- People bring their private problems at work place

Language

- Loosing important things during translation
- Translation difficulties
- Difficult to find bilingual (English-Russian) people, the level of English of people is not good
- Surprised by high level of foreign language knowledge of Kazakhstani people
- No language problems, English is sufficient to work

Communication: High-context

- No willingness to say bad and exact news
- Difficult to receive information from organizations
- Difficulties in receiving information from some enterprises
- Weak information flow
- No willingness of enterprises to share information

Time: Short-term orientation

- Willingness to obtain immediate personal interest: short-term orientation
- Short-term government policy
- People often try to use each other thinking in a short-term rather than to create collaboration for long-term
- Problems of planning: constant changing of plans
- Short-term perspective of people and government thinking
- Before people tried to find immediate profit, now they are thinking in a middle-term perspective way
- No long-term and planning, the absence of such notions as short- and long-term perspectives

Time: Polychronic

- not exact time of meetings (e.g. “in the afternoon” instead of “15.30”)
- constant interruptions during meetings (telephone calls)