

Instituto Superior de Ciências do Trabalho e da Empresa



PORTUGUESE CULTURAL STANDARDS
FROM THE SWEDISH PERSPECTIVE

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ABSTRACT

The objective of current master thesis is to identify Portuguese cultural standards from the Swedish perspective. The cultural standards are identified by an innovative qualitative research method called Cultural Standards Method which is based on narrative interviews. The method was chosen due to its novelty and capacity to identify the cultural differences in a subtle level. The empirical data has been gathered during interviews with Swedish people who have sufficient working experience in Portugal.

The first chapter of the thesis is general introduction. The second chapter introduces the theoretical framework which is divided between introducing the essence of “*culture*” and giving an overview of the cross cultural studies and theories developed. Special attention is turned to the cultural dimensions compiled by Geert Hofstede. The third chapter compares Portugal and Sweden using cultural dimensions models. The forth chapter introduces the cultural standards method. The fifth chapter introduces the empirical research and presents the cultural standards obtained, comparing them with the evidence from the cultural dimensions models. Thesis ends with feedback from Swedish and with author’s epilogue that are followed by conclusion.

Although based on previous cross cultural studies in management, we can describe Swedish culture as well as Portuguese culture, and in generic level predict how the encounter between representatives of both countries looks like, we are not able to determine in more subtle level what are the differences emerging during such encounter. The Cultural Standards Method enables us to see what specific features a Swedish person has to be prepared to face in an encounter with the Portuguese culture.

Keywords: culture, cross cultural, management, Portugal – Sweden

JEL classification: A14 - Sociology of Economics; F23 - Multinational Firms; International Business

SUMÁRIO

Esta tese de mestrado tem como objectivo identificar standards culturais Portugueses, a partir da perspectiva de indivíduos Suecos. Os standards culturais foram identificados através de um método de pesquisa qualitativa denominado *Método de Standards Culturais*. Este método foi escolhido devido à sua novidade e capacidade de identificar diferenças culturais a um nível mais preciso. A informação empírica foi recolhida através de entrevistas a indivíduos Suecos com experiência relevante de trabalho em Portugal.

A primeira parte desta tese apresenta a base teórica, estando esta dividida entre a introdução da essência da “cultura” e uma visão da área de estudos interculturais e de algumas teorias desenvolvidas nesta área. Deu-se especial atenção às dimensões culturais compiladas por Geert Hofstede. O terceiro capítulo compara Portugal e a Suécia utilizando o modelo de dimensões culturais. O quarto capítulo introduz o *método de standards culturais*. O quinto capítulo introduz a pesquisa empírica e apresenta os *standards culturais* obtidos, comparando-os com as evidências dos modelos de dimensão cultural. A tese termina com *feedback* de indivíduos Suecos e com o epílogo do autor que é seguido pela conclusão.

Apesar de com base em estudos interculturais anteriores na área da gestão podermos descrever tanto a cultura sueca, como a cultura portuguesa e num nível genérico prever como um encontro de representantes de cada um dos países poderá correr, no entanto não será possível determinar num nível mais preciso quais são as diferenças que podem emergir desse encontro. O *Método de Standards Culturais* ajuda-nos a ver quais as características específicas que um indivíduo sueco deve preparar para um encontro com a cultura Portuguesa.

Keywords: cultura, cruzamento de culturas, gestão, Portugal – Suécia

Classificação JEL: A14 – Sociologia da Economia; F23 – Empresas Multinacionais; Negócios Internacionais.

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1. INTRODUCTION

The goal of this thesis paper is to examine the cross-cultural encounter between Swedish and Portuguese people from the Swedish perspective. The research is based on the experience of Swedish people living, working and doing business in Portugal.

The topic of current master thesis was chosen based on the author's interest in the cross cultural management field. Portuguese and Swedish culture were chosen due to the fact, that the author has experience with both cultures by completing her Erasmus studies in Sweden, Borlänge in 2003 spring and living in Portugal since August 2005. Being outsider of those aforementioned cultures provided the author with the chance to recognize the differences and identify the cultural standards more easily, without being influenced by strong cultural bias.

Globalization, the buzzword of last decades, has resulted in increasing number of international companies as well as in increasing mobility rates of employees across borders. In order to function successfully in an international environment, either when dealing with foreign business partners or having foreign employees/employers, it is vital to learn about cultural differences. Although the European cultures can be considered by outsiders, at the first glimpse, to be relatively homogenous, there are differences between each culture, which have to be paid attention to when representatives of those cultures meet.

The current thesis is examining the differences specifically between Swedish and Portuguese cultures from the perspective of Swedish people experiencing encounters with Portuguese people and culture. The topic of the thesis is interesting and actual as until now there has not been carried out similar research related to the aforementioned two cultures.

In order to get a complete picture about the encounter between representatives of Swedish and Portuguese cultures, this research could be in the future developed further by conducting reverse research from the perspective of Portuguese people working and living in Sweden.

Until today most of the research carried out in the cross cultural management field has been related to cultural dimensions, which essence is to define and understand national cultures. The current thesis paper uses new method called *cultural standards method* (hereinafter also referred to as *culture standards method*), a method trying to identify differences in more subtle level between two specific cultures (Brueck and Kaizenbauer 2002).

The current master thesis is structured into seven chapters. The first chapter introduces the topic, actuality and objective of current master thesis. The second chapter introduces the theoretical framework; the chapter defines the essence of culture and gives an overview of studies in cross cultural management. The author has chosen to give special attention to Geert Hofstede's research due to its importance in the field.

The theoretical part is followed by cross cultural comparison in chapter three, which gives short overview of the historical background of Portugal and Sweden. Based on the theoretical and historical background of those two cultures, the author defines a set of characteristics, which are likely to occur during the empirical research.

After theoretical background and the definition of expected characteristics of each national culture, the author introduces, in chapter four, the methodology used in empirical research, which in this case is the *cultural standard method*. The introduction to the methodology is followed by chapter five, which gives an overview of the empirical research carried out and its results. The first part of chapter five describes the sample and conducting interviewees with Swedes living in Portugal; it is followed by analyzing the data collected and compiling cultural standards. In order to finalize the work and test the credibility of the outcome, the author finishes the fifth chapter by comparing the compiled standards with the characteristics, and also involves feedback from the interviewees and from a third party.

The sixth chapter is author's epilogue, where she shares experience and ideas related to both cultures and the results of current research. The thesis is ended with the conclusion in chapter seven.

2. THEORETICAL BACKGROUND

2.1. Culture

The world is full of encounters between individuals, who each have a completely unique set of ways of thinking, feeling and acting. The essence of this set is influenced by factors of personality, human nature and cultural background. Each individual has completely unique personality, which is determined partly by inherited genes, and is partly modified by the social context and personal experience. Human nature with its universal being is inherited with ones' genes and is in common among all individuals. Ability to feel love, anger, joy and fear are all expressions of human nature. Meanwhile, ways of expressing those feelings are shaped by culture (Thomas: 4-6).

Over time the concept of culture has been examined and defined by several authors – psychologists, anthropologists, sociologists. The so called classic definition of culture goes back to the 19th century, when English anthropologist Edrward Burnett Tylor used in his book *Primitive Culture* (1871) the following definition: “*Culture . . . is that complex whole which includes knowledge, belief, art, morals, law, custom, and any other capabilities and habits acquired by man as a member of society* (Bowe and Martin 2007)”

This concept of culture, which was seen as “only possessed by man alone”, served anthropologists for half the century. Along with the maturing process of the anthropological science also culture started to involve more concepts and definitions. In *Culture: A Critical Review of Concepts and Definitions* (1952), U.S. anthropologists A.L. Kroeber and Clyde Kluckhohn brought out 164 definitions of culture, including terms like “learned behavior,”

"ideas in the mind," "a logical construct," "a psychic defence mechanism," whereas their preferred definition of culture was "an abstraction from behaviour (www.britannica.com).

One well-known anthropological consensus definition of culture formed by Kluckhohn goes back to the nineteen fifties and runs as follows:

“Culture consists in patterned ways of thinking, feeling and reacting, acquired and transmitted mainly by symbols, constituting the distinctive achievement of human groups, including their embodiments in artefacts; (i.e. historically derived and selected) ideas and especially their attached values.” (Hofstede 2001:9)

Nowadays one of the most commonly used and quoted definitions for culture comes from an influential Dutch researcher Gert Hofstede (1991: 4) who has carried out wide-scale research in the field of interactions between national and organizational cultures. According to Hofstede *“culture is a collective mental programming”* specific to a group or category and is learnt during one’s life. Other two components of individual’s mental program are the universal ‘human nature’ which is inherited and the ‘personality’, which is specific to the individual and is inherited as well as learned.

Hofstede sees culture as a many-layered concept and therefore compiled the “onion diagram” which shows different levels of culture according to the depth of their origin (see Figure 1).

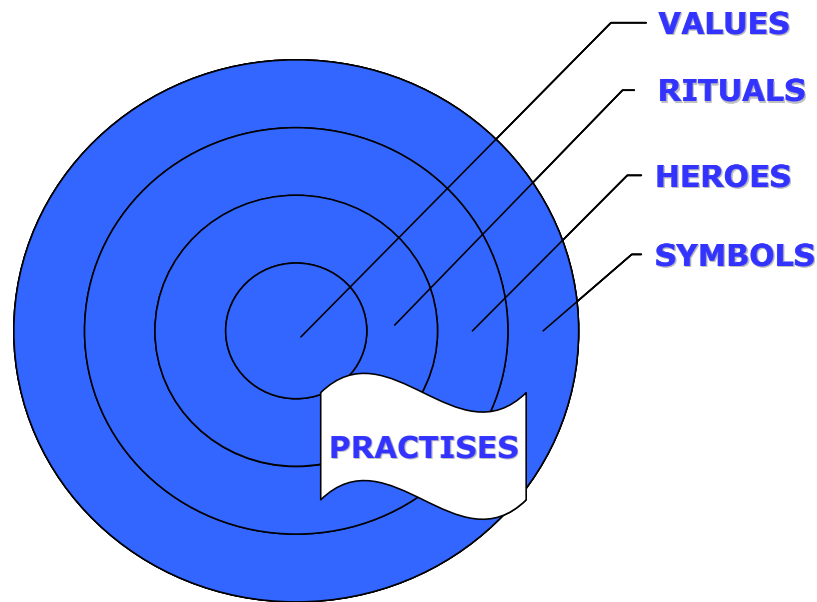


Figure 1. The “Onion Diagram” Manifestations of the Culture at Different Levels of Depth
(Source: Hofstede 2001:11)

According to Hofstede (1991: 8, 9) the core of culture is formed by *values* which are tendencies to prefer some situation to another; they could be described as feelings with positive and negative side. *Rituals* are collective activities to reach desired ends which within a culture are considered as socially essential (e.g. ways of greeting). *Symbols* are words, gestures, pictures or objects that have a particular meaning which is only recognized by those who share the culture. *Heroes* are persons, who can be real or imaginary, dead or alive, but who possess some characteristics which are highly valued within a culture and therefore they serve as models for behaviour. Symbols, heroes, rituals can be gathered under the term *practices*.

Within a larger dominant culture normally tend to be subcultures or smaller groups of people sharing distinctive customs and beliefs. Main ingredient for a development of a subculture is differential interaction, which is a result of members of a subculture interacting more frequently with one another than with other people. If people in an

interaction cluster share similar problems and uncertainties, an identity as a distinct group with shared ambience is formed (Cartwright, Cooper and Earley, 2001: 36).

- Almost every individual is a member of different groupings and categories of people at the same time, which means that we all carry several different “mental programming” within ourselves and are part of different levels of culture. For example (Hofstede 1991: 10):
- 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 one was born with;
- a ***generation level*** - separating grandparents from parents from children;
- a ***social class level*** - associated with educational opportunities, with a person's occupation or profession;
- an ***organizational*** or corporate level (for the ones who are employed) according to the way employees have been socialized by their work organization.

Organizational culture which comprises the attitudes, values, beliefs norms and customs within an organization became an interesting study topic in 1980s when the globalization was increasing and companies needed to improve their competitiveness as well as learn to cooperate internationally.

Culture in organizational settings is very complex, pluralistic, diverse and contradictory phenomena. Members of an organization are unlikely to be restricted to just one single culture or subculture, because people may identify with different cultural context, for example deriving from their gender, occupation, ethnical or educational background, and all these potential cultural identities may simultaneously influence the cultural context of an organization, see Figure 2 (Sackmann, 1998: 2, 3).

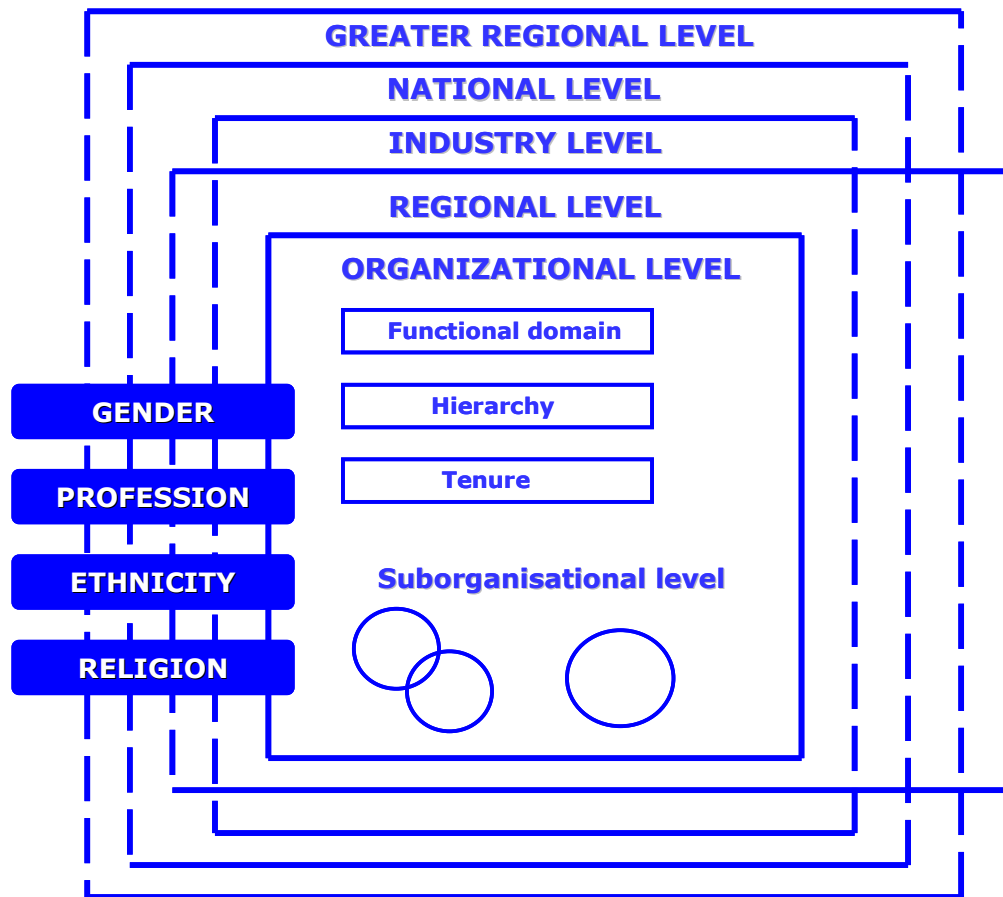


Figure 2. *The Cultural Context of an Organization*
(Source: Sackmann 1998:2, 3)

Organization's culture can also be defined through Hofstede's 'onion' layers:

- The core of the organizations culture is its values (what is really valued or devalued),
- Around the core level come the levels of rituals and heroes (how the meetings, celebrations are arranged; how people communicate, greet each other; who are the role models, heroes and anti-heroes - the position of the founder, leader; they way to behave in order to be accepted),
- The exterior of the "onion" consists of symbols (the building, the way people dress, the way people speak, collective behaviour etc).

During the past decades (century) several authors have worked on the theories of organizations which include as well the aspect of organizations culture. We can see that not only are the organizations and their structure culture-bound, but also the authors writing about organizations are influence by their cultural context. For example the French Henri Fayol saw an organization as a pyramid – placing the authority to the person and to the rules. The German Max Weber emphasizes the rules which have the authority. American engineer Frederick Taylor developed a concept similar to “matrix organization”. Taylor’s ideas were supported by Mary Parker Follett, who addressed the power issues more directly by carrying the idea that power is nor in the hands of people neither in rules, but rather in the situation. Geert Hofstede’s cultural dimensions would explain why those authors saw organization as they saw it. French have strong uncertainty avoidance and large power distance – things need to be settled with rules and regulations and by people from higher levels. Germans have high uncertainty avoidance, which means that they need to have rules guiding them, at the same time they do not have such a strong power distance. The Americans have low power distances and low uncertainty avoidance which means that they are more on ease with going with the flow and settling things once they happen according to the methods needed. (Robalo, 2004: 40)

Harris and Ogbonna (1998) clarify that organizational culture tends to be interpreted incorrectly as the culture of an organization is more complex and deep-rooted concept than the distinct concepts of organizational climate and power/politics. They also emphasize that the culture of an organization cannot be treated as one unit as inside organizations normally tend to exist subcultures.

2.2. Cultural Standards

Culture can be seen as a complex set of different rules and guidelines for members of a group, organization or societies. Those guidelines are shared by the members of the same group and they are learnt during the process of socialization. Culture or cultural standards occur during cross-cultural encounters between members of different groups and this

concept, the concept of determining cultural standards, originally grew out and was developed further exactly from “typical” intercultural interactions.

It is important to bear in mind that 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 contexts, encounter with partners of a foreign culture. After their process of socialization in one particular culture, individuals are not aware of their culture standards when interacting with representatives from their own culture. When being in touch with a foreign culture individuals may experience situations that are unfamiliar, they are unable to interpret what is called a “critical incident”. (Dunkel and Meierewert, 2004)

According to the social and organization psychologist Alexander Thomas (2001) *cultural standards*, underlying norms of thinking, behaving, judging or even common ways of interpreting things, can also be defined as processes of perception, thought, evaluation and action that for the majority of representatives of one particular culture, as well as to him or her and by others, are regarded to automatic, normal, even obligatory. Behaving differently from those rules and standards is not very well seen by the representatives of the same culture and therefore can be disregarded. Cultural standards are considered completely normal by the beholders – by the majority of individuals in a given culture.

The concept of cultural standards is directly related to interactive patterns and its roots origin from the works of Boesch, Habermas, Heckhausen and Piaget. Thomas defines cultural standards as follows: *Cultural standards combine all forms of perception, thinking, judgment 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. They are considered” basic”, if they apply to a variety of situations and determine most of a group’s perception, thinking, judgment and behaviour. Furthermore, they are highly significant for perception-, judgment- and behaviour mechanisms between individuals.”* (Brueck and Kaizenbauer, 2002)

Cultural standards can be identified through the cultural standards method (more thorough explanation in chapter 4) that is based on analyzing peoples experience and which aim is to provide means for learning and training intercultural competence

2.3. Cross Cultural Research in Management

Management theories have followed the trends of globalization and multiculturalism in organizations and doing business in general. Majority of businesses are nowadays involved in the process of internationalization – in case a company is not having subsidiaries, ventures or branches abroad, sooner or later it will be involved with foreign customers, suppliers or competition. Today's working environment is more than ever multicultural. Cultural factors have been one of the aspects of management research with the aim to examine dealing with problems of management and organization in different settings. The skills to communicate with representatives of other cultures (employees, business partners, clients, state institutions) are gaining increasing importance and can be considered under critical success factors in the era of multiculturalism.

There are different types of cross cultural management studies; single culture studies, second culture studies and studies involving more cultures; either with the aim to see differences and/or similarities, or just comparative studies. Adler (1998) gives in her paper a definition and explanation to cross – cultural management research: “Cross-cultural management is the study of the behaviour of the people in organizations located in cultures and nations around the world. It focuses on the description of organizational behaviour 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 research fields that involve the most influential studies in the field of comparative management. The beginning of comparative management as a research area can be considered to be after the II World War, when a lot of American companies started the process of internationalization. Comparative research incorporates studies contrasting several cultures, searching for differences as well as similarities. The essence of these studies is to compare different management and employee styles, their compatibility with general management theories and the influence of more subjective cultural factors.

2.3.1. Research about Cultural Dimensions

In cross-cultural management field the research literature is dominated by two big trends – determining wider and more generic *cultural dimensions* or examining cross cultural encounters in more subtle level.

Clustering countries and/or cultures based on their similarities or differences is carried out by different authors (e.g. Hofstede, Trompenaars). The clustering can be based on cultural dimensions, which have been developed by several authors and which aims to describe different cultures similarly, based on identifying some general similarities and differences. Despite the wide scope of the studies of cultural dimensions, those related theories are not able to define similarities and differences in more specific and subtle level - between two specific cultures.

The foundation to the research field of cross cultural research aiming at quantitative measures of cultural values was provided by *Kluckhohn / Strodtbeck* (1961) who made a study about ways of problem solving among some local US cultures. The most well-known and most cited empirical study in the field of comparative international management involving cultural dimensions was carried out by the Netherlander *Geert Hofstede* starting in the 1960s-70s. Similar type of research was soon carried out by other authors, the best known of whom are *Fons Trompenaars* who was helped by *Charles Hampden-Turner*, also from the Netherlands and *Richard Gesteland* from the US. As the first two, Hofstede

and Trompenaars/Hampden-Turner, base their theories and dimensions on research, then the third one, the American author, has a bit more practical approach and involves his own practical experience into his dimensions. All three authors have come up with cultural dimensions which to certain degree overlap with one another.

As mentioned the most well known empirical study involving cultural dimensions was carried out by **Geert Hofstede** in 1960s and 70s when Hofstede was involved in a survey conducted among IBM employees from more than 70 countries. Hofstede's study was in the beginning based on the data from 40 different countries, later it was expanded to 50. According to Hofstede's home page (www.geert-hofstede.com): "... *Subsequent studies validating the earlier results have included commercial airline pilots and students in 23 countries, civil service managers in 14 countries, 'up-market' consumers in 15 countries and 'elites' in 19 countries...*."

From the initial results, and later additions, Hofstede developed a model that identifies four primary Dimensions to assist in differentiating cultures:

1. *Power Distance - PDI,*
2. *Individualism – IDV,*
3. *Masculinity - MAS,*
4. *Uncertainty Avoidance - UAI.*

Geert Hofstede added a fifth Dimension to his framework after conducting an additional international study with a survey instrument, which was developed with Chinese employees and managers.

The second most influential researcher in cultural dimensions research field, Fons Trompenaars, based his research, which he carried out with Charles Turner-Hampden in 1990s, on the basic assumptions of Kluckhohn and Strodtbeck (1961), but ended up developing the research results into seven different dimensions. His data was collected with qualitative questionnaires from different companies and it was analyzed with quantitative methods like cluster and correlation analyses. (Fink, Kölling and Neyer, 2005) The 7

different cultural dimensions identified by Trompenaars and Hampden-Turner (1998) are the following:

1. Universalism vs. Particularism
2. Individualism vs. Collectivism
3. Neutral vs. Affective Relationships
4. Specific vs. Diffuse Relationships
5. Achievement vs. Ascription
6. Attitudes to Time (Past, Present, Future)
7. Attitudes to the Environment

Hofstede had the largest database with 116,000 questionnaires provided to recipients in their own countries and analyzed to provide the basis for his four-dimension map of cultural geographies. The four dimensions were "discovered" from the data; that is to say, they were determined after data was gathered, as they were derived through study of this data. Later, he and Michael Bond added a fifth dimension, valid only for Asian cultures. Trompenaars' dimensions were generated through a study of the literature and his questionnaire generated from these dimensions. His database is as of now smaller, consisting perhaps of around 50,000 questionnaires. Trompenaars' questionnaire is often provided to participants outside their countries, unlike Hofstede's approach. However, Trompenaars' data cover much of the active business world of today, including areas Hofstede never covered because IBM had not yet penetrated these areas. They include Eastern Europe, Russia, and China. Trompenaars has also been successful at popularizing the notion of cultures' influence on business, both in Europe and the Americas. (www.itapintl.com)

Hofstede's work is based on a questionnaire originally designed to evaluate work values, and, not surprisingly, it is mostly focused towards that end. Trompenaars & Hampden-Turner's questionnaires on the other side asked respondents for preferred behaviour in a number of both work and leisure situations. What both studies have in common is that in both questionnaires the focus is on the ultimate goal state, and that the underlying values

are derived from a series of questions about more outer layers of the “culture onion” (Dahl, 2006). Both Hofstede and Trompenaars describe what they are exploring as the map of culture. Hofstede’s map is divided into four provinces; Trompenaars’ into seven. Only one of the provinces has been named the same (the individualism/collective dimension). The two questionnaires which developed the databases (in the above analogy, the “map”) changed over time as questions were substituted or rewritten to improve reliability. Hofstede used many versions of the questionnaire over the years he researched and analyzed the IBM data. Trompenaars has also utilized different versions. (Bing 1999)

When looking at the dimensions of Hofstede and Trompenaars / Hampden-Turner we can see that some of these value orientations can be regarded almost identical, others offer a bit different perspective. Out of the seven value dimensions created by Trompenaars-Turner, two reflect closely the Hofstede dimensions of Collectivism/Individualism and to a lesser extent power distance. Trompenaars and Hampden-Turner’s communitarianism / individualism value orientation seems to be virtually identical to Hofstede’s Collectivism / Individualism. Their achievement / ascription value orientation, which describes how status is accorded, appears to be linked to Hofstede’s power distance index, at least if one accepts that status is accorded by nature rather than achievement, and that this reflects a greater willingness to accept power distances. It is, however, not a complete match, as Hofstede’s power index does not only relate to how status is accorded, but also to the acceptable power distance within a society, an area that is not touched upon by Trompenaars and Hampden-Turner. Trompenaars and Hampden-Turner’s other dimensions seem to focus more on some resulting effects of underlying value dimensions. For example, their neutral/emotional dimension describes the extent to which feelings are openly expressed, i.e. a behavioural aspect rather than a value in itself. Their universalism / particularism value orientation, describing a preference for rules rather than trusting relationships, could be interpreted as part of Hofstede’s uncertainty avoidance dimension on the one side, and to some extent the collectivist/individualist dimension. Their diffuse/specific value orientation, describing the range of involvement, seems to have no direct link to any of Hofstede’s dimensions. According to Dahl (2006) Human-Time relationship could be closely related, if not identical, to Hall’s polychronic and monochronic time perceptions whereas the Human-

Nature relationship appears to be closely related to the Human-Nature relationship in Strodbeck and Kluckhohn's (1961) Value Orientations.

The third author of cultural dimensions, ***Richard Gesteland*** (1999), did not carry out specific research in order to come up with his cultural dimensions, instead he analyzed his own experience and materials collected during several business trainings. Gesteland's work does not have any academic value but since his results overlap with Trompenaars/Hampden-Turner and Hofstede's findings, the practical work of this American author is strengthening the work of these two aforementioned researchers from the Netherlands. The cultural dimensions or cross-cultural business behaviour patterns defined by Gesteland are the following:

1. Deal-Focus versus Relationship-Focus
2. Informal versus Formal Cultures
3. Rigid- Time versus Fluid- Time Cultures
4. Expressive versus Reserved Cultures

In 1990's there were more authors developing the concept of cultural dimensions. In 1990 Edward T. Hall and his wife Milfred Reed Hall carried out a study involving 180 interviewees. The resulting four dimensions ("fast and slow messages", "high and low context", "space" and "time") were considered particularly useful for American managers. In 1990s a social psychologist and cross cultural researcher Shalom Schwartz developed the idea of comparing present and future aspects by carrying out research among couple of hundreds of students and professors. His research resulted in eleven different dimensions. In 2002 The Global Leadership and Organizational Behaviour Effectiveness Project (GLOBE) worked on a large scale research project which involved 61 countries and 17 000 businessmen. The goal of the research project was to identify the impact of cultural values on organizational practices and leadership which is expressed through 9 different value dimensions. (Fink, Kölling and Neyer, 2005)

2.3.2. Research about Cultural Standards

The second trend in cross cultural management research – *the cultural standards method* – is still a relatively new trend in this field. This innovative way of conducting research in cultural standards field tries to identify differences in more subtle level by comparing just two cultures at the time.

The cultural standard concept is based on Jean Paul Piaget's (1962, 1976) developmental psychology and Ernst Boesch's (1980) cultural psychology and concept of action according to which an acting person will always consider possible views, judgments and experience of themselves and their counterparts and also the necessity to achieve consensus with the partner, staying at the same time in harmony with the rules of judgment of his own culture. (Fink, Kölling and Neyer, 2005: 9)

Inspired by the aforementioned theories, Alexander Thomas saw the need for more cultural specific and actionable knowledge which made him develop the Cultural Standard Method which delivers much more differentiated picture of the impact of culture on observed, experienced and perceived behaviour than the cultural dimension studies. Cultural standards are based on values and modes of typical behaviour in a given culture. These standards regulate ones behaviour but also the assessment of observed behaviour. The chapter 4 will describe in more detail, how the cultural standards method is applied to research settings.

2.4. Cultural Dimensions

2.4.1. Geert Hofstede's Cultural Dimensions

As mentioned before there are only two major databases which compare cross-national data over more than 50 countries gathered through questionnaires. This wide scale research was carried out by Geert Hofstede and Fons Trompenaars / Charles Hampden-Turner. The author of current master thesis has chosen to describe more specifically Hofstede's cultural

dimensions as well as use his results in comparison with the results obtained from the current empirical research. The choice is based on two reasons: 1) Hofstede's research has more scientific value than the one of Trompenaars-Hampstede's, 2) Trompenaars does not have results for Portugal regarding all his dimensions.

Geert Hofstede, as mentioned earlier, analyzed a large data base of employee values' scores collected by IBM between 1967 and 1973 covering more than 70 countries, from which he first used the 40 largest only and afterwards extended the analysis to 50 countries and 3 regions. In the editions of Hofstede's work since 2001, scores are listed for 74 countries and regions, partly based on replications and extensions of the IBM study on different international populations.

Hofstede's research results in compiling four different aforementioned cultural dimensions to which the fifth dimension is later added. Geert Hofstede presents his five cultural dimensions on his homepage (www.geert-hofstede.com) as follows:

1. **Power Distance Index (PDI)** - is the extent to which the less powerful members of organizations and institutions (like the family) accept and expect that power is distributed unequally. This represents inequality (more versus less), 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, of course, 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'.
2. **Individualism (IDV)** on the one side versus its opposite, collectivism, that 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 him/herself and his/her 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 (MAS)** 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. The IBM studies revealed that (a) women's values differ less among societies than men's values; (b) 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 somewhat assertive and 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 Index (UAI)** deals with a society's tolerance for uncertainty and ambiguity; it ultimately refers to man's search for Truth. 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 minimize 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 Orientation (LTO)** versus short-term orientation: this fifth dimension was found in a study among students in 23 countries around the world, using a questionnaire designed by Chinese scholars. The dimension can be said to deal with Virtue regardless of Truth. Values associated with Long Term Orientation are thrift and perseverance; values associated with Short Term Orientation are respect for tradition, fulfilling social obligations, and protecting one's 'face'. Both the positively and the negatively rated values of this dimension are found in the teachings of Confucius, the most influential Chinese philosopher who lived around 500 B.C.; however, the dimension also applies to countries without a Confucian heritage.

2.4.2. Shortcomings of Cultural Dimensions

Although cultural dimension theories have gained a lot of importance and can be used as basis for different kinds of analysis, they also have their shortcomings. First of all the cultural dimensions are defined in too general and absolute terms, whereas the reality is more relative. For example, according to Hofstede Portugal and Sweden both are feminine countries although from the Swedish point of view Portuguese culture could be seen as masculine. While comparing those two countries with Italy, then both of them – Sweden and Portugal – would be seen as feminine.

When working with the dimensions we are able to cluster countries with similar cultures into groups, but the dimensions do not give us more specific or focused information about the differences and similarities between specific cultures / countries. The dimensions are rather culture-general than culture-specific and therefore give very general comparison and overview. Also the results or scores of cultural dimensions studies can give different information and mean different things. For example, collectivism may mean existence of tribes or importance of extended family or the networks of relations and connections in the society.

Several authors have criticized the theories of cultural dimensions. One of the strongest discussions against Hofstede has been run by Brendan McSweeney (2002) who wrote a paper examining the four crucial assumptions upon which Hofstede's measurements are based. First of all according to McSweeney Hofstede generalised about the entire national population in each country solely on the basis of analysis of a few questionnaire responses. Secondly he had a doubt about how could Hofstede assume that out of the potentially huge number of cultural and non-cultural influences on the questionnaire answers, only three: organizational (OrC); occupational (OcC) and national cultures (NC), were significant. Thirdly McSweeney was concerned about Hofstede's ability to construct adequate depictions of national cultures or national cultural differences just by questionnaire response difference analysis. The last assumption that McSweeney put under doubt was about Hofstede assuming that what he identified within a workplace is situationally non-specific, meaning that it is the same in the courtroom, on the sports field, in the bedroom, everywhere. In addition to discussing those basic Hofstede's assumptions, McSweeney (Nov. 2002) also turned specific attention the methodology and the validation of the database and analyses.

The most common aspects to be criticised in relation to cultural dimensions studies are the following ones:

- Countries with similar scores have remarkable differences in reality
- Dimensions overlook variations among national cultures
- Western influence
- Data limitations

Some countries may have really similar scores, but real life experience shows considerable differences between them, for instance England and USA (look appendix 1). These dimensions may also have a bit dissimilar meaning in relation to different countries. For example Gannon (2001) illustrates this thought with the idea of collectivism and individualism which may be found in different ways – the competitive individualism in the United States and the egalitarian form associated with Australia.

According to Redpath and Nielsen (1997) an obvious weakness with Hofstede's dimensions is the tendency to overlook the tremendous variation among national cultures as there are likely to be major cultural variations within societies. For example, there is no such thing as a single Native organizational structure or style.

Another weakness of his study could be the fact that his work relates only to the work sector – the people surveyed were tied to Western orientated industries. The survey sample could have had more exposure to Western culture and leadership than the population as a whole; therefore the resulting cultural differences may differ a bit from the real situation. Another popular criticism refers to the fact that as the study was designed by Western researchers, the studies may be biased towards Western values. However the study designed by Chinese and tested in China, tended to confirm the applicability of three of Hofstede's dimensions, even if it indicated uncertainty avoidance could not be applied universally.

Dahl (2006) has also turned attention to the quality of the research data as in cultural dimensions studies the underlying value claims are often the result of very little data or are derived from a limited number of questions which has the potential to disturb significantly the derived value predictions. Certain situational influences on the respondents may also have an impact on the results by enabling hiding some dimensions or deriving some values wrong. Examples of this could include the notion that Italy is, when looking at Hofstede's data, an individualistic culture, or that French respondents show a preference for universalism in one, and for particularism, in all the other answers in Trompenaars & Hampden-Turner's questionnaire. Such unexpected findings clearly suggest the influence of situational variables or other potential problems in the application of the data derived.

3. CROSS CULTURAL COMPARISON

3.1. Historical Background

When looking at country's culture it is essential to learn about the historical background of a country as it helps better to understand the culture. Wars, over-takings, extreme ways of polity can highly shape and influence the culture of a country. Looking at the historical background of Sweden and Portugal contributes to the cross cultural comparison as it helps to explain how the values, norms and ways of behaviour have developed into today's way of being.

Sweden and Portugal have a completely different historical background, in relation to geographical, political and economical aspects. While Sweden has been peaceful welfare society already for long decades, Portugal became free from dictatorship just three decades ago and has been fighting with building up its state and economy from ever since. Sweden has almost five times more land than Portugal whereas Sweden has 1, 5 million inhabitants (9,031,088) less than Portugal (10,642,836). The major similarity between two countries has been their relation to the sea. Both countries have a long coastline which refers to the habit of sea and fishing expeditions.

In order to understand the context of following cross cultural comparison of Sweden and Portugal better, the author has added a little historical description of both countries.

3.1.1. Sweden

The contacts of Sweden with the outside world began during Viking times during 8 – 11th century, when in addition to the well-documented raiding; there was extensive trading around the Baltic, primarily dealing in furs and weaponry. Swedish connections with the other Scandinavian countries, Norway and Denmark, have been strong since late medieval times. The monarchies of all three are closely linked, and several times, one king or queen has ruled over more than one of the countries.

Although Sweden was a military power during the 17th century, Sweden has not participated in any war in almost two centuries. The country also preserved its armed neutrality in both World Wars.

Aided by peace and neutrality for the whole of the 20th century, Sweden has achieved an enviable standard of living under a mixed system of high-tech capitalism and extensive welfare benefits. Sweden joined the EU in 1995, but the public rejected the introduction of the euro in a 2003 referendum. (www.cia.com)

3.1.2. Portugal

Portugal occupies the western part of the Iberian Peninsula. An early Celtic tribe, the Lusitanians, are believed to have been the first inhabitants of Portugal. Before the great discoveries the area was conquered by the Roman Empire, the Visigoths and the Moors. Portugal won its independence from Moorish Spain in 1143 and by the year 1249 Portugal has captured the land giving to the country present day borders, with minor exceptions.

The period during 14-16th century was the time of great discoveries for the country. By the middle of the 16th century, the Portuguese empire extended to West and East Africa, Brazil, Persia, Indochina, and the Malayan peninsula. 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 a 1755 earthquake, occupation during the Napoleonic Wars, and the independence in 1822 of Brazil as a colony. A 1910 revolution deposed the monarchy; for most of the next six decades, repressive governments ran the country. António de Oliveira Salazar, de facto dictator of Portugal from 1932 to 1968, founded and led the Estado Novo ("New State") which was an authoritarian, right-wing government that presided over and controlled Portugal's social, economic, cultural and political life from 1933 to 1974. In 1974, a left-wing military coup installed broad democratic reforms. The following year, Portugal granted independence to all of its African colonies.

Portugal has become a diversified and increasingly service-based economy since joining the European Community in 1986. Over the past two decades, successive governments have privatized many state-controlled firms and liberalized key areas of the economy, including the financial and telecommunications sectors. The country qualified for the European Monetary Union (EMU) in 1998 and began circulating the euro on the 1st of January 2002 along with 11 other EU member economies. (www.cia.com)

3.2. Cross-cultural comparison based on cultural dimensions

When looking at cultural dimensions and models created by different authors in the field we can identify cultural differences which later can be compared to the results of the current empirical research.

As the author has chosen to describe and use Geert Hofstede's cultural dimensions we can look at his scores (see the shortlist of countries in the Appendix 1) and find out that Sweden and Portugal have differences regarding Hofstede's all four originally created dimensions (see Figure 3). Since Portugal was not involved in the latest research phase, during which the fifth dimension - Long Term Orientation – was identified, we unfortunately cannot compare the two countries in relation to this dimension.

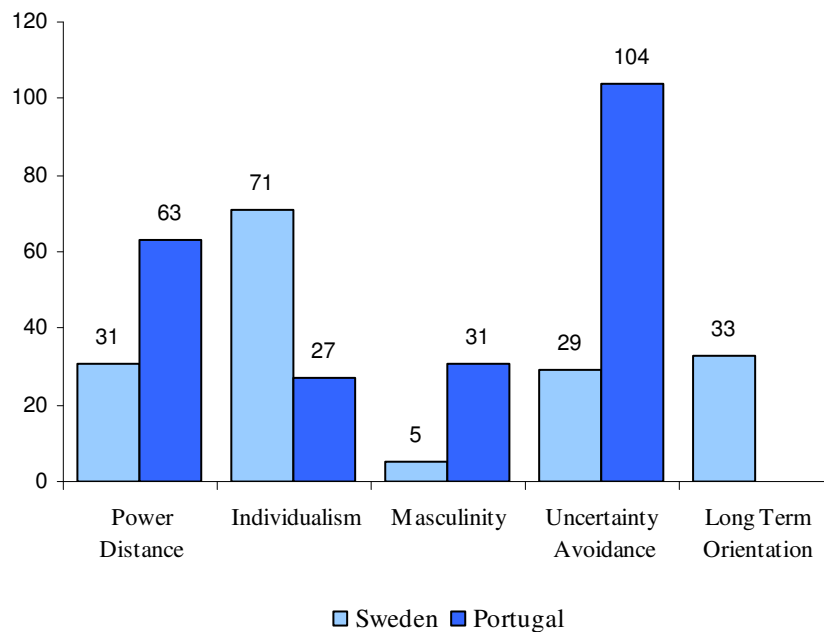


Figure 3. Hofstede's cultural dimensions scores for Portugal and Sweden
(Source: <http://www.geert-hofstede.com>)

Uncertainty Avoidance dimension sets Portugal and Sweden into completely opposite ends of the continuum (see Appendix 2). If Portugal is on the second position (with the score 29) then Sweden is on 49/50 position (with the score of 104) out of 53 countries. This large difference means that Portuguese try to minimize the possibility of unknown and novel situations by strict laws, rules security measures. Swedish, who are at the other end of this continuum, are accepting uncertainty much easier, what means, that they are more tolerant towards opinions that are distinct from what they are used to. This could also mean that Swedes try to have as few rules as possible. According to this dimension it can be assumed that the Swedish being in touch with Portuguese working environment would sense the Portuguese' need and obligation to follow all kinds of rules and orders. In relation to this dimension Swedes would also consider Portuguese to be less creative as them. Seeing Portugal and its high uncertainty avoidance can be surprising when thinking of Portugal as the country of great discoveries. High uncertainty avoidance in this case can be explained also by the historical background of Portugal which involves dictatorship and the timeframe, during which the research by Hofstede was conducted. Hofstede carried out

most of his research in 1960s and 70s, during the period overlapping with the last decades of dictatorship which ended in 1974.

Individualism versus Collectivism dimension sets Sweden to the first third and Portugal to the last third of all the countries, which means that Sweden is much more individualistic than Portugal. When it comes to working or business settings then Portuguese would have the tendency to be integrated into groups to which they are very loyal. Swedish on the other hand would be more self-centred and taking care of themselves. This difference would probably come out especially in family matters, but also in socializing with colleagues. Portuguese people will have more close relations with their fellow workers; Swedish then again would have more professional relationship. Swedish would be more tasks and goal oriented, whereas the Portuguese would pay a lot of importance to the relations among the people as well as to the positions.

The forth dimension – ***Femininity versus Masculinity*** – brings Portugal and Sweden closer to each other; they are both rather feminine cultures (scores respectively, 31 and 5). As Sweden is the most feminine country it could happen that Swedish people would still sense some masculine values prevailing on Portuguese mentality. In work environment the main difference would probably be the importance of power based on positions and titles. Also the tendency to see in Portugal less women on high positions than in Sweden may give Swedes the notion of Portugal being masculine society. Another aspect of the dimension Femininity versus Masculinity occurring during cross cultural encounters between Swedes and Portuguese relates to the concern for the environment and life quality. Sweden is known for its consciousness related to environment and quality of life, whereas Portugal is still the poorest “old” European Union countries.

Based on Hofstede’s cultural dimensions and obtained scores the author of current master thesis identifies the following main differences that are possible to emerge during the cross cultural comparison of Sweden and Portugal (see Figure 4). Firstly Portuguese have larger power distance with hierarchy and formality which for rather equal and casual Swedes would be one of the first phenomenons to notice. Secondly Portuguese avoid more

uncertainty more than the Swedes and therefore have more rules and flourishing bureaucracy. Thirdly, individualistic Swedes with modest family culture will find Portuguese society to be very collectivistic. And fourthly, the Swedes would find Portuguese more masculine due to the separation and different roles of sexes as well as due to the lack of concern about general life quality.

Portugal	Sweden
High Power Distance	Low Power Distance
High Uncertainty Avoidance	Low Uncertainty Avoidance
Collectivistic	Individualistic
Masculine	Feminine

Figure 4. Differences between Portugal and Sweden according to Hofstede's cultural dimensions

4. CULTURAL STANDARDS METHOD

As mentioned before, the cross cultural management research field has two main trends – clustering countries according to rather general cultural dimensions or defining cultural standards between specific cultures. The second mentioned method is relatively new trend in cross cultural research field and therefore it does not yet involve a lot of theoretical resources.

Whereas the cultural dimensions enable us to cluster countries together based on similar cultural background, the cultural standard method, which is based on much greater differentiation, helps us to see the concrete relation between two specific cultures, which at first sight may seem to be very similar and placed to the same group according to the cultural dimensions theory. The cultural standards model processes the comparative information between two different cultures and the resulting categories are valid only between those two specific cultures.

The method focuses on intercultural interaction – encounter between members of different cultures - during which behaviour; thinking and emotions formed by one culture are overlapping with behaviour, thinking and emotions born in another culture. The behaviour, thinking and emotions normally vary from culture to culture and therefore this kind of encounter may cause so-called *critical incidents*.

In his research paper “*Research on Culture Standards*”, Alexander Thomas explains critical incidents as situations in which people may seem acting strangely, unexpectedly or confusingly in the eyes of members of other cultures although they are acting according to their cultural background in an ordinary and accepted way. Their behaviour is influenced by cultural factors or cultural standards which differ from culture to culture.

The critical incident technique is a type of data collection which focuses on people's behaviour in critical situations. Originally this technique was developed in the middle of 20th century as a result of the Aviation Psychology Program in the US in order to collect information from pilots about their behaviour when flying a mission (Holloway, 1997:41). During the following decades this method was developed further and adapted in different research fields. Also the Cultural Standards method is based on analyzing critical incidents which in this case are taking place during cross cultural encounters.

The outcome of the cultural standard method is a compilation of cultural factors or standards which come up in interaction between members of specific cultures (Thomas). As indicated in chapter 4, cultural standards can be defined as processes of perception, thought, evaluation and action which for a majority of representatives of a culture are normal, automatic, and even obligatory. Cultural standards are underlying norms of thinking, behaving, judging as well as interpreting things.

Implementing cultural standards method involves specific *methodological steps*. Professor Alexander Thomas, the founder of cultural standards method, used in his research well proved research model consisting of three different research levels: diagnosis, intervention and evaluation. The first research phase – the diagnosis level – deals with understanding the processes of interaction, which take place between people in situations where cultures overlap. The Figure 5 shows all the ideal steps of diagnosis phase.

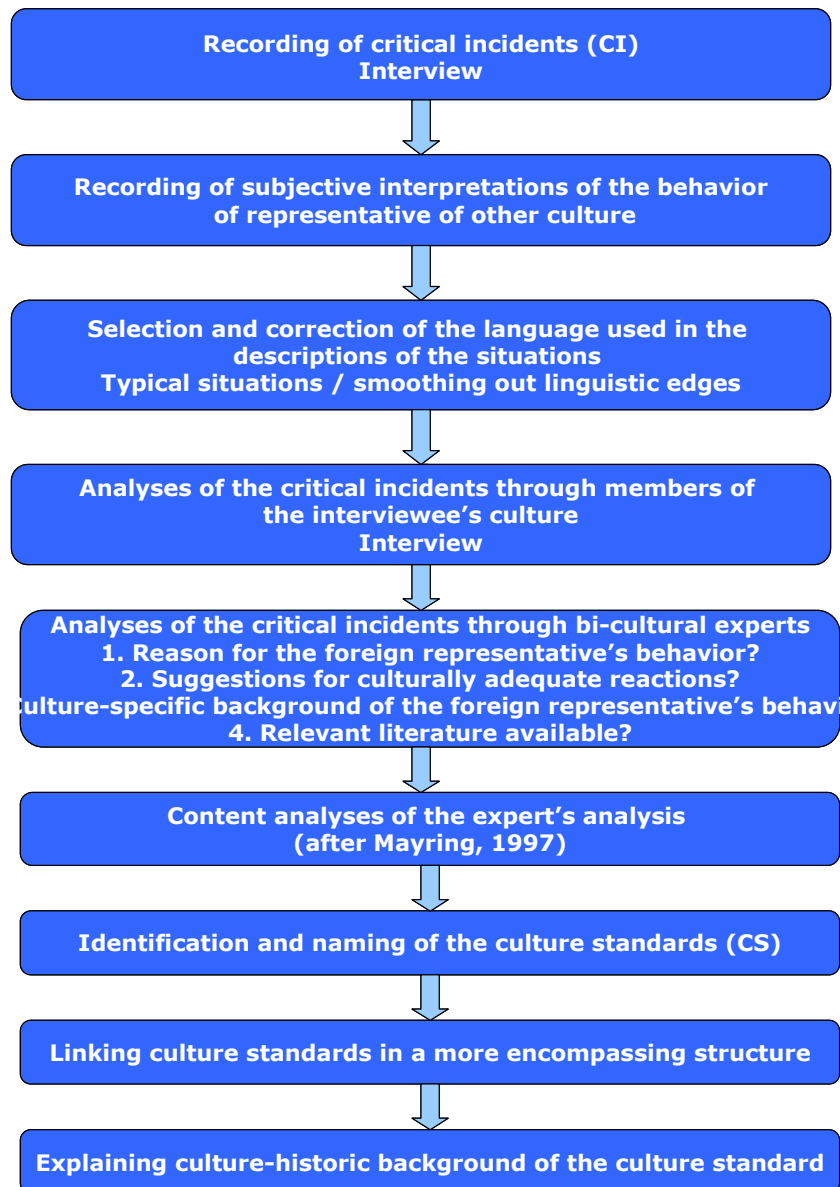


Figure 5. Diagnosis phase of research

Before getting to the diagnosis phase an eligible sample group must be chosen. The people used as a sample group must have a background from one culture and have experienced encounters with representatives of another culture.

The main core or the source of information for cultural standards method is the *narrative interviews*. During the diagnosis phase the narrative interviews are carried out and

analyzed, this stage results in receiving the primary feedback about the existing cultural standards.

According to Brueck and Kaizenbauer (2002:6) the *narrative interview method*, created by Fritz Schütze, enables to gather information without restricting presumptions as the test persons are encouraged to control the interview and consider the interviewer simply as an audience to their narration.

The literature about narrative interview discusses different stages of the interview. The narrative interview usually involves the following five steps (Brueck and Kaizenbauer, 2002:7):

- The Explanatory Stage – breaking the ice with the test person;
- The Introductory Stage – introducing the purpose of the interview;
- The Narrative Stage – encouraging the narrator to speak;
- The Investigative Stage – trying to get additional information from the narrator;
- The Assessment Stage – assessing and interpreting the narrative sequences.

The narrative interview session gives as a result narrative texts which contain short stories which need to be analyzed. These short stories are examined with qualitative content analyses which results in drawing up categories. As Brueck and Kaizenbauer explain in their paper (2002), the categories are the basis for the cultural standards and those categories will be compared with similar examples. Normally the results demonstrate typical differences between two different cultures rather than specific personal experience.

The categorization process (see Figure 6) is complex and requires going through the information from all the different sources. The main source of information is the interviewees' opinions and the info gathered during the interview. Getting an analysis and opinion from an expert is highly recommended. The opinions of the interviewer can also contribute to the outcome, unless they are too subjective or culture biased. The preliminary results are often tested on a test group or person and this feedback helps to confirm the compiled cultural standards.

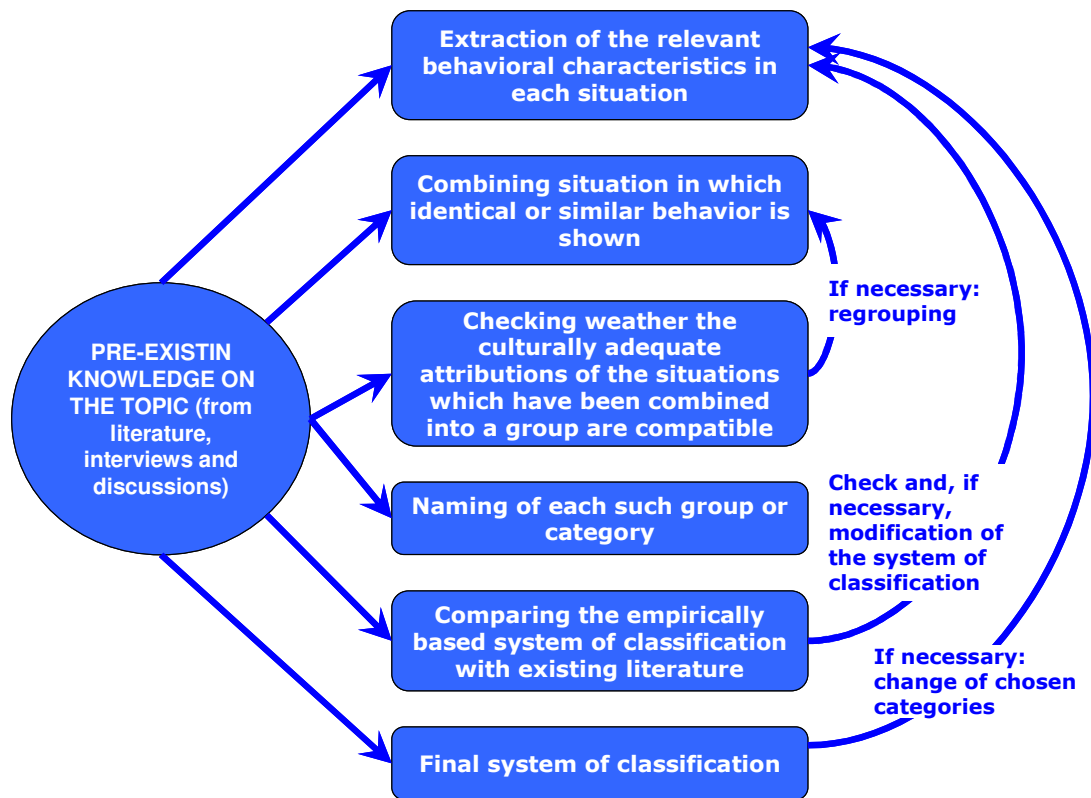


Figure 6. Categorization phase of research

The intervention and evaluation phases of the research are about taking the knowledge created during the research into real life. For example, the aim of the intervention phase is to develop cross cultural training programs in order to reduce all kinds of culturally critical or sensitive incidence. The evaluation process is basically to give feedback about the intervention measures implemented in different contexts (Thomas, 2001).

5. RESULTS OBTAINED FROM THE EMPIRICAL RESEARCH

5.1. Applying Cultural Standards Method

Current master thesis uses for empirical research cultural standards method. The entire research process can be divided into the following stages:

- Choosing sample group
- Carrying out interviews
- Analyzing / interpreting interviews
- Filtering out Cultural Standards
- Asking feedback

5.1.1. Sample Group

As the topic of this master thesis is The Portuguese Cultural Standards from the Swedish Perspective, the author needed to create a sample group of Swedish people who have adequate experience with Portuguese culture. The suitable profile of an interviewee was considered to be a person born and raised in Sweden, but having the experience of living and working in Portugal for at least 6 month. The main target was to reach Swedish with management level experience in Portugal to the time limitations the author of current master thesis also accepted interviewees without managerial experience, but with sufficient experience within Portuguese working environment.

Suitable candidates were found with the help of personal contacts, direct contacting of Swedish institutions and companies and also via interviewees sharing their contacts. The author contacted altogether 34 Swedes, out of whom 15 people (44%) agreed to participate in the study. All the candidates were contacted via introductory e-mail which introduced thoroughly the goal of the thesis, the profile and the reasoning of the author and also the essence of the interview. Every introductory letter included the reference or source of contact information in order to create trust from the very beginning. All the interviewees were given the chance to choose any time and location for the interview.

The sample group of this master thesis is 15 people and consists of 9 men and 6 women. The average age is 45 years. The average length of a stay in Portugal is around 12 years whereas the group is divided into two – half of the interviews have stayed in Portugal 1-5 years, the other half between 10 to 35 years. One third of the interviewees moved to Portugal as expatriates, one third moved to fill in a job position or to find a job and the last third came due to personal reasons.

All the interviewees have a sufficient experience in working with Portuguese people, either in Portuguese company or with Portuguese customers and suppliers. The sample group includes managers, specialists, consultants and teachers. Two thirds of the interviewees have also managerial experience in Portugal and one third of them have developed in Portugal their own businesses. The interviewees represent experience from different industries, for example manufacturing furniture, energy production, garment industry, construction, but also from different trading organizations. The following table (Figure 7) introduces the interviewees' profiles; due to anonymity the names are changed and the company names are not published.

Nr.	Name	Sex	Age	Time Spent in Portugal	Profession
1	Jonatan	male	29	4 years	General Manager
2	Nils	male	66	36 years	General Manager
3	Kerstin	female	38	6 months	Specialist
4	Frida	female	30	2 years	Consultant
5	Inga	female	53	24 years	Specialist
6	Lars	male	30	1 year	Consultant
7	Olle	male	39	3 years	Store Manager
8	Sven	male	47	16 years	Company Owner, Manager
9	Mia	female	32	1,5 years	Company Owner, Manager
10	Sigfrid	male	57	20 years	Company Owner, Manager
11	Pelle	male	50	10 years	Mid-Manager
12	Susann	female	36	12 years	Store Manager
13	Torsten	male	65	34 years	Company Owner, Manager
14	Borje	male	47	2 years	Trainer
15	Lotta	female	48	16 years	Company Owner, Specialist

Figure 7. The overview of the sample group of Swedish interviewees

5.1.2. Interviews

Although the introductory e-mail already explained the essence of the interview and encouraged people to think about their experience and critical incidents in encounter with Portuguese culture, not everybody was well prepared. The author tried to avoid asking questions and leading the interview as much as possible, but nevertheless some people needed more guidance to speak than others. Some general assisting questions were developed in order to encourage speaking and recalling incidents.

The average time of an interview was between 25-45 minutes. The interviews were recorded and some additional notes were taken down in shorthand. Later for analyzing purposes all the recordings and notes were processed. After analyzing and interpreting the interviews, the author compiled 5 different cultural standards, which could be distinguished from the interviews. The results were compared with the theoretical conclusions as well as introduced to the test person, whose feedback confirmed and strengthened the results of current empirical research.

5.2. Cultural Standards

Portugal and Sweden are located in the opposite ends of Europe which already without deeper research could give a notion of existence of cultural differences. The differences are influenced by complex set of factors including geographical location, climate and historical background. The readers of current thesis should bear in mind that cultural differences are neither negative nor positive, but neutral by nature as according to cultural relativism principles, there is no such thing as superior culture (Glazer 1994).

Majority of the interviewees truly liked Portugal and enjoyed their local life quality. Good weather, good food and nice people were mentioned to be the three most attractive features of Portugal. However during an encounter between an average Swedish person and Portuguese culture, either in daily life or working environment, some certain cultural differences emerge, which may be a source for misunderstandings, uncomfortably and/or funny incidents. The current empirical research was focused on identifying such differences especially in working and business environment. After processing all the information gathered during empirical research involved, the author identified 5 cultural standards which were mentioned in one way or another by the majority of the interviewees.

After carrying out narrative interviewees with 15 Swedish people living and working in Portugal, the author of current master thesis identified the following 5 cultural standards that Swedish people could possibly recognize, when working within the context of Portuguese culture:

Cultural Standards	
1.	Hierarchical Orientation
2.	Responsibility Avoidance
3.	Inefficiency
4.	Importance of Social Network
5.	Flexible Time Orientation

5.2.1. Hierarchical Orientation

One of the strongest Portuguese cultural standards for Swedish people emerging from current empirical research is “*hierarchical orientation*” which is mentioned especially in the context of organizational structure and in the way people accept and expect orders in organizations. Social statuses and roles within Portuguese society and organizations are structured according to differentiation of power and authority, which mostly origins from wealth, family, educational and/ or professional background.

Hierarchical Structure of Organizations

All the interviewees referred to the hierarchical structure in a very early stage of the interview and unexceptionally considered it to be rather counter prohibitive phenomenon, which impedes creativity and slows down processes. Majority of the experience was related to hierarchy in organizational settings, referring to the hierarchical structure and the ways authority, the power and right to give orders or make decisions, was exercised. First of all the Swedes highlighted the importance of titles and positions inside the company.

The Portuguese companies’ internal environment was considered to be more formal (directly addressed by 30% of the interviewees) as the relations between people are highly influenced by the positions people are holding and the role of manager is different. While Swedish companies tend to have a flat structure with relatively few layers of management,

the chain of command in Portuguese companies is usually longer, involving more management layers. The managers in flat organizations tend to give guidance instead of orders and the employees are highly involved in the decision making process, whereas the managers in hierarchic organizations have exclusively the power of decision making and giving orders. The Swedes considered the Portuguese chain of command to be very time consuming as all the issues first had to move up the chain and then the decisions and orders had to move down the chain again and only after that could be executed.

The Swedes were emphasizing the role of a Portuguese manager in a company, who often tends to have the exclusive right to take decisions and give orders. Expressions like “boss is the Boss”, “Boss cult”; “Leading with fear” were used in order to describe the differences between Portuguese and Swedish organizations. An interesting phenomenon occurred that 73% of the interviewees (illustrated by Figure 8) used the word “boss” to speak about the Portuguese managing culture and managers, which tends to be more aggressive than words like leader and manager. The majority of interviewees had the opinion that Portuguese employees actually expect the boss to be the Boss and are depending on the decisions and orders given.

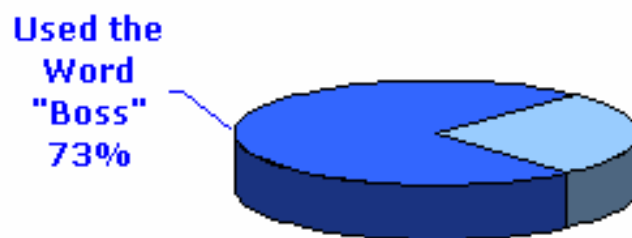


Figure 8. Pie-chart showing the proportion of interviewees mentioning the word “Boss”. Sven, Company Owner and Manager, felt that he had to force himself to raise his voice and show that he was the one in charge in front of the employees, in order to answer their expectations about being a good manager. According to his words about Portuguese employees “*They are so used to getting sort of hit. They are expecting, they feel well, they are happy if you every once in a while give them a brawl about how things should not and*

should be done.” Sven felt like the employees considered him soft if he did not act and brawl according to their expectations, therefore despite his uncomfortably, he forced himself to adapt to these expectations and act accordingly.

The Swedes found the hierarchical structure of organizations to be relatively impeding and time consuming as due to the fact that “the boss” is responsible for everything one needs to get in touch with him/her which is not always the easiest task. It was said that while in Sweden one can get the phone number of a top manager from company’s homepage and projects can be run over the phone call, then in Portugal this is normally impossible. First of all, one may not know who the person in charge is and secondly there is not much information available to a wider audience. So even if one knows who is in charge, one still needs to have connections and willingness to wait in order to get in touch with him/her.

The importance of positions and titles was also one of the differences coming up in the context of hierarchy and organizational structure. Portuguese company’s internal environment was sensed highly more formal due to the titles and differences between positions. If in Sweden one can address colleagues freely by their first names, then in Portugal the common practice is to use last names, and often also titles like “Doutor” (Doctor).

It was also marked that when trying to get in touch with people, one has to try to reach people with the similar position, as otherwise they may not get the chance to be listened to. One of the Swedish women, Kerstin, had a critical experience during a business meeting where she participated as the specialist of the topic discussed. She had a lot of difficulties to speak up as the leader of the opposing team tried to either speak by himself or was expecting the team leader of the other team to speak. Another interviewee had an experience with trying to reach customer by phone but since the person was not available she left a message to the secretary. Later there was a bit of dissatisfaction with the fact that the message was actually left to the secretary and not directly to the person itself.

Sigfrid, a company owner and manager, who has spent already 20 years in Portugal, remembered an old story about Portuguese boss mentality. 10-15 years ago he tried to arrange a meeting between a foreign manager and a Portuguese manager from North of Portugal. Knowing how things work, he first settled the meeting by phone call; then sent a fax confirmation and a day before the meeting made another phone call. Once they arrived in up North at the factory gate, a security man informed them that the manager had left abroad and they were not even let into the premises of the factory. Sigfrid was surprised by this disregarding behaviour, but despite that he admits that things have improved a bit during the past decade.

Importance of Orders

While hierarchical structure of an organization determines the ways power is exercised and decisions are made, it also determines the ways roles are divided and people work inside the organization. As mentioned before according to the interviewees' opinion, it was strongly noticed that in Portuguese organization it is expected that the boss gives orders and establishes the framework of "rules" and then everybody plays accordingly. When analyzing the empirical data, the author noticed an interesting phenomenon, a pattern of answers referring to the importance of orders for the people (87% of the interviewees, illustrated by the Figure 9). Portuguese were noticed to be used to following orders and therefore having a need or even dependence on being told what to do. They were described to be waiting for instructions, presenting their results and then waiting for following instructions.

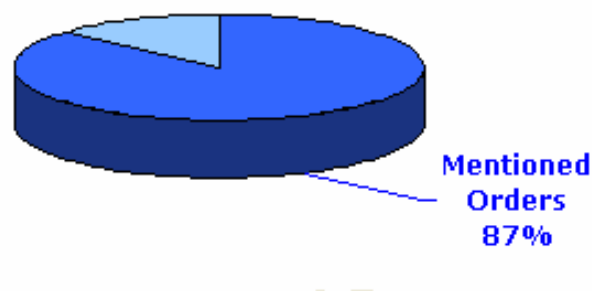


Figure 9. Pie-chart showing the proportion of interviewees mentioning orders.

The need for orders and instructions was explained by the idea of Portuguese being afraid of failing in their duties and being responsible for that. The willingness to accept orders was also assumed to be the result of lack of trust between managers and employees as the managers tended to be too controlling and afraid of delegating.

The dependence and willingness to give and receive orders was strongly recognized by the Swedish, as in their cultural context and in Swedish organizations, delegation and initiative were highly encouraged. Mistakes were considered human and seen more as a source of learning than cause for punishment. Swedish managers tended to see themselves as more open, less controlling and willing to share information. Swedes in general were mentioned to be more frequently questioning things happening around them, more frequently questioning the orders that they are given, whereas Portuguese, restricted by hierarchy, would be used to what they are told to and using the words of one of the Swedish managers “guarding their little cubicle of information”.

Portuguese need for guidelines and orders from their managers can be illustrated with a critical incident experienced by one of the interviewees, a store manager, who in the beginning of his career in Portugal used to walk around the facilities, give suggestions and discuss about possible ways of completing tasks. His surprise was big when he saw the employees putting into action his immature ideas. Pretty soon he learnt to be careful with his words which could be taken as orders.

The will to follow orders can also be illustrated by the flexibility and openness of the Portuguese workers. Firstly the Portuguese were noticed to be very flexible with the time spent in office. They were seen to agree to spend extra hours outside of working hours, whereas Swedes would be more sensitive in that matter. Also Portuguese were considered to be less complaining at work and having more respect towards managers by questioning less their actions and orders. The interviewees considered the phenomenon of employees not questioning managers good in situations, where things need to be done fast, otherwise it was seen a bit as an impediment to creativity and initiatives. Secondly, while showing

initiative was not seen as the strength of Portuguese employees, their ability to adapt and catch new ideas was turned attention to. Portuguese were considered to be open – minded, and once explained what is expected from them, with the will and ability to put it into action, find suitable solutions and improvise if needed. Flexibility and ability to adapt according to what was expected was mentioned by 40% of the Swedes interviewed.

The author considers this cultural standard to be one of the strongest to occur during an encounter between Swedes and Portuguese culture. This standard is highly rooted in different historical backgrounds. It is understandable that Portuguese people, who have lived through years of dictatorship, years with fear and restrictions, are still conditioned by fears and ways society is organized. The dictatorship was abolished only in 1974 which means that there exists still almost three generations with respective influences. Sweden at the same time has been during the past century a peaceful developing country with prevailing egalitarianism.

5.2.2. Responsibility Avoidance

The analyses of empirical data let the author to identify the second cultural standard as “Responsibility Avoidance”. The interviewees saw Portuguese tending to avoid responsibility due to two different reasons:

- 1) Portuguese were seen to have a fear of responsibility, which was related to the fear of failure and fear of punishment;
- 2) Portuguese were seen to be unwilling to take responsibility due to reactive attitudes and way of being.

Firstly as mentioned before, responsibility was seen as something related to failing and this in turn resulting in punishment. The fear of taking responsibility was addressed by 40% of the interviewees. The roots of this fear of punishment were considered by the interviewees to go back to the historical background of authoritarian regime, the dictatorship which was installed in 1933 and ended only in 1974.

Some of the interviewees also mentioned people not being always very truthful (40% of the interviewees). Dishonesty was often also related to the fear of responsibility and punishment which in turn had its impact on efficiency. One of the common examples given was the following: when you try to reach somebody by phone and the person does not have an answer for you, he or she easily lets a colleague to say that (s) he is out of office. Also in negotiations the Swedes saw themselves being very honest and transparent, rather aiming for win-win solution, whereas the Portuguese were often mentioned to be hiding information and trying to win over the other side as soon as a chance occurred.

Secondly, the interviewees saw Portuguese compared to Swedish more reactive than proactive in their ways of working, solving problems and taking initiative. Being reactive in this case could be defined as people's tendency to deal with work and life more generally by reacting to events and waiting for opportunities rather than being proactive which means taking conscious control over one's work and life, setting goals and working to achieve them; going out and creating one's own events and opportunities (Covey, 2006:58-77).

Reactive attitudes were also seen to be deriving from the Portuguese historical background and from their hierarchical orientation. As mentioned above, Portuguese employees were seen to be afraid of taking responsibility. The interviewees felt Portuguese to be afraid of doing things wrong but also doing things right. People were seen to be afraid of punishment when something was not done right but also when somebody was too active or innovative as this may threaten somehow the other people around. This fear of taking responsibility for one's actions was seen to result in lack of initiative. Portuguese in comparison to Swedish people were considered to be carrying reactive attitudes by 70% of the interviewees

Sven, one of the Swedish managers with a lot of experience, gave a good explanation of the situation: *"In old hierarchic structure everyone is guarding their little square, cubicle: 'this is mine, all the information in this is mine and the only way I can survive is by keeping this, my cubicle really tight and I don't let anyone have the information except the boss if he requires, I have to give him, otherwise I will not give it and I will not take any*

initiative, because if I take any initiative I will be hit to the head, if I do good then they will hit me to the head because I am too good, if I do bad then I will be hit to the head because I am bad; so I sit in my cubicle and wait to be told what to do and then I pass on information when I have to.””

Three Swedish managers spoke about the proactive attitudes and behaviour of Portuguese in the aspects of problem solving and carrying out daily meetings at work. The Swedish managers turned attention to the different ways Portuguese and Swedish solve problems. Even though once a problem occurs finding solutions is about reacting to the situation, the ways to deal with problems can be seen as either proactive or reactive. While Swedish would immediately try to find a way to solve the problem, then the Portuguese would first try to find out whose responsibility and whose fault it was, and only then start solving the problem or finding a way around it. While Portuguese would keep speaking about the problem and the person whose fault it was, Swedish, who consider speaking about problem to be waste of time, would rather speak about ways of solving the problem.

Portuguese passiveness or tendency to react rather than act was also noticed during daily meetings at work. The major difference was seen to be in the ways of presenting information and dividing tasks. An ordinary meeting among Swedes would be about presenting the topics and determining the deadlines, during which the people would understand by themselves who is responsible for which task. It was marked that in Portuguese meetings topics had to be clearly discussed and specific tasks had to be given to specific people, in a way that it could have been later easy to track who was responsible for which action.

Some of the interviewees also turned attention to the Portuguese people to be less pro-change than the Swedish. *“People see still more problems than opportunities and are not ready to change things”*, were the words of Pelle, a 50 years old manager, who has lived in Portugal already 10 years. The general feeling was that Portuguese people do notice the need for changes, and that they even may have ideas about what to do, but the fear of responsibility and failure is discouraging taking initiatives. It was noticed that people did

not believe in changes taking place. Lack of confidence and more generic pessimism were also occasionally mentioned by the interviewees (30%). However the Swedes saw some subtle changes in the attitudes and behaviour when comparing the younger generation and the older generation.

Some of the interviewees also pointed out that Portuguese people do not want to take responsibility for their own lives. This can be illustrated by a critical incident experienced by one of the interviewees some years ago while he was having a yearly salary negotiation with one of his employees. The employee wanted a big raise and his main argument was that he needed that amount of money, because he had sent his kids to an expensive private school; he had got himself a living-in maid and also wanted to go for a long trip during his vacation. This argumentation was quite shocking for the Swedish manager, who occasionally still notices people mixing private affairs with their job according to their needs.

5.2.3. Inefficiency

The author decided to name the third cultural standard as “Inefficiency”. The interviewees felt like Portuguese people were dealing with their work and life in general more inefficiently than Swedish. All the interviewees mentioned this feature, either in relation to the ways organizations and state institutions function (bureaucracy) or to the ways of working and attitudes practiced by the individuals. The interviewees sensed Portuguese people lacking efficiency when carrying out their work, which necessarily was not seen as ineffective as the results were obtained in the end despite differences in ways of working. In this case the author interprets “inefficiency as disability to effect or achieve the desired result with reasonable economy of means” and “ineffectiveness as not producing results” (www.dictionary.com). This standard could be described with 3 different keywords: 1) lack of goal orientation, 2) lack of organizing skills, 3) bureaucracy.

Lack of Organizing Skills and Knowledge

The interviewees, out of whom 73% addressed directly issues indicating lack of organizing skills and knowledge in order to have better results with less time, used terms (often without further explanations) like “inefficient”, “time consuming”, “not hardworking”, “not productive” and “disorganized” when speaking about the ways people function in organizations.

The interviewees mentioned long hours spent in the office as an indicator of inefficient ways of working. The Swedes saw Portuguese lacking organizing skills and knowledge. They were seen to stay long hours in the office, but at the same time spending a lot of time on taking lunch breaks or speaking on phone. Some interviewees spoke about the employees’ need to show that they stay physically in the office until late hours, which at the same time did not have to correlate with the amount of work one gets done. The comparison “good job” equals with a job demanding a lot of hours spent in the office and “good man” being equal to somebody spending a lot of hours at work, was seen to be as an opposite to “Swedish way”. The Swedes would rather complete efficiently their work tasks and go home earlier, to spend time with their hobbies and families.

One of the interviewed Swedish managers, Olle, had an experience of implementing within his team the idea, that it is accepted to finish one’s work and leave early, in order to have time for personal life. It took some time until the employees got over the prejudice they had been holding towards their manager, who was leaving the office at 6 instead of 8 or 9, and learnt to organize their work a bit better and also leave office earlier.

Lack of Goal-Orientation

The interviewees also saw Portuguese being less goal-oriented than Swedish people. The interviewees considered Swedish to be more objective, task-oriented and with a need to fill the goal, whereas Portuguese were considered to be more subjective, with lack of initiative

and highly dependant on orders. While Swedish try to tackle their assignments and reach the goal as independently and fast as possible, in order to proceed with the work and fulfill another goal, then Portuguese were seen to do, only as much as they were told to, without questioning if this is the best way to complete the assignment. When speaking about the commitment to work, the Swedish considered Swedes to take more seriously their job in general despite the position and salary earned.

The common experience about lack of goal-orientation at work was several times in customer service context, where the objective is usually to provide good customer service. Many interviewees had a personal experience with waiting in a queue or at the counter until the customer servant finishes her/his personal phone call or conversation with a colleague and then takes care of the customer.

Some of the Swedish managers turned in this context attention also to problem solving methods. While in Sweden people would concentrate on the ways to solve the problem, in Portugal people would spend time on talking about the problem and finding out whose fault it was, or finding a way around the problem, without actually solving it.

Bureaucracy

The interviewees also considered bureaucracy on the state level and hierarchical organizational structures to contribute to the level of inefficiency. On the institutional and organizational level the interviewees drew a lot of attention to bureaucracy, a phenomenon, which the Swedish interviewees considered very different from with what they were used to in Sweden. Bureaucracy, which could be defined as the structure and set of regulations in place to control activity, can also be seen in relation to rule orientation.

Bureaucracy was directly referred to by 67% of the interviewees, out of whom the majority considered bureaucracy to be something unusual and rather unpleasant phenomenon which acquired patience and will to learn to play according to the rules of it. Several interviewees had some specific experience to relate to in the context of bureaucracy. An interesting

phenomenon emerged from the empirical research: the Swedes who had lived in Portugal longer time (10 and more years) did not see bureaucracy so critically as, with the time spent in Portugal, the situation as well as their tolerance had improved.

First of all bureaucracy was discussed in the context of public sector, also it was compared a lot with the Swedish way of dealing with issues/situations, which the interviewees considered to be more effective. The administration was seen to be poorly organized, time consuming and involving too many officials. Getting any kind of information was considered very complicated as the inquiries often had to be in a written form and answers received from different institutions tended to differ. If in Portugal one always had to go physically to the public institution, stand in a queue, if needed even take some time off from work in order to do that, then in Sweden majority of things could be arranged through the internet.

Secondly, bureaucracy was referred to in relation to reaching people and getting information. If in Sweden a lot of useful information, including the contact details of the person in charge, could be found from the (company's) web page, then in Portugal you needed to have connections to get them. Also reaching somebody or trying to arrange things (papers, meetings) following up the process with phone calls, fax confirmations and e-mails was considered very important.

On the other hand, in relation to bureaucracy, the interviewees spoke also about "the way around". While in Sweden everything works smoothly according to rules and laws, without high level of bureaucracy and people are fully aware of things, what can be done and what can not be done, then in Portugal people know, that despite all those rules and bureaucracy, there is always possibility to arrange things differently, usually by knowing right people, having connections.

One of the interviewees remembered an incident going back couple of decades, when bottle of whisky could help papers to move faster. Although things have changed during the past

decades and bribing may be less common, the general feeling of the interviewees was that if you have connections, everything is possible.

5.2.4. The Importance of Social Networks

When analyzing the empirical data, another important cultural standard, “The Importance of Social Networks” could be isolated. The interviewees saw Swedish people to be individualistic compared to the collectivistic nature of Portuguese, who valued personal and professional set of relationships between individuals much higher.

Being relatively collectivistic people Portuguese value highly the process of socialization and establishing contacts with others. The interviewees spoke about the importance of connections in order to achieve anything – to find a job, do business, and move faster within the bureaucratic environment. As Figure 10 illustrates, almost half of the interviewees (47%) emphasized the importance of contacts and building a network of contacts. One of the interviewees remembered a critical incident in a public institution, where he got with his papers in front of a long queue, only due to starting to smile and to talk to one of the administrators.

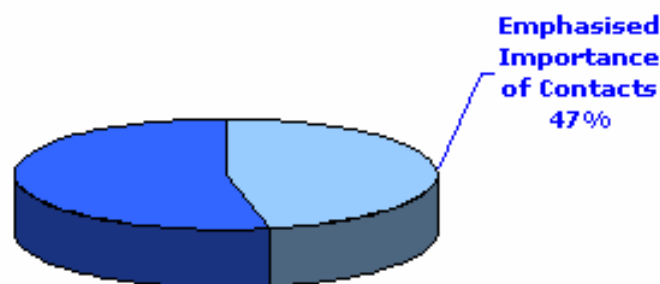


Figure 10. Pie-chart showing the proportion of interviewees emphasizing the importance of contacts.

The whole process of socialization was seen very different. The interviewees considered Swedish people to be highly more individualistic and anonymous, as for example in Sweden people generally do not talk to strangers in the street or in public transport, whereas in Portugal you can often notice people having small talk with strangers.

The Swedes also noticed Portuguese tendency to develop closer relationships with colleagues and business partners. The communication between organizations was found different, as in Portugal business depends highly on the relations of the people, whereas in Sweden people act rather like representatives of organizations. Using the words of one of the interviewees *“establishing a relationship is hard but once you manage it is possible to have potentially fruitful relations that help you to arrange things more easily”*.

The interviewees also spoke about the differences in family relations. Portuguese spend a lot of time with their family and maintain close relations with the whole extended family, which normally includes several generations, aunts and uncles, cousins. Whereas Swedish families are usually small and the relations with the extended family are not so strong.

Portuguese family owned companies often tended to have members of family holding important positions. One interviewee shared an incident of telling to a Portuguese business partner about having their business opened in Asia. The Portuguese asked if they had family there, or if this was not the case, they were eager to know, who was taking care of the business.

5.2.5. Flexible Time Orientation

One of the cultural standards grew out from interviewees experience related to the time usage and time management. As Figure 11 illustrates, 67% of the interviewees mentioned the flexibility of Portuguese time concept in one way or the other. The Swedes, who had lived in Portugal for a longer period, tended to mention time issues less frequently than the ones who had been in Portugal only for couple of years. The interviewees found Portuguese relation to the time to be more relative and flexible than the Swedish relation to it. While

for Swedes time was ticking and valuable, Portuguese seemed to always have plenty of time. The interviewees noticed that Portuguese considered it perfectly normal that different processes in the society tended to be very time-consuming.

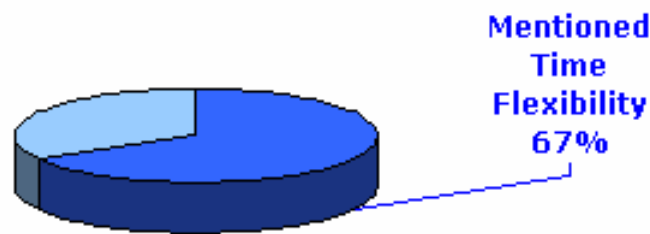


Figure 11. Pie-chart showing the proportion of interviewees mentioning time flexibility

Firstly, Swedish were considered themselves to be more punctual than Portuguese people. Majority of the Swedes remembered being annoyed by the Portuguese tendency to be late to formal and informal meetings. Once becoming aware of this, some of the interviewees learnt to live with the locals' relation to time; others were considering it until today as disrespectful and annoying.

Another issue in relation to the time orientation, coming up during the interviews, was related to sticking to deadlines. Deadlines were mentioned in the context of presenting work, deliveries, but also in relation to making payments. The Swedes emphasized the need of pressure and following up agreements with phone calls and reminders. The interviewees found it surprising, that people were sticking or in this case not sticking to the agreed timeframe in similar manner, from the bottom level till the very top management level. Using the words of Sven, who has been in Portugal already two decades: *“Time is relative in Portugal, very relative. People do not still come to the meetings on time. People do not deliver on time. This is not sort of on the lower level; it is the same on top level. ... It is a*

bit better, people don't take anymore lunch two hours, and they don't take wine during lunch anymore as they did ten years ago".

One of the interviewees, Borje, remembered a critical incident related to time concept. Once during a conference an important foreign guest was scheduled to give a speech early in the Saturday morning, due to her tight schedule and early flight back. When it was time for the guest lecturer to go on the stage, very few people out of the normal audience had arrived. The speech was postponed a bit but due to the time limits, the lecturer had to start soon and give her speech to a very small audience. The interviewee felt embarrassed in front of the guest.

5.3. Feedback

In order to test the results of current master thesis and get some constructive feedback about these results, the author decided to contact again the 15 interviewees. Besides asking feedback from the interviewees, the author also contacted two more Swedish people who have lived and worked in Portugal, but did not participate earlier in current empirical research.

The author sent an e-mail with the results of current thesis to all 15 participants and asked kindly for any kind of feedback. The author got an answer from 5 interviewees, who all considered reading those results very interesting. Some of the interviewees were surprised to see the results ending up to be with a bit of negative tone and expressed their concern if the author can present the results in front of Portuguese people. The author replied to them saying that this thesis and its results were not about negative and positive, but about differences which are neutral by nature as no culture was considered better than any other culture.

One of the interviewees expressed that in his opinion the author had managed to create a solid structure and he found the reasoning and use of facts very adequate. He also added

that there existed a quite clear common opinion related to all standards. Another interviewee considered reading the results of this thesis interesting, but a bit depressing as according to her “so little” ended up to be positive. She also expressed interest in knowing what Portuguese people think of Swedes. The third interviewee who also gave more profound feedback believed that the author had captured the essential differences in culture very well. He also added that in case there would be something that he personally would emphasize more, it would be the distrust between business associates. This, in his opinion, prevailed between customer and supplier, co-workers, business partners, etc., and could be probably the greatest reason to why there were so few large Portuguese companies.

When looking at the feedback given by the interviewees the author got confirmation to the results obtained. Although some of the interviewees showed concern about results sounding rather negative, none of them actually raised objections against any standards. The author understands such concern of the interviewees as their aim is not to say anything negative about Portuguese people. Once more the author feels the need to emphasize that the results are concerning differences in Portuguese and Swedish working cultures, which are not negative or positive by nature. It is possible that in reverse research the Portuguese would find Swedish to be for example too direct or too individualistic in their ways of working.

As mentioned before, the author also got feedback from two other Swedish- Annika and Tom, who did not participate in current research, but both have the experience of living and working in Portugal.

According to Annika all of the 5 standards which the author had found were somehow valid, as this was the feedback the author was able to extract from the people she had interviewed. She made some suggestions about labeling couple of dimensions with softer names in order to avoid it sounding like an attack towards the Portuguese. Besides aforementioned comments she also added an interesting nuance from her own experience:

“The only thing I would like to add to your list, and which is entirely my own personal meaning about confronting Portuguese culture with my Swedish mind, is the standard of something which I would probably call “complexity of communication”. By this I mean that

to me, Portuguese communication is much deeper, much richer, much more nuanced than anything I would ever experience in Sweden. This goes for both written and spoken communication. Portuguese by itself is a terribly (!!) complex language and this also doesn't make it easier of course, but then the whole culture seems to me unnecessary inclined to make even the most simple message as complex as possible to communicate! Take business communication as one example. In Sweden, if you send a mail or letter in business purposes, you would keep it simple, short and to the point. You would start with the most important thing you want to say, explain why and how, and then a polite ending. In Portugal, I many times experienced that people "lost themselves" in endless discussions of every single issue related to what they wanted to really say, without getting to the point until very late in the e-mail / letter / conversation. Why is this? Fear of being misunderstood? Fear of appearing to be rude? Fear of having your own opinion? I don't know. I just know I had to learn to have A LOT of patience with the Portuguese before they would get around of getting to the point of what they wanted to say. Annoying and time-consuming for a Swedish mind, but after a while I learned to give them their time and also understood that I myself had to learn how to chit-chat about things that seemed irrelevant and useless to me in business meetings before I could really bring my most important message."

The author finds it interesting that none of the interviewees addressed this difference in communication, but considers the phenomena of high versus low context communication to contribute to the standard of "Importance of Social Network" as taking conversation to different levels is likely helping people to develop stronger relationships among each other.

Tom considered his experience a bit limited with Portuguese people, but was still willing to share his opinion about the results. He said that he had seen the traits of the cultural standards the thesis points out. He is familiar especially with "Hierarchical Organization and Bureaucracy". According to him "Getting information from people can be extremely time-consuming and frustrating." Also Tom found it surprising that Swedes in general are this negative about the Portuguese way of working.

The author finds the feedback from both – the interviewees as well as from couple of “outsiders” very important as it supports the results obtained. None of the people giving feedback disagreed with the cultural standards created. The author also takes into consideration the fact that most of the Swedes somehow feel embarrassed about the results sounding a bit negative therefore she keeps emphasizing the neutral essence of cultural standards.

5.4. Comparing Cultural Standards with Cultural Differences based on Cultural Dimensions

After analyzing the interviews and identifying the Cultural Standards that the Swedes living in Portugal tend to face, we can see that the results have some similarities with the differences based on the cultural dimensions theories. The major difference lies in the fact that the identified cultural standards are more specific and context related than the differences based on the theories of cultural dimensions. The current cultural standards should be occurring especially in the professional life as the interviewees were encouraged to discuss their professional life rather than personal.

While analyzing Hofstede’s cultural dimensions theory in the context of Sweden and Portugal, the author of current master thesis recognized four major differences that the Swedish may experience during an encounter with Portuguese culture. Swedes would find Portuguese to have higher power distance and also uncertainty avoidance; they would also consider Portugal to be collectivistic and masculine country. According to the cultural standards identified from the empirical research, Swedes would find Portuguese society to be hierarchically orientated, avoiding responsibility, more inefficient, dealing with time in a flexible way and giving more importance to social network.

Firstly, according to Hofstede Portuguese have higher power distance and they are avoiding uncertainty which was also concluded based on the empirical research. The Swedes spoke about the hierarchical orientation of the society as well as of the need of orders and

guidelines. Closely related to power distance and uncertainty avoidance is also the cultural standard Responsibility Avoidance. Responsibility Avoidance is a co-product of hierarchical structures which tend to involve lack of delegation, lack of initiative and fear of punishment. In the empirical research the interviewees spoke about Responsibility Avoidance, not only in the context of hierarchy and fear of punishment, but also in relation to lack of will and habit of taking initiatives as well as holding reactive attitudes and behaviour.

The fourth standard based on empirical research, Inefficiency, has no direct connection to the differences originating from cultural dimensions, but it can also be related to the hierarchy and rules that often have a bureaucracy and inflexibility as co-products which then again influence the ways people work and relate to working.

According to Hofstede, Portuguese are more collectivistic than Swedish people. This difference can be related to the empirical standard “Importance of Social Network”. The Swedes brought up differences in the ways people connect to other people in professional and personal settings, the importance of connections and social network, also the need of socialization and differences in relation to family.

The last difference derived from Hofstede’s dimensions is Portuguese being more masculine than Swedish. The author of current master thesis did not identify a similar standard based on the current empirical research. Since only few interviewees addressed directly issues related to masculine and feminine values, the author did not consider this phenomenon relevant and therefore did not see a need to create an independent standard. Couple of interviewees mentioned the roles of men and women in Portugal as well as the tendency to see only few female managers. Some interviewees also turned attention to Portuguese paying less (if any) attention to the working environment and to the environment and nature more generally.

The last cultural standard identified – Flexible Time Orientation – could not be compared with differences from Hofstede’s dimensions. The only dimension that could give any kind

of information about Swedes' and Portuguese' time orientation, the Hofstede's fifth dimension - Long Term Orientation – unfortunately did not involve Portugal in the research phase.

6. AUTHOR'S EPILOGUE

The author of current master thesis has lived in both countries – Sweden and Portugal – and therefore is familiar with both cultures. Although the author has not worked in both countries, she has studied in a Swedish as well as in a Portuguese university which provides her with cultural experience from a similar environment in both countries. Since Estonian culture is closer to Swedish culture, the author noticed some similarities between her experience and that of Swedish people.

In order to draw conclusions from current empirical research and implement knowledge acquired during master studies, the author decided to comment and give suggestions in relation to cultural standards composed. The current empirical research and its cultural standards composed can be basis for putting together an informative or cross cultural training material which can be used to train Swedish expatriates or Swedish business men interested in doing business in Portugal. Such training will increase cultural awareness and help participants to prepare themselves either to relocation or to build successful business relations in specific country.

The first standard “hierarchical orientation” was seen by the author as one of the most obvious sources of differences that could arise between those two cultures as Swedish egalitarian values are contrasting to Portuguese hierarchical societal structures. The author experienced this difference in the context of university and professors, while in Sweden the teacher introduced themselves with their first names, then in Portugal the title professor was highly emphasized. In author’s opinion the Swedes coming to Portugal have to be aware of the importance of titles and formality, they have to make sure they use the right titles and in negotiations have a team of people holding similar positions to the opposing team.

The author had no personal experience in relation to the standard “responsibility avoidance”, but when looking back to the historical background of both countries, it had logical explanation and made sense. The Swedish should be prepared to deal with people’s fear to take responsibility or to be punished, therefore they should try to communicate the idea that mistakes are the source of learning and that nothing bad happens if every now and then people fail. Since people learn better via experience than simple promises, it is important to set examples of how different situations are dealt with and what are the consequences.

When it comes to the standard “inefficiency”, which in this case means that the ways of working for Swedish and Portuguese are different, but one is not necessarily worse than the other, then the Swedish have to learn to be patient and learn the Portuguese way. First of all they need to understand the importance of socializing, small talk and developing personal relations in business environment for Portuguese people. Secondly, they need to learn to keep an eye on processes and follow up with e-mails and phone calls.

The fourth cultural standard composed is “the Importance of Social Networks” which is definitely something that can be developed in order to succeed in Portugal. The Swedish need to learn to establish connections and personal relationships in work and business settings. They need to learn to be less direct and carry on general conversation.

The last cultural standard defined – “flexible time orientation”- was also one of the standards that the author based on her experience within both cultures could predict occurring. When arriving to lecture in Sweden ten minutes before it starts was a normal standard, then arriving to lecture ten minutes after its beginning in Portugal was considered perfectly normal. Also while in Sweden the homework had to be delivered in time, then in Portugal it was possible to postpone it a bit if needed.

The author considers the phenomena that the interviewees who had lived in Portugal already at least couple of years, did not emphasize the use of time more flexible as strongly as the people who had been in Portugal for less time. This leads to the conclusion that the

Swedes, who freshly enter Portugal for working or business purposes, have to be especially aware of this difference and learn to be more relaxed time wise. Also, they have to be aware of things in general moving a bit slower than in Sweden due to bureaucratically reasons as well as due to different ways of working and dealing with things.

The author of current master thesis considers the course and results of current research very educative as being able to see how people from different cultures look at things differently helps to understand the essence of cultural differences and ways to successfully cope with them.

7. CONCLUSION

The goal of this thesis paper is as mentioned in the beginning to examine the cross cultural encounter between Swedish and Portuguese from the Swedish perspective. The result of the thesis is the identification of cultural standards that are relevant for the Swedish people during such encounters.

The research topic was chosen due to its actuality in the context of globalization and the growing importance of European Union, which promotes companies going abroad, also the free mobility of labour. Although the European cultures may be considered to be very similar by the outsiders, there are significant differences between them, which cannot be underestimated or ignored in the context of establishing business relationships.

The current thesis is examining the differences specifically between Swedish and Portuguese cultures from the perspective of Swedes in contact with Portuguese people and Portuguese culture. The topic of the thesis is interesting and actual as until now there has not been carried out similar research in relation to those two aforementioned cultures.

The research is based on the experience of 15 Swedish people living and working in Portugal. The thesis uses a novel cross-cultural management research method - the cultural standards method- which consists of three main phases: narrative interviews, analyses and identifying cultural standards.

The author identified 5 different cultural standards which the Swedish people had experienced during their cross-cultural encounters with Portuguese people. The cultural standards are as follows:

1. Hierarchical Orientation - The Swedish found Portuguese to be with a strong hierarchical orientation which was noticed in relation to organisational structures and importance of rules;
2. Responsibility Avoidance - Portuguese were considered to be avoiding responsibility and this in turn was related to the fear of punishment;
3. Inefficiency - The Swedes saw Portuguese ways of working inefficient, this was experienced in relation to different aspects such as bureaucracy, lack of organisational skill and know-how, also lack of goal-orientation;
4. Importance of Social Networks - The social networks in ones' life were considered to be with higher value for Portuguese than for Swedish;
5. Flexible Time Orientation - Portuguese were seen to have more flexible time orientation than the Swedes.

The main limitations of current research were the size of sample group and restricted time frame. Finding and reaching Swedish people living in Portugal was time consuming, and as the research time was limited, the author did not manage to carry out more interviews. The sample group used in this research is relatively small and therefore the results may be considered exploratory.

The current master thesis has an academic and a practical future perspective. Academically spoken the research can be developed further by involving also the Portuguese perspective in an encounter with Swedish culture. Learning how Swedish see Portuguese and vice versa would enable us to get a more complete picture of their encounter and occurring cultural standards.

In practical aspect, this thesis can be used as basis for compiling cross – cultural training programmes and materials for expatriates and Swedish companies interested in doing business in Portugal. The thesis also gives more theoretical knowledge about cultural differences and the importance of culture in cross-cultural business matters.

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Appendix 1

Hofstede scores for some of the participating countries. (Hofstede, 1991)

Country	Power Distance	Uncertainty Avoidance	Individualism/ Collectivism	Masculinity/ Femininity
	<i>Index</i>	<i>Index</i>	<i>Index</i>	<i>Index</i>
Chile	63	86	23	28
Denmark	18	23	74	16
France	68	86	71	43
Germany	35	65	67	66
Great Britain	35	35	89	66
Guatemala	95	101	6	37
Hong Kong	68	29	25	57
Italy	50	75	76	70
Japan	54	92	46	95
Korea (South)	60	85	18	39
Malaysia	104	36	26	50
Mexico	81	82	30	69
Netherlands	38	53	80	14
Portugal	63	104	27	31
Spain	57	86	51	42
Sweden	31	29	71	5
Switzerland	34	58	68	70
Thailand	64	64	20	34
United States	40	46	91	62
Arab countries	80	68	38	53
West Africa	77	54	20	46

Appendix 2

Hofstede's cultural dimensions: the position of 53 countries on the individualism and uncertainty avoidance dimensions. (Edwards, 2003)

