Does where you come from make a difference in the cross-cultural adjustment in Iceland?

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DOES WHERE YOU COME FROM MAKE A DIFFERENCE IN THE CROSS-CULTURAL ADJUSTMENT IN ICELAND?

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ABSTRACT

According to the cultural literature, societies are composed of individuals from many different culturally dissimilar countries (Hofstede, 2001; House, Hanges, Javidan, Dorfman & Gupta, 2004) and research has indicated that individuals differ in their effectiveness in adapting to new cultural contexts (Kim & Slocum, 2008; Peltokorpi, 2008). While the multidimensional view of adjustment has advanced, there still remain many gaps in understanding the diverse factors affecting individual adjustment to new cultures. The purpose of this paper is therefore to examine whether there is a difference in the level of adjustment in relation to individual nationality where nationality was clustered into cultural groups defined by House et al. (2004). This quantitative research made use of questionnaires that were sent to international students studying at the University of Iceland in January 2011. The results indicate that there is a significant difference between groups of nationality in relation to adjustment and that Nordic students seem to adjust better than other national groups.

INTRODUCTION

The impact of national culture has become one of the most important topics in management research (Gelfand, Erez & Aycan, 2007; Leung, Bhagat, Buchanan, Erez, & Gibson, 2005; Triandis, 2008; Tsui, Nifadkar and Ou, 2007) and practice (e.g. Friedman, 2005; Sirkin, Hemerling & Bhattacharya, 2008). Most of the efforts exerted by cross cultural researchers have been directed towards uncovering and explaining (Chen, Manniz & Okumura, 2003; Earley & Singh, 1995), or finding better ways to uncover and explain cross-cultural differences (Brockner, 2003; Kitayama, 2002; Tsui et al., 2007; Von Glinow, Shapiro & Brett, 2004). Most of the current studies, however, investigate adjustment of western individuals to one local country, neglecting that individuals might adjust differently, based on their cultural background. This study will contribute to the current investigation by examining adjustment of individuals defined by cultural clusters to the Icelandic national culture.

CULTURAL DIMENSIONS

The concept of culture has been used in many different ways. One widely adapted early definition was given by Kluckhohn (1985), where it was suggested that culture consists in patterned ways of thinking, feeling and reacting, acquired mainly by symbols, constituting the distinctive achievements of human groups, including their embodiments in artifacts. Kluckhohn (1985) argued that the essential core of culture consisted of traditional ideas and attached values. Cultural values have also been defined as a consciously and subconsciously held set of beliefs and norms – often anchored in the morals, law, customs, and practices of a society, that define what is
right and wrong and specify general preferences (Kirkman, Chen, Farh, Chen & Lowe, 2009). More recently the artifacts are often excluded from definitions of culture and the focus is limited to subjective elements. Subjective culture refers to a group’s characteristic way of perceiving its social environment, and has been said to include elements such as norms, beliefs, attitudes, assumptions, values, ideals and other such subjective elements (Brislin, 1993; Bhagat and McQuait, 1982; Hofstede, 1994; Triandis, 1977). As a result of this new emphasis, culture has been defined as “the the collective programming of the mind which distinguishes the members of one human group from another” (Hofstede, Hofstede & Minkov, 2010, p. 520) which has a pervasive effect on values and behaviors. This cultural approach has been particularly influential in International Human Resource Management (Romani, 2004), as “the frame of reference which a culture provides to individuals” (Ronen, 1986, p. 18), or as “mental frameworks which groups, organizations and nations develop” (Moran, Harris & Moran, 2007, p. 26). Given this kind of approach, cultural variables can be used as explanatory variables in comparative research on organizational behavior, practices and cross-cultural studies.

In this present study the so called subjective culture approach has been adopted. According to this approach, which stressed subjective elements like values and beliefs as a core of the culture (Hofstede, 1994: Triandis, 1977), all members of a culture are believed to go through a socialization process, whereby a new member of a society is inculcated with a set of norms, values, attitudes and knowledge. Through this process individuals learn to think in a certain manner and also learn to understand and interact with other people. The socialization process starts from the first moments of life at home and continues in schools and other organizations which try to produce individuals with the values, aptitudes and skills needed to be a functional part of the society (Hofstede, 1994). Once an individual has undergone the socialization process and entered into the culture, he or she interprets the outside world through this cultural framework. Individuals are generally quite unconscious of these learned patterns, and a prolonged stay abroad and close contact with the local people are needed to become more aware of the mental programs involved (Smith, Andersen, Ekelund, Graversen and Ropo, 2003).

There have been many attempts to differentiate cultures on various dimensions (e.g., Hickson & Pugh, 1995; Hofstede, 1980; House et al., 2004) According to Lytle et al.’s (1995) assessment, there were 74 cultural dimensions offered by various taxonomies at the time. Recently, in an attempt to understand leadership behavior around the world, House and his colleagues (2004) added one more classification of nine cultural dimensions. Thus, there are at least 88 existing cultural dimensions in the literature (Chen, Leung, & Chen, 2009).

Hofstede’s (1980) framework on national culture has consistently since its publication received great attention from business scholars (Sivakumar & Nakata, 2001). Hofstede (1980) conducted two independent surveys within multinational subsidiaries of the international company IBM. The company at that time operated in 40 countries and 66 worldwide locations. The survey was administered twice, once in 1968 and again in 1972, generating a total of over 88,000 usable responses. Hofstede (2001) later expanded the database with additional 10 countries and three regions. In the original framework, Hofstede (1980) introduced four dimensions: power distance, uncertainty avoidance, individualism - collectivism, and masculinity – femininity. Hofstede and Bond (1988) later added the fifth dimension to the framework called Confucian dynamism and was later renamed by Hofstede as long term orientation.

Since Hofstede (1980) proposed the cultural dimension at the national level in the 1970’s, many scholars have verified the effects of national cultures using his cultural dimensions (Triandis & Gelfand, 1988) although some criticism surfaced that Hofstede (1980) ignored propensities of
members in a nation, it is worthwhile to note that a series of studies (Triandis & Gelfand, 1988) have ultimately supported effects of national cultures. These studies did account for individuals’ differences in attitudes within a nation and also made cross-cultural comparisons.

The most recent expansion on Hofstede’s (1980) work is a large empirical study referred to as GLOBE. The name GLOBE refers to the Global Leadership and Organizational Behavior Effectiveness Research Project. The study involved 127 researchers in 62 countries around the world and was designed to replace and expand on Hofstede’s original framework. The goal of the research was to develop an empirically based theory to describe, understand and predict the impact of cultural variables on leadership and organizational processes. Survey questionnaires were developed and collected from more than 17,000 middle managers in 951 organizations across 3 specific industries (House et al., 2004). While Hofstede’s framework has a set of five dimensions, the GLOBE study introduced nine dimensions and eighteen culture scores. These dimensions are: performance and future orientation, gender egalitarianism, assertiveness, institutional and in-group collectivism, power distance, humane orientation and uncertainty avoidance. The culture scores are measured on two levels for both practices and value, therefore making the culture scores eighteen.

CLUSTERING COUNTRIES

According to Hofstede (1980) and House et al. (2004) countries tend to cluster by culture. Values, beliefs, norms, and ideals are embedded in a country’s culture and affect the leadership behavior, goals and strategies of organizations. In the GLOBE research conducted by House et al. (2004) 42 societies based on their nine dimensions were classified into 10 different clusters. The clusters are: Anglo (Australia, Canada, England, Ireland, New Zealand, South Africa and United States), Latin Europe (France, Israel, Italy, Portugal, Spain, Switzerland), Nordic Europe (Denmark, Finland and Sweden), Germanic Europe (Austria, Germany, Netherlands and Switzerland), Eastern Europe (Albania, Georgia, Greece, Hungary, Kazakhstan, Poland, Russia and Slovenia), Latin America (Argentina, Bolivia, Brazil, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Mexico and Venezuela), Sub-Saharan Africa (Namibia, Nigeria, Zambia and Zimbabwe), Middle East (Egypt, Kuwait, morocco, Qatar and Turkey), Southern Asia (India, Indonesia, Iran, Malaysia, Philippines, Thailand) and Confucian Asia (China, Hong Kong, Japan, Singapore, South Korea and Taiwan).

Other researchers have highlighted the difference between clusters by comparing Nordic with Latin-European management behavior. The findings of Lindell and Arvonen (1997), suggest that Nordic management style is more employee oriented, while Latin-European managers seem to emphasize task orientation to a greater extent. The emerging picture is that Nordic subordinate-managers try hard to utilize the creative potential of employees, while Latin-European managers make decisions on their own and implement them with authoritarian power (Fish & Wood, 1996; Scullion, 1994). Zander (1997) surveyed leadership preferences of 17,000 employees of the Swedish, Norwegian, Danish and Finnish organizations. Compared to samples from other nations and found that the Nordic respondents preferred leadership based on coaching rather than direction. Brodbeck and Frese (2000) further analyzed country level variation in the European data from the 61-nation GLOBE survey of leadership behaviors. They too confirmed that the Nordic nations clustered together and that the respondents from northern and western Europe favored leaders who are inspirational and of high integrity more than did those from southern and eastern Europe.
CROSS-CULTURAL ADJUSTMENT

Cross-cultural adjustment can be defined as the degree of psychological adjustment experienced by the individual within a new society or the degree of psychological comfort and familiarity perceived within a new environment (Black, 1988; Black and Mendenhall 1991; Selmer, 2002) and it is argued to be the vital construct underlying the rewards and costs of expatriate experiences to individuals, their families and their firms (Bhashkar-Shrinivas, Harrison, Shaffer and Luk, 2005).

Black and Mendenhall (1991) suggest social learning theory (SLT) as a way of understanding the process of expatriate adjustment. Bendura (2002) argued further that learning can occur as the result of observing and modeling other people’s behavior. The degree to which individuals believe they can succeed in learning other cultures’ behavior and norms significantly influences their willingness to persist in imitating other cultures’ behavior.

A number of researchers have highlighted several key factors related to SLT influencing adjustment. Selmer (2006) suggest that language barriers increase isolation and prevent interaction with host nationals. Lee and Li (2008) have suggested that cross-cultural training can ease adjustment by providing expatriates with the cultural behavior norms that will facilitate their adjustment and Selmer and Leung (2003) pointed out the importance of developing friendship with host country locals. They suggested that it is necessary to develop friendship with host country locals for understanding appropriate behavior. Individuals need to learn about acceptable behavior and appreciate the inappropriate behavior is considered unacceptable. Local friends can help bridge the culture gap and facilitate international adjustment.

Sociocultural Adjustment

Black, Mendenhall and Oddou (1991) proposed a model for sociocultural adjustment, where distinction was made between three dimensions of in-country adjustment. The three dimensions are: general adjustment (refers to the psychological comfort relating to factors of the host cultural environment such as weather, living conditions and food), interaction adjustment (refers to adjustment to different communication styles in the host cultures and to communication with host country nationals), and work adjustment (refers to the psychological comfort involving different work values, expectations and standards). This theoretical framework of sociocultural adjustment has been supported and validated by number of researchers (Black and Gregersen, 1991; Black and Stephens, 1989) and was found to be a good fit for this study.

METHODOLOGY

Sample

Using a questionnaire, the data was collected from international students at the University of Iceland. A total of 194 responses were received using an online survey, representing a response rate of 21.86 per cent. The response rate for the survey is similar to other international surveys (Black and Gregersen, 1991; Parker and McEvoy, 1993; Shaffer and Harrison, 1998). The survey was sent to participants on the 14th of January, one reminder was sent out on the 17th of January 2011 and the survey was closed for participation on the 23rd of January.

The average age of respondents was between 20-30 years (76 per cent) and 59 per cent of respondents were female. Most of the participants had a bachelor’s degree or 40 per cent, and 25
per cent had completed a master’s degree. About 49 per cent were single and 17 per cent had children. About 47 per cent had prior experience of studying, working or living aboard prior to coming to Iceland.

Scales

Cross-cultural adjustment is a multidimensional construct (Black, 1990; Black et al., 1991) with three dimensions identified and has been consistently validated (Shaffer et al., 1999; Parker & McEvoy, 1993). These three dimensions are represented by fourteen items and the Cronbach’s alpha of this scale has reported to be .82 for general adjustment, .89 for interaction adjustment and .91 for work adjustment (Parker & McEvoy, 1993). All three values are greater than the .70 cutoff value suggested by Swanson and Holton (2005). Although this commonly used scale has been criticized for being only a statistical construct, this measure has been consistently validated (Shaffer et al., 1999; Parker & McEvoy, 1993). Dagher (2010) recently confirmed the alpha values greater than .70 by using a sample consisting of expatriates from the Arab region. The Cronbach’s alpha from Dagher’s (2010) study was: General adjustment .95, interaction adjustment .92, and work adjustment .93.

RESULTS

A one-way ANOVA between-groups analysis of variance was conducted to explore the impact of where students come from on their sociocultural adjustment. Subjects were divided into 10 groups as suggested by House et al. (2004), in relation to where they came from. Group 1: Anglo, 2: Latin Europe, 3: Nordic Europe, 4: German Europe, 5: Eastern Europe, 6: Latin America, 7: Sub Sahara, 8: Middle East, 9: South Asia and 10: Confucian Asia. Because there were considerably few students from Groups 6, 7 and 8 they could not be included in the statistical analysis. Sociocultural adjustment was divided into general adjustment, interaction adjustment and work adjustment.

In relation to general adjustment there was a statistically significant difference at the p<.05 level for the countries \[ F(6,161) = 4.2, p = .001 \]. Reaching statistical significance, the actual size, calculated using eta squared was .134 considered to be a rather large effect. Post-hoc comparison using the Turkey HSD test indicated that the most significant difference was between Group 3 (Nordic Europe), (M=5.1, SD=1.15) and Group 10 (Confucian Asia) (M=4.0, SD=1.11).

When interaction adjustment was examined no statistically significant difference at the p<.05 level for the countries was found \[ F(6,167) = .41, p = .874 \]. There was neither any significant difference at the p<.05 level found for work adjustment \[ F(6,168) = .94, p = .43 \].

When sociocultural adjustment was examined there was a statistically significant difference at the p<.05 level for the countries \[ F(6,156) = 2.3, p = .037 \]. Despite reaching statistical significance, the actual difference in mean scores between the groups was found to be medium affect. The effect size, calculated using eta squared, was .081. Post-hoc comparison using the Tukey HSD test indicated that the most significant difference was between Group 3 (Nordic Europe) (M=5.1, SD=1.07) and group 10 (Confucian Asia) (M=4.2, SD=9.74).

DISCUSSION

When the variable general adjustment, which refers to the living conditions, weather, transportation, shopping and availability of entertainment in Iceland was examined, a significant
difference was found. Students from Nordic Europe; Denmark, Norway, Finland and Sweden, reported a greater level of adjustment compared to students from Confucian Asia and Latin Europe. One explanation for the Nordic students’ higher level of adjustment could be that living conditions are similar to what Nordic students experience in their home country. Also, Nordic groceries are quite widely available in Icelandic stores and that could ease general adjustment. The weather in the Nordic countries is also similar and therefore there are no surprises in that regard. These findings further indicate that individuals from Confucian Asia and Latin Europe are more likely to need more assistance in regard to general adjustment. This could be in relation to training or information given to individuals before their arrival in Iceland.

There was no significant difference found for the variables work and interaction adjustment, indicating that students experience a similar level of adjustment to work and interacting with Icelanders. These findings suggest that regardless of their background, individuals seem to experience a similar level of interaction adjustment; to the different communication styles and general communication with Icelandic nationals. One possible reason could be that Icelandic is a language not spoken by many non-Icelanders and interaction can possibly be difficult for all students regardless of their background. On the other hand, Lindell and Arvonen (1997) proposed differences in management style, for example a Nordic management style, Latin –European management style, and so forth. One might therefore have assumed that individuals from the Nordic cluster would have adjusted to work and interaction at a greater level than individuals from other clusters. However, this was not the case and the findings indicate that the psychological comfort involving different work values, expectations and standards at work, is not statistically easier or more difficult for one group than another.

The results indicate that there is a difference in the level of sociocultural adjustment in relation to the student’s national group. The findings furthermore indicate that students from Nordic Europe have an easier time adjusting to the Icelandic culture than students from other country clusters.

This was found to be a valuable finding, because much of prior and recent studies are composed of samples including Western individuals and assuming that those individuals adjust the same to one local culture. These findings indicate that this is perhaps not the case, and when doing research on cultural adjustment individual background needs to be taken into account. The statistical difference found between the nationality groups is also an indication that when studying Sociocultural adjustment it is perhaps advisable to cluster countries according to their cultural heritage as suggested by House et al. (2004).

Limitations

The contributions of the current study must be assessed in the light of its limitations and one must account for individual differences within the groups of study. The second limitation is related to the single-sourced bias (Dillman et al., 2009). It is possible that it could have affected the results of the investigation since all data were collected through a self-report questionnaire. To lessen any potential problem of single-source bias, items of all scales were assigned to the instrument in random order to make it more difficult for the respondents to give uniform answers. The third limitation of this study is the cross-sectional methodology employed. Although adjustment is considered to increase over time (Black and Mendenhall, 1991), the method employed in this study only used measures of adjustment for the studied group of students at a certain point in time. A potentially more rich data could have been gathered by employing a longitudinal approach. The fourth limitation is in relation to the sample source. The sample is drawn from university students studying at the University of Iceland and the findings therefore have a limited generalizability. A further and a larger sample would therefore be recommended in order to get a more rich data.
Future studies

This study was a first attempt to examine sociocultural adjustment in relation to national background and should therefore be regarded only as a building block for future efforts. Future research is recommended by gathering information from other universities in Iceland as well as from the expatriate community and other sources as well. With a larger sample size, further information would be available, in relation to the groups such as Latin America, Sub Sahara and the Middle East. Also, demographic variables can affect the outcome as suggested in past studies (Caliguri, Hyland & Aparna, 1998; Church, 1982). For this reason, it would be possible to explore the demographic factors such as educational level, age, marital status in more detail in relation to sociocultural adjustment.

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