

PORTUGUESE CULTURAL STANDARDS
FROM AN AUSTRIAN PERSPECTIVE

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ABSTRACT

The goal of this thesis is to identify Portuguese cultural standards from the perspective of Austrian culture.

The Cultural Standards Method is based on interviews of members of one culture who have extended working experience in a different culture. This method, based on a qualitative research approach, tries to identify cultural differences at a more subtle level when compared to more traditional methods such as cultural dimensions.

The research comprised three main phases: narrative interviews with Austrians in the sample group; content analysis of the critical incidents described during the narrative interviews and the identification of cultural standards. The final cultural standards elected are those which were more often mentioned by the majority of the interviewees and later on confirmed through the feedback received from the interviewees together with a third party.

The Portuguese cultural standards identified through the interviews with twenty Austrians are: Fluid Time Management, Relaxed Attitude towards Professional Performance, Importance of Social Relations, Bureaucracy and Slow Decision Making Processes, Indirect Communication Style and Flexible Planning and Organisational Skills.

Keywords:

National Culture, Cultural Standards, Portugal, Austria.

JEL Classification system:

F23 – Multinational Firms; International Business

L2 – Firm Objectives, Organization and Behaviour

M14 – Corporate Culture; Social Responsibility

RESUMO

O objectivo desta tese é a identificação dos standards culturais portugueses de um ponto de vista da cultura austríaca.

O Método dos Standards Culturais baseia-se em entrevistas a membros de uma cultura que apresentem vasta experiência de trabalho numa cultura diferente. Esta metodologia, baseada numa pesquisa com uma abordagem qualitativa, tenta identificar diferenças culturais a um nível mais subtil quando comparada com métodos mais tradicionais como por exemplo o das dimensões culturais.

A investigação compreendeu três fases principais: entrevistas narrativas com vinte austríacos com experiência de vida e trabalho em Portugal; análise de conteúdo dos incidentes críticos descritos durante as entrevistas narrativas e identificação dos standards culturais. Os standards culturais seleccionados são aqueles que foram referidos com mais frequência pela maioria dos entrevistados e posteriormente confirmados através do *feedback* recebido por parte dos entrevistados juntamente com o de mais duas pessoas não envolvidas na primeira fase da pesquisa.

Os standards culturais portugueses identificados através de entrevistas com austríacos são: Gestão Fluida do Tempo, Atitude Descontraída no que toca ao Desempenho Profissional, Importância das Relações Sociais, Burocracia e Processos de Decisão Lentos, Estilo de Comunicação Indirecta e por último Flexibilidade de Planeamento e Capacidade de Organização.

Palavras-chave:

Cultura Nacional, Standards Culturais, Portugal, Áustria.

JEL Classification system:

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EXECUTIVE SUMMARY

The purpose of this thesis is to study the differences between Portuguese and Austrian cultures in order to identify Portuguese cultural standards from an Austrian perspective. The cultural standards are developed from the examination of intercultural encounters between Portuguese and Austrians based on the experience of Austrians living and working in Portugal.

The current paper uses an innovative method for researching cultural differences called “Cultural Standards Method”. This method, based on a qualitative research approach, tries to identify cultural differences at a more subtle level when compared to more traditional methods such as cultural dimensions. The methodology can be described in three main phases:

- Interviews - By interviewing members of one culture who have experienced encounters with representatives of another culture it is possible to collect *critical incidents*, which are particular situations felt as awkward or problematic during such encounters. The main source of information for the cultural standards method is the *narrative interview* (a special interview technique with almost no directive questions where the interviewees are encouraged to talk freely about their experiences).
- Data analysis – After the transcription of the recorded interviews, the resulting text material needs to be analysed in order to identify the critical incidents.
- Inductive categorisation and identification of cultural standards - The most frequently reported incidents are collected and categorised as preliminary cultural standards, which are subsequently validated through the use of feedback from experts and representatives of both cultures.

The current empirical research was based on the experience of twenty Austrian people living and working in Portugal, which constituted quite a heterogeneous sample, representing different regions of Austria and professional experience from different areas. The final cultural standards elected are those which were more frequently discussed by the majority of the interviewees and later on confirmed through the feedback received from the interviewees together with a third party.

The Portuguese cultural standards identified are:

1. Fluid Time Management – Portuguese were seen as having a more fluid time management than the Austrians in features concerning punctuality, fulfilment of deadlines and rhythm of daily life.
2. Relaxed Attitude towards Professional Performance – The Austrians saw Portuguese as being more relaxed towards professional performance, described mainly as less self-discipline concerning their duties on the job, not so perfectionist and less willing to take risks. Two other characteristics mentioned were the general lack of professional training and a less consumer oriented behaviour.
3. Importance of Social Relations – The social relations in one's life, especially concerning family relations, were considered to play a more important role for Portuguese than for Austrians. Austrians also emphasised the difficulty to establish strong friendships and break in Portuguese social circles. Additionally they referred to the smaller "space bubble" they experienced in Portugal together with a more physical approach during social encounters.
4. Bureaucracy and Slow Decision Making Processes – Austrians felt there is too much useless bureaucracy in Portuguese society in general, consequently slowing down decision making processes. In relation to this it was also mentioned that despite all these rules, Portuguese tend to ignore them and find a way around it.
5. Indirect Communication Style – Austrians found Portuguese to communicate in a more indirect way, pointing out Portuguese difficulty in saying «no» and in openly expressing dislike or opposing points of view.
6. Flexible Planning and Organisational Skills – Portuguese were considered to lack organisational skills and to be not very concerned with detailed planning. Additionally, Austrians found Portuguese to have a great capacity of improvising and finding alternative solutions and not to give up when faced with what may seem a "hopeless" situation.

The research outcomes clearly show the existence of cultural differences between Austria and Portugal. Additionally, the final cultural standards were compared with the characteristics given by Hofstede in his cultural dimensions.

RESUMO ALARGADO

O objectivo desta tese é examinar as diferenças entre a cultura portuguesa e austríaca de forma a identificar os standards culturais portugueses relevantes sob o ponto de vista austríaco. Os standards culturais são desenvolvidos através do estudo dos encontros interculturais entre portugueses e austríacos baseado na experiência de austríacos que vivem e trabalham em Portugal.

O presente trabalho utiliza um método inovador para pesquisar diferenças culturais denominado método dos standards culturais. Este método, baseado numa pesquisa com uma abordagem qualitativa, tenta identificar diferenças culturais a um nível mais subtil quando comparado com métodos mais tradicionais como por exemplo o das dimensões culturais. A metodologia pode ser descrita em três fases principais:

- Entrevistas – Através de entrevistas a membros de uma cultura que possuem experiência de encontros com representantes de uma outra cultura, é possível recolher incidentes críticos, que são situações sentidas como estranhas ou problemáticas durante tais encontros. A principal fonte de informação para o método dos standards culturais é a entrevista narrativa (uma técnica especial de entrevista quase sem questões direccionadas e onde os entrevistados são encorajados a falar abertamente acerca das suas experiências).
- Análise de dados – após a transcrição das entrevistas gravadas, o material de texto resultante necessita de ser analisado de modo a identificar os incidentes críticos.
- Categorização indutiva e identificação dos standards culturais – os incidentes críticos relatados com mais frequência são seleccionados e categorizados como standards culturais preliminares, sendo subsequentemente validados com recurso ao feedback fornecido por especialistas ou representantes de ambas as culturas.

A presente pesquisa prática foi baseada na experiência de 20 austríacos que vivem e trabalham em Portugal e que constituem uma amostra bastante heterogénea, representando diferentes regiões da Áustria e experiência profissional de vários sectores de actividade. Os standards culturais eleitos são aqueles que foram discutidos com maior frequência pela maioria dos entrevistados e posteriormente confirmados através do *feedback* recebido da parte

dos entrevistados juntamente com o de outras pessoas não envolvidas na primeira fase da pesquisa.

Os standards culturais portugueses identificados são:

1. Gestão Fluida do Tempo – Os portugueses são vistos como tendo uma gestão mais fluida do que os austríacos em relação aos os seguintes aspectos: pontualidade, cumprimento de prazos e ritmo de vida.
2. Atitude Descontraída no que toca ao desempenho profissional – Os portugueses são vistos pelos austríacos como mais descontraídos no que se refere ao desempenho profissional e são principalmente descritos como sendo menos auto-disciplinados no que se refere às tarefas do trabalho, não são tão perfeccionistas e estão menos dispostos a correr riscos. Outras duas características apontadas foram a falta geral de formação profissional e uma atitude menos orientado para o consumidor.
3. Importância das Relações Sociais – Os austríacos consideraram que as relações sociais na vida do indivíduo, especialmente as familiares, desempenham um papel de maior relevo para os portugueses do que para os austríacos. Os austríacos também realçaram a dificuldade em estabelecer amizades sólidas e em penetrar nos círculos da vida social portuguesa. Para além disso também referiram a existência de um menor espaço interpessoal entre as pessoas bem como um maior contacto físico nos contactos sociais.
4. Burocracia e Processos de Decisão Lentos – Os austríacos sentiram que existe demasiada burocracia inútil na sociedade portuguesa que consequentemente torna os processos de decisão mais lentos. Neste ponto também foi referido que apesar da existência de inúmeras regras os portugueses tendem a ignorá-las e a encontrar caminhos alternativos.
5. Estilo de Comunicação Indirecta – Os austríacos consideraram que os portugueses comunicam de uma forma mais indirecta, realçando a dificuldade de dizer «não» directamente e de manifestar abertamente desagrado ou pontos de vista opostos.
6. Flexibilidade de Planeamento e Capacidade de Organização – Os austríacos consideraram que os portugueses têm pouca capacidade de organização e não se preocupam muito em estabelecer planos detalhados. Para além disso os austríacos referiram que os portugueses têm uma grande capacidade de *desenrascar* e encontrar

soluções alternativas bem como de não desistir mesmo perante situações que à partida parecem perdidas.

O resultado desta pesquisa mostra claramente a existência de diferenças culturais entre a Áustria e Portugal. Adicionalmente os standards culturais foram comparados com as características apresentadas por Hofstede nas suas dimensões culturais.

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1. INTRODUCTION

Thanks to globalisation and the dramatic increase in international business over the last few decades, more and more people are experiencing cross cultural contacts and need to be effective when dealing with partners with different cultural backgrounds within the context of their working environment. People from different cultures behave differently and those differences influence the way in which their organisations function.

In order to function successfully in an international or multicultural environment, it is important to recognise those differences. This does not mean that people from one culture should judge people from other cultures as better or worse. On the contrary, such recognition should be a relative and neutral process that can help to improve one's ability to minimise problems resulting from cultural diversity and to maximise the potential advantages it offers (Adler, 2002).

People are not usually aware of their cultural dissimilarities before they are really faced with another culture. Therefore, in order to be more effective in doing business and managing across cultures it is necessary to learn about the other cultures and their characteristics. Many researchers and authors have already written about culture models and developed cultural frameworks that provide extensive information which can be used as a basis for managers and other people to develop cross cultural competences.

The Master of Science in Business Administration, which will be completed with the current thesis, took place in a multicultural environment, with foreign students and professors from several countries. During the master's classes the author had also the possibility to attend a course on Multicultural Management, which together with the multicultural working teams experienced among colleagues throughout a whole year, raised her interest in the field of cross cultural management. The choice of the Austrian culture as a topic to explore the differences between Portugal and another country was further influenced by the author personal relationship with some Austrian friends and her deeper experience with that European culture.

Although European cultures may be considered to be very similar, when viewed from an outsider's perspective, there are differences among them which can not be underestimated when representatives of those cultures meet.

The goal of this thesis is to study the differences between Portuguese and Austrian cultures in order to identify Portuguese cultural standards from an Austrian perspective. The cultural standards are developed from the examination of intercultural encounters between Portuguese and Austrians based on the experience of Austrians living and working in Portugal. The current paper uses a fairly new methodology for researching cultural differences called “Cultural Standards Method”. This method tries to identify cultural differences at a more subtle level when compared to more traditional methods such as cultural dimensions. Another characteristic of the cultural standards method is that the resulting cultural standards are only valid in the comparison between the two specific cultures.

The current master thesis is structured in six chapters. The first chapter introduces the topic and objective of the thesis, its relevance in management practices these days and presents a general description of the structure of the work. Chapter two looks at the theoretical background for the paper; it defines the essence of culture together with an overview of research on cross cultural management including a description of existing cultural dimensions and categories from several influential researchers in the field. Further, chapter three gives a short overview of the historical background of Portugal and Austria followed by a cross cultural comparison between the two countries based on Hofstede’s cultural dimensions and respective index values along the countries score list. This will be used later for an analysis and comparison with the Portuguese cultural standards developed from the empirical research.

After the theoretical background and the analysis of expected characteristics of each national culture, a thorough explanation of the concept of cultural standards and a description of the Cultural Standards Method used for the current research is presented in chapter four.

Chapter five gives an overview of the empirical research carried out and its results. The first part includes a description of the characteristics of the sample group of Austrians living and working in Portugal. Next we present a description of the Portuguese cultural standards resulting from the analysis of the collected data. Feedback received from the interviewees and from two additional Austrians is also presented in order to validate the outcomes of the research. The chapter ends with a comparison between the scores for Portugal and Austria of Hofstede’s cultural dimensions and the identified Portuguese cultural standards.

The main conclusions of the present work together with possible practical applications of the results, and suggestions for future research on the subject are included in chapter six. Finally comes the list of references used throughout the work and also some relevant appendices.

2. THEORETICAL BACKGROUND

2.1. Culture

The word “culture” has various meanings, all of which come from its Latin origin, which refers to the tilling of the soil (Hofstede, 1994). Over time the concept of culture has been widely discussed and defined by several authors - psychologists, anthropologists, sociologists and writers.

One of the most comprehensive definitions of culture is the one given by the U.S. anthropologists Kroeber and Kluckhohn in their work “Culture: A Critical Review of Concepts and Definitions”:

“Culture consists of patterns, explicit and implicit, of and for behavior acquired and transmitted by symbols, constituting the distinctive achievements of human groups, including their embodiments in artifacts; the essential core of culture consists of traditional (i.e. historically derived and selected) ideas and especially their attached values; culture systems may, on the one hand, be considered as products of action, and on the other as conditioning elements of further action.” (Kroeber and Kluckhohn, 1952, cited in Adler, 2002:16)

This well accepted definition describes culture in a very broad sense, comprised of learned symbols and values (explicit and implicit) which influence one’s behaviour. Alexander Thomas, a German psychologist and researcher in the field of cultural differences also defines culture as an orientation system that guides our behaviour as members of a certain group:

“Culture is a universal, for a society, organisation or group, however, highly typical orientation system. This orientation system is created out of specific symbols and passed on within a given society etc. It influences the perception, thoughts, values and actions of all its members, thereby defining their affiliation in the society. Culture as an orientation system structures a specific field of action for the individual belonging to that society, thereby creating the conditions for the development of independent forms for mastering the environmental milieu.” (Thomas, 1993, cited in Thomas, 2001:3)

This orientation system or guidelines are learned during the socialisation process and remain at a subconscious level. It is quite difficult to describe one's own culture. As Schneider and Barsoux (2003) point out, we only start to perceive our own culture when we are out of it, when we have encounters with people coming from a different background. According to the same authors, when faced with cultural differences we have the tendency to evaluate them taking as a reference point our own cultural patterns and what we consider as "normal". They describe culture as "*a lens through which we perceive the other*" (Schneider and Barsoux, 2003:11).

Nowadays, one of the most quoted definitions of culture is the one from the researcher Geert Hofstede. He describes "*culture as mental programming of the mind*" (Hofstede, 1994:4) which differentiates the members of a group or category of people from another. The expression describes a process that everyone is subjected to from birth and which is learned during one's life. Therefore is something acquired and not innate. Once certain patterns of thinking, feeling and acting have been established into a person's mind, he or she must previously unlearn them in order to be able to learn something different and unlearning is more difficult than learning for the first time (Hofstede, 1994).

Culture as an onion

According to Hofstede (1994), cultural differences present themselves in many different ways. One way to visualise them is through Hofstede's onion diagram represented in figure 1.

This diagram shows how culture can be perceived as composed by several layers, with symbols representing the most superficial and values the deepest manifestation of culture, having heroes and rituals in between.

Symbols: are words, gestures, pictures or objects that have a particular meaning which is only recognised by those who share the culture.

Heroes: are persons, who can be real or imaginary, dead or alive, and who hold certain characteristics which are highly valued in a culture and therefore serve as models for behaviour.

Rituals: are collective activities, technically superfluous in reaching desired ends, but considered as socially essential within a certain culture (e.g. ways of greeting).

In figure 1 symbols, heroes and rituals are gathered under the term “practices”. Together they are observable to an outside person but their cultural meaning is, nevertheless, invisible and rests precisely in the way these practices are interpreted by a person inside the culture. The core of culture is formed by “values”. Values are general tendencies to prefer some situation to another; they could be described as feelings with a positive and a negative side (Hofstede, 1994).

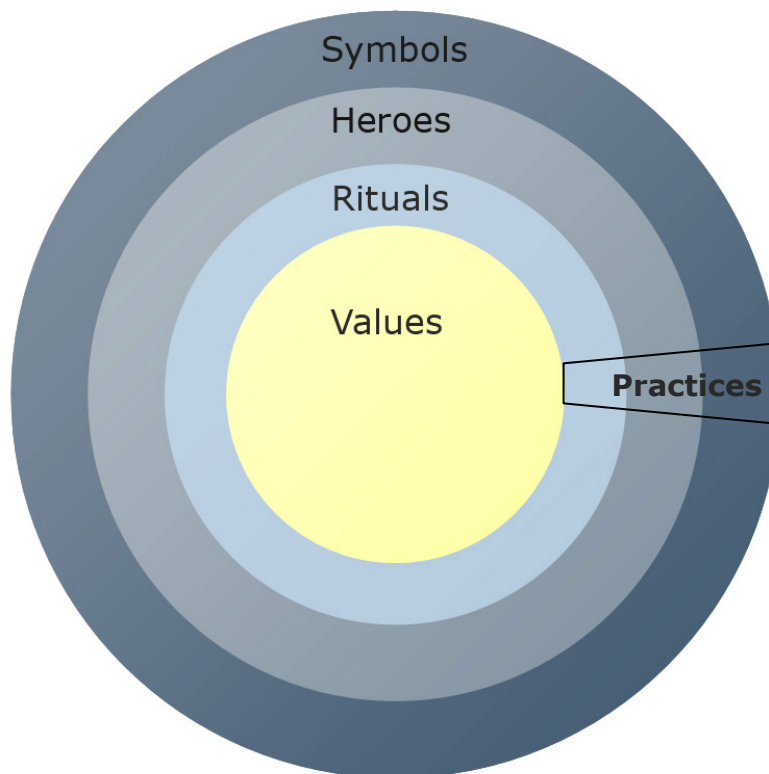


Figure 1: The “Onion Diagram” – Manifestations of culture at different levels of depth¹

Layers of culture

Hofstede also claims that almost every individual is simultaneously a member of different groups and categories of people, which means we all carry several different “mental programming” within ourselves that correspond to different levels of culture.

¹ Hofstede, 1994:9

According to Hofstede (1994) these different layers of culture can be:

- a **national level** – according to one's country (or countries in case of migration);
- a **regional and /or ethnic and/or religious and /or linguistic affiliation level** – as most nations are composed of culturally different regions and/or ethnic and/or religious and/or language groups;
- a **gender level** – according to the sex a person was born with;
- a **generation level** – which separates grandparents from parents from children;
- a **social class level** – linked with educational opportunities and with a person's occupation or profession;
- an **organisational or corporate level** – (in case one is employed) related to the way employees have been socialised by their work organisation.

Hofstede also mentions that the mental programs from these different levels are not always in consonance. The various levels can conflict, such as gender values with organisational practices or religious values with generation values. Since people can belong to such different and sometimes conflicting levels at the same time it is difficult to predict their behaviour in an unfamiliar situation (Hofstede, 1994).

Organisational cultures vs. national cultures

When using the word “culture” applied to both nations and organisations it can suggest that the two types of culture are similar phenomena, which is not very correct. Organisational cultures should be distinguished from national cultures. They are two complementary concepts. National cultures distinguish similar people, institutions and organisations in different countries, while organisational cultures distinguish different organisations within the same country or countries. According to Hofstede's research, and taking into account his model of cultural layers, the main distinction between organisational and national cultures is on the different levels where cultural differences reside. Organisational cultures differ mainly in practices, i.e., at the levels of symbols, heroes and rituals. National cultures differ mostly at a deeper level, the level of values (Hofstede 1994; Hofstede 2001).

2.2. Cross Cultural Research in Management

Even though international business has existed for centuries, the world's economy has definitely entered an unprecedented era of globalisation, with growing numbers of international joint ventures, multinational mergers and acquisitions and global strategic alliances (Adler, 2002). Even when a company does not possess subsidiaries or ventures abroad it will probably be involved with foreign customers, suppliers or competitors. This leads to a multicultural working environment and increasing cross cultural interactions, with impact at an individual as well as at an organisational level.

It is thus not surprising that cultural factors have progressively acquired significance as a topic of management research studies. According to Adler (1983:226) cross cultural management can be described as *“the study of the behavior of the people in organizations located in cultures and nations around the world. It focuses on the description of organizational behavior within countries and cultures, on the comparison of organizational behaviour across countries and cultures, and, perhaps most importantly, on the interaction of people from different countries working within the same organization or within the same work environment.”*

Cross cultural management is also one of the areas in the field of comparative management. The beginning of comparative management as a research area started during the post-World War II period when there was a major expansion of world trade along with an internationalisation process of a lot of American companies. With the internationalisation process it was questioned to which extent American management techniques and practices could be transferred to other countries and cultures. Richman referred to this problem in the following terms: *“A vital question for international business seems to be to what extent can American principles, practices and general know-how be transferred effectively to other countries, at what cost, and to what degree and extent is the overall process and effectiveness of management constrained by cultural variables?”* (Richman, 1965, cited in Robalo, 2004:17)

Research in the field of cross cultural management originally developed around two main lines: one arguing that culture does matter and the other claiming that culture is largely overruled by other conditions. The later states that the influence of culture in an individuals' behaviour is largely overruled by other conditions such as personality, strong leadership and

uniformity of practices, leading to a weak influence of the cultural effect, while the former emphasises the importance of culture in cross cultural interactions, since individuals possess different values and preferences regarding management and leadership styles, which are influenced by their cultural background. Whether and how culture influences individuals' behaviours is an ongoing discussion with research contributions from several authors (Neyer and Harzing, 2008).

As mentioned above, issues as national culture, management practices and organisational behaviour are commonly associated in different research fields. One of the most prominent figures in cross cultural management research is the well-known Dutch investigator Geert Hofstede and his work on cultural dimensions but several other authors have followed with their own approach and contributed with their research and results to the vast field of cross cultural management research.

2.2.1. Types of Cross Cultural Management Research

According to Adler (1984) there are six different research methods for cross cultural management (presented in table 1): parochial research, ethnocentric research, polycentric research, comparative research, geocentric studies and synergistic studies.

The majority of studies and research that has been done in the field of management is conducted by Americans in the United States and belongs to the parochial line of research. In these the conclusions obtained are explicitly or implicitly considered universal, valid irrespective of country or other circumstances. They support the universal "one best way". Ethnocentric studies aim to extend the results obtained in one country to another and are usually replication studies trying to validate the research done in the United States in other countries. The polycentric studies exclude universality and seek to examine the models of management in different countries using the culture of each of them as a reference. The comparative studies try to find out differences and similarities, and which theories hold across cultures and which do not. The process involves looking at contrasts of several cultures. The geocentric studies have the multinational organisation operating in several cultures as their objective of research. They try to identify similarities among cultures so that those organisations could use models and techniques which are valid independently of the countries in which they operate. The synergistic studies seek to understand the new realities of

intercultural groups and the contexts of interaction among elements from different cultures in order to find an equilibrium among transcultural forms, valid for all while maintaining a certain degree of specificity for each culture (Robalo, 2004).

<i>Title</i>	<i>Culture</i>	<i>Approach to Similarity & Difference</i>	<i>Approach to Universality</i>	<i>Type of Study</i>	<i>Primary Question</i>
Parochial Research	Single culture studies	Assumed similarity	Assumed universality	Domestic studies	What is the behaviour of people like in work organizations? Study is only applicable to one culture and yet it is assumed to be applicable to many cultures.
Ethnocentric Research	Second culture studies	Search for similarity	Questioned universality	Replication studies	Can we use home country theories abroad? Can this theory which is applicable in Culture A be extended to Culture B?
Polycentric Research	Studies in many cultures	Search for difference	Denied universality	Individual studies of foreign cultures	How do managers manage and employees behave in country X? What is the pattern of relationships in country X?
Comparative Research	Studies contrasting many cultures	Search for both similarity and difference	Emergent universality	Studies comparing many foreign cultures	How are the management and employee styles similar and different across cultures? Which theories hold across cultures and which do not?
Geocentric Studies	International business studies	Search for similarity	Extended universality	Studies of multinational organizations	How do multinational organizations function?
Synergistic Studies	Intercultural management studies	Use of similarities and differences as a resource	Created universality	Studies of intercultural interaction within work settings	How can the intercultural interaction within a domestic or international organization be managed? How can organizations create structures and processes which will be effective in working with members of all cultures?

Table 1: Types of Cross Cultural Management Research²

2.2.2. Research about Cultural Dimensions

In order to explain cross cultural differences several types of research have been conducted over the last decades that focus on identifying general cultural dimensions.

² Adler, 1984, as in Robalo, 2004:28

As mentioned previously one of the most well-known authors in this field is the researcher Geert Hofstede. In 2000, the author was included in the group of the most cited, according to the SSCI – Social Sciences Citation Index, which comprises areas of Anthropology, Economy, Political Science, Psychology, Law, Sociology and Business Science (Robalo, 2004).

Hofstede analysed data from two different surveys he conducted during 1967-69 and 1971-73 with members of IBM subsidiaries in 72 countries and 20 different languages, resulting in a total of 116 000 individual answers covering more than 30 topics. Initially results were obtained based on information gathered in 40 countries (those with more than 50 individual responses) and expanded to 50 countries later on. From the initial results Hofstede developed a model that identifies four dimensions and later added a fifth dimension to his framework. With his study he was the first to identify cultural dimensions and to demonstrate that differences between national cultures as measured by the cultural dimensions could help to explain differences in behaviour, organisational structures and management systems in organisations in different countries (Robalo, 2004).

The Dutch author Fons Trompenaars followed a different approach to derive his cultural dimensions. Supported by sociological literature, Trompenaars derived theoretically bipolar dimensions of culture (or dilemmas) that may affect behaviour in business organisations. The dimensions he proposed were based on concepts previously developed in the field of social sciences, namely the theories by Parsons and Kluckhohn. He developed a questionnaire aimed at measuring preferred ways of handling five basic elements of social relationships and preferred ways of managing in organisations. The respondents were mostly managers and other employees who attended his training programmes, and his results were obtained from a database initially containing 15 000 questionnaires from 28 different countries, which has been enlarged with time (Robalo, 2004; Koen, 2005). Trompenaars' model is composed of seven dimensions of culture within three different categories based on the solutions that different cultures have chosen to the proposed dilemmas (Trompenaars, 2002). His work is seen as less academically rigorous than Hofstede's work, but its attractiveness resides in the fact that it provides some practical and instinctive answers for managers involved in cross cultural contacts (Koen, 2005).

On an even more practical approach with more direct application there are also other models such as the one proposed by the American author Gesteland. His dimensions/categories were

developed mainly on his wide experience as a manager in different countries and cultures in addition to existing literature on cross cultural management research and do not present quantitative data or statistical testing for the dimensions presented (Robalo, 2004).

Due to their relevance, the cultural dimensions of the above mentioned authors will be further developed in section 2.3. Cultural Dimensions.

Other authors have also contributed with their works to the field of cross cultural management research. One of the most recent works was conducted by the social psychologist Shalom Schwartz. His study was originally carried out with schoolteachers and university students in 20 countries (and further expanded). Respondents were asked to assess 57 values as to how important they felt those values were as guiding principles of action. From data collected he developed theory based cultural dimensions. The most recent version has three bipolar dimensions: Mastery vs. Harmony, Hierarchy vs. Egalitarianism and Embeddedness vs. Autonomy (Dahl, 2004; Koen, 2005; Fink and Mayrhofer, 2009). Even though his framework possesses strong theoretical foundations his applicability in the field of comparative international management has not been established to the same extent as that of Hofstede (Koen, 2005).

The American anthropologist Edward T. Hall, based on his experience in the Foreign Service, has also identified two classical dimensions of culture (Dahl, 2004): High- and Low-Context cultures (a concept primarily related with the way in which communication is transmitted) and Polychromic vs. Monochromic Time Orientation (concerned with the ways in which cultures structure their time). His approach presents intercultural differentiation criteria that facilitate international comparisons together with an anthropological description of national cultures (Finuras, 2003). Although these are very useful concepts, easily observed, the absence of empirical data makes them difficult to apply in broad research (Dahl, 2004).

Started in 1993, the extensive research project known as GLOBE (Global Leadership and Organizational Behaviour Effectiveness) is a multi-phase and multi-method project conducted by a world-wide team of scholars, whose goal is to examine the inter-relationships between societal culture, organisational culture and organisational leadership. Supported by literature review on the field of cultural dimensions, the investigators conceptualise and proposed measures of nine culture dimensions that were then validated through the analysis of data on cultural values, practices and leadership attributes from over 17,000 managers in 62 societal cultures. One of the outputs from the project was the establishment of a ranking for the 62

cultures with respect to the nine culture dimensions developed from the study. The nine dimensions proposed by this project were: Performance Orientation, Assertiveness, Future Orientation, Humane Orientation, Institutional Collectivism, In-group Collectivism, Gender Egalitarianism, Power Distance and Uncertainty Avoidance. Some of these dimensions are similar to the work of other researchers but the way in which GLOBE project conceptualised and operationalised them was different (Javidan et al., 2006). One of the characteristics of this project is the emphasis given to the distinction between the actual work situations as they are perceived by the managers from the countries involved in the research and their wishes in relation to how work situations should be (Fink and Mayrhofer, 2009).

2.2.3. Research about Cultural Standards

Another approach to cross cultural management research, which looks at differences only valid in the comparison between two cultures is the Cultural Standards Method (further developed in Chapter 4 of the current thesis). This methodology is an innovative way to identify cultural differences on a more subtle level and the categories (*cultural standards*) obtained can not be applied to the description of cultural differences between several countries and are only valid to compare two cultures at a time.

Alexander Thomas defines culture as “*a complex system of guidelines for groups, organisations or societies*” (Thomas, 1988, as cited in Brueck and Kainzbauer, 2002:3), the core elements of which are cultural standards, learned in the socialisation process. Cultural standards are based on a qualitative research approach that seeks to identify the guidelines relevant for cross cultural interactions. This concept is directly linked to interactive patterns and is mainly derived from the works of Boesch, Habermas, Heckhausen and Piaget (Brueck and Kainzbauer, 2002).

2.2.4. Comparison between Cultural Dimensions and Cultural Standards’ methods

The main difference to be highlighted in the comparison of the two methodologies is the much more differentiated picture of culture’s impact on observed and experienced behaviour provided by the Cultural Standards Method. Research into cultural standards includes actual

problems that appear in concrete business related encounters, how these encounters are perceived and how and why individuals (managers, staff, etc.) react in a specific way (Fink and Mayrhofer, 2009). It is important to stress again that the cultural standard method looks at differences only valid in the comparison between two cultures while through the use of cultural dimensions it is possible to extend this comparison to a wider group of countries.

2.3. Cultural Dimensions

In the next sections the cultural dimensions proposed by Hofstede, Trompenaars and Gesteland will be further explained. It is important to point out that cultural dimensions are established at a culture-level and do not necessarily reflect the behaviour of each individual from that culture. Therefore it is necessary to be careful not to stereotype a country or culture based on the outcome of the research, as Hofstede (1994:253) mentions, culture level analysis always reflects “*central tendencies (...) for the country*”, it does not predict individual behaviour.

2.3.1. Hofstede’s dimensions

As mentioned previously, Hofstede’s research identified four cultural dimensions (Power distance, Individualism, Masculinity and Uncertainty Avoidance) to which a fifth dimension (Long-Term Orientation) was later added. These dimensions, as described on Hofstede’s homepage³ are presented below:

1. Power Distance

Refers to the extent to which the less powerful members of institutions and organisations accept and expect that power is distributed unequally. This represents inequality, but defined from below not from above. It suggests that a society's level of inequality is endorsed by the followers as much as by the leaders. Power and inequality are extremely fundamental facts of any society and anybody with some international experience will be aware that all societies are unequal, but some are more unequal than others.

³ www.geert-hofstede.com

2. Individualism (/Collectivism)

Individualism on the one side versus its opposite, collectivism, is the degree to which individuals are integrated into groups. On the individualist side we find societies in which the ties between individuals are loose: everyone is expected to look after her/himself and her/his immediate family. On the collectivist side, we find societies in which people from birth onwards are integrated into strong, cohesive in-groups, often extended families (with uncles, aunts and grandparents) which continue protecting them in exchange for unquestioning loyalty. The word “collectivism” in this sense has no political meaning: it refers to the group, not to the state. Again, the issue addressed by this dimension is an extremely fundamental one, regarding all societies in the world.

3. Masculinity (/Femininity)

Masculinity versus its opposite, femininity, refers to the distribution of roles between the genders which is another fundamental issue for any society to which a range of solutions are found. Hofstede’s studies revealed that women’s values differ less among societies than men’s values and that men’s values from one country to another contain a dimension from very assertive and competitive and maximally different from women’s values on the one side, to modest and caring and similar to women’s values on the other. The assertive pole has been called “masculine” and the modest, caring pole “feminine”. The women in feminine countries have the same modest, caring values as the men; in the masculine countries they are more assertive and more competitive, but not as much as the men, so that these countries show a gap between men’s values and women’s values.

4. Uncertainty avoidance

Uncertainty avoidance deals with a society’s tolerance for uncertainty and ambiguity. It indicates to what extent a culture programs its members to feel either uncomfortable or comfortable in unstructured situations. Unstructured situations are novel, unknown, surprising, and different from usual. Uncertainty avoiding cultures try to minimise the possibility of such situations by strict laws and rules, safety and security measures, and on the philosophical and religious level by a belief in absolute Truth: “there can only be one Truth and we have it”. People in uncertainty avoiding countries are also

more emotional and motivated by inner nervous energy. The opposite type, uncertainty accepting cultures, are more tolerant of opinions different from what they are used to; they try to have as few rules as possible, and on the philosophical and religious level they are relativist and allow many currents to flow side by side. People within these cultures are more phlegmatic and contemplative, and not expected by their environment to express emotions.

5. Long-term versus short-term orientation

This fifth dimension was found in a study among students in 23 countries around the world, developed by Chinese researchers under the coordination of M. Bond. This new dimension was defined as “Confucian dynamism”. Long-term oriented societies foster pragmatic virtues oriented towards future rewards, in particular saving, persistence, and adapting to changing circumstances. Short-term oriented societies foster virtues related to the past and present such as national pride, respect for tradition, preservation of face and fulfilling social obligations.

2.3.2. Trompenaars

According to Trompenaars (2002:8) *“every culture distinguishes itself from others by the specific solutions it chooses to certain problems which reveal themselves as dilemmas”* and which are related to the following three points:

- those arising from one’s relationship with other people;
- those coming from the passage of time;
- those related with the environment.

Based on the solutions that different cultures chose to those “universal” problems, Trompenaars identified seven dimensions of culture (Trompenaars, 2002; Robalo, 2004):

- **Universalism versus Particularism**

Universalism is a belief that what is good and right can be defined and always applies; on the contrary, in particularistic cultures a higher degree of attention is paid to personal relationships and special circumstances can determine what is good and wrong. Exceptions are natural in these cultures.

- **Individualism versus Collectivism**

This concerns how people regard themselves and plan their actions, with reference to individual benefits or benefits of the group. In the first case people regard themselves primarily as individuals, in the second primarily as part of a group.

- **Neutral versus Affective / Emotional**

Members of cultures which are affectively neutral keep emotions carefully controlled and restrained. In contrast, in cultures high on affectivity is natural to express emotions.

- **Specific versus Diffuse**

This refers to the extent to which the individuals are disposed to allow others to enter into their personal sphere. While in specific cultures people separate the private part of their lives from the public on diffuse cultures they overlap.

- **Achievement versus Ascription**

This dimension reflects the way by which status and power are determined. In an achievement society the status is accorded on the basis of what a person does or accomplishes while in an ascription society status is attributed based on who the person is, i.e., taking into account family and social class to which she belongs, age, gender, education, social relations, etc.

- **Attitudes to Time**

This dimension involves the relative importance cultures give to the past, present and future and the way they are perceived, including how the flow of time is seen, whether in a linear and sequential form, or in a holistic, synchronised form interrelating past, present and future possibilities.

- **Attitudes to the Environment (internal vs. external locus of control)**

In some cultures individuals see themselves as the principal influence on their own lives, while other cultures see the world (the environment) as more powerful than the individuals.

2.3.3. Gesteland

The dimensions/categories proposed by Gesteland to describe patterns of cross cultural business behaviour are (Robalo, 2004):

- **Deal-Focus vs. Relationship-Focus**

This represents the “Great Divide” between business cultures. Deal-focused (DF) people are primarily task-oriented while relationship-focused (RF) people are more people-oriented. Conflicts arise when deal-focused export marketers try to do business with people from relationship-focused markets. Many RF people may find DF types pushy, aggressive and offensively blunt, while DF people commonly consider their RF counterparts to be dilatory, vague and intractable.

- **Informal vs. Formal Cultures**

Problems also arise in encounters between informal business people with formal counterparts from hierarchical societies. Informality can offend high-status people from hierarchical cultures to the same extent that the status-consciousness of formal people may offend the egalitarian sensibilities of informal people.

- **Rigid-Time vs. Fluid-Time Cultures**

One group of the world’s societies worships the clock and venerates their Filofaxes. The other group is more relaxed about time and scheduling, focusing instead on the people around them. Conflicts arise because rigid-time visitors see their fluid-time partners as lazy, undisciplined and rude while the latter often look at the former as arrogant puppets enslaved by arbitrary deadlines.

- **Expressive vs. Reserved Cultures**

Expressive people communicate in completely different ways from their more reserved counterparts. This holds whether they are communicating verbally, paraverbally or nonverbally. The confusion that results from these differences can ruin our best efforts to market, sell, source, negotiate or manage people across countries. The expressive/reserved divide creates a major communication gap.

2.3.4. Comparison between the Cultural Dimensions

When looking at the dimensions presented in the previous section one can see they can be related to each other, being possible to compare their similarities and differences, as well as the methodologies behind them. Instead of trying to identify the best approach among the three, it is more useful to look at them in line with the situations in which these dimensions can be applied.

Gesteland's categories were developed mainly from his wide experience and observation as a manager in different countries and cultures with the support of previous works within the area. His methodology is therefore quite different from the one used by Hofstede or Trompenaars. He does not present quantitative data nor does he use measurements or scores in order to classify the various cultures and countries in each category. Consequently, he developed a more pragmatic approach giving advices on what to do and what to avoid when dealing with specific cultures and therefore his model is probably the most suitable for preparing someone for direct contact or negotiation with foreign partners in business relations.

If the objective on the other hand is to look at reasons for the variation of organisational forms among different cultures/countries Hofstede's model would probably be the most appropriate, since it is the most comprehensive one and provides also the largest database of index scores for several countries.

Trompenaars' model did not follow the same lines of scientific research as Hofstede's, having less acceptance in the scientific milieu but can be appropriate for consulting purposes when managers need to gain awareness and sensibility to the importance of the different organisational behaviours in different cultures.

Last but not least it is useful to note that defining the differences among national cultures in a systematic way has the advantage to help us explain and predict behaviour and forms of organisational structure in a comparative way, but on the other hand it can also lead us to undesirable simplifications and stereotypes limiting the way we perceive members of different cultures (Robalo, 2004).

3. CROSS CULTURAL COMPARISON

3.1. Historical Background

For a better understanding of the cultural differences between Portugal and Austria it is useful to learn about each country's historical background. It is possible to improve our understanding of a culture's values, norms and ways of behaviour if they are seen in relation to its history. Geographical and demographic factors also contribute to the cross cultural comparison, since these also affect a country's culture, economy and politics.

Although Portugal and Austria can be considered similar countries concerning country size and population, they present completely different geographical, political and economical aspects. Geographically, Portugal is a southern European country, with 1215 km border with Spain and another 1793 km of Atlantic coast⁴. Austria on the other hand is situated in central Europe, surrounded by eighth different countries, which makes them, after Germany, the European country with most neighbours, and no longer has access to the sea. Austria is also a land of high mountains while most of Portuguese continental area is flat. In political terms, despite witnessing two world wars on its ground, Austria managed to build a stable democracy for the last fifty years. Portugal spent most of the 20th century under a dictatorial regime turning into a stable democracy by the end of the 1970's. Concerning economy, Austria has nowadays a well-developed social market economy with a high standard of living, while Portugal has been trying to change its economic development model, strongly based on public consumption and investment into a more sustainable one.

To follow is a short historical description of both countries which can help to put into context some cross cultural comparisons between Portugal and Austria developed in this thesis.

3.1.1. Portugal

Portugal is located at the south-west part of the Iberian Peninsula, sharing a terrestrial border with its unique neighbour Spain, and also includes the Madeira and Azores islands in the Atlantic Ocean. It has a population of approximately 10.6 million inhabitants (2007) and a

⁴ www.state.gov/r/pa/ei/bgn/3208.htm#gov

total area of 92,152 sq km. In 2008, the country's GDP was 166,127 million euros with a GDP per capita of 15,647 euros⁵.

Portugal is one of the oldest nations in Europe. It gained its independence from the other kingdoms in the Iberian Peninsula in 1143. In 1147 Lisbon, its present capital was captured from the Moors and one century later, by the year 1249, with the conquest of Algarve, Portugal established its continental borders, that with minor exceptions it presents today.

In the 14th, 15th and 16th centuries, the Portuguese were the first Europeans to sail to Africa, the distant Orient and the heart of South America, becoming a massive colonial empire with vast territories. After the heyday as a world power during the 15th and 16th centuries, Portugal lost much of its wealth and status with the destruction of Lisbon in an earthquake in 1755, occupation during the Napoleon wars and the independence of Brazil in 1822.

In 1910 a revolution deposed the monarchy and the first republican government was established in 1911; for most of the following six decades the country was ran by repressive governments. António de Oliveira Salazar, dictator of Portugal from 1932 to 1968 and his successor Marcelo Caetano in 1968, ruled Portugal with an authoritarian right-wing government that controlled the social, economic, cultural and political life of the country from 1932 to 1974. The downfall of the Portuguese authoritarian state came on April 25, 1974, when a left-wing military coup installed broad democratic reforms. In the following year, Portugal granted independence to all of its African colonies and ratified its new Constitution in 1976.

Since joining the European Union (EU) in 1986, Portugal has become a diversified and increasingly service-based economy. Over the past two decades, successive governments have privatised many state-controlled companies and liberalised key sectors of the economy, such as the financial and telecommunications sectors. The country joined the European Monetary Union (EMU) in 1998 and began circulating the euro on January 1, 2002 along with 11 other EU member economies⁶.

⁵ www.portugal.gov.pt/pt/GC18/Portugal/Pages/Portugal.aspx

⁶ www.cia.gov/library/publications/the-world-factbook/geos/po.html
www.visitportugal.com/NR/exeres/11AF3DBF-2F24-4268-810C-9601F9BC7CAF,frameless.htm
www.state.gov/r/pa/ei/bgn/3208.htm

3.1.2. Austria

Located in the southern part of central Europe, Austria shares borders with Germany and the Czech Republic in the north, the Slovak Republic and Hungary in the east, Slovenia and Italy in the south, and Switzerland and Liechtenstein in the west. Its total area of 83,879 sq km is home for around 8.4 million inhabitants (2009). The country's GDP was in 2009 of 276,890 million euros, with a GDP per capita of 33,090 euros⁷.

Austrian history as such dates back to 976, when Leopold von Babenberg became the ruler of much of present day Austria. In the 12th century Henry moved his residence to Vienna which has remained the capital of the country ever since. One century later, in 1276 Rudolf I became the first Habsburg to ascend to the throne.

Even though not unchallenged, the Habsburgs ruled Austria for more than six centuries, increasing their influence and power through strategic alliances ratified by marriages. The Habsburgs were able to accumulate vast land and wealth comprising most of central Europe and stretching even as far as the Iberian Peninsula (with Emperor Charles V). After repelling attacks from the Ottoman Empire in the 16th and 17th centuries, Austrian territory became increasingly consolidated in the central European part of the Danube basin.

In 1848 Emperor Franz Joseph I ascended to the throne. His 68-year reign until his death in 1916 was one of Austria's longest. Under his rule Vienna became one of Europe's most important metropolises and the center of a multinational state extending from Hungary to North Italy and deep into southern Europe.

Overflowed with ethnic tensions and locked into a rigid system of alliances from the 19th century wars, the Austro-Hungary monarchy witnessed, in the beginning of the 20th century, the deterioration of its political unity, culminating in World War I and the collapse of the Empire. In 1918 the Austrian Republic was established, on territory roughly similar to modern day Austria.

From 1918 to 1938 the young republic experienced sharp political conflict, suffered massive inflation, unemployment, and near economic collapse. In 1938, German troops marched into Austria and the country was incorporated ("Anschluss") into the German Reich ruled by Adolf Hitler.

⁷ www.statistik.at/

After the end of World War II in 1945, Austria was restored to its 1937 frontiers and divided by the allies into occupation zones similar to those in Germany, with a four-power administration of Vienna, which lasted for a decade.

A State Treaty signed in 1955 ended the occupation, recognised Austria's independence and declared the country's "perpetual neutrality".

Since 1955, Austria has enjoyed political stability as a prosperous democratic country. With a sustained economic growth, Austria has a well-developed social market economy with a high standard of living, belonging to the richest countries in the European Union, which it joined in 1995. Four years later Austria became a member of European Monetary Union (EMU) and on January 1, 2002 introduced euro notes and coins into circulation⁸.

3.2. Cross cultural comparison based on Hofstede's dimensions

It is possible to identify cultural differences between Portugal and Austria through the use of different models of cultural dimensions created by several authors in the field which can later be compared with the results of the current empirical research.

The author has chosen to use Hofstede's cultural dimensions for a more detailed comparison of the two cultures since his research clearly shows through the use of index scores where the several countries are placed along the dimensional scales. Moreover, Hofstede's key differences and characteristics within each dimension's pole are useful for a subsequent comparison with Portuguese cultural standards and help to evaluate their validity. The country descriptions mentioned above also help to explain the outcomes of the present research.

The index scores for each one of the dimensions are shown in figure 2 - Hofstede's Cultural Dimensions scores for Portugal and Austria. Since neither Portugal nor Austria is included in the last one of Hofstede's dimensions, Long-Term Orientation, the comparison between the two countries is only based on his first four dimensions: Power Distance, Individualism, Masculinity and Uncertainty Avoidance. These were previously described in section 2.3.1.

⁸ www.cia.gov/library/publications/the-world-factbook/geos/au.html
www.austria.info/us/about-austria/history-1140682.html
www.state.gov/r/pa/ei/bgn/3165.htm

All the statements and comparisons made in this section are supported on Hofstede's characteristics and descriptions of key societal differences (Hofstede, 1994).

For a complete overview of all the 53 countries and regions from Hofstede's research along with the respective index scores, see the appendices.

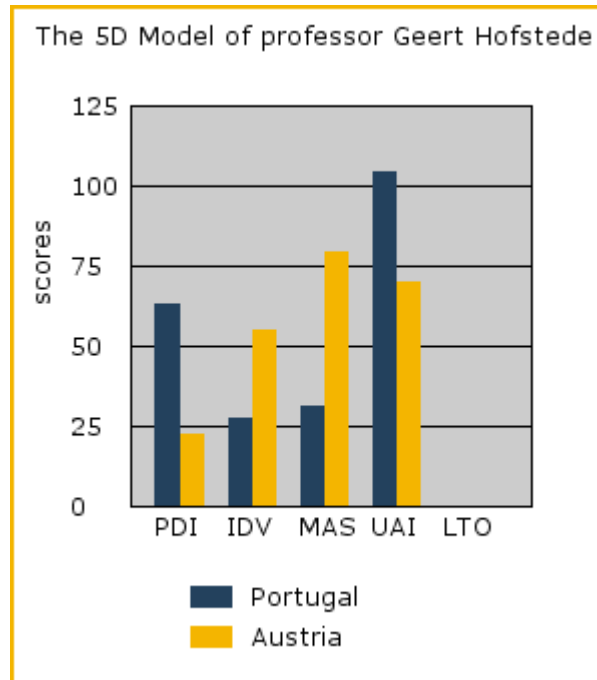


Figure 2: Hofstede's Cultural Dimensions scores for Portugal and Austria⁹

3.2.1. PDI – Power Distance Index

The Power Distance Index sets Austria on the bottom of the list, with a score of 11 and Portugal with a score of 63 is placed approximately in the middle, while the highest score belongs to Malaysia with 104.

Austria is therefore the country with the lowest PDI and Portugal can be considered to have a medium high power distance score. According to Hofstede this means that the less powerful members of institutions and organisations in Portugal accept to a higher extent an unequal distribution of power when compared with a similar group of people in Austria.

⁹ www.geert-hofstede.com

Hofstede has also highlighted some key differences between small and large power distance societies which can be useful for a comparison with the Portuguese cultural standards. The most relevant ones in this context relate to organisational hierarchy, leadership styles, salary systems, the involvement of subordinates and what power is based on. In Austria, as a small power distance society, power is mainly based on formal positions, expertise, and the ability to give rewards while in Portugal is mainly based on family or friends, charisma and the ability to use force. As a medium high power distance society it is expected that in Portugal hierarchies in organisations reflect the existential inequality between management and subordinates and that power centralisation is popular. On the lower end of the index score, Austria is likely to have more decentralised power and to regard hierarchies in organisations as established for convenience. High PDI countries consider ideal leaders to follow an autocratic leadership style, while in low PDI countries the leader is more democratic.

3.2.2. .IDV – Individualism

On this dimension Portugal has a score of 27 which places it in a somewhat low position on the score list of countries while Austria with a score of 55 belongs to the upper half of the list.

As a reference, the highest score belongs to the USA with an index of 91 and the lowest value, 6, belongs to Guatemala. Thus Portugal can be classified as a country with more collectivistic values when compared to Austria.

In Portugal it is expected that people are integrated into strong cohesive ingroups from birth, frequently extended families with uncles, aunts and grandparents while in Austria, having a higher individualistic score, it is expected to find a social structure where ties between individuals are looser and people are raised to look after themselves and their immediate (nuclear) family.

Regarding the key differences between collectivist and individualist societies we can examine some of the characteristics presented by Hofstede. In a collectivist society identity is based in the social network to which one belongs to, private life is often invaded by the group and opinions are strongly influenced by group membership. In an individualist society identity is based on the individual, there is a higher degree of privacy and everyone is expected to have a private opinion. As a collectivist culture, Portuguese can be seen as more relationship oriented while Austrians are comparably more task oriented. Diplomas increase economic worth and

self-respect in an individualist society, while in a collectivist society they provide entry to higher status groups. Concerning communication, Austria can be considered to have a low-context communication and to speak one's mind is a prized characteristic of an honest person. Portuguese on the other side can be considered to have a high-context communication and would try to maintain harmony and avoid direct confrontation.

3.2.3. MAS - Masculinity

The dimension of Masculinity refers to which extent dominant values of a society are masculine, as explained in more detail in section 2.3.1. Austria has a score of 79, only surpassed by Japan with 95, while Portugal with a score of 31 is within the group of the 10 countries with the lowest values on the Masculinity Index (Sweden with a value of 5 has the lowest score). Therefore we can refer to Portugal as having feminine societal values while Austria is on the top of cultures where masculine values prevail. This dimension is the one where the two countries are located in more distant places of the scale.

As a feminine society it is expected that in Portugal social gender roles overlap and both men and women are supposed to be modest, tender, and concerned with the quality of life. On the other hand, in Austria, being a masculine society it is expected that social gender roles are clearly distinct, and specially men are supposed to be assertive, tough, and focused on material success.

Concerning the family, in a feminine society both fathers and mothers deal with facts and feelings while in a masculine society only the mother deals with feelings and the father with facts. As a masculine society Austrian managers are expected to be decisive and assertive and the emphasis lies on competition among colleagues and performance. In a feminine society, as Portugal, managers are expected to use intuition and strive for consensus and the emphasis resides on solidarity and quality of work life. As Hofstede says "*in a masculine society the ethos tends more toward «live in order to work», whereas in a feminine society the work ethos would rather be «work in order to live»*" (Hofstede, 1994:93). In feminine societies conflict resolution tends to be by compromise and negotiation while in the resolution of conflicts in masculine societies the motto "let the strongest win" prevails.

3.2.4. UAI – Uncertainty Avoidance Index

Regarding this dimension Portugal is on the top of the list with the next highest score of 104 while the highest score belongs to Greece with a value of 112. Singapore with an index value of 8 is on the bottom of the table and Austria, with a value of 70 can be considered to have also a high uncertainty avoidance score. Even though they are both uncertainty avoidance societies, having a fairly lower score than Portugal, Austrian people could probably still sense a high degree of uncertainty avoidance characteristics on Portuguese culture.

In societies with strong uncertainty avoidance, such as Portugal and also Austria with a lesser degree, people easily feel uncomfortable with unstructured or unknown situations and try to avoid such situations as they are a source of high stress together with a subjective feeling of anxiety. There is an emotional need for laws and written and unwritten rules, even if these will never work. On the contrary, in countries with a low score of uncertainty avoidance people accept uncertainty as a normal feature of life and feel rather comfortable in ambiguous situations and with unfamiliar risks, having few and general laws and rules.

According to the key differences proposed by Hofstede for the different societies, strong uncertainty avoidance countries consider what is different to be dangerous while people from a country with a low UAI would see it as curious. In low UAI countries deviant and innovative ideas and behaviours are rather well tolerated whereas in strong uncertainty avoidance cultures deviant ideas and behaviours tend to be suppressed and there is a resistance to innovation. A belief in generalist and common sense is normal in weak uncertainty avoidance societies, while a belief in experts and specialisation is common in societies with strong uncertainty avoidance.

4. CULTURAL STANDARDS METHOD

4.1. Introduction

As mentioned before in chapter 2 there are two main trends in the field of cross cultural management research that allow us to identify cultural differences and similarities: one is clustering countries according to general cultural dimensions and the other is defining cultural standards between two specific cultures.

Since the present work focuses on the possible differences between Portuguese and Austrians, the methodological approach for this research was the “Cultural Standards Method”.

This is an innovative method of conducting research on cultural differences, based on a qualitative research approach. This methodology provides a tool for identifying cultural differences on a more subtle level allowing differentiating similar cultures otherwise placed on the same group according to the cultural dimensions studies. The Cultural Standards Model analyses information between two different cultures and therefore the resulting categories are only valid in the comparison between those two specific cultures (Brueck and Kainzbauer, 2002; Fink and Mayrhofer, 2009).

4.2. The Concept of Cultural Standards

According to Alexander Thomas (2001) culture can be understood as a complex system of meaningful signs and symbols that as whole form a system of orientation that allows us to perceive, interpret and interact with people within the same culture in a certain manner. The core elements of this orientation system are cultural standards, which Alexander Thomas defines as follows:

“Cultural standards combine all forms of perception, thinking, judgement, and behaviour which people sharing a common cultural background rate as normal, self-evident, typical and binding for themselves and for others. Thus cultural standards determine the way we interpret our own behaviour as well as the behaviour of others. (...) Furthermore, they are highly significant for perception-, judgement- and behaviour

mechanisms between individuals.” (Thomas, 1993, cited in Brueck and Kainzbauer, 2002: 3)

Cultural standards, as a complex system of guidelines, can be seen as applicable and valid for the majority of a population but not necessarily for all. Even though this analysis is performed on a much more subtle level, there are also variations within the individual cultural standards in a certain culture, as shown in figure 3.

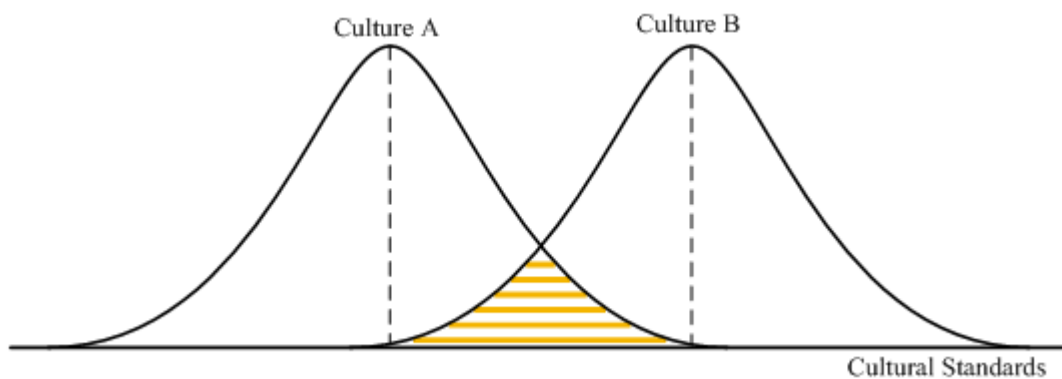


Figure 3: Distribution of Cultural Standards in two cultures¹⁰

The statistical mean value of this normal distribution is the most frequent manifestation of a cultural standard. This means there is a tendency of most group members to act according to this cultural standard, but a different behaviour is also accepted (Brueck and Kainzbauer, 2002).

Cultural standards are not a complete description of a culture. They are ways of seeing and interpreting the cultural experiences which certain individuals, as members of specific target groups in specific circumstances, come across with partners of a foreign culture. However, it is also important to take into account that these cultural standards are developed from what was indeed routinely experienced, that is from what were regarded as “typical” intercultural interactions (Thomas, n.d.).

¹⁰ Brueck and Kainzbauer, 2002:5

After the process of socialisation in one particular culture individuals are not conscious of their cultural standards when they interact with members of their own culture (Thomas, 1993, cited in Dunkel and Meierewert, 2004:152). Therefore, cultural standards can only be identified in a cross cultural context, where interaction between members of different cultures occurs.

When an individual interacts or communicates with another from a foreign culture, he may experience unfamiliar situations, events he is not able to interpret or understand and which are surprising for him. These situations are described in the cultural standards concept as “critical incidents” and help identifying different cultural standards (Thomas, 1993, cited in Dunkel and Mayrhofer, 2001:5). It is important to clarify that critical incidents might as well be based on negative as well as on positive experiences. Unlike the word “critical” might suggest, critical incidents do not necessarily mean negative experiences, but only “*not compatible with our own familiar orientation system*” (Brueck and Kainzbauer, 2002:5).

4.3. The Cultural Standards Research Methodology

As mentioned above, the research methodology of this study was the Cultural Standards Method as described by Thomas in his article: “Research on Culture Standards” and Brueck and Kainzbauer’s article: “The Cultural Standards Method”.

During cross cultural contacts particular situations felt as awkward or problematic may emerge, the so called “critical incidents”. By interviewing members of one culture who have experienced encounters with representatives of another culture it is possible to collect critical incidents and related information. This material is then analysed and the most frequently reported incidents are collected and categorised as preliminary cultural standards. Subsequently the results are validated through the use of feedback (from experts and representatives of both cultures) and thus relative cultural standards can be identified (Dunkel and Mayrhofer, 2001; Brueck and Kainzbauer, 2002).

The complete research process is illustrated in figure 4:

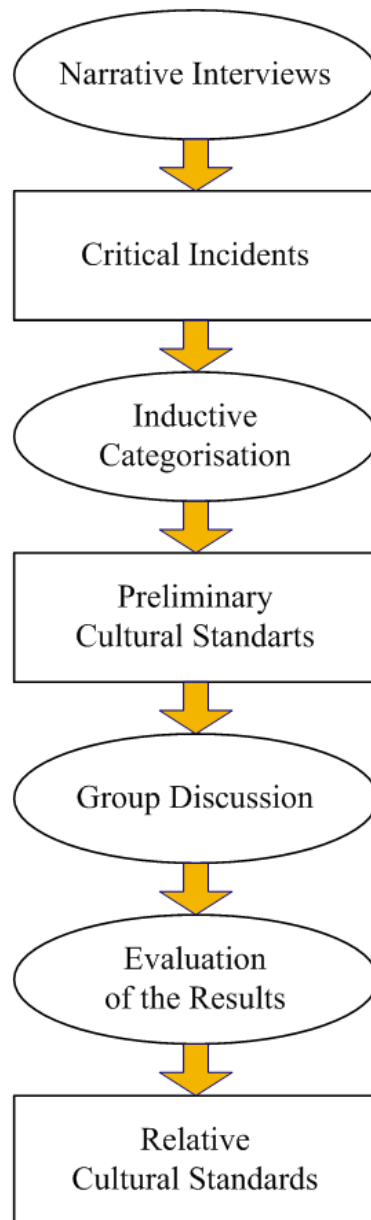


Figure 4: Cultural Standard Methodology¹¹

4.3.1. Narrative Interviews

The main source of information for cultural standards method is the narrative interview. According to Brueck and Kainzbauer (2002) this special interview technique created by Fritz Schütze avoids the normal question and answer strategy between the interviewer and the respondent. Instead, this type of interview has almost no directive questions and encourages the interviewees to talk more freely, controlling the interview and the discussed subjects and

¹¹ Brueck and Kainzbauer, 2002:8

considering the interviewer simply as an audience to their narration. By using this technique the test person has the tendency to reveal more information than if using a normal question – answer scheme. In this way the interviewer’s role becomes extremely passive making it possible to gather almost uninfluenced information and text material.

The literature about narrative interviews discusses different steps of the interview. According to Lamnek (1995) the narrative interview usually involves the following five stages (Brueck and Kainzbauer, 2002):

1 – The Explanatory Stage

The main goal of this phase is breaking the ice with the test person, making him feel less uncomfortable with the interviewer and the whole situation in order to narrate his story.

2 – The Introductory Stage

At this stage the context of the investigation and the purpose of the interview are explained in broad terms to the interviewee, to avoid influencing the story telling and the development of the narration.

3 – The Narrative Stage

When the narration starts, it must not be interrupted until the interviewee pauses and signals the end of the story. The interviewer should not make any comments other than probe words of encouragement to proceed with the narration or non-verbal feedback, such as nodding. It is the narrator who controls the information’s sequence to be revealed and the more complete the information the better is the investigation outcome.

4 – The Investigative Stage

After the narration has come to a “natural” end the interviewer can now try to clarify doubts or to complete the gaps in the story by posing questions related to the events previously mentioned and preferably using the interviewee’s own words. The narrative character of the interview should not be changed and the main goal is to elicit new and additional material beyond the self-generating schema of the events told.

5 – The Assessment Stage

At this point it is no longer possible to go back to the narrative stage and the narration should be ended. For a correct analysis of the data collected the test person and the interviewer should now assess and interpret the stories told.

4.3.2. Inductive Categorisation and Preliminary Cultural Standards

After the transcription of the recorded interviews the resulting text material needs to be searched in order to identify the critical incidents. These short stories are then examined with qualitative content analysis to extract typical behaviour patterns that are summarised into categories in an inductive way. Therefore critical incidents with related background and associated to a specific behaviour are placed into the same category. As Brueck and Kainzbauer explain in their paper (2002), these categories are the basis for cultural standards.

Alexander Thomas (n.d.:2) proposes the following questions when identifying cultural standards:

- 1. What happens between communication partners in situations where cultures overlap?*
- 2. How do the communication partners interpret each others' actions and reactions?*
- 3. Which culturally specific (culture understood as a specific system of orientation) determinants of action and interaction can be identified, compared to person-specific, group-specific or organization-specific determinants?*
- 4. What consequences do the communication partners draw from the situations which they found to be problematic?*

In order to evaluate these preliminary cultural standards, a group discussion with some interviewed persons or with bicultural experts is conducted, and this feedback helps to confirm the compiled cultural standards. Any atypical situations which could distort the research outcome have to be excluded from the research process since the results are intended to demonstrate typical cultural distinctions between the two cultures and not simply personal experiences (Brueck and Kainzbauer, 2002).

5. RESULTS FROM THE EMPIRICAL RESEARCH

5.1. Overview of the Sample Group and Interviews

The main criterion used to elect a sample person was that she/he had to be Austrian, with minimum one year working experience in Portugal. The ideal candidate would be a person with management level experience, but the author also accepted interviewees without managerial experience but with sufficient working and living experience in Portugal.

The sample group was formed through direct contact with Austrian owned companies in Lisbon, the Austrian Embassy, the Association of Austrians in Portugal and via interviewees sharing their contacts. All the candidates were contacted via an introductory e-mail explaining the goal of the thesis, the nature of the interview and the author's profile and contact information. The interviews were scheduled between October and December 2009, according to the interviewees' availability and took place in companies' offices, interviewees' homes and cafes/restaurants. The information was recorded in digital audio support and the average length of the conversations was 40 minutes. Even though the current master thesis is written in English, almost all the interviews were conducted in Portuguese (by personal choice from the interviewees) and only 2 of them were in English.

The sample group of this master thesis was made of 20 people of whom 13 were women and 7 were men. They form a quite heterogeneous sample, representing different regions of Austria and professional experience from different areas such as: education, architecture, food and beverage, tourism, telecommunication, textile and ceramic industries. One third of them have developed their own businesses in Portugal. The average age was 42 years and the average length of stay in Portugal was 11 years. Most of the interviewees live and work around Lisbon, with the exception of 5 persons (3 in the northern part of the country, and 2 in Alentejo and Algarve).

Table 2 provides the interviewees' profiles; in order to maintain confidentiality their real names do not appear and company names are not published.

Interviewee Nr.	Sex	Age	Years in Portugal	Profession
1	Female	47	21	Company owner-Manager
2	Female	33	5	Company owner-Manager
3	Female	34	5	Company owner-Manager
4	Male	30	2	Company owner-Manager
5	Female	49	30	General Manager
6	Male	58	9	CEO
7	Male	69	7 + 4	Engineer
8	Female	68	39	Company owner-Manager
9	Female	37	6	Company owner-Manager
10	Female	37	5	Marketing Director
11	Female	51	16	University Professor
12	Female	27	1	University Professor
13	Female	32	3	Student
14	Male	51	24	Middle-Manager
15	Male	39	3	Accountant
16	Male	39	13	Engineer
17	Female	39	8	Company owner-Manager
18	Male	29	2	Chef
19	Female	45	14	Company owner-Manager
20	Female	36	12	Company owner-Manager

Table 2: Overview of the sample group

5.2. Portuguese Cultural Standards

Portugal and Austria are a southern and a central European country, respectively, which by itself could give an idea of the presence of cultural differences, influenced by factors such as geographical location, climate and historical background.

It is important to stress that cultural standards and their characteristics cannot be regarded as positive or negative, but instead as relative and neutral. The majority of the interviewees

stated they really enjoy the country and their local life quality. The most emphasised aspects being the friendliness of the people, the climate, the landscape and the food.

This section of the thesis presents the 6 cultural standards obtained from the interviews transcripts using the cultural standard methodology. After the analysis of all the information collected through the empirical research, the final cultural standards elected are those which were mentioned in one way or another by the majority of the interviewees. These cultural standards are only valid in the relation between Portugal and Austria.

The final Portuguese Cultural Standards from an Austrian perspective are:

1. Fluid Time Management
2. Relaxed Attitude towards Professional Performance
3. Importance of Social Relations
4. Bureaucracy and Slow Decision Making Processes
5. Indirect Communication Style
6. Flexible Planning and Organisational Skills

5.2.1. Fluid Time Management

In international cross cultural management the “time factor” may become a significant source of misunderstanding and even conflict. Time management concepts both for companies and individuals are embedded in the context of markets and societies and are consequently not easily transferred across cultures (Fink and Meierewert, 2004).

One of the most obvious differences between Austrians and Portuguese has to do with the concept of time and its management, concerning not only punctuality but also deadlines and rhythm of daily life. Eighteen of the interviewees (90%) mentioned the different relation Portuguese have with time.

Punctuality

One of the main aspects of this cultural standard is the punctuality, or in this particular case, the lack of it. In Austria the lack of punctuality is considered as being impolite, and in case of being late, one must present a good and valid excuse. As most of the interviewees mentioned, the normal behaviour in Portugal is to arrange meetings for a certain hour and then arrive late to them. This attitude towards time is something that for many of them is still somewhat difficult to adapt to. Interviewee Number Sixteen pointed out: *“At work, when we had meetings, I was the only one to be there on time, even 5 minutes earlier, which is for us a standard of well-manners, but the others only started to appear 10 or 15 minutes later and the room would be complete only 30 minutes after scheduled time. And the last to arrive was usually the one with the higher position. That was very traumatizing for me in the beginning. And in terms of being productive that is also very bad, since in those 30 minutes I could have done many other important things. For the company productivity, it’s easy to do the math - to have 6 employees waiting 30 minutes for a meeting to start means 3 hours of lost labour”*.

This is usually even more marked in informal meetings where “late” can be up to one hour after the agreed time, as the same interviewee illustrated: *“I joined a Tennis Club and arranged with some colleagues to play on Saturday morning at 11h and by 12h30 I was still alone waiting for them, thinking that something had probably happened. Then they appeared smiling, just apologising lightly saying that they had to take care of some things. I thought to my self that they were very impolite. That was one of the things that annoyed me the most in the beginning. Now I have learned to live with it and I already know that when I arrive 10 minutes after the scheduled time I will still probably be the first one to be there.”* Interviewee Number Twelve, who is living in Portugal for only a year, told how shocked she was with the lack of punctuality: *“Once I had a meeting with a Portuguese and then she called me announcing she would be a little late. In my mind that would mean 10 minutes or so, but after all she only appeared 40 minutes later, with absolutely no excuse what so ever... and I thought to myself «this can’t be happening». For me, the lack of punctuality was a big shock!”* Number Ten told how she thinks one can deal with this issue: *“In Austria if work starts at 8h30, people usually arrive at 8h25. Here, if it usually starts at 9h many people will arrive at 9h30. Over there people are really punctual and in Portugal people have some troubles understanding that. So I think that if things aren’t really essential it’s good to be a little flexible towards the Portuguese natural habits avoiding unnecessary discussions. When*

things are really crucial (like a meeting or to be on time to open a shop, for instance) then it's important to explain the significance of being punctual.” Curiously, there was one interviewee, Number Six who had a totally different opinion: *“Honestly I think we are talking about prejudices here. The lack of punctuality from the Portuguese that many foreigners talk about is for me more a myth than a reality. I have no reasons to complain: the business meetings start on time and when I arrange things with friends they also start on time.”*

Deadlines

Another feature of this Cultural Standard has to do with deadlines, more exactly not sticking to them. The interviewees referred that deadlines in Portugal are usually not fulfilled and this was mentioned in several contexts from presenting projects to deliveries of merchandise and payments. As interviewee Number Three illustrated very well, *“I learned that «amanhã» (tomorrow) in Portuguese has a completely different meaning than in German.”* For Austrians, who are used to respect deadlines this more “flexible approach” from the Portuguese can be somehow an additional factor of stress, as Number Twelve said: *“Deadlines are less strict than in Austria. Once I had to do a project and I was very concerned I wouldn't be able to finish it on time. I explained the situation to a colleague and she replied there was no reason to be worried, that I could perfectly deliver it 2 or 3 days after the deadline that no one would notice it. And so I did it, even though that left me quite nervous, but in fact nobody said anything.”* About the importance of deadlines Number Nine mentioned that: *“In Austria we are used to work with deadlines, definite timings to deliver a project. But here these are never real deadlines. We have a date up to which we try to have the project finished but the final delivery is never in that date... things are not rigorous and there is always a small delay.”* Interviewee Number Nineteen, owner of her own business said: *“People here in Portugal don't feel committed to deadlines. A supplier tells me that he will send me things in the next day and by the end of the week I still didn't receive anything. One of the reasons for my company's success had to do with fulfilling deadlines with the customers. But in order to do so I had to change suppliers many times.”*

Rhythm of daily life

Time management is also related to the rhythm of daily life. More than half of the interviewees said that in Portugal people live life at a slower pace, in a more relaxed way and

“apparently” with less stress than in Austria. I mean “apparently” because some of the interviewees also mentioned that due to their more relaxed relation with time, many Portuguese seem to rush to their meetings and scheduled activities claiming that they are already late to them. Interviewee Number Three said: *“One of the things I really had to practice in Portugal was to be patient, I really had to learn that because in Portugal one is always many hours waiting: in the traffic, in the queue at the Post Office, at the Hospital, etc. And also when someone says «I’m arriving» it doesn’t mean he or she will arrive in the next 2 minutes, it can be for example only 20 minutes later. That I really had to practice!”* Number Seven also noticed that he needed to be more patient here: *“At work I had to have a little patience because things in Portugal were not done at the same rhythm I was used to... everything was done at a slower pace here.”* Number Thirteen mentioned she found it positive that things are done at a slower rhythm in Portugal: *“One of the things that was clearly different was the «non speed» here. In Austria things are done in a faster way. For example, in the supermarket the cashier passes the products very fast and you have to put things in the bags very quickly, because there are more people waiting in the line. Here in Portugal that is done much slower and quite often the cashier even puts the products in the bags by herself, making the whole process longer. For me it was actually positive that things are slower here, I have less stress than there.”* Interviewee Number Nine also agrees that she has less stress in Portugal: *“In Vienna I was living in a very fast rhythm, everything was very controlled, with little time for things outside the routine, and here I personally don’t feel that way anymore, but I see many people around me always stressed to arrive someplace because they are already late!”*

This rhythm of daily life was also referred in relation to the distribution of time during a working day, where Portuguese usually do several coffee-breaks and take long lunch pauses passing the feeling of a relaxed attitude towards working time. Several of the interviewees mentioned that in Austria people usually have lunch in 30 minutes in order to have work done and be able to go home as early as possible. While in Portugal lunch is seen as a very important meal and also as a social meeting with colleagues or friends, which is also related to the cultural standard “Importance of Social Relations”, explained later. Number Nineteen says: *“Here (Portugal) the schedules are different: the working day starts later than in Austria, in the morning everyone makes a coffee-break, than at 13h it’s «sacred» lunch time for 2 hours and 5 minutes after 18h everyone is leaving.”* Interviewee Number Six also noticed these scheduling differences: *“In Portugal you won’t schedule a meeting for 14h*

because at that time everyone is having lunch, the same way you don't schedule it for 8h unless you really know the people you are meeting and you know it's ok with them to meet so early in the morning."

5.2.2. Relaxed Attitude towards Professional Performance

Eighty percent of the interviewees felt Portuguese deal with their work in a different way than Austrians. Concerning commitment to work the interviewees considered Austrians in general to take their job more seriously, to be more self-disciplined concerning their duties on the job and to spend working hours more focused in their tasks spending less "working time" in coffee-breaks or chatting with colleagues. Some of the interviewees also related this less committed attitude towards work with a less efficient performance from Portuguese workers. Interviewee Number Twenty mentioned: *"Here there is another «working ethic». One can not count that people come to work and actually spend all working hours really working. For instance, our secretary usually arrives a little late, she takes many breaks, sometimes she is surfing the internet and on this I think in Austria it would be easier to tell her «If your working 7 hours here I would like that you actually work those 7 hours»."* Interviewee Number Sixteen said: *"In professional terms I noticed that one could not demand many things in little time. Our philosophy is to tackle the problems as fast as possible and here that was not like that. At the company instead of using the fourth gear one had to use the second, not to pressure the colleagues too much. We used to say that in Portugal one does not live to work but works to live as opposite to central European countries. This was one of the first things I've noticed it was different."*

In relation to the achievement of results the interviewees found the Portuguese mainly worked the minimum to be considered satisfactory and were more willing to comply with less perfect solutions while Austrians were more demanding in the quest for excellence. As interviewee Number Ten said: *"In the professional part, our culture is more demanding and here in Portugal everything is just «more or less». This was difficult for me to understand since I'm used to do things in a very perfectionist way. In meetings with partners I found situations where things were not lousy but they weren't perfect either, and so in the beginning people used to be a little shocked with my remarks and my level of exigency: «there is a comma missing here; there the colour is not perfect; here it's not bad but it could be better; etc...».* Another difference that I actually enjoyed was that in Austria people arrive earlier at the

company and leave earlier and they are there the whole time working non-stop, they are more focused in what they are doing. While here people arrive later, than have a coffee-break, talk with the colleagues and even though they can't be so efficient (as being able to do the same things in the same time) the environment at the company becomes more relaxed, more pleasant.” Interviewee Number Two also spoke about the different attitude towards results: “One thing that I noticed here is that people don't have the will to achieve perfection, they accept things also «more or less». I'm very perfectionist but here I had to learn that is difficult to achieve since things usually don't work out at first time and then it's always needed to improvise for alternative solutions which won't be perfect. On the other hand it's good because you don't have so much stress to achieve certain goals.”

Another aspect referred by the interviewees was the lack of initiative and the reluctance to change things. In general the interviewees felt Portuguese to be less pro-active, more conformists with the current situations and less willing to take risks. Interviewee Number Eight said: *“People here are not very ambitious, they don't leave the standard course to achieve more, and they are not very motivated to draw their own path. Maybe the fact that we had war at home and several privations lead us to be more pro-active.”* Number Five had a similar opinion: *“At work I feel by one hand a certain will from people to go further, to develop and learn more but then a certain accommodation and lack of self-discipline. I think that it's much easier for me that I was raised in a different culture. I think Portuguese are more conformists, which doesn't have to be necessarily a negative thing. This accommodation is something very intrinsic in Portuguese society.”* Number Nine also noticed this lack of willingness to change, even when facing very unsatisfactory conditions: *“In general life in Portugal is very linear. Most people in each area do what the others do, they see very few other possibilities even when they are very unpleased with their current situation. I think in general people are afraid to do different, and they don't have the spirit to risk doing their own choices.”*

Professional training

Another feature of this cultural standard has to do with professional training. The interviewees pointed out that in Portugal there is a general lack of professional training, especially at intermediate levels since there are very few options for those who do not wish to go to university. While in Austria the different education system enables students who do not wish

to proceed with their studies at the university level to learn a profession, instead of entering the job market without specific qualifications as happens in Portugal. Interviewee Number Fourteen, who lives in Portugal for 24 years said: *“One of the big differences I noticed when I arrived was that at the business level most of the people in charge of small and medium companies were people with not so much scholar education or professional training and therefore also not much informed about what exists in their field in other countries. In Portugal there are many professions where due to lack of professional training everyone is autodidactic. There aren’t professional schools, people usually learn with someone older that already works in the field and there is no official certification that they are qualified to the job. This constitutes a threat to development since there is no evolution, people don’t learn about updated techniques, materials, etc. For example, once I needed to hire an electrician to make the electrical installation for a computer room. When I started asking some questions about the necessary power supply he was completely blocked because he had absolutely no idea how to make such calculations. He had already done standard electrical installations in homes but he didn’t have the know-how to deal with a different situation.”* Number Seven also spoke about this difference: *“Here there is a lack of professional training. In Austria we have appropriate training for a profession, whichever it is and that is really missing here. For example, here at my house the TV stopped working and there were already several technicians who came here and no one solved the problem. Unfortunately I have no way to know whether they are qualified for what they claim they are because there aren’t certifications for these jobs here.”*

The interviewees mentioned that due to this difference in the education systems, in Austria people are more aware of the need to have professional training not only as professionals (workers) but also as consumers/customers, becoming more demanding towards those who provide services and goods. Number Five said: *“In Austria there is more professional training and are also more demanding customers. The need of that professional training comes also from more exquisite consumers. This professional training is necessary but on the other hand it won’t produce much result while the target people (the workers) are not self-conscious of this need; and unfortunately in Portugal many workers don’t realise the importance of having appropriate training for the jobs they are performing. While this doesn’t change, the quality of the work done will hardly improve.”* Number Seventeen also mentioned this different attitude towards opportunities to receive appropriate training: *“When we have some training courses they usually take place after working hours and while the*

foreign employees are usually happy with the opportunity to receive this training the Portuguese don't show much interest on it. You almost have to beg them to go there."

Customer orientation

In relation to professional attitude the interviewees also referred that compared to Austrians, the Portuguese are not very service minded. This was mentioned mainly in relation to services provided in shops, restaurants, cafes, hotels but also at health care providers or public services. The main issues referred were the lack of professionalism, a non-friendly attitude, or the employees' lack of motivation. Interviewee Number Ten mentioned: *"There are people who work a lot and are professionally very valuable and then there are people a little lazy. Of course this exists everywhere but here I noticed there are too many people that don't have motivation to do their job. For instance, you go to a restaurant or café and you have to call the waiter several times to be served, then he is too often not very friendly or it takes a very long time. It seems they have no pleasure at all in what they are doing. And this non-motivated attitude happens also in other situations such as at the doctor. I have never seen doctors like here, even in private hospitals they show not much interest in what they are doing."* Number Eight had a similar opinion: *"I see people not very much motivated. For example, in shops many times the employees treat you as if they are doing you a favour! They don't realise you're the customer, without whom the shop wouldn't exist at all!"* Number Twenty also said: *"Here the service is sometimes very unfriendly. For instance you go into a shop and it seems people don't want to serve you; they remain seated chatting with other colleagues or talking on the cell phone and then they show reluctance in answering your questions."*

The last aspect of this cultural standard was mentioned in relation to the difficulty in obtaining accurate information from several service providers, in the public as well as in the private sector. The interviewees referred that when asking for information for example in a shop or in the city hall they receive inaccurate answers. Number Nine said: *"Even when you ask something at the city hall for instance no one ever takes responsibility on what they are informing you. You're never sure that's the correct information or whether something is missing. Sometimes they actually think they are telling you the right things. It happened too often that what they had told me wasn't correct after all. Nowadays I already know that I have to call different departments and collect information from different sources in order to*

be sure about what I needed to know in the first place. And this happens in several different places, not only at the city hall.” Number Five shared a similar experience: *“When you ask for product information in a shop you realise people are not able to provide you with correct information. They just tell you something they heard about it and if you’re an informed customer you realise immediately they have no idea what they’re talking about. And the worst is that they tell you these things convinced they are doing a good job!”* Some interviewees related this less consumer oriented behaviour with the less self-demanding attitude of the Portuguese towards their job duties while others related it with the lack of adequate professional training existent in Portugal.

5.2.3. Importance of Social Relations

As human beings, we live in diverse types of societies where social relations can play different roles. From the comparison of Hofstede’s Cultural Dimensions (as presented earlier in chapter 3) stands out that Portuguese are a more collectivistic society when compared to Austria. Thus Portuguese tend to establish tight social networks and highly value personal and professional relationships. Around 75% of the Austrian interviewees mentioned, in one way or another, the different role that relations play in Portugal.

Family

The most striking feature of this cultural standard is related to the importance of family relations. In Portugal people maintain close contact with their family; not only nuclear family (parents and siblings) but also extended family (including several generations, cousins, aunts and uncles), meeting each other on a regular basis, sometimes as often as once a week. Whereas in Austria the family contact on the daily life is not so present and people tend to meet less often. Interviewee Number Fifteen mentioned: *“Another different thing is the family. I like very much that the family has a very high value in Portugal; people like to see the family at weekends, some people I know want to share at least one day of the week with their family. It’s a close relationship; in cities like Vienna you don’t have it so strong like in the countryside in Austria, but nevertheless is much less stronger than here. Families are very close here, I find that very nice.”* Interviewee Number Six referred: *“Families here in Portugal are bigger than in Austria, not because people here have more children, but because*

the contact between several generations is closer. In Austria only first cousins are considered cousins and very often the remaining cousins are unknown to us. Here social ties are stronger than in central Europe.” Number Eleven also noticed the different role family plays in Portugal: *“Here the main priority is always the family. If you’re not part of a Portuguese family here, you’re left out of a large part of social life. Personally I wouldn’t like to go visit my family every weekend or to spend always the holidays with them, I have other interests.”*

Another main difference pointed out by the interviewees is that in Portugal children tend to live with their parents up to an older age (mid twenties), usually leaving the parents’ nest when they get married. While in Austria young people are encouraged to start their own independent life sooner, at around 18 years old. Number Two said: *“Concerning the family relations, people here spend a lot of time together, even several generations live together in the same house. That is very different for me because I live alone since I’m 15 years old. This close contact with grand-parents and great grand-parents may be very nice but it can also bring lots of tension between them.”* Interviewee Number Fourteen mentioned: *“In Austria there is a progressive detachment from the parents as you become an adult. I was raised to learn how to take care of myself by the end of high school. Here I see lots of young adults (around 30 years old) still living with their parents. I know that nowadays this has also to do with the difficult economic situation, but not entirely. The parents also don’t do much to change it. When I left my parents home I didn’t had much money, I started by sharing an apartment with friends and as life goes on one progressively acquires financial conditions to live completely alone. Here that is also very different. One leaves the parents home usually to get married, and if that does not work they feel completely lost (since they never actually lived alone) and many end up returning home.”* About this feature interviewee Number Eleven added: *“I think here the kids are very spoiled. They never leave the family. They live with the parents up to a very late age and then they get married and leave to their own family. They never actually have a time for their own, a time to be free!”*

Friendship

The interviewees spoke about the good hospitality they felt in Portugal and how people are in general very kind and willing to help if they can, even when they do not really know the other. However they also mentioned that, despite this warm welcoming it was quite hard to establish solid friendship relations with Portuguese afterwards. They felt that even though

Portuguese are normally categorised as “Latin people”, they are in fact very different from Spaniards or Italians and much more reserved. This difficulty in making friends among the Portuguese was also interpreted by the interviewees as a result of the very important role family relations have in Portugal, turning it harder to make a way into Portuguese social circles. As interviewee Number Eleven described: *“People are kind and help me a lot if there is any problem. In Austria people are not so willing to help strangers; there is more distance between people in the beginning. In Portugal there is less distance in the beginning but then this distance remains. In Austria there is more distance in the beginning but then it’s possible to make friends with a very intimate relationship. That didn’t happen with me here. The situation is quite different if you marry a Portuguese, because then the integration in the spouse’s family is more likely. As I didn’t have that family experience here, I always felt a little outside. Some Portuguese also told me that Portuguese society is a closed one.”* Interviewee Number Five, who lives in Portugal for 30 years had a similar opinion: *“When I meet other colleagues, at organised events at the embassy, for instance, what they (foreigners) feel when they come to Portugal is that the Portuguese are very good-natured, ready to help but it’s all a little bit superficial. To get into someone’s home is very difficult. For example, for couples with small kids who are integrated in Portuguese schools, it’s quite hard for them to receive a dinner invitation from other parents or so. There is a large distance, perhaps a certain fear to show something more intimate. In Austria, in similar circumstances, it would be easier to establish a relationship.”*

Interviewee Number Thirteen shared her experience: *“In the beginning I tried to make friends with Portuguese and less with foreigners and I thought that at the university it would be very easy, since there would be people sharing common interests. But I was really surprised! It was not easy at all to make friends here. People were very nice and helpful but no one invited me for a coffee after classes for example. It took me 3 years to become friend with some colleagues. When I was pregnant I became closer with 2 other women at the birthing classes, one of which invited us to her house. That was the only time we had an entrance to private’s Portuguese culture.”*

Another aspect pointed out by the interviewees was the different meaning the word “friend” has in the two countries. In German, the word “friend” is applied only to real friends. For people that you know but with whom you do not have such a close relation the term “Bekannte” (acquaintance) is employed instead. While in Portuguese the term “friend” is

normally used in a broader sense and this distinction between friends and acquaintances is not usually made, leading to the impression one has many friends. Number Two said: *“Concerning friendship I also noticed some differences, because for us exists «friend» and someone that is just an «acquaintance». Here no one uses this expression and when you meet somebody that person is immediately called «amigo» (friend). But for us the word friend is really strong, it means someone with whom you have a very close relation and in whom you can trust. That was for me a big difference here, to understand the absence of that distinction.”*

Interpersonal space and physical contact

Another issue related to social relations, coming up during the interviews, has to do with physical contact and interpersonal space. The interviewees referred to the different way of nonverbal greetings between the two countries. While in Portugal it is common to greet each other with two kisses on the cheeks, in Austria that form of greeting is usually confined to intimate relationships, such as family and close friends; when introduced to someone the usual approach is only to shake hands. The interviewees also mentioned how this way of greeting makes people physically closer to each other leading to a smaller so called “space bubble” than in Austria. This difference in interpersonal distance can make a person from a more spatial distant culture, such as Austria, a little bit uncomfortable.

Interviewee Number Two said: *“People greet each other with kisses («beijinhos», in Portuguese), while we usually just shake hands. We only kiss each other on the cheek when we really know that person very well, but never in a professional context like Portuguese do it here. That is not acceptable in our culture. This also leads people to come closer since the distance between them it’s not that big anymore.”* Interviewee Number Three told how she felt this different approach: *“When I meet someone from my bank I don’t want to greet him or her with kisses on the cheek. We are not used to it; we only kiss friends or someone really close. But I have never given kisses to my bank account manager in Austria. That is something unimaginable! It’s not good or bad, it’s just very different. Even today I have troubles kissing someone with whom I might be angry with due to professional reasons. That does not work for me.”* Number Fifteen shared his experience: *“When I came here it was quite different. Men are giving hugs and women are giving kisses, even in the company, which was for me very unusual. In the beginning it was weird for me, to kiss my boss, who’s a*

woman. *But I liked this warmer approach.*” He also mentioned how the interpersonal space difference caused him some discomfort in the beginning: *“At the office I had a colleague who came too close in order to talk to me and at the beginning that was a little uncomfortable.”* This was shared by Number Thirteen too: *“Here the distance between people is smaller than in Austria. In the subway people are very close to each other; at the beach also, they stay only one meter from you. In the beginning I felt really uncomfortable. On this I really had to adapt! And a funny thing that happened to me was that when I was pregnant already with a big belly, there were people in the street who touched it, people I didn’t know. That was a total surprise!”*

5.2.4. Bureaucracy and Slow Decision Making Processes

Bureaucracy can be defined as an administrative system marked by clear hierarchical authority, rigid division of labour and the need to follow rigid and inflexible rules and regulations¹². It is usually set in place in large organisations to control activity by using standardised procedures (rule-following), intended to minimise unexpected situations and improve efficiency.

More than half of the interviewees felt there is too much useless bureaucracy in Portuguese society in general, consequently slowing down decision making processes, stealing time from other important tasks and contributing to inefficiency. From an Austrian perspective, some of the situations experienced by the interviewees in the context of bureaucracy can be seen as quite bizarre and usually required patience skills to learn how to play according to the rules. Interviewee Number Thirteen said: *“For example when we bought a new car, it was necessary to take care of the authorisation distich to park in our street. So I called the municipal company in charge of parking to know what was necessary to bring with me. They told me what was necessary I gathered every paper and went there. I had to wait for two hours and at my turn the lady at the counter told me something was missing. I argued that I had called exactly to avoid that situation and that I had all the things I was informed about. Anyway, I had to leave, obtain what was missing and return there in another day. The second time I had everything necessary except I was informed it couldn’t be me taking care of it and it would have to be my husband since he is the owner of the car! Couldn’t they have informed*

¹² www.businessdictionary.com/definition/bureaucracy.html

me of all that in the first phone call?! For these things a person really needs to be prepared! It's NEVER as people say in the first time. I could easily adapt to other things but dealing with this bureaucracy really makes me mad! It's something that makes us waste a lot of time that could be used to something else. That's very different from central Europe culture, the concept of not wasting time.” Interviewee Number Seven also had a similar episode which elucidates the differences between the two countries: “Here many administrative procedures are very complicated; you always have to write your parents names, in several different papers and things are quite inefficient. I get mad sometimes! Just recently, when I had to renovate my driving license, I went to the doctor to check everything was fine, did all the tests and at the end I received a small paper to replace my license temporarily and I was informed that paper was valid for a year. I thought to myself: «does this mean it will take a year to receive my new license?!» I was completely shocked! In Austria when I changed my address once, I also had to change my car's licence plate. I went to the appropriate department, gave the employee the papers and he told me to grab a coffee and return in 15 minutes to receive it back! What a difference. My interpretation is that here the Portuguese had to administrate many colonies for a long time and, as it was a big administrative machine, all that is still deeply rooted in the way things are organised nowadays.”

These bureaucratic systems are present in public administration as well as in companies, but are more noticeable in the former. Many of the interviewees opened their own business in Portugal, having to deal very close with bureaucratic issues, as interviewee Number Seventeen told: “*In the beginning when I was just an employee everything was easier because I didn't have much contact with bureaucracy. Then I bought my shop and everything changed. It was very difficult to obtain the necessary licenses, I think bureaucracy here tends to block everything and it's really complicated. The information provided on the telephone is always different from what is said once you go to the place by yourself; even if you call to avoid unnecessary trips, once you get there something is always missing! It is very annoying, you always lose lots of time with these things. Last week I went to the finance department and it was the first time everything worked out at once. I was so surprised I had to ask the lady twice if there wasn't really anything missing. I just couldn't believe it was all ok! But unfortunately this almost never happens. Even though it has improved since I'm living here I always get nervous when I need to take care of things in the city hall or similar institutions.*”

Some of the interviewees, who have been living in Portugal for a longer period of time, referred there were considerable improvements over the last few years, particularly with internet advances, even though in many situations it is often required to be physically present in order to take care of issues.

In relation to bureaucracy, the interviewees also mentioned that despite all the inflexible regulations and procedures people tend not to play by the rules and in general find a “way around” it, i.e., they find alternative ways to facilitate a bureaucratic process. While in Austria things work smoother and in general people tend to follow the rules in place. Number Twenty living in Portugal for 12 years referred: *“I fight a lot with bureaucracy. Here I have to provide much more personal data to institutions in general: identity number, finance number, my parent’s names, etc; there is a strong control and always lots of rules. And even though everyone breaks the rules, the few persons that must enforce them always play a very strict role as if the rules were unbreakable, even in minor situations, they aren’t flexible. It’s like there are some leftovers from the past dictatorial regime, which some people try to keep. On the other hand, those who don’t set the rules are always trying to go around them, to find alternatives. I have the feeling if there weren’t so many rules people wouldn’t need to circumvent them”*. Number Nine told a short joke that described these alternative paths to the established rules: *“There is a legend in my field that says: If you want to open a window in a building, the best thing to do is to open it illegally. Then as you want it legalised in the building’s drawings (plants) you go to the department at the City Hall saying you want to close that window. To which they will reply you can’t close the window because it already exists there and they will argue with you about it! Of course it’s a joke but it means there is always a way around things. It’s a way of working!”*

5.2.5. Indirect Communication Style

How people express their opinions and communicate with each other can vary greatly from culture to culture, as well as the way they deal with critics and disagreement.

Some cultures tend to value direct, clear-cut language while others favour a more indirect, “in between the lines” style. Misunderstandings arise because people from each culture expect quite different things from the communication process (Gesteland, 2005).

Around half of the interviewees mentioned the different way Austrians and Portuguese communicate.

Indirect communication

From an Austrian perspective Portuguese communicate in an indirect way, not expressing what they mean directly, but using hidden meanings and metaphors expecting the other can “read in between the lines”. This also implies that, in general conversations last longer in Portuguese since the indirect communication style uses additional words and sentences than a more straightforward one. This last aspect can also be related with the structural differences between the Portuguese and the German language itself.

Number Two explained this very clearly also mentioning how these differences can be seen in a positive light as well: *“Our culture is more direct. We use shorter sentences which for a Portuguese may seem more brutal and impolite. It might be also related with the structure of our language. What I usually say in German using one sentence it takes me usually 5 or 6 in Portuguese. On the other hand these language differences are a nice thing because you get to talk more with people and have the chance to know them better.”* Interviewee Number Three said: *“One thing that I’ve noticed is that people don’t like it when we are too straightforward; if something is like it is, we say it clear-cut; or when we don’t like something we also say it clearly. But in Portuguese you don’t say things in this way. In Portuguese you usually talk around 10 minutes before actually saying what you mean, while we (Austrians), the Germans and the Swiss would say it in the first sentence. We are not used to talk so many minutes about a short topic.”* Number Five also noticed this different way of communicating: *“A big difference was that in terms of communication, I don’t know why, people here have a need to talk a lot, to tell lots of details about a subject instead of being concise and sticking it to the essential.”*

Difficulty in saying «no» and criticising

Another feature of this indirect communication style is that the Portuguese have difficulty in saying “no” and expressing dislike towards people or situations. This is also reflected in the difficulty that Portuguese have in expressing opposing views to others and in openly criticising other persons, fearing to offend them personally. As a more collectivistic society (see Cultural Standard “Importance of Social Relations”), Portuguese confer a high value to

their personal and professional relationships, avoiding situations that might end in open conflict/disagreement between the parts involved.

Interviewee Number Nineteen described the way Portuguese use to say «no»: *“We go to the meetings, and it seems to be everything all right, but then the Portuguese are incapable of saying «I’m not interested» or «now we can’t do that, we have to postpone it for a few months». They just don’t say anything else anymore; they don’t answer our proposals... they just disappear. The Portuguese don’t want to be unpleasant and instead of saying something that will not be nice they prefer not to say anything at all. Now we are already aware that when the customer says nothing for a long time it’s because he is not interested.”* Number Twenty explained how hard it was for her to learn the way to say «no» in Portugal: *“One of the things that it was very difficult for me, mainly socially, is that the Portuguese don’t say «no». Here, if someone has an invitation and can not go, instead of saying «I’m so sorry, but I can’t go», they always say «thank you very much for the invitation, I would love to go, I’ll do my best to appear». For years I really thought that when people said this, they would eventually come to the meetings. Until someone told me this was the Portuguese «no». And people really feel offended when I look into my agenda and I already know one week in advance that I can’t go to the dinner or so. They conclude that it’s because I don’t want to, so I learned to do as they do it here. Nowadays I always say «thank you very much, I would love to go, I’ll do my best» and then I only warn them the day before that I won’t make it so they have the feeling I really tried to.”* Interviewee Number Eleven was even warned by some Portuguese that she shouldn’t say no to people: *“Here people have difficulty in saying «no». They don’t use it. For me it would be much convenient that they would tell me «no» directly! I don’t get upset with that. But instead the usual answer is: «Ah! That’s very interesting, I’ll think about it», but then they don’t do it. They lack the culture of the word «no». In the beginning there were some Portuguese who told me that in Portugal you don’t say «no» to anyone; you just don’t do that. I didn’t understand immediately what they meant, but now is crystal!”*

The other aspect related to the communication style is the apprehension people have in openly expressing their opinion when that is a critical one and might cause discomfort to the other(s) person(s) involved. Even when they are asked frontally to express their opinions, for instance, about the service they were provided with, they feel reluctant in doing so. Interviewee Number Fourteen pointed out: *“Portuguese have fear of criticising. While abroad it’s seen as*

way of participating in the development and improvement of things, in Portugal it's seen as very negative thing. When a Portuguese is about to express a critical opinion he already starts by apologising «I'm sorry, this is nothing personal but...». There is not much differentiation between what is professional and personal. When I criticise someone's work they always feel it as if I'm also criticising the person itself. This is very strong here. The way to approach differences in opinion is a very important thing to learn. You can't say directly «I don't agree», it would sound very impolite. I had to learn how to express disagreement in a different way, and I think I never really learned how to do it completely. The other thing is that people usually don't tell you what you did wrong, so it's difficult to notice our own failures and correct them.» Number Seventeen also noticed this lack of “criticising culture”:
“When Portuguese are discontent with our work they don't say it, they don't complaint, nothing. When a customer is unhappy with the result I would prefer to hear it clearly in order to compensate it and improve it for next time. But here people won't say anything. Once a customer told me directly that they (the customers) would never say they don't like it. They just don't return to that place again. In Austria the customer would immediately point out his disagreement towards the final result.”

One way Portuguese use to avoid these situations is through the use of a third person or other indirect communication channels. Number Twelve told what happen to her: *“Once I did something less correct at the university and the persons instead of saying it to me directly told my colleague who in turn told me what I have done wrong. This would never happen in Austria. It's a very indirect way of communicating problems while there they would have told me directly what was wrong. With the students is the same. Even though we have a good relation in class they rather express their suggestions about our class to other teacher, than directly to me.”* Interviewee Number Twenty also added: *“We are more straightforward in the way of expressing our opinions. Here in classes, when we ask for students' opinions at the end of the courses it's very difficult to have «true» opinions, they always say they enjoyed it very much, but then we hear from others what they really thought of it. It's seen as impolite to express disagreement frontally.”*

5.2.6. Flexible Planning and Organisational Skills

Through the analysis of the empirical data another cultural standard “Planning and organisational skills” could be isolated. Around half of the interviewees referred to the lack of

planning existent in Portugal along with a lack of organising skills when compared to Austria. It was mentioned that in general Portuguese are not concerned about planning ahead and establishing plans that are meant to serve as guidelines for those involved in projects as well as help dealing better with unexpected situations. Quite often things are not considered in advance and are made usually at the last minute, and this can lead to additional stress, as mentioned in relation to cultural standard “Fluid Time Management”. Interviewee Number Twenty said: *“One has to accept that here many things are made haphazardly and there is a general lack of planning. For instance sometimes we want to plan things thoroughly and ask something with the necessary time and we face reactions such as: «ah! But there exists still a long time for that; it’s only in half year. Call me in 3 months instead! » It’s hilarious!”* Number Four shared a similar thought: *“Here people are less strict with punctuality and more tolerant with time and with the organisation of things. But on the other hand as there is a lack of planning and many things are left for the last minute this will bring additional stress.”* Number Fifteen spoke about the lack of organisational skills in order to find permanent solutions that can bring more efficiency to work: *“When you have a problem the solution can go in different directions. My impression is that Portuguese don’t look so much to the one which is a permanent solution (where you don’t have to work afterwards anymore) but which can take more time. Instead they just think in any solution, just to solve the problem, but which mean you have to do it and work on it every month again. This creates a lot of work and it is a little bit a lack of efficiency. On the other side, if there is an urgent problem it is fantastic how fast the Portuguese solve the problem and find a way to deal with it. I was really impressed with their approach and how people motivate themselves to find a solution.”*

Like interviewee Number Fifteen mentioned, the interviewees also pointed out that due to this lack of planning and organisational skills Portuguese face many unexpected (non-planned) situations, which made them very good in improvising and finding alternative solutions. The Portuguese have a very characteristic word to describe this type of “last minute problem solving behaviour”, “*desenrascar*”, which was used by all the interviewees in relation to this topic and that can be translated as “to improvise”/“to disembarass”. Number Ten said: *“Here things aren’t planned and people have a great capability of improvising (desenrascar) but then there is lots of stress due to the lack of planning, and some things happen to work well anyway but others not really. It wasn’t easy to motivate people to start planning things with the appropriate time in advance and to teach them to forecast different scenarios with details. It’s something that it gives lot of work in the beginning but generates a better outcome*

afterwards. There is also a lack of organisation.” Number Twenty said: “We have to accept the fact that here there is a lot of improvisation, things are only done at the last minute. We can try slowly to make it in a different way but if we think we’ll be able to change things overnight we go crazy, because that’s impossible here.”

One of the things also referred by the interviewees was the Portuguese spirit of not giving up even when situations seem hopeless from an Austrian perspective and how they can in general provide with at least a satisfactory solution for the problems to be solved. Number Fourteen mentioned: *“Portuguese leave many projects’ details to be decided later on without much planning which brings last minute problems and the need to find solutions for them. It’s what the Portuguese call “desenrascar” (improvising). And on this Portuguese are really very good, which I think is a great quality. I lived in other countries, for instance in Italy and they aren’t like this. At a certain point they stop and say there aren’t conditions to continue anymore. While the Portuguese no, they always try to solve the situation, they don’t give up. What is missing is the structure, the basic planning.”* Number Three also referred to this: *“Before I had my own business I worked for an Austrian company here that participated in the organisation of Euro 2004 in Portugal (Football’s Championship). They were in charge of catering and staff for sponsors, VIP areas, etc. They are very well known for their quality and for being fast and flexible. Even though they brought many people from Austria they also had to work with Portuguese teams and they had several problems with things that weren’t ready when they were supposed to be. While the Austrians were already thinking it was too late and things were doomed, the Portuguese never gave up. It was amazing. And I don’t know how they did it but at the end things actually ended working after all. At the last minute things always worked out!”*

5.3. Feedback

In order to evaluate the identified cultural standards and obtain some constructive feedback about the results, the author sent an e-mail with the results of the empirical research to the interviewed persons and asked for any kind of feedback. Besides that, the author also contacted two more Austrian people who have lived and worked in Portugal but did not participate in the first part of the empirical research and can be therefore considered as an external source of feedback.

The author received an answer from 8 interviewees who have all considered it was very interesting to read those results and some were slightly surprised with the similarity of experiences shared by the other interviewees.

In general they all agreed with the proposed cultural standards and with the recognised cultural differences. Interviewee Number Thirteen pointed out that the conclusions were presented in a clear way and that there was continuity from the Austrian perspective adding that it was really necessary to adapt to a different culture. Interviewee Number Five referred that the study highlighted in a very good way the main differences between the two cultures.

Nevertheless, Interviewee Number Seven, who gave more profound feedback showed some concerns with the obtained results: *“I suggest that you take into consideration that attitudes towards and views on foreigners of Portuguese are the opposite of those of Austrians: whereas Austrians often consider foreigners as «inferior», have little understanding for the foreigner's ways of doing things (differently) and believe that their ways are the (only) correct ones, Portuguese usually show a lot of interest in foreigners, have a lot of admiration for foreigners, and often believe that foreigners are «superior» to the Portuguese. (...) and your Portuguese biases might well amplify the effect of the biases of the Austrians you interviewed.”* One of the topics with which he did not agree was “customer orientation” included in the standard “Relaxed Attitude towards Professional Performance”: *“I would suggest to some of the interviewees to try and recall their contacts with Austrian public administration, with waiters in cafés in Vienna, etc. And you can equally find shop attendants in Austria that don't even turn their heads when you enter their shops”*. In relation to cultural standard “Bureaucracy and Slow Decision Making Processes” he said that things are changing quite fast nowadays and there are already several simplified services in the public administration such as: *“Empresa na Hora”* (a service that enables to establish a company on the spot) which is something that is not possible in Austria and is working well in Portugal and *“Loja do Cidadão”* where one can handle most administrative processes in only one building. Concerning the standard “Indirect Communication Style” he pointed out the regional differences also existing within Austria: a more direct communication in western Austria and an indirect communication more similar to Portuguese communication style in Vienna. Regarding the standard “Flexible Planning and Organisational Skills” he included a small joke: *“Do you know how to define the typical Austrian? – A typical Austrian is the perfect combination of Italian precision and German capability to improvise.”* He added that

he does not agree with the view of Portuguese as being less efficient, referring that there are several examples of multinational companies operating in Portugal who achieve better performance indicators than any other of their respective European subsidiaries. Overall he also mentioned that the results can be significantly influenced by social status/level of both the interviewees and the Portuguese people they normally deal with, together with their area of activity. Even though this can be in fact an important factor, it can be considered to be minimised by the heterogeneity of the sample group which includes persons from different economic sectors and different social levels. Moreover, through the analysis of the collected data such associations were not identified.

As mentioned before, the author also received feedback from two other Austrians who live and work in Portugal but were not included in the sample group of the empirical research. These “external” persons to the initial research also agreed with the results. One of them said that concerning the topic “customer orientation” he had experienced on one hand situations with very unfriendly service but on the other hand he was sometimes surprised by the readiness of the service. He also highlighted the importance that lunchtime has for Portuguese: *“Lunch is sacred here. At 13h everyone goes to lunch. It’s a phenomenon!”* The other Austrian that was contacted at this phase of the research generally agreed with all the standards and made some comments on the following ones. In relation to cultural standard “Relaxed Attitude towards Professional Performance” he finds the characteristic “self-discipline” to be of great importance as one of the differences between Portuguese and Austrians, either at professional as well as at family level. He referred also the non existence of professional training in Portugal and consequently the presence of many persons who are autodidactic and do not possess a deeper level of knowledge in their field. The only topic in which he disagreed was “customer orientation”, stating that in his perspective Portugal is a country of services and even though some things might still be not so developed, he feels that effort and sympathy of service are higher than in Austria. Regarding the cultural standard “Importance of Social Relations” he shared that he also experienced difficulties in establishing close friendship relations independent from the family (he is married to a Portuguese).

When looking at the feedback given by the interviewees together with the input from the two Austrians who did not participate in the interviews’ phase of the research, the author got confirmation to the results obtained.

Regarding some of the concerns mentioned by Interviewee Number Seven, it is essential to stress once again some important aspects about cultural standards: first is that cultural standards are not intended to compare two cultures as better or worse and their characteristics should be looked from the perspective of a relative and neutral comparison; second, cultural standards are not a complete description of a culture; third, even though they are ultimately based in individual experiences they were identified as *central tendencies* for that culture; fourth, cultural standards tend to follow a normal distribution, which means there is a tendency of most people within that culture to act according to that cultural standard, but different behaviours also exist.

5.4. Comparison between Cultural Standards and Hofstede's Cultural Dimensions

In chapter 3, we presented a comparison regarding the cultural differences between Portugal and Austria using Hofstede's cultural dimensions, with the exception of Long-Term Orientation. The different scores for Portugal and Austria for the various dimensions on the countries' index lists were analysed and the author compared the key differences listed by Hofstede for each dimension in terms of general norm, family, school and workplace.

After analysing the interviews and identifying the Portuguese cultural standards it is possible to see that the results have some similarities with Hofstede's dimensions. However the identified cultural standards are more specific and context related than the differences based on the cultural dimensions' theories, since the standards are only valid when comparing Portugal and Austria.

In relation to the first dimension, *Power Distance*, and based on the very different scores each country presents, Portugal can be considered to be a higher power distance culture relatively to Austria, which has the lowest score in this dimension. So, one could expect that Austrians would tend to recognise some characteristics related to this dimension when dealing with Portuguese. Nevertheless, this dimension does not have a direct connection with any of the cultural standards identified.

Individualism, the second of Hofstede's cultural dimensions on the other hand was clearly supported by two of the identified cultural standards: *Importance of Social Relations* and

Indirect Communication Style. The Austrians brought up differences in the ways people connect to other people and became evident that Portugal is a fairly collectivistic society when compared to Austria. In Portugal, family and friends play a more important role in an individual's life, this being one of the main characteristics of a collectivistic society. Another feature of collectivistic societies, as mentioned in chapter 3, is a high-context communication and the avoidance of direct confrontation which is in close relation to the standard *Indirect Communication Style*. Still another key difference that is characteristic of collectivistic cultures is that relationships prevail over tasks, which can be linked to both standards, *Importance of Social Relations* and *Fluid Time Management*.

Although the third cultural dimension, *Masculinity*, sets Portugal and Austria in very distant places of the countries list of scores, this was not entirely supported by the identified cultural standards. Nonetheless, the emphasis put on competition among colleagues and performance, characteristic of masculinity societies as opposed by the emphasis put on solidarity and modesty in feminine societies, can somehow be connected to the standard *Relaxed Attitude towards Professional Performance*, where Austrians noticed a less demanding attitude in the quest for excellence from the Portuguese.

The fourth of Hofstede's cultural dimensions, *Uncertainty Avoidance*, is not in total accordance with the results. Portugal has the second highest score on the UA index, which is not completely supported by the results given by the current research. On one hand, the need for written and unwritten rules and laws, characteristic of societies with strong uncertainty avoidance is supported by the cultural standard *Bureaucracy and Slow Decision Making Processes*. On the other hand, in societies with strong uncertainty avoidance people easily feel uncomfortable with unknown situations or unfamiliar risks, a feature that is not in association with the identified cultural standard *Flexible Planning and Organisational Skills*. Moreover, according to Hofstede's key differences between weak and strong uncertainty avoidance societies, in the latter precision and punctuality come naturally, which in the case of Portuguese culture does not find support in the cultural standard *Fluid Time Management*.

All in all, then, the cultural standards identified in this research can be seen as confirming some of the differences that could be expected using Hofstede's dimensions. Nonetheless, the findings could not show strong support for differences related to the dimensions Power Distance and Masculinity.

6. CONCLUSION

The goal of this thesis is to examine cultural differences that emerge from the encounter between Austrians and Portuguese from the Austrian perspective. The research results are the Portuguese cultural standards that are relevant for the Austrian people during such encounters, and which can serve as a basic orientation guideline for Austrians interacting with Portuguese. As mentioned throughout the paper, these cultural standards are only valid in the comparison between these two specific cultures.

The research was based on the experience of twenty Austrian people living and working in Portugal, which constituted quite a heterogeneous sample, representing different regions of Austria and professional experience from different areas. The methodology followed was the cultural standards method, which is a fairly innovative tool in cross cultural research consisting in three main phases: narrative interviews with Austrians in the sample group; content analysis of the critical incidents described during the narrative interviews and the identification of cultural standards. The final cultural standards elected are those which were most frequently discussed by the majority of the interviewees and later on confirmed through the feedback received from the interviewees together with a third party.

The Portuguese cultural standards identified are:

1. Fluid Time Management – Portuguese were seen as having a more fluid time management that the Austrians in features concerning punctuality, fulfilment of deadlines and rhythm of daily life.
2. Relaxed Attitude towards Professional Performance – The Austrians saw Portuguese as being more relaxed towards professional performance, described mainly as less self-discipline concerning their duties on the job, not so perfectionist and less willing to take risks. Two other characteristics mentioned were the general lack of professional training and a less consumer oriented behaviour.
3. Importance of Social Relations – The social relations in one's life, especially concerning family relations, were considered to play a more important role for Portuguese than for Austrians. Austrians also emphasised the difficulty to establish strong friendships and break in Portuguese social circles. Additionally they referred to

the smaller “space bubble” they experienced in Portugal together with a more physical approach during social encounters.

4. Bureaucracy and Slow Decision Making Processes – Austrians felt there is too much useless bureaucracy in Portuguese society in general, consequently slowing down decision making processes. In relation to this it was also mentioned that despite all these rules, Portuguese tend to ignore them and find a way around it.
5. Indirect Communication Style – Austrians found Portuguese to communicate in a more indirect way, pointing out Portuguese difficulty in saying «no» and in openly expressing dislike or opposing points of view.
6. Flexible Planning and Organisational Skills –Portuguese were considered to lack organisational skills and to be not very concerned with detailed planning. Additionally, Austrian found Portuguese to have a great capacity of improvising and finding alternative solutions and not to give up when faced with what may seem a “hopeless” situation.

The research outcomes clearly show the existence of cultural differences between Austria and Portugal. The Portuguese cultural standards were also compared with the characteristics given by Hofstede in his cultural dimensions and they can be seen as confirming some of the differences that could be expected using Hofstede’s dimensions. Nevertheless the findings could not show strong support for differences related to the dimensions Power Distance and Masculinity. Yet, it is important to bear in mind that the cultural standards resulting from this study are not intended to be an absolute description of Portuguese culture. Instead, they should be interpreted as a tendency of most members of that culture to act in a certain way and that other behaviours are also tolerated.

When people live in countries other than their own or need to interact extensively with members of other cultures, there are a great many adjustments to be made. As Lewis (2003) explains in his book “When Cultures Collide”, a deeper knowledge of the characteristics of other cultures (as well as our own) will minimise unpleasant encounters offering us insights in advance and enabling us to interact in a successful way with people from other cultures.

Our ability to cope with cultural differences can be greatly enhanced by the attendance of multicultural education programmes or cross cultural trainings. The results of the current thesis, seen from a more practical perspective, can serve as the basis to develop culture

specific training tools which can be used to train Austrian expatriates or business men interested in doing Business in Portugal. Such culture assimilators aim to increase cultural awareness and help participants to develop intercultural skills, which are a key factor for successful business relations in foreign countries.

The sample group involved in this research had several persons who established their own businesses in Portugal. It would be interesting, as a future research to expand the sample group and analyse to what extent the input from persons with more working experience within previously established Portuguese companies would bring additional information.

Moreover it would be also interesting to develop the research further by conducting a reverse investigation about Austrian culture from a Portuguese perspective and compare the results with the Portuguese cultural standards identified in this thesis. In this way it would be possible to have a broader vision about cultural interactions between Portuguese and Austrian people.

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APPENDIX 1: OVERVIEW OF HOFSTEDE’S PDI VALUES

Country or region	PDI score		Country or region	PDI score		Country or region	PDI score
Malaysia	104		Turkey	66		Jamaica	45
Guatemala	95		Belgium	65		USA	40
Panama	95		East Africa	64		Canada	39
Philippines	94		Peru	64		Netherlands	38
Mexico	81		Thailand	64		Australia	36
Venezuela	81		Chile	63		Costa Rica	35
Arab countries	80		Portugal	63		Germany	35
Ecuador	78		Uruguay	61		Great Britain	35
Indonesia	78		Greece	60		Switzerland	34
India	77		South Korea	60		Finland	33
West Africa	77		Iran	58		Norway	31
Yugoslavia	76		Taiwan	58		Sweden	31
Singapore	74		Spain	57		Ireland (Rep)	28
Brazil	69		Pakistan	55		New Zealand	22
France	68		Japan	54		Denmark	18
Hong Kong	68		Italy	50		Israel	13
Colombia	67		Argentina	49		Austria	11
Salvador	66		South Africa	49			

APPENDIX 2: OVERVIEW OF HOFSTEDE'S IDV VALUES

Country or region	IDV score		Country or region	IDV score		Country or region	IDV score
USA	91		Israel	54		Hong Kong	25
Australia	90		Spain	51		Chile	23
Great Britain	89		India	48		West Africa	20
Canada	80		Japan	46		Singapore	20
Netherlands	80		Argentina	46		Thailand	20
New Zealand	79		Iran	41		Salvador	19
Italy	76		Jamaica	39		South Korea	18
Belgium	75		Brazil	38		Taiwan	17
Denmark	74		Arab countries	38		Peru	16
Sweden	71		Turkey	37		Costa Rica	15
France	71		Uruguay	36		Pakistan	14
Ireland (Rep)	70		Greece	35		Indonesia	14
Norway	69		Philippines	32		Colombia	13
Switzerland	68		Mexico	30		Venezuela	12
Germany F.R.	67		East Africa	27		Panama	11
South Africa	65		Yugoslavia	27		Ecuador	8
Finland	63		Portugal	27		Guatemala	6
Austria	55		Malaysia	26			

APPENDIX 3: OVERVIEW OF HOFSTEDE’S MAS VALUES

Country or region	MAS score		Country or region	MAS score		Country or region	MAS score
Japan	95		Hong Kong	57		Spain	42
Australia	79		Argentina	56		Peru	42
Venezuela	73		India	56		East Africa	41
Italy	70		Belgium	54		Salvador	40
Switzerland	70		Arab countries	53		South Korea	40
Mexico	69		Canada	52		Uruguay	38
Ireland	68		Malaysia	50		Guatemala	37
(Rep. of) Jamaica	68		Pakistan	50		Thailand	34
Great Britain	66		Brazil	49		Portugal	31
Germany FR	66		Singapore	48		Chile	28
Philippines	64		Israel	47		Finland	26
Colombia	64		Indonesia	46		Yugoslavia	21
South Africa	63		West Africa	46		Costa Rica	21
Ecuador	63		Turkey	45		Denmark	16
USA	62		Taiwan	45		Netherlands	14
Australia	61		Panama	44		Norway	8
New Zealand	58		Iran	43		Sweden	5
Greece	57		France	43			

APPENDIX 4: OVERVIEW OF HOFSTEDE'S UAI VALUES

Country or region	UAI score		Country or region	UAI score		Country or region	UAI score
Greece	112		Israel	81		Australia	51
Portugal	104		Colombia	80		Norway	50
Guatemala	101		Venezuela	76		South Africa	49
Uruguay	100		Brazil	76		New Zealand	49
Belgium	94		Italy	75		Indonesia	48
Salvador	94		Pakistan	70		Canada	48
Japan	92		Austria	70		USA	46
Yugoslavia	88		Taiwan	69		Philippines	44
Peru	87		Arab countries	68		India	40
France	86		Ecuador	67		Malaysia	36
Chile	86		Germany FR	65		Great Britain	35
Spain	86		Thailand	64		(Rep. of) Ireland	35
Costa Rica	86		Iran	59		Hong Kong	29
Panama	86		Finland	59		Sweden	29
Argentina	86		Switzerland	58		Denmark	23
Turkey	85		West Africa	54		Jamaica	13
South Korea	85		Netherlands	53		Singapore	8
Mexico	82		East Africa	52			