

## **CHAPTER TWO**

### **REVIEW OF LITERATURE**

This chapter reviews the literature in four cultural dimensions by Geert Hofstede, the Global Gender Gap Report in 2006 and previous similar studies.

#### **2.1 THE THEORY OF CULTURAL DIMENSIONS**

##### **Cultural Dimensions (International culture)**

Hofstede's four dimensions are power distance, uncertainty avoidance, individualism and masculinity. The dimensions help to explain how and why people from various cultures behave as they do. These findings were gathered from over 116,000 questionnaires completed by respondents from 70 different countries (Hofstede, 1983).

##### **Power distance**

Power distance is the degree to which less powerful members of organizations and institutions accept the fact that the power is not distributed equally. In culture with high power distance, managers make autocratic and paternalistic decisions and the subordinates do as they are told. Organization structures tend to be tall and managers have relatively few subordinates reporting directly to them. In contrast with low power distance, people put a high value on independence, managers consult with subordinates before making decisions, and there is a fairly strong ethic. Organization structures tend to be flat and managers directly supervise more subordinates.

##### **Uncertainty avoidance**

Uncertainty avoidance is the extent to which people feel threatened by ambiguous situations and have created institutions and beliefs for minimizing or avoidance of these uncertainties. A culture with high uncertainty avoidance tends to formalize organizational activities and depends heavily on rules and regulations to ensure that people know what they are to do. There is often high anxiety and stress among these people, they are very concerned with security, and decisions are frequently a result of group consensus. Low uncertainty avoidance culture has less

structuring of activities and encourage managers to make more risks. People have more acceptance of dissent and disagreement and rely much on their own initiatives and ingenuity in getting things done.

### **Individualism**

Individualism is the tendency of people to look after themselves and their immediate family only. This dimension is in direct contrast to collectivism, the tendency of people to belong to groups that look after each other in exchange for loyalty. In a culture with high individualism people are expected to be self-sufficient. There is a strong emphasis in individual initiative and achievement. Autonomy and individual financial security are given high value and people are encouraged to make individual decisions without reliance on strong group support. In contrast, a culture with low individualism places a great deal of importance on group decision making and affiliation. Success is collective. There is a strong emphasis on belongingness and strength drawn from group affiliation.

### **Masculinity**

Masculinity is the degree to which the dominant values of a society are “success, money and things.” Hofstede measures this dimension in contrast to femininity, which is the degree to which the dominant values of a society are “caring for the others and quality of life.” In a culture with high masculinity scores places a great deal of importance on earnings, recognition, advancement, and challenge. Advancement is defined in terms of wealth and recognition. These cultures often tend to favor large scale enterprises and economic growth is viewed as very important. In culture with low masculinity, scores place a great emphasis on a friendly work environment, cooperation, and employment security. Achievement is defined in terms of human contacts and the living environment. There is low stress in the workplace and workers are given a great deal of freedom.

## **2.2 PREVIOUS STUDIES**

### **Global Gender Gap**

Gender inequality is found in the majority of the world’s cultures. In most societies, the differences are expressed in the responsibility assigned, the activities

undertaken and in decision making opportunities. Gender discrimination prevents societies as a whole from fully reaching men and women's potential.

**The Global Gender Gap Report 2006** covers all current and candidate European Union countries, 20 from Latin America and the Caribbean, over 20 from sub-Saharan Africa and 10 from the Arab world. Together, the 115 economies cover over 90% of the world's population. The index mainly uses publicly available "hard data" indicators drawn from international organizations and some qualitative information from the Forum's own Executive Opinion Survey. **The Global Gender Gap Report 2006** includes an innovative new methodology including detailed profiles of each economy that provide insight into the economic, legal and social aspects of the gender gap. The report measures the size of the gender gap in four critical areas of inequality between men and women:

1. Economic participation and opportunity – outcomes on salaries, participation levels and access to high-skilled employment
2. Educational attainment – outcomes on access to basic and higher level education
3. Political empowerment – outcomes on representation in decision-making structures
4. Health and survival – outcomes on life expectancy and sex ratio.

**Table 1. Global Gender Gap Index 2006**

<b>Country</b>	<b>Global Gender Gap Index 2006 Rank</b>	<b>Global Gender Gap Index 2006 Score</b>
Sweden	1	0.8133
Norway	2	0.7994
Finland	3	0.7958
Iceland	4	0.7813
Germany	5	0.7524
Philippines	6	0.7516
New Zealand	7	0.7509
Denmark	8	0.7462
United Kingdom	9	0.7365
Ireland	10	0.7335
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Thailand	40	0.6831
China	63	0.6561
Singapore*	65	0.6550
Indonesia	68	0.6541
Malaysia	72	0.6509
Japan	80	0.6447
Cambodia	89	0.6291
Bangladesh	91	0.6270
India	98	0.6011
Nepal	111	0.5478

\*0 to 1 scale: 0=inequality, 1=equality.

According to Hofstede's study, 1980, Thailand had a power distance index 64 of 100, uncertainty avoidance acceptance index 64 of 100, individualism index 20 of 100, and masculinity index 34 of 100. Thailand was designated a high power distance and uncertainty avoidance acceptance country and a low individualism and masculinity country. Thailand had the lowest masculinity ranking among the Asian countries, compared to the Asian average of 53 and the world average of 50. The lower level is indicative of a society with less assertiveness and competitiveness, as compared to one where these values are considered more important and significant. This situation reinforces more traditional male and female roles within the population.

Hofstede conducted a 50 country study of IBM employees in 1983 and found differences between countries on employees' preference for managerial styles: autocratic, persuasive, consultative, and participative. He found that in countries in which few employees are afraid to disagree with their manager, a larger proportion of employees preferred consultative managers. In contrast countries in which many employees are afraid to disagree with their manager, a larger proportion of employees preferred across autocratic and persuasive styles.

Hofstede (2001) examined questionnaire responses from employees at IBM Corporation and found that men valued advancement, earnings, training and up to datedness more than women did, whereas women valued a friendly atmosphere, position, security, physical conditions, a positive relationship with their supervisor and cooperation with colleagues more highly than men. Konrad, Coorgall, Lieb, and Ritchie (2000), who conducted meta-analysis of 31 gender related studies, found that men were more concerned about earnings and responsibility, whereas women were more concerned about prestige, challenge, task significance, variety, growth, job security, coworkers, supervisors and the physical work environment. Reif, Newstorm, and St Louise (1976) studied the attitudes of men and women concerning 33 particular rewards. They found that gender was the discriminating variable with respect to compensation and direct as well as indirect economic benefits. Gunkel, Lusk, Wolff and Li (2007) examined the effect of gender on the importance of work-related goal, the preference for performance rewards and the preference for the management style in a multinational corporation headquartered in Germany with branches in China, Japan and the USA. They found the results do not confirm the

stereotypical work-related gender difference often reported in the literature and popular press.

Komin (1990) suggests Thai employees might feel uncomfortable working in a participative work setting as participative management may be incompatible with Thai cultural norms. Therefore it may be logical to argue that working under a participative leader might not necessarily lead to greater satisfaction or satisfaction among Thai employees. According to Komin's study, Thai culture is characterized by a tight hierarchical social system "accepted existential inequality" and a strong value of relationships. She stated that Thai employees would be devoted to work for a leader they like and respect. A benevolent, paternalistic leadership style will be more effective than "an impersonal, cut- and -dry" managerial style.

Yukongdi (2004) examined the perceived and preferred style of managers among employees in Thai organizations. Yukongdi's results seem contradictory to Komin's study. The results showed that the most preferred style of managers for employees was the consultative manager, followed by participative, paternalistic, while the smallest proportion of employees preferred an autocratic manager. On the other hand, the largest proportion of employees perceived their managers to be consultative, followed by paternalistic, autocratic and participative.

## **2.3 SIRIRAJ 'S ORGANIZATIONAL PROFILE**

### **The Faculty of Medicine Siriraj Hospital, Mahidol University**

The Faculty of Medicine, Siriraj Hospital, Mahidol University was founded more than 120 years ago by King Chulalongkorn (King Rama V). The organizational structure is traditional or bureaucratic and the Faculty is divided into 3 sections which are Office of the Dean, Departments and Siriraj Hospital. The Office of the Dean is comprised of 11 units, Departments is comprised of 29 units and Siriraj Hospital is comprised of 21 units. The organization has clear division of labor and chain of command and control through a top down structure (Figure 1). The vision is to be an excellent medical institute in Southeast Asia and the missions are to produce qualified graduates and medical staff, to provide ethical and updated medical services with international standards and to conduct research and expand on knowledge to the betterment of the society. The organization has 11,000 employees; of this 70% are

women and 30% are men (Faculty of Medicine, Siriraj Hospital, Mahidol University, Annual Report, 2006). According to public organization, the management style is mainly under bureaucratic style. The improvement of communication in the bureaucratic system is conducting many cross functional teams or committees to shorten the process of decision and create the horizontal connection and communication.

**Figure 1. Faculty's organization structure**

