Book Reviews

Culture, Leadership and Organizations: The GLOBE Study of 62 Societies.
Robert J. House, Paul J. Hanges, Mansour Javidan, Peter W. Dorfman, and Vipin Gupta, eds. Thousand Oaks, CA: Sage, 2004. $115.00. 848 pp.

The long-awaited overview of the Project GLOBE survey study of societal culture, organizational culture, and organizational leadership has now arrived as an edited book entitled *Culture, Leadership and Organizations: The GLOBE Study of 62 Societies.* The project seeks to refine Hofstede's (1980, 2001) societal culture dimensions and to link the project's new measures to organizational culture and leadership. The new survey questions about culture are intended to make the meaning of the dimensions self-evident and to disentangle subdimensions. Separate questions ask about the values that middle managers see their society as holding and about the values that they personally hold. The organization culture component is intended to assess whether societal culture is reflected in organizational culture. The leadership analysis centers on whether particular kinds of leadership, particularly forms of transformational and charismatic leadership, are universally valued. Because societal culture, organizational culture and leadership are among the most central topics in cross-cultural management, a project having the geographic scope of GLOBE is bound to be influential. For that reason, this review provides a critical introduction to GLOBE, focusing on major methodological and conceptual issues that may affect future research.

The book is divided into 22 chapters organized into five parts, plus four appendices. Five overview and conceptual chapters (parts 1 and 2) about the project's purposes, societal culture, leadership, and organization culture introduce the project. Part 3 covers methods issues, including the nature of and rationale for the research design and data analysis as well as how the measures were validated. The substantive results are reported in a set of chapters in part 4 that are organized around nine culture dimensions ending with two chapters summarizing the organizational culture and leadership findings. Part 5 is a single chapter that suggests future directions. The appendices provide technical information about the measures, including societal-level correlations and societal means. The book is closer to being a single integrated work than are most edited books, although redundancies in descriptions of the project's basic characteristics and in reviews of other major culture projects reflect the separate authorship of each chapter.

GLOBE's analysis of culture expands Hofstede's (2001) five well-known dimensions to nine. Five of these nine are presented as improved versions of Hofstede's dimensions of power distance, uncertainty avoidance, future orientation, and two subdimensions of individualism-collectivism: institutional collectivism and in-group collectivism (p. 13). The other four, performance orientation, gender egalitarianism, assertiveness, and humane orientation, appear to be intended to disentangle separate elements in Hofstede's masculinity-femininity dimension (pp. 12–13). The GLOBE authors explicitly describe gender egalitarianism and assertiveness as

subdimensions of the Hofstede dimensions. But they discount the common link of both Hofstede's masculinity construct and their performance dimension to prior research about achievement (cf. Hofstede, 2001: 296–297, 304; House et al.: 13–14, 241–243). They also discount the many connections between the social goals that anchor the feminine side of Hofstede's dimension to the social goals in their humane orientation construct (e.g., Hofstede, 2001: 296, 327–328; House et al.: 565–566). Given the authors' frequently repeated interest in improving on Hofstede's work by making sure that dimension labels correspond to items that will have face validity for managers and management scholars, the meaning of the GLOBE dimensions is reasonably self-explanatory. Like the book's authors, my sense has been that some of Hofstede's dimensions might well be subdivided. It is difficult to evaluate the book's new culture-dimension scheme, however, because of issues surrounding the way the data were analyzed to verify the dimensions.

The culture-dimensions chapters are paradoxical in that they are highly critical of Hofstede's framework, yet they reflect more of its influence than of any other. They share Hofstede's view that culture should be represented by dimensions constructed from survey responses, that the dimensions should reflect values, that the value dimensions should be linked to a functional framework, that the functional basis that Hofstede adapted from Inkeles and Levinson (1969) needs to be refined and augmented rather than replaced, that nations are important delimiters of cultural boundaries, that culture is very stable, and that societal data about culture dimensions should be shared with the academic community. Notably, no culture dimensions are introduced that are not either closely analogous to or subdimensions of Hofstede's dimensions. Nevertheless, mention of Hofstede's work is typically accompanied by a critical jab, while alternative culture-dimension frameworks are either presented uncritically as givens or with explicit adulation. Similarly, alternative functional frameworks like those provided by Kluckhohn and Strodtbeck (1961) are appropriately referenced but not used to replace the conceptual base that Hofstede developed from Inkeles and Levinson (1969). The stability of societal cultures is evident, as each chapter describes culture as rooted in ecological, historical, and religious traditions. The paradoxical treatment of Hofstede's project appears to occur because it is so central to GLOBE's theory and design that legitimating the project requires a rhetoric of improving on Hofstede's research.

The culture-dimension chapters raise an important new question for the values perspective on culture by separating measures based on what middle managers see as the values prevalent in their societies from measures based on the values that they say that they personally hold. For those of us accustomed to seeing perceptions and ideals track one another in individual-level research, the negative correlations for some dimensions between these two kinds of measures are surprising. They raise the very interesting possibility that the preponderance of managers in some nations may be ready for societal change. If so, organizations in such soci-

eties may be particularly open to foreign influence that might be transferred through media, government interventions, or multinational corporations. The negative correlations also raise conceptual issues about the dimensionality of culture. Future research may need to consider not just nine culture dimensions, but eighteen dimensions of two basic types.

An unfortunate choice of terminology obscures the potential contribution of these two ways of looking at societal values. The label "value" is used for societal averages of the values respondents personally hold, and the label "practices" is used for the values managers see being expressed in their societies. For example, the question "In this society, parents take pride in the individual accomplishments of their children" is an in-group collectivism item (reverse scored) about "practices," whereas "In this society, parents should take pride in the individual accomplishments of their children" is an in-group collectivism item (reverse scored) about "values" (p. 164). Notice that the second question adds the word "should." Conceptualizing these two types of items as equally societal-level indicators of values and practices creates a confusion that permeates the book. The "practices" items ask respondents to describe the values implicit in social structures affecting broad segments of a nation. The "values" items, in contrast, ask the respondents to describe something about themselves as individuals. Given that the respondents are middle managers, quite an elite group in some of the societies studied, they may or may not personally identify with the many components of the larger society that they are describing when answering the GLOBE "practices" items. An important part of the difference between the two kinds of items is in the level of analysis of the item referent—*personal* values (GLOBE "values") or *societal* values (GLOBE "practices"). As I read the book, I found myself translating what GLOBE calls practices into "perceived societal values" and thinking "middle manager values" at points where GLOBE refers to "values." Despite the questionable label choice, the distinction between these two types of questions and their negative relationship for several societal culture dimensions helpfully challenges cross-cultural scholars to rethink what we are studying.

Many of the implications of societal culture for organization culture and leadership are covered in each of the culture-dimension chapters. In addition, part 4 concludes with more focused discussions of the organizational culture and leadership results, especially as they are linked to industry type and societal culture. The organizational culture measures have the same structure as the societal culture measures—"as is" questions about values implicit in what an organization does (referred to as "practices"), and "should be" questions about the values that respondents believe they personally hold (referred to as "values"). These measures and their labels have the same strengths and limitations as their societal-level counterparts.

Surprisingly, industry type has little or no main effect on organizational culture, or on the societal culture dimensions, for that matter. There are some generally weak interactions between society and industry type predicting some organiza-

tional culture dimensions. A considerable amount of organization theory suggests that the three industries studied, financial services, food processing, and telecommunications, should be quite different, for reasons that the authors specify. These issues of industry effects have substantial implications for whether and how industry needs to be controlled in other comparative research.

GLOBE takes a step toward assessing whether the forms of leadership that have been found most useful in nations like the United States, in which leadership has been frequently studied, are useful elsewhere. It does so by using the idea of "implicit leadership theory" in a way that needs to be read with care. As the authors accurately indicate, research about people's implicit leadership theories reflects applications of theories about non-conscious cognitive structures like scripts and schemas to conscious thought and behavior. Like all conscious thought, explicit answers to survey questions about leadership are affected by nonconscious structures that are shaped by culture. But only when the inaccuracies or biases in such explicit reports are being considered have studies that use the means of survey items been thought of as implicit leadership theory research. As I read the leadership material, I found it helpful to think "explicit leadership perceptions and ideals" in place of what the authors called implicit leadership theory.

The central limitation of the leadership component is that we cannot assume that managers can dependably tell us what form of leadership is really effective in their society. The tradition of hypothesis testing in organizational research, as in social science in general, has not been to ask managers what is effective and take their answers at face value. In the leadership field, the study of leader ideals has a long history (Bass, 1981: 369–370), but it has generally been found less useful than analyses of leader behavior or leader-follower relationships. With this substantial caveat, GLOBE provides a quite useful alternative to the only other major basis for hypotheses about leadership effectiveness, leadership-style research that is overwhelmingly from U.S. samples. The next step is to find out what forms of leadership actually predict various aspects of effectiveness in various locales, but, unfortunately, it is likely that GLOBE's results will find their way into textbook treatments of international leadership before this step can be taken.

The contributions to the literature about societal culture, organizational culture, and leadership are affected by the strengths and limitations of the project's methods. The chapters in part 3 show some unusual basic research design strengths, but the data as analyzed are difficult to interpret. Project GLOBE went through a commendable process of drawing from collaborators in many nations to design globally relevant survey items, representing key relationships through measures taken from different sources, considering potential industry-type confounds that could make assessing the effects of societal culture difficult, and checking the validity of their measures against data from other projects. Yet the book does an incomplete job of describing how several methods issues central to cross-cultural research have been han-

dled. For example, additional information is needed about measure equivalence in different translations, but the kind of evidence that would be appropriate depends on how level-of-analysis issues are handled. It is these levels issues that are of most concern.

Two approaches are typically taken in cross-cultural research to use individuals' responses to surveys to generate measures at a societal level of analysis. One is to first construct measures from concepts and data structures at the individual level. The individual-level measures are then analyzed to see whether they show enough consistency within societies and differences between societies to study them at the aggregate level. This approach has been taken in studies that link average levels of psychological variables such as role stress or personality to culture dimensions. The second approach is to aggregate each item to the nation level, then to evaluate the measurement structure at that level. This approach is usually taken when designing societal culture dimensions. It is what Hofstede (1980) did when deriving his nation-level measures and what Schwartz (1994) did when reporting his nation-level results. Both Hofstede's and Schwartz's projects show the very substantial differences in measurement structure that can be found when measures are designed based on individual and on societal concepts and data structures (Leung and Bond, 1989).

The description in the GLOBE book of the measure-development process is ambiguous about whether one of these two approaches or some combination of them is used to generate the measures. The project appears to have first developed individual-level measures, but the intent appears to have been to construct scales based on societal-level psychometrics. The GLOBE project stresses that "our scales are most immediately useful to cross-cultural rather than intracultural researchers" (p. 146). The description of the measure-development procedure in chapter 8 (including its very important footnotes), although ambiguous, suggests the reverse. Pending more information about how the measures were developed, their use will be difficult to interpret. Providing factor structures for the measures at the individual, organizational, and societal levels would add considerable clarity. Pending clarification, I anticipate using the societal scores with caution as providing useful information based on psychological constructs aggregated to a societal level.

Project GLOBE was designed to improve on the methods that Hofstede used to represent culture dimensions. Social scientists are often better at stating the case for their own positions than they are at critiquing others and that is the case here. Many steps that the GLOBE scholars took to conceptualize culture dimensions and design their project have the potential to make improvements on the Hofstede project, but more needs to be done to clarify them. While a complete evaluation is beyond the scope of a brief review, GLOBE's measure design choices and the language of "values" and "practices" are two characteristics of the project that limit the improvements.

The culture-dimension chapters take the explicit content, the face validity, of the societal culture items very seriously and repeat the mantra that the Hofstede measures lack face validity. Emphasizing face validity does indeed have the potential to clarify culture dimensions. It also carries the risks of emphasizing individuals over societies as well as presuming a great deal about individuals' ability to describe the subtle influences that their society has on them. For example, Hofstede uses a societal logic and societal characteristics of his data to argue that the extent to which a society's members endorse preferences for certain work outcomes is linked to gender relationships in the society. GLOBE critiques his argument based on an individual-level logic about the meaning that GLOBE's survey items have for individuals. Hofstede's argument may be wrong, but evaluating it becomes difficult at the many points where the critique shifts from Hofstede's societal reasoning about one of his dimensions to an individual-level reasoning about personal values. Hofstede's scales are critiqued as being "empirically developed" (p. 123), as against the GLOBE project's more theory-driven approach. The spirit of considering theory and data in designing measures actually appears to be quite comparable between these two projects, although GLOBE has had the advantage of drawing from the extensive culture literature since Hofstede designed his dimensions. A caveat, though, is that the GLOBE approach appears to have created societal-level measures that may be too strongly influenced by face validity as viewed from the individual level rather than the societal level.

Another level-of-analysis issue arises in the book's critique of Hofstede's analysis of values and practices. Hofstede used the term practices to represent the organization-level variables related to heroes, symbols, and rituals that are constructed when measurement structures are evaluated after each survey item has been separately aggregated to the level of organizations (Hofstede et al., 1990). GLOBE's choice to use the term "practices" to designate middle managers' perceptions of the values prevalent in either their organization or society is bound to cause confusion, especially where GLOBE scholars treat their use and Hofstede's use of the concept of "practices" as comparable. They do so when they indicate that they will evaluate Hofstede's view that national culture has little effect on organizational practices by showing that "(a) values and practices both serve to differentiate between societies and organizations; (b) the values and practices each account for unique variance; (c) the values and practices scales interact; and (d) the dimension of values and practices can be meaningfully applied at both levels" (p. 75). In so doing, they are comparing their measures of the values respondents see as being shown in their societies with Hofstede's measures of characteristics of an organization's heroes, symbols, and rituals. The question of whether and how a multinational organization can transfer the ideals embodied in their organization's heroes, the meanings attached to their visible symbols, and the programs and practices that serve as business rituals is quite important. The need for answers to that question makes the language confu-

sion that GLOBE has introduced when critiquing Hofstede's view of values and practices quite problematic.

Has GLOBE now supplanted Hofstede's project? The projects share much in common, and many of the measures are empirically and conceptually associated, yet there are sufficient differences to treat them as complementary. GLOBE is based on data from middle managers, while Hofstede's project is based on data from marketing and service employees. Consistent with its focus on middle managers, GLOBE data are from companies headquartered in the society in which data were collected, while Hofstede's data are from a single multinational organization. I anticipate continuing to take advantage of the thorough treatment of the culture literature that Hofstede (2001) has provided as well as the updates in the GLOBE book and to look for value in Hofstede's database, which complements the GLOBE project:

The GLOBE group consists of approximately 170 scholars from around the world, including many of the most eminent people in the fields of cross-cultural and leadership theory. Like most international collaborative research (Peterson, 2001), the views expressed in the GLOBE book reflect a negotiated working agreement among the project's members rather than the views of any one person or even, perhaps, of the project's leaders. The reason for the present review's critical focus is that the project will be so influential in cross-cultural management that its limitations need to be addressed directly and promptly either by the book's authors or by others in the GLOBE community.

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