

Organizational Culture Dimensions: A Brazilian Case

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Abstract

Partially based on previous research by Hofstede et al. (1990) using ecological factorial analysis (Robinson, 1950), and on studies on Brazilian culture (DaMatta, 1997; Buarque de Holanda, 1995; DaMatta, 1987) the purpose of this study was to identify the organizational culture dimensions, the idiosyncrasies and the strength of the organizational culture of a Brazilian company with international operations, concentrating on its main Brazilian and Latin American branches, making a total sample of 20 cities and 1310 organizational members.

Results indicate the influence of national culture on organizational culture, as the dimensions found clearly reflect the ambiguity and double-edged ethic characteristic of Brazilian culture.

1 – Introduction

With the internationalisation of business, researchers have focused on cultural studies because the concept of culture helps us understand diverse processes such as organizational socialisation, change, performance and leadership (for example, Pettigrew, 1985 and Schein, 1992).

According to Hofstede (1997) the core of organizational culture is in the practices shared by its members. Consequently, national cultures would differ mainly on their basic values, while organizational cultures (OC) would differ more superficially, in terms of their symbols, heroes and rituals. Moreover, in a relational society such as the Brazilian society, the influence of social networks on the OC cannot be left out.

The purpose of this phase of the study was to identify the organizational culture dimensions of a Brazilian company with international operations, concentrating on its main Brazilian and Latin American branches, as well as verify if the organization had an OC that could be qualified as “strong” in accordance with Hofstede’s definition of a strong OC (2001, p.397). The subsequent phases of the study deal with OC clusters within the concept of cultural agreement and include all the branches in Europe, North America, Asia and the remaining Latin American ones.

2 – Organizational Culture (OC)

Although there are many different definitions of OC, they all present some common features. Firstly, virtually all OC definitions refer to some set of meanings and values that the members of an organisation have in common. Secondly, those meanings and values are usually based on underlying assumptions and thirdly, those assumptions, meanings and values are revealed in symbols, behaviours and structures.

Hofstede (1997), on the other hand, defines OC as the collective programming of the mind that distinguishes the members of an organization from those of another. He considers national and organizational culture as two clearly distinct phenomena. At the national level cultural differences would be value differences, while at the organizational level they would mostly be found in practices.

In this perspective, the values of the founders and of the main leaders undoubtedly shape organizational cultures, but the ways in which these cultures affect the ordinary members of the organization would be limited to shared practices. Thus, the values of founders and leaders would become the practices of the other members of the organisation.

Hofstede (1994) empirically found six independent dimensions that describe the numerous organizational practices: 1) process oriented versus results oriented; 2) employee oriented versus job oriented; 3) parochial versus professional; 4) open system versus closed system; 5) loose control versus tight control and 6) normative versus pragmatic. Therefore, what an individual has to learn when he joins an organization is mainly a question of practices, as most values are developed and learned in the family and at school.

In the popular literature, OCs are usually presented as a value issue and the confusion derives from the fact that such literature does not make a clear distinction between the values of the leaders and those of the other members of the organization. In spite of being more superficial, OCs would be difficult to change because they become collective habits. Changing those habits is a task for senior management and it would involve strategic and cost-benefit analysis, as there is not a ready made successful formula.

The OC dimensions identified by Hofstede do not necessarily apply to any kind of organization in any country. OCs are gestalts and their knowledge can only be totally appreciated by insiders. However, a conceptual framework allows us to make significant comparisons between cultures of different organisations, or between the cultures of different parts of the same organisation.

Hofstede's six dimensions are descriptive but not prescriptive: no position in each one of the six dimensions is intrinsically good or bad. What is good or bad depends on each case, on what is desired for the organisation and on the strategic options.

In conclusion, changing organisational practices, no matter how hard it actually is, in fact, represents what is possible in order to manage organisational culture.

3 – Methodology

Although, traditionally, OC has been approached with qualitative case studies, such methods can produce important insights but are subjective and not reliable in the sense that they are not replicable (Hofstede, 1997). Hofstede (1998) considers that the use of surveys and of case studies are complementary methodologies.

The methodology used in this study was therefore based on a research design that combined quantitative research with a qualitative exploratory procedure.

The research took place in a Brazilian company with numerous branches in Brazil and abroad that we will call company XYZ.

The main criteria used in the selection of XYZ was the fact that it has approximately 81,500 employees, including around 1,700 located abroad, thus allowing us to replicate the research design used by Hofstede et al (1990) in their study on organizational culture.

The following twenty cities were selected to make part of the sample:

Abroad:	Buenos Aires, Santiago and Asuncion.
In Brazil:	South Region: Porto Alegre, Curitiba and Florianópolis.
	SE Region: São Paulo, Rio de Janeiro, Belo Horizonte and Vitória.
	NE Region: Salvador, Recife, Fortaleza, São Luis and Natal.
	North Region: Belém and Manaus.
	Centre – West Region: Campo Grande, Cuiabá and Goiânia

The purposes of the qualitative exploratory research were to collect information and try to have some insights about the specific features of XYZ, to discuss the issues included in the survey so as to adjust the contents of the questionnaire to the specificities of this organization, and as input for the interpretation of the quantitative data.

The exploratory research consisted of six one hour and a half in-depth semi structured interviews conducted in Portuguese by the researcher. For the interviews six managerial level employees were selected using as selection criteria the fact that they were reputed to be

communicative, were willing to participate, were from different Brazilian States and had the necessary experience and knowledge.

The survey sample was defined in two stages. For the first stage, involving the selection of the cities or units where the data was collected, we used intentional sampling to cover the five Brazilian geographical areas (North, South, NE, SE and CW) and the capital cities of the three Latin American countries included in the study (Argentina, Chile and Paraguay).

In the second stage we selected the employees that were part of the sample. The initial intention of using stratified probabilistic sampling had to be discarded because the data collection had to be tailored to the needs of each regional division to cause the minimum interference in the work flux.

Consequently, in each unit we selected an intentional sample of, on average, 74 employees, thus making a total sample of 1480 respondents. After eliminating the questionnaires that were annulled or not returned, we were left with a final sample of 1310 respondents (including, on average 33 managerial employees and 33 non-managerial employees per unit). That sample size was, according to Hofstede et al. (1990), big enough to allow us to do the required comparative statistical analysis (using the SPSS program).

Although the use of intentional sampling can, in theory, be the source of limitations, those limitations were not considered critical as we were dealing with only one organization. Additionally, in accordance with Blalock (1994), the researcher had an adequate knowledge of the company, the selected cases had the characteristics that had been previously defined by the researcher, and a large number of cases was surveyed.

The survey consisted of 136 precoded questions plus an open question. Most questions were extracted from various publications on Hofstede's questionnaire and we also had orientation from Hofstede himself. However, some questions were the result of the interviews, in order to adapt the survey to the specificities of XYZ.

The purpose of the survey was to collect information about values and practices (symbols, rituals and heroes). The questionnaire also included five questions on demographics: sex, age, number of years working for the company, educational level and nationality.

The anonymous self-administered questionnaire was prepared in two versions: one in Portuguese (used in Brazil and with Brazilian employees abroad) and another one in Spanish (used with the local employees in Buenos Aires, Santiago and Asuncion). Following Adler (1982) and Hofstede (1980) we used back-translation. Moreover, the bilingual translators were both native speakers and had the required knowledge on organizational culture. After being translated, the questionnaire was pre-tested with a small group of retired XYZ employees to check that the understanding was the desired one.

Following Robinson (1950) and Shweder (1973,) in order to obtain *etic* or comparable CO dimensions we prepared an ecological matrix, calculating the mean of each item or variable for each one of the twenty units, subsequently applying ecological factorial analysis (principal component) with orthogonal varimax rotation to explain the maximum share of its variance with the fewest possible number of significant factors.

Hofstede (2001) argues that that instruments designed to study culture have their reliability supported by literature. In fact, the calculus of the Cronbach's Alpha or of measures of sampling adequacy such as Bartlett's sphericity test would be equivalent to committing the reverse of the ecological fallacy, in the sense that the individual and the social levels of analysis should not be confounded (Hofstede, 2001).

Considering the fact that the questionnaire mostly reproduces an instrument already used by Hofstede et al. (1990) and that the small modifications introduced did not affect its design, we considered that the constructs were already validated.

Moreover, ecological factorial analyses are characterised by flat matrixes (matrixes with fewer cases than the number of variables). However, the original database has, in fact, 1310 respondents and not just 20 cases, thus being considered adequate by Hofstede et al (1990).

The first step was to calculate the 131 x131 product moment correlation matrix of the 20 mean scores for each possible pair of questions, verifying that the matrix was appropriate for multivariate analysis as, on average, it presented mean correlations between the variables.

Consequently, for analytic purposes and following Hofstede et al. (1990) we divided the questions into three categories (57 questions on values; 61 questions on perceived practices and typical-member scores; and 13 questions on reasons for promotion and dismissal) and conducted separate factorial analyses for each category.

As the ecological correlations tend to be stronger than individual correlations we expected to find high percentages of explained variance. In order to avoid giving undue attention to trivial things, Hofstede et al. (1990) recommend that in ecological factorial analysis the number of factors should be fewer than the number of cases and fewer than what is technically possible based on eigenvalues larger than 1, only taking into account variables with loadings higher than 0.5 or 0.6.

Then, the scores of each of the eleven identified dimensions (five on values, three on practices and two about heroes) were ranked to better visualise the relative position of each unit in relation to the others.

Finally, Hofstede (2001) argues that an organizational culture is strong when it is homogeneous. Statistically speaking, the strength of the culture was operationalized as the reverse of the mean standard deviation, across the individuals within a unit, of scores on the 12 key practices questions (three per dimension) named RSDP. Then the RSDP was correlated with the scores of the three practice dimensions to verify the existence of a culturally strong dimension.

The same procedure was applied to the scores of the six key questions on heroes (two per dimension). After calculating the reverse of the mean standard deviation named RSDH it was correlated with the scores of the three hero dimensions to verify the existence of another culturally strong dimension.

4 - Results

The 131x131 product-moment correlation matrix showed that: 1) values correlated with other values and also with practices; 2) perceived practices and typical-member scores correlated among each other and; 3) the reasons for promotion and dismissal correlated among each other, but also with other items.

4.1 – Value Dimensions

Of the 13 independent factors that we got we decided to keep five that together explained 63.28% of the variance.

Tables 4.1a and 4.1b show the variables with loadings approximately higher than 0.50 or 0.60 that were considered to explain each factor. It should be noticed that items with negative loadings were reworded negatively.

Table 4.1a – Value Factors: main variables with their loadings

Factor V1: Need for authority (high)		
CG6	0,93	Decisions made by individuals are of higher quality than group decisions
FV1	0,91	The preferred manager is authoritative and / or paternalistic
CG15	0,90	<i>It is often necessary to bypass the hierarchical lines</i>

CG19	0,87	An organisation's rules should not be broken
CG17	0,80	It is unacceptable for young people to be critical of their teachers
CG9	0,78	Management authority should not be questioned
CG24	0,78	<i>The family should not make sacrifices for a man/woman's career</i>
OT12	0,76	Serving your country is important
FV2	0,76	The perceived manager is authoritative and / or paternalistic
OT9	0,75	Being consulted by your direct superior in his decisions not important
OT1	0,72	<i>Having enough time for your personal or family life not important</i>
FV4	0,69	Subordinates are frequently afraid to express disagreement with superiors
OT10	0,64	<i>Making a real contribution to the organization's success not important</i>
OT18	0,63	Working in a well defined job situation important
OT13	0,62	Living in an area desirable to you and your family not important
OT6	0,59	Having security of employment important

Factor V2: Work Centrality (high)

OT16	0,89	<i>Working in a prestigious company important</i>
CG2	0,68	<i>Staying with the same employer for a long time is the best way to go ahead</i>
CG8	0,66	Parents should stimulate their children to try to be the best in class
CG27	0,55	One's job is more important than one's leisure time

The three dimensions identified by Hofstede et al. (1990) - need for security, work centrality and need for authority were also identified in this study. Additionally, we identified two other dimensions (V4 and V5) that were considered relevant to the Latin American scenario, given the relational profile of Latin societies in general, and due to the specific difficulties of the labour market, frequently perceived as permanent.

In connection with V1 – need for authority – the following comments are appropriate (see items in italic in Table 4.1a):

Variable CG15 could seem surprising. However, it fits the famous “*jeitinho brasileiro*” or Brazilian way of bypassing rules in order to get things done, typical of relational societies where the excessive formalism is bypassed, in practice, alleviating pressures and emphasizing the importance of personal relationships.

Table 4.1b - Value Factors: main variables with their loadings

Factor V3: Need for security (low – deals well with uncertainty)		
OT22	0,88	Fully using your skills and abilities on the job important
OT3	0,76	Having little tension or stress on the job not important
CG7	0,63	One can be a good manager without having all answers
OT20	0,58	Having good fringe benefits not important
Factor V4: Need for satisfaction at work (high)		
FV5	0,91	<i>Intending to leave the company before retirement</i>
OT5	0,73	Having a good working relationship with your direct superior important
CG26	0,66	Having a job you like is more important than having a successful career
Factor V5: Need for survival (high)		
CG25	0,83	Even a lousy job is better than no job at all
OT11	0,60	Having an opportunity for high earnings important
CG21	0,49	Quite a few people have an inherent dislike of work
FV6	0,47	If I did not need the money I would not continue working for the company

Item CG24 could be indicative of couples where both parties have their own career and contribute to the family income. From a different angle, CG24 could also be interpreted as the priority of the family over work. However, this last interpretation would directly contradict item OT1 (i.e. having spare time for one's personal life and family is not important). In the usually problematic Latin American environment, the need for survival would emphasize work centrality, apparently offsetting the importance of personal and family time, one of the traditional foundations of Latin American societies, or maybe, one of the most popular stereotypes.

Item OT10 shows the other side of a contrast, a vision of the organisation as the “street” in opposition to the “home”, borrowing the terms from DaMatta (1987), the Brazilian anthropologist who skilfully depicted the sets of opposites characteristic of Brazilian society and of the other Latin American societies in the sample.

According to DaMatta (1987), we live in a society where there is a permanent state of confrontation between the public world of universal laws and of the market and the private universe of the family, relatives and friends.

Additionally, in connection with the preferred and perceived type of manager, which includes the typology of autocratic, paternalistic, consultative and participative manager (key element of the classical power distance dimension – related to our dimension V1 – need for authority) our study indicates a clear preference for the autocratic and paternalistic types.

However, a careful analysis of the scores of the 20 units makes us realise that, while those statements would be valid for the three foreign countries (which have the highest scores and therefore a higher need for authority), the same does not apply to any of the Brazilian units, where the scores are consistently below the midpoint of the scale (50), indicating that both the preferred and perceived managers tend to be consultative or participative.

Apparently, results indicate that people's behaviour in the workplace reflects their cultural identity. Moreover, according to Hofstede (2001), the preferred and perceived types of manager tend to coincide, which was corroborated by our results. In his IBM study, Hofstede concluded that countries with higher power distance scores, among which are Argentina, Chile and Brazil, had a distinct preference for autocratic or paternalistic managers and, in fact, those were the types of managers they perceived they had.

However, it is worth mentioning that sometimes the limited experience of the respondents can influence their perception of the type of manager they in fact have. One also has to consider that training management courses normally glorify consultative or participative management as being superior and more modern than more autocratic or paternalistic management styles, not considering the cultural profile of the audience. This could suggest the existence of consultative or participative rituals, without necessarily implying the implementation of managerial models that are actually consultative or participative. From this perspective, consultative or participative management styles might be reduced to a ritualistic representation of participation just because they are perceived as the politically correct discourse by the managerial establishment.

Factor V2 on work centrality links items that indicate collectivism (OT16 and CG2, indicated in *italic* in Table 4.2a), and icons of modern capitalistic societies, such as the value attributed to competitiveness (item CG8) and the importance given to work (values glorified by the protestant ethic). This symbiosis suggests that the desired values of work and competitiveness are inscribed in the relational universe, in permanence and tradition, where the prestige of the organisation grants prestige to its members, being the basis of their identification system. From a different angle, work centrality suggests the ethic of the worker, in opposition to the ethic of the adventurer (Buarque de Holanda, 1995), clearly portrayed by

dimension V5 (need for survival), forming another set of opposites typical of the ambiguous character of Brazilian society in particular.

According to Dumont (1966; 1980), holism is the priority given to relationships, in contrast to the precedence given to individuals or individualism. From this perspective, the opposite of individualism would be holism instead of collectivism. The concepts of individualism and collectivism would then be separate dimensions that could coexist in the same individuals or groups of individuals. In connection with this issue, Triandis (1995) argues that social groups could have individualistic behaviours at work and collectivistic behaviours in the family. That being the case, it would be necessary to understand how social groups view their specific work environment: if as elective or forced groups. If the organisation were perceived as an elective group, the fact that the group privileged group interests would not necessarily define a collectivist attitude. From this standpoint, the opposite of individualism would be to prioritise relationships (holism) and not to prioritise the group, as the group can be elective or forced. This perspective seems to fit the relational Latin American societies.

Factor V3 (need for security) apparently indicates low levels of uncertainty. The importance given to the full use of skills and knowledge at work (OT22) may suggest a route leading to the consolidation of group prestige, thus contributing to the reduction of the perceived uncertainty. On the other hand, the fact that tension and stress at work are considered not important (OT3) could alternatively indicate that tension and stress are incorporated to everyday life and could derive from external factors thus leading to a certain “adaptation” that would reflect in the perception of being able to deal reasonably well with uncertainty. Additionally, the fact that managers do not need to have all the right answers (CG7) could indicate the group’s ability to deal with ambiguity. Finally, the fact that additional benefits have little importance (OT20) could be related to the convergence of a specific situation of XYZ with the Brazilian characteristic of conflict avoidance: according to the interviews the company has undergone a significant process of change where the package of benefits was drastically reduced. The need for harmony and the rejection of open conflict could thus justify item OT20.

Factor V4 (need for satisfaction at work) introduces an apparent contradiction between the intention to leave the organisation before retirement (item FV5 indicated in *italic* in Table 5.1b) and the other items, typical of relational societies. However, the statements are complementary because the dissatisfaction with the new status quo would justify the desire to leave, although that does not imply that employees stay with the company for a short time (variable D3 – number of years with the company – varies between 11 and 19 years)

Factor V5 (need for survival) could be interpreted as related to the ethic of the adventurer described by Buarque de Holanda (1995) or to the profile of the rogue described by DaMatta (1997), where the need for survival overlaps with an inherent aversion to work, in clear contradiction to the values of factor V2, confirming the dual and ambiguous character of the sampled cultures.

The scores and rankings (Table 4.2) clearly depict the existing differences between the three units abroad and the Brazilian units, mainly in connection with dimensions V1 and V4.

In connection with V1, the three foreign units concentrate the highest scores, while in the Brazilian units the scores are close to the midpoint of the scale, which clearly indicates a higher need for authority in the units abroad. In connection with V4, the foreign units concentrate both extremes of the scale: Buenos Aires and Santiago have the highest scores of need for satisfaction at work, while Asuncion has the lowest. Once again, in general, the scores of the Brazilian units for V4 oscillate close to the midpoint of the scale.

4.2 – Practice Dimensions

Of the 11 independent factors obtained we decided to keep three that together explain 65.5% of the variance. Tables 4.3a and 4.3b list the variables with loadings approximately higher than 0.50 or 0.60 that were considered relevant to explain each factor.

Instead of the six dimensions identified by Hofstede et al. (1990) this study found three dimensions. Consequently, we decided to name them differently indicating in bold the four items that we considered key to define each dimension. The 12 key items (4x3) were submitted to an ecological factorial analysis of principal component and together explained 79.2% of the accumulated variance of the mean scores between units.

Table 4.2: Values - Scores & Ranking

UNIT	UNIT NUMBER	V1	V2	V3	V4	V5	RV1	RV2	RV3	RV4	RV5
SANTIAGO	1	88	50	49	73	30	2	11	11	2	18
ASSUNÇÃO	2	93	50	60	13	51	1	10	5	20	10
BUENOS AIRES	3	78	57	34	78	73	3	7	16	1	2
NATAL	4	48	43	43	39	49	5	14	13	16	12
PORTO ALEGRE	5	47	58	50	24	58	8	6	10	19	7
FLORIANÓPOLIS	6	44	35	38	48	77	11	18	14	12	1
CURITIBA	7	42	29	54	51	50	15	19	9	11	11
SÃO PAULO	8	49	9	77	52	37	4	20	2	10	15
BELO HORIZONTE	9	43	42	34	47	53	13	15	17	13	9
VITÓRIA	10	46	67	55	39	66	9	3	7	17	4
SALVADOR	11	39	57	46	53	62	20	8	12	9	5
RECIFE	12	39	48	75	53	73	19	12	3	8	3
FORTALEZA	13	41	35	31	35	24	16	17	18	18	20
SÃO LUÍS	14	39	78	30	42	25	18	1	19	14	19
BELÉM	15	43	40	26	69	58	12	16	20	3	8
MANAUS	16	48	66	54	39	61	6	4	8	15	6
RIO DE JANEIRO	17	47	45	38	55	36	7	13	15	7	16
CAMPO GRANDE	18	43	71	81	64	38	14	2	1	4	14
CUIABÁ	19	44	55	66	63	47	10	9	4	5	13
GOIÂNIA	20	40	65	59	62	33	17	5	6	6	17

OBS: R indicates the ranking of the factor.

Generally speaking, XYZ could be defined as oriented towards processes, the job, parochial, with tight control, closed and normative. According to Hofstede et al. (1990), in organisations oriented towards processes, people do not feel at ease in new situations, avoid taking risks (PP3) and perceive all days as being practically the same (PP53); in organisations oriented towards the job, people feel pressured to do the work, the organisation is perceived as interested only in the work of the employees and not in their well-being (PP28) and, in general, decisions are taken by individuals (PP6); in parochial organisations the employees may not be conscious of the existence of competition (PP41); in closed systems, people are perceived as being closed and reserved (PP11) and it would take new employees more than a year to feel at home (PP44); in normative organisations the emphasis would be on following the organisational procedures (PP1) and, they are generally perceived as having high standards if ethics and honesty in business (PP49)

Table 4.3a – Practice Factors: main variables with their loadings

Factor P1: adaptive x conservative		
PP11	0,93	Our organisation and people are closed and secretive
PP20	0,91	Top managers resent being contradicted
PP50	0,91	Ordinary members of the organisation never meet their top managers
PP2	0,89	Little concern for personal problems of employees
PP52	0,88	Our management does not like our being members of unions
PP4	0,88	Little acceptance of individual differences – people should behave like everybody else
PP7	0,88	Subordinates work according to detailed instructions from their superiors
PP28	0,88	Our organisation is only interested in the work our employees do
PP14	0,87	Many people wonder about the purpose and importance of their work
PP23	0,85	People are only told when they have made a mistake
PP6	0,84	All important decisions are taken by individuals
PP54	0,83	We have a problem of administrative discontinuity
PP53	0,82	Each day is pretty much the same
PP37	0,81	We feel our branch is the worst of the whole company
PP48	0,80	Changes are implemented by management decree
PP29	0,77	Newcomers are left to find their own way
PP9	0,77	We always supply the same well-tested products and services
PP26	0,74	<i>Our organisation contributes very little to the well-being of society</i>
PP32	0,74	Managers try to keep the good people for their own branch
PP43	0,73	Decision-making is centralized at the top of the hierarchy
PP39	0,72	Our style of dealing with each other is quite formal
CT4	0,72	Typical member inflexible
PP30	0,72	<i>Our organisation has no special ties with the local community</i>
PP41	0,70	We are not aware of any competition of other organisations
CT6	0,68	Typical member sloppy
CT5	0,67	Typical member slow
PP24	0,67	<i>Relationships are not important for success</i>
PP3	0,66	People are uncomfortable in unfamiliar situations and avoid risks
PP44	0,63	New employees usually need more than a year to feel at home
PP1	0,63	The major emphasis is on correctly following the organisational procedures
PP5	0,62	Rewards are based on individual performance
CT1	0,61	Typical member reserved
CT7	0,60	Typical member individualistic (2 nd loading)

Considering the three dimensions identified in this study, we could infer that the first one (P1: adaptive x conservative) shows the fascination that Brazilian organisations have for hierarchy and tradition, describing an organisation that could be interpreted using the code of “the street”, the code of laws and of individualism.

Brazilian society, and Latin American societies in general, are a kind of bureaucratic organization where the “whole” has precedence over the parts and where hierarchy is a fundamental issue for the definition of the role of institutions and individuals. This would explain the so-called individualism, personalism or Latin American “caudilhismo” in opposition to the Anglo-Saxon individualism that makes laws (DaMatta, 1987). Such organizational vision would, at least in part, justify item PP24 (i.e. that relationships are not important in order to attain success).

Table 4.3b – Practice Factors: main variables with their loadings

Factor P2: the "street" x the "home"		
CT2	0,86	Typical member warm
PP8	0,85	We think three years ahead or more
PP18	0,85	Job competence is what counts regardless of how it was acquired
PP40	0,69	Quality prevails over quantity
CT7	0,60	Typical member relational
PP16	0,58	Everybody is conscious of the cost of time and / or materials
PP10	0,51	Cooperation and trust between branches are normal
Factor P3: loose bonds x strong bonds		
PP13	0,92	Strong ties of loyalty link the employees with the organisation
PP27	0,79	We like people who act assertively; false modesty does not get you anywhere
PP42	0,69	Much attention is paid to our physical work environment
PP19	0,69	Some mistakes are accepted as a normal consequence of initiative
PP49	0,66	High standards of business ethics even at the expense of short term results
PP38	0,57	People tell a lot of stories about the history of our organisation

In such an environment of individuals, impersonal rules substitute relationships. Thus, the fact that the organisation does not have relevant links with the local community (PP30) could be explained by the historical indifference of the forms of association that imply solidarity, as stated by Buarque de Holanda (1995).

In that dimension, the code of the street polarizes into two extremes: the conservative, hierarchical and traditional versus the adaptive, implying the implementation of management techniques considered “modern”, but where the axis of impersonal laws would still be predominant.

To exemplify, in individualistic societies, such as the North American society, the concept of community is founded on the equality and homogeneity of all its members. In Latin America, and especially in Brazil, in contrast, the community is heterogeneous, hierarchical and complementary. Its basic unit is not based on individuals, but on relationships and persons, on groups of friends (DaMatta, 1987).

But, just like in a set of mirrors, the dimensions present their own opposites, as shown in dimension P2 (the street x the home) where the view of the home, of the relational axis is clearly represented (CT7). XYZ is an organisation that exists in a complex system of social relationships, of links among its members. In DaMatta’s view (1987), the street and the home, more than sociological categories are institutionalised cultural domains. The home only makes sense when opposed to the street, to the external world. In the Brazilian case, in certain situations we prefer to “encompass” the street inside the home, treating the organisation as if it was a large family, naturally obeying the laws and rules and following the leadership of the person who produces the discourse and that, in that moment, is our guide or father. The result is a discourse where the person, the home and their preferences and likings constitute the framework of the whole system. In the street, society is “encompassed” by the axis of impersonal laws, totally offsetting the home, hiding the domain of personal relationships. Brazil can be read or understood from both perspectives and both possibilities are institutionalised in the organisation.

At home we can do things that are condemned in the street. The code of the home is based on the family and friendship, on loyalty and on the person, while the code of the street is based on laws and on bureaucracy (which can reach absurd levels)

Consequently, the ethic that applies depends on how the organisation is perceived (as the street or as the home), thus implying the concept of double ethics already identified by DaMatta (1987). There are interpretation codes and ways of behaviour that are opposite and that are valid only for certain people, actions and situations.

Complementing the first two dimensions, the third dimension (P3: weak bonds x strong bonds) adds an element of permanence and of loyalty (PP13) linking opposites and solving the potential conflict: the perception of the organisation as impersonal, hierarchical and normative or the perception of the organisation as relational, where knowledge and competence are worth more than diplomas; where anonymity becomes identity.

The scores and rankings (Table 4.4) clearly show the existing differences between the foreign and the Brazilian units. It can be noticed that the units abroad (specifically Asuncion and Buenos Aires) concentrate the highest scores of the three dimensions, as well as the lowest score of dimension P3 - strong bonds

The analysis of the scores and rankings of the five value dimensions and of the three practice dimensions shows that the foreign units represent the extremes of the relationship between power distance (represented by V1) and the relational universe represented by P2. This apparently denotes that the relational universe provides the appropriate environment that would “facilitate” existence in societies with high power distance, reducing, in practice, the distance imposed by hierarchy and by bureaucracy, offering alternative functional routes typical of societies with double ethics.

Table 4.4 - Perceived Practices - Scores & Ranking

UNIT	UNIT NUMBER	P1	P2	P3	RP1	RP2	RP3	OBS: R indicates the ranking of the factor.
SANTIAGO	1	79	53	37	2	9	18	We also verified that the units abroad concentrate both the highest (Buenos Aires) and the lowest (Asuncion) scores of dimension V4. Moreover, we also observed that V4 is significantly and negatively correlated with P3 (strong bonds), where Asuncion has
ASSUNÇÃO	2	99	67	81	1	3	1	
BUENOS AIRES	3	46	95	12	12	1	20	
NATAL	4	56	57	49	4	6	11	
PORTO ALEGRE	5	42	46	72	15	11	3	
FLORIANÓPOLIS	6	47	23	52	9	20	9	
CURITIBA	7	39	50	58	16	10	7	
SÃO PAULO	8	55	38	39	5	16	16	
BELO HORIZONTE	9	53	38	46	7	15	12	
VITÓRIA	10	52	53	39	8	8	17	
SALVADOR	11	47	45	50	11	12	10	
RECIFE	12	47	34	41	10	19	14	
FORTALEZA	13	54	38	53	6	14	8	
SÃO LUÍIS	14	37	71	62	17	2	4	
BELÉM	15	37	55	59	18	7	5	
MANAUS	16	30	59	58	19	5	6	
RIO DE JANEIRO	17	46	43	32	13	13	19	
CAMPO GRANDE	18	28	64	76	20	4	2	
CUIABÁ	19	46	36	39	14	18	15	
GOIÂNIA	20	61	38	45	3	17	13	

the highest P3 score and Buenos Aires the lowest. The analysis suggests the complementary connection between extreme opposites, with Buenos Aires denoting the existence of a high need for satisfaction at work that may be unsatisfied and that is therefore reflected in weak

bonds. On the other hand, the relatively low need for satisfaction at work found in Asuncion would be justified by the existence of strong bonds. Furthermore, the aspect of loyalty contained in the existence of strong bonds also shows the importance of the relational universe in Latin American societies and their role of social amalgam neutralizing tension and dissatisfaction.

4.3 – Hero Dimensions

Of the four independent factors that were obtained we kept three that together explained 76.86% of the variance.

Table 4.5 lists the variables with loadings approximately higher than 0.50 or 0.60 that were considered to explain each factor, indicating in bold the items selected to name the dimensions

Table 4.5 – Hero Factors: main variables with their loadings

Factor H1: Relational Hero (impersonal x relational)		
MP4	0,95	Diplomas and formal qualifications not important for promotion
MP1	0,87	Seniority with the organisation important for promotion
MD4	0,84	Serious conflict with superior leads to dismissal
MD2	0,76	Not having within the org. relationships that protect you leads to dismissal
MP3	0,66	Being politic and knowing how to negotiate not important for promotion
MD1	0,63	Poor performance that does not improve after a warning leads to dismissal
Factor H2: Caxias Hero (protection & privileges x commitment & efficiency)		
MP5	0,81	Commitment to the organisation important for promotion
MP2	0,75	Proven performance important for promotion
MP6	0,67	Good relationship with hierarchical superiors not important for promotion
MD6	0,64	Appropriating US\$ 100,000.00 leads to dismissal
Factor H3: Moral Hero (pragmatic x moral)		
MD5	0,86	Appropriating US\$ 100.00 leads to dismissal
MD3	0,85	Having sexual relations with a subordinate leads to dismissal

Latin American societies in general are societies that have two conflicting ideals: equality and hierarchy.

According to DaMatta (1997) in relational systems everything is translated into personal terms. Heroes are the paradigmatic figures of the social world, either as an example to be followed or as a model to be avoided and banned.

Within that context, our study identified three hero dimensions: the relational hero (H1, contrasting the impersonal with the relational world); the “caxias” hero (H2, contrasting protection and privileges with commitment and efficiency) and the moral hero (H3, contrasting pragmatic aspects with moral aspects).

In DaMatta’s perspective in Brazil we live more according to an ethic of vertical loyalty and identity than according to the horizontal ethics that appeared with capitalism. Thus, the identification with a hierarchical superior is much easier than with an equal or colleague fostering the existence of heroes. Two factors are always present in our culture: first, the need to separate theory from practice and second, the realization that there are two conceptions of what the national reality entails: the relational and the impersonal world, the world of privilege and the world of work and efficiency, the moral world and the pragmatic world.

The three hero factors also show the ambiguity and contradictions typical of the sampled Latin American cultures, where opposites are different sides of a mirror that reflects society and its duality.

The scores and ranking (Table 4.6) clearly indicate some of the existing differences between the foreign units and the Brazilian units, especially in connection with H1 and H3. The highest H1 scores are found in the foreign units while most Brazilian units scores are close to the midpoint of the scale. Additionally, the highest H3 score is in Santiago, which sets it apart from all the other units as the closest to the ideals of the moral hero, denoting the preference for socially sanctioned moral formalism, an orthodoxy that could affect pragmatism and flexibility and become a potential source of conflict. Results suggest that, in Brazil, a more moderate positioning prevails, in turn signalling the flexibility and adaptability of Brazilian culture, apparently less prone to extremes and favouring solutions that emphasize harmony instead of open conflict.

4.4 – The Strength of Culture

Dimension P2 is highly correlated with the RSDP ($r = -0,865$) suggesting that the OC of XYZ is strongly perceived as the home, that is to say, strongly relational.

On the other hand, dimension H2 is highly correlated with the RSDH ($r = -0,957$), suggesting that the OC of XYZ is also strongly associated to the ideals of the *caxias* hero, valuing commitment and efficiency. Both strengths symbolise the double ethic, the ambiguity and the apparently antagonic opposites that are simultaneously present in XYZ: the relational aspect, the home, and the aspect that deals with the commitment, efficiency and meritocracy.

Table 4.6: Heroes: Scores & Ranking

UNIT	UNIT NUMBER	H1	H2	H3	RH1	RH2	RH3
SANTIAGO	1	64	24	93	3	19	1
ASSUNÇÃO	2	89	40	65	2	16	3
BUENOS AIRES	3	96	62	33	1	5	19
NATAL	4	43	51	48	13	12	12
PORTO ALEGRE	5	32	59	68	19	6	2
FLORIANÓPOLIS	6	31	39	58	20	17	6
CURITIBA	7	45	63	50	12	4	11
SÃO PAULO	8	47	29	41	8	18	14
BELO HORIZONTE	9	42	7	20	17	20	20
VITÓRIA	10	50	47	36	6	14	17
SALVADOR	11	52	46	39	5	15	15
RECIFE	12	43	52	52	14	11	9
FORTALEZA	13	41	53	55	18	10	8
SÃO LUÍS	14	56	70	36	4	2	16
BELEM	15	46	55	33	10	8	18
MANAUS	16	46	57	62	9	7	4
RIO DE JANEIRO	17	42	49	50	16	13	10
CAMPO GRANDE	18	43	73	57	15	1	7
CUIABÁ	19	47	69	43	7	3	13
GOIÂNIA	20	46	54	61	11	9	5

OBS: R indicates the ranking of the factor.

5 - Conclusions

Organizations are at the same time producers and product of their culture. The OC cannot be considered a photograph of the organization but an interpretation of the complex organizational reality as perceived by its members. Consequently, the dimensions identified in this study, partly reflect the OC dimensions identified by Hofstede et al. (1990) but they also show unique features based on the specificities of the organization and of Brazilian culture.

Organizations are symbolic entities: they function according to implicit models in the minds of their members, and these models are culturally determined. In terms of values, the crucial dimensions are power distance (V1 – need for authority) and uncertainty avoidance (V3 – need for security) as they are involved in answering the questions of who decides what and of how one can assure that what should be done will be done (Hofstede, 2001).

In terms of the usefulness of the OC construct for management, the research approach can be generalized to organizations elsewhere but the conclusions and the six (three on perceived practices and three on heroes) dimensions can not be generalized as demographic characteristics such as age, education and gender, and personality as well, also play roles. Theories, models and practices are basically culture specific: they may apply across borders, but this should always be proved.

Results suggest the influence of national culture on organizational culture, as the dimensions found clearly reflect the ambiguity and double-edged ethic characteristic of Brazilian culture in particular and of Latin American culture in general.

This study shows the importance of both hierarchy (factor P1 – adaptive x conservative) and relational networks (factors P2 – the street x the home and H1 -relational hero), which stresses the relevance of the cultural element in organisational structure and functioning. Quoting Hofstede (2001) “the structure and functioning of organizations are not determined by a universal rationality. There is no best way that can be deduced from technical-economical logic”.

Also in connection with the importance attributed to hierarchy is the issue of power redistribution, which includes all forms of empowerment such as consultative and participative forms of management. In organizations with a high need for authority, if power redistribution is imposed, it may become self-destructive (because, according to Hofstede, 2001 if it succeeds, continued imposition would no longer be possible) or, for example, it may just be reduced to a ritualistic representation of participation just because it is perceived as the politically correct discourse by the managerial establishment.

In hierarchical and relational organizations, according to DaMatta (1997), once people are positioned in a network of personal relationships they are automatically treated as friends and can be a potential source of power resources and a means of social and political manipulation by reciprocity and favour. The importance of social interaction and, therefore, of relational networks, both personal (or socially expressive) and business (or instrumental) is undeniably shown by the importance given by social groups to relationships, which are one of the components that define the strength of XYZ's organizational culture.

In relational or more collectivistic societies the link between individuals and their organisation is moral by tradition as shown in factor P3 (loose bonds x strong bonds) that stresses the importance of loyalty and by factor H3 (the moral hero). Motivation, for example, is a construct; it is an assumed force explaining behaviours, once again stressing the importance of relationships as well as the importance given to modernity, reflected in factor H2 – the caxias hero contrasting protection and privileges with commitment and efficiency.

In conclusion, understanding the double-edged ethic that governs Brazilian culture, and most Latin-American cultures in general, helps us understand apparently different, ambiguous or even contradictory behaviours reflected in the OC practices of a Brazilian company with international operations

6 – References

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