

## LONG TERM VISION

Despite many uncertainties in today's world, most people agree that the future will bring an even stronger globalization context in which countries and organizations will have to find better solutions to live and work with a highly diverse population. It is also accepted that the potential benefits of cultural diversity are not always effective due to the complexity that this diversity brings about. These problems demand more research on cross-cultural effects at different levels: society, community, organization, teams, and interpersonal relationships.

Cross-cultural research in organizations started a few decades ago, with the studies of Hofstede with IBM managers around the world. He defined culture as "the collective programming of the mind which distinguishes the member of one group or category of people from another"<sup>1</sup>. Hofstede used the metaphor of culture as the software of the mind. The hardware of the mind is universal, and all people make sense of their environment and of themselves by a mechanism of self-regulatory processes. However, the software of the mind differs across cultures, and people interpret the same organizational cues in different ways depending on the cultural code they use. Thus, culture affects individual and group decision-making processes in deep and even unconscious ways.

Since those early studies, cross-cultural research has used cultural categories (such as power distance, or masculinity-femininity) to explain differences in behaviors and practices in different cultures. However, this research consists mainly on simple comparisons of results between two or few different cultures in order to find differences with the established models that have been developed in the Western world. The results so far are inconclusive, because this research has been conducted without a proper methodology to identify the underlying cross-cultural influence in the different relationships of the models. The basic problem to measure cultural factors is that they are at a different level of analysis and cannot be measured as a simple new variable in the model. Recently, a new methodology (called Hierarchical Linear Models) has been developed that allows for measurements at different levels of analysis. This new tool gives researchers the opportunity to understand how culture really influences different processes in organizations.

Through the research project on *Cross-Cultural Perspectives in Organizations*, IESE wants to become a primary source of cross-cultural knowledge using these new methodologies to research, generate, and spread new knowledge on the field. This project has a comprehensive, multicultural, and applied focus. Comprehensive, because it will study various key aspects in the field of human behavior in organizations: leadership,

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<sup>1</sup> Hofstede, G. 1980. *Culture's consequences: International differences in work-related values*. Thousand Oaks, CA: Sage.

motivation, corporate culture, or HHRR policies, among other; multicultural, because it will depend upon the collaboration of different researchers from different cultures, where our purpose is to create a stable network of researchers around the world that work on different cross-cultural studies; and applied, because it will place a special emphasis on the immediate service to the business world and to society in general, not only in research, but also in teaching and the spreading of knowledge. The project will approach problems with the scientific rigor corresponding to its academic character, but always in close contact with the problems and interests of the business world. In the medium term, the project will concentrate mainly on the cross-cultural analysis of the following topics: corporate culture, leadership, HHRR policies, trust, and motivation.