

Cultural Diversity and Human Resources Management in Europe

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Abstract

*The increase in the international dimensions of human resources management and the extension of European Union represents **important premises** regarding the harmonization of human resources practices at the level of the European countries. Despite this, the **main characteristic** of the European model of management is **diversity**.*

During the last decade, the human resource function registered profound changes, determined especially by the economic, social, cultural and political context registered at Europe level. Thus, nowadays the human resource function integrates more and more a strategic vision. The human resource managers take part at the process of elaborating the strategies and policies at organizational level.

The extension of the European Union contributes at the realization of a social, economic, political, legislative climate at the level of the entire continent, but despite these, the cultural differences among countries can be eliminated, that means that from the point of view of human resources practices, the European countries will be characterized by a series of differentiation elements.

Keywords: *cultural diversity, regional differences, Hofstede's approach, management style*

1 Cultural diversity in Europe

One of the main characteristics of the European model of management is represented by the cultural diversity specific to the European space. According to some specialists, the main objection regarding the acceptance of the European model of management is represented by the fact that among the European countries there are many differences from the economic, social, political and cultural point of view. According to the cultural dimensions, Europe states can be framed on groups of countries; at the level of each group we can identify a series of resemblances from the managerial point of view (fig.1). Of course, this thing does not eliminate the existence, at the level of the same group, of some major differences among the

countries that form it. For example, in Turkey the population is mainly of Muslim religion, while in other countries such as Bulgaria and Greece, the Christian religion represents one of the major cultural values. At the same time, in Poland, the catholic religion population is a majority, in comparison to countries such as Bulgaria, Turkey, Greece, Russia, Serbia and Romania.

The cultural dimensions of the model developed by Hofstede G. allow the accomplishment of a complete analysis concerning the existent cultural differences in the European area. Framing the European countries according to the power distance and the degree of uncertainty avoidance allows the highlighting of the management models specific to each of the five groups of European countries (figure 1).

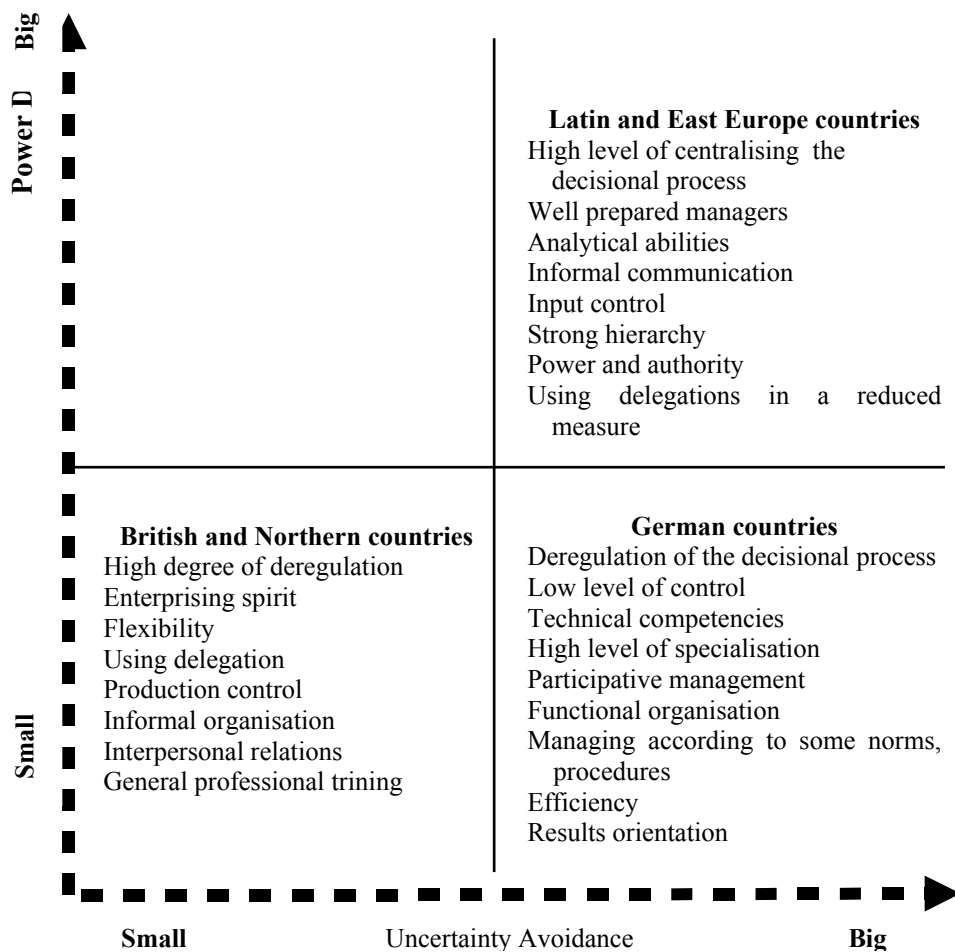


Figure 1 Emerging cultural values in Europe [13]

The German managerial style is characterized by a low degree of control at organizational level, in comparison to the managerial model applied in the Latin countries and from East Europe, characterized by a high degree of control. Deregulating the managerial activities represents the main common feature of the models of German, English and north management. The managing style in the northern countries is resembling with the British one, being characterized by a low degree of avoiding the uncertainty and a reduced distance among the hierarchical levels. In the German management system a great importance is granted to the technical competencies and a very specialized preparation, in comparison to the orientation specific to the northern and British countries, where the emphasis is on a general level preparation.

In the **British countries** it predominates the preoccupation for recruiting and hiring managers, graduates of certain elite education institutions. From this point of view, the model of British management is resembling with the one specific to Latin countries, especially the French one. One of the main characteristics of the management model specific to Latin countries and East Europe is represented by the decisions approval at centralized level, in comparison to the models of British, northern and German management where the idea of decisions deregulation is emphasized. The need for power of the managers from Latin and East European countries is emphasized by a high level of hierarchy existent in companies and by the usage of delegations at a reduced level. The managerial style is authoritative, in comparison to the German model that highlights the participative management.

The analysis of the **correlation between the power distance and individualism/collectivism**, as dimensions of a country's culture, allows the emphasis of some major differences, even at the level of the countries that make part of the same group (figure 2).

The correlation between the two dimensions of culture, power distance and individualism/collectivism allows the emphasis of some major differences among the European countries (figure 2). The common resultant of the two cultural vectors towards power and respectively, individualism/collectivism is represented by the **level of economic development**. According to the level of economic development, the European states can be classified in two groups: rich countries and developing countries. Generally, in the rich countries (Great Britain, Germany, Switzerland, Sweden, Denmark, Holland, France, Italy, Spain etc.) (figure2) there is no clear link between the distance towards power and collective type orientation. In exchange, at the level of the developing countries (Greece, Turkey, Portugal) the correlation between the two dimensions of culture is obvious. More than that, from the Latin countries group, Portugal is the one where the collective type orientation is prevalent, resembling from this point of view with the countries in East Europe. In the collective type cultures, the personal opinions do not exist, being influenced by the group belonging. In the northern, British and German countries, it prevails the individual type orientation. In such countries, the opinions confrontation is considered to lead to a superior value.

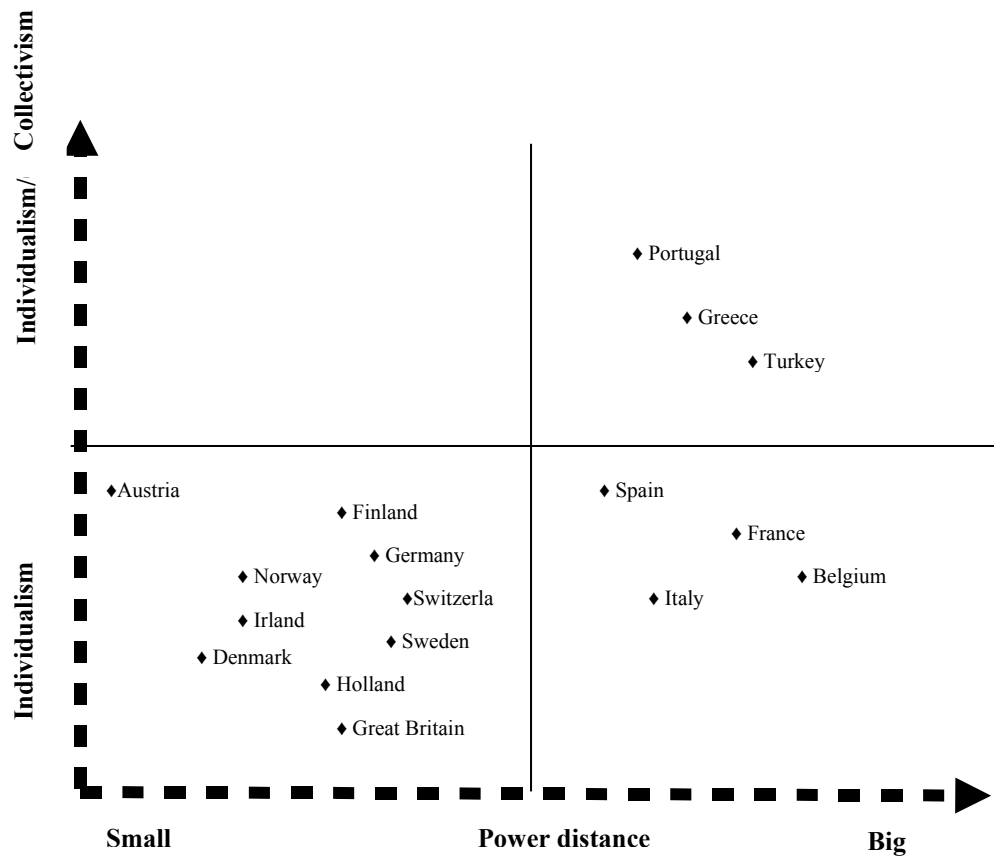


Figure 2 Framing the European countries according to the power distance and individualism/collectivism

The correlation between the masculinity index and the power distance index allows to emphasize the differences among European countries from the point of view of managerial practices (figure 3).

Although the models of British and northern management are resembling (figure 1), the correlation between the power distance index and masculinity/femininity allows the emphasis of some resemblances existent among these. The northern countries (Sweden, Finland, Denmark, Norway), although can be considered an example of economic development, represent cultures of feminine type (figure 3).

From the managerial point of view it predominates the orientation for conflict resolution through negotiation, the preoccupation for working conditions quality and the social climate. From the point of view of the two dimensions of culture, the models of British and German management are resembling (figure 3),

being characterized by a small hierarchical distance and representing cultures of masculine type. The level of economic development of these countries is determined by the promotion of certain values such as: competition, performance and prosperity.

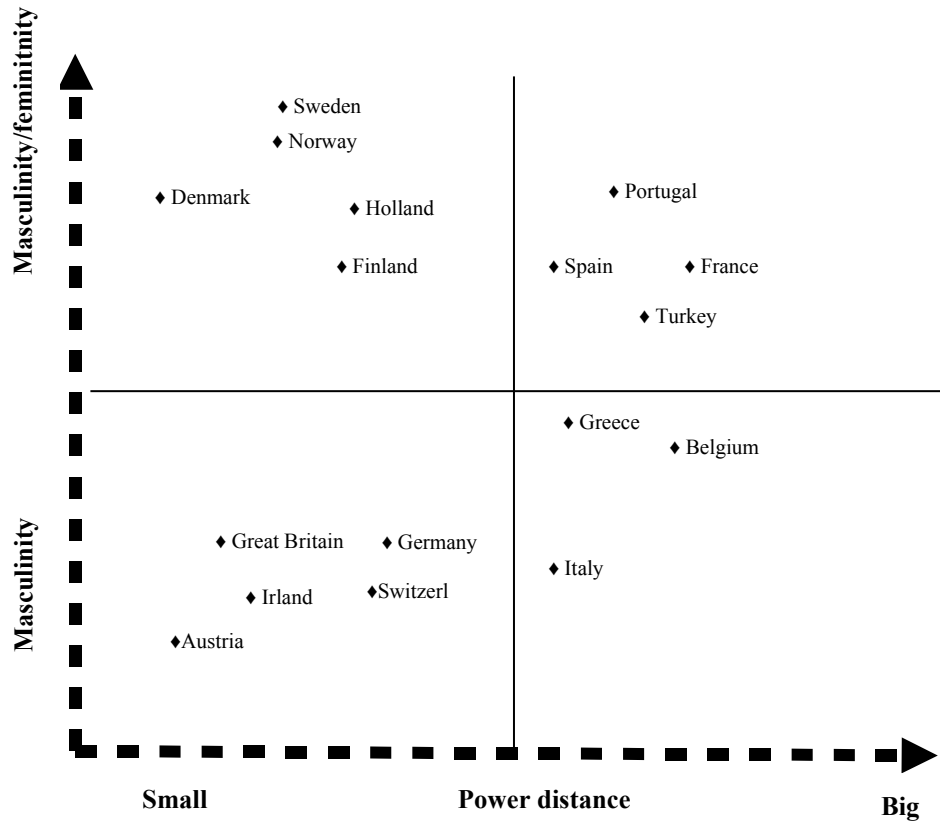


Figure 3 Framing the European countries according to the power distance and masculinity/femininity

From the point of view of the two dimensions, the power distance and masculinity/femininity, the greatest differences can be identified at the level of the Latin and East European countries (figure 3). In countries such as France and Portugal, it prevails the feminine type culture, Italy and Portugal are situated at extremes, although they can be framed in the same management type. While in Turkey feminine culture is dominant, Greece is characterized by a masculine type culture. However, the differences between Turkey and Greece are not too big, but they exist and influence the managerial practices.

The German, British and Northern models of management are dominated by the individual type culture (figure 4). The management model specific to the northern countries is dominated by the feminine type culture, while the British and German managerial styles are framed in the values of the masculine type culture.

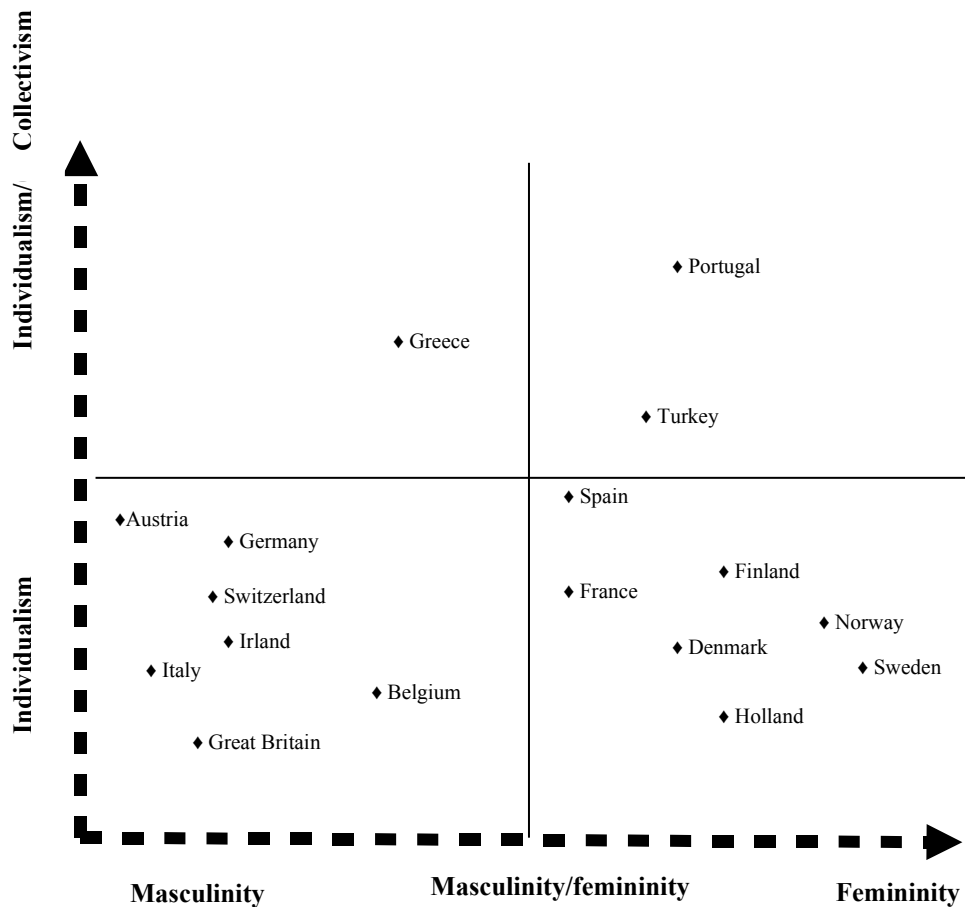


Figure 4 Framing the European countries according to individualism/collectivism and masculinity/femininity

From the cultural point of view, major differences are registered at the level of Latin and East European countries (figure 4). Belgium and Italy, in comparison to France, Spain and Portugal, are dominated by the masculine type cultures. France and Spain present a series of elements specific to the feminine culture type, but the dominant role comes, at a certain extent, to the individual. In Spain, the individual and the group have a relatively close importance level. In comparison to the other Latin countries, Portugal is highlighted, being dominated by the collective spirit and the feminine type culture.

Greece is dominated by the collective type culture, being a country where competition and prosperity are dominant, in comparison to Turkey, that can be characterized by certain elements specific to the feminine type culture.

The degree of uncertainty avoidance in a society depends also on its character: individualist or collectivist (figure 5). The correlation between the two cultural dimensions presents a high degree of relevance.

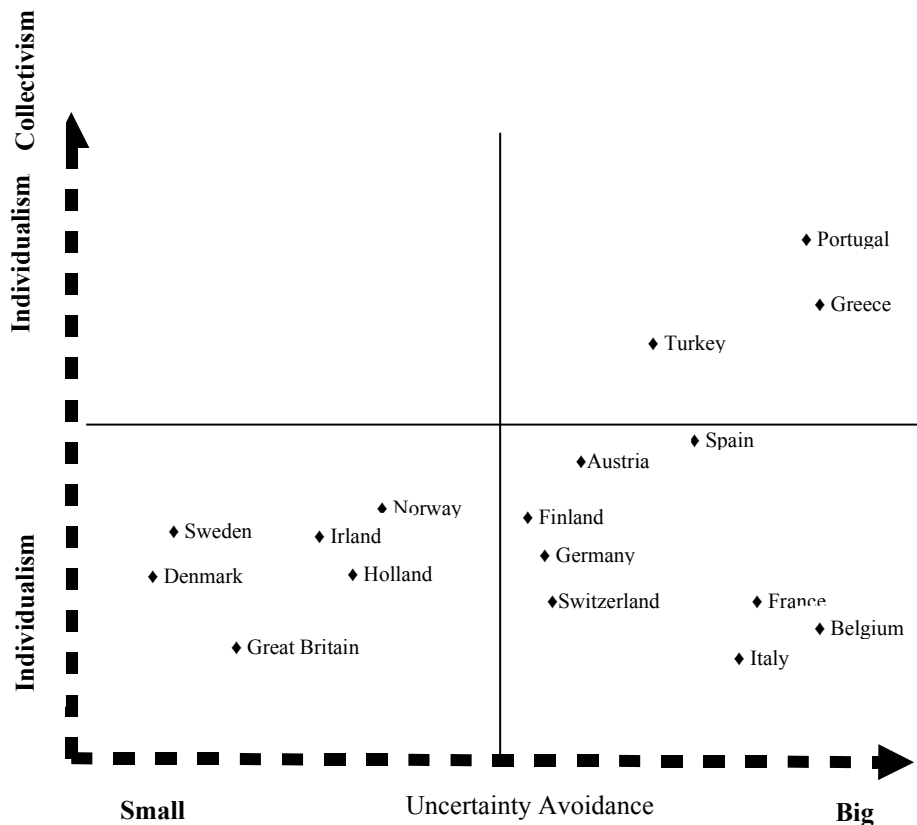


Figure 5 Framing the European countries according to individualism/collectivism and the uncertainty avoidance

In the individualist countries (figure 5), the intense efforts in order to avoid uncertainty result in formulating certain written rules in an explicit form. In the countries dominated by the collective type culture, uncertainty avoidance is based on a series of rules influenced by tradition.

At the same time, the correlations between the two dimensions of culture (figure 5) emphasize the way in which conflicts among groups are approached in society. In countries, such as France, Italy, Belgium, there is a considerable

antagonism between minorities and ethnical religious or linguistic groups that have opposed interests.

But, the characteristics of the individual type culture specific to these countries give, at least formally, the guarantee that people rights are respected.

In the countries characterized by a small degree of uncertainty avoidance, dominated by the individual type culture, the minorities rights are guaranteed.

The correlation between the masculinity/femininity and the degree of uncertainty avoidance allows emphasizing the differences among countries regarding the motivation factors (figure 6).

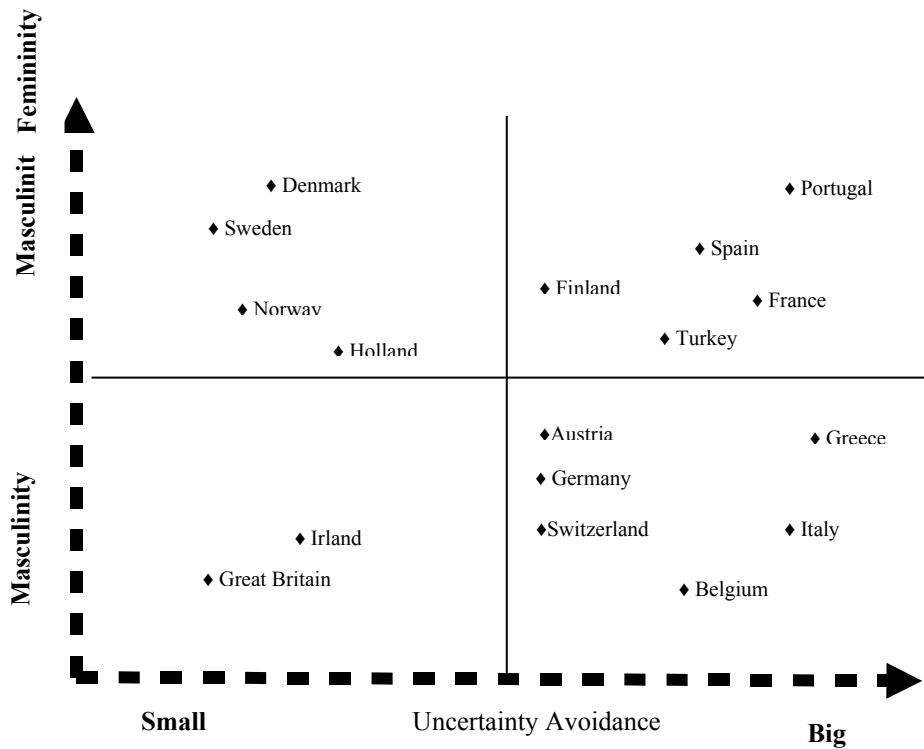


Figure 6 Framing the European countries according to individualism/collectivism and uncertainty avoidance

In the countries characterized by a low degree of uncertainty avoidance, such as Sweden, Great Britain, Denmark, Ireland (figure 6), one of the motivating factors for the employees is represented by their availability to take part at unfamiliar risks. In the masculine type countries, the results and performance are the main motivating factors. At the same time, the need of fulfillment and the need of power represent motivating factors of a great importance. The individuals that belong to feminine type cultures are generally motivated by the quality of the work conditions. In the countries with a high degree of uncertainty, the individuals are, in general, not pleased with their own job, the main motivating factors being the

safety of the work place, the respect and the need of belonging. In the countries with a small degree of uncertainty avoidance, one of the main motivating factors is represented by the need of fulfillment.

2 The European model of human resources management and the regional differences

The existent cultural differences among the European countries are also reflected over the **human resources practices**, leading to the appearance of certain regional groups of countries, in the framework of the European model of human resources management. The grouping of the European countries according to their human resources management **specificity** is based on **cultural differences**. Framing the countries in one or other groups presents certain differentiation elements according to the authors of such classifications.

Ingatovic M. and Svetlik I. [11] identify **four distinct models** of human resources management, such as:

- **the model focused on organizations management**, specific to East European countries;
- **the model focused on human resources management**, characteristic to the northern countries;
- **the professional model of human resources management**, available at the level of the West European countries;
- **the model of participative management**, specific to the Central and South European countries.

According to the authors Bloom H., Calori R. and Woot P. [1], [9], [14], at Europe level **four groups** of countries can be formed: **northern countries** (Sweden, Norway, Denmark, Finland), **the Anglo-Saxon countries** (Great Britain and Ireland), **German countries** (Germany, Switzerland, Austria) and **Latin countries** (France, Spain, Italy, Belgium, Portugal). According to these authors, the Anglo-Saxon countries present a series of particularities specific to the American model of human resources management, being different, from this point of view, of the other European countries.

At the same time, the countries in South Europe are characterized by a series of features such as: the high level of state intervention in the economy, legislative regulations with protectionist character and powerful hierarchy. The countries in the north region of Europe are dominated by a series of values such as: liberalism and the reduced level of state intervention, a very good organization and participative management.

The countries in East Europe, such as Poland and the Check Republic, are dominated by the German model of management, due to the special economic relations that these two countries developed with Germany.

France is different of the other countries in south Europe due to the specificity of the management system that comprises, on the one side, intuition and analytical abilities, and, on the other side, a high level of hierarchy and authority.

From the geographical point of view, France is situated at the frontier between the northern area and the southern area of Europe.

The northern countries are formed of Sweden, Denmark, Finland, Norway and Holland. In comparison to the situation from the European level, in the northern countries the public sector is prevailing. From this point of view, the management model of northern countries is different of the German countries model (Germany, Austria, Switzerland), being focused, to a certain extent, on performance.

The management model specific to the northern countries is dominated by the orientation towards life quality and the elimination of status differences among people.

The management model used in countries such as Belgium, Holland and Luxembourg comprises features of the German, Latin, Anglo-Saxon and northern management model. But, even at the level of this group there are differentiating elements. In Belgium, the management style is influenced by the French model. In Holland, the management presents a series of influences of the British model.

In the northern countries, the part time contracts are used to a greater extent, in comparison with the countries of south Europe, where temporary work or the work contracts on short term prevail. In both situations, a high degree of workforce flexibility is registered. 84% of the persons that form the work force in Europe show a desire for part time contracts. In Spain, only 12% of the total number of registered employees at the national economy level benefit of a part time contract. In comparison with Spain, in Sweden, the number of employees who work part time is 25,1%. In comparison with the registered situation at the level of the whole Europe, in Holland 46,3% of the work force is hired according to a part time contract [16].

In the European countries, there are many differences from the point of view of the allocated resources to the training activities and human resources development. In France, companies are obligated by law to allocate 1% of the revenues and expenses budget for the training activities of the employees. The organizations in Sweden (36%) and France (33%) show the highest degree of concern for the training and improvement of human resources, in comparison with the situation registered in countries such as Great Britain (18%), Spain (9%) and Germany (19%).

The existent regional differences even at the level of the countries from the same group give the European model of human resources management a unique character. The European model of human resources management is based on diversity, and from this point of view, its feasibility at the level of the Japanese and American management systems is reduced.

Conclusions

The European model of human resources management imposes a high degree of flexibility at the level of the European states in the context of cultural

diversity, understanding and respecting the social standards, intervention of state bodies and creation of certain associations or unions of employers in order to take active part at the European society development.

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