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## THE ROLE OF NATIONAL CULTURE IN CHOOSING A CHANGE STRATEGY IN ORGANIZATIONS

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In this paper, the causal relationship between certain dimensions of a national culture and certain organizational change strategies are analyzed. The paper uses two of the four dimensions of national culture, identified by G. Hofstede: the power distance and masculinity–femininity ones. On the other hand, the four organizational change strategies have been differentiated: the coercive strategy, the normative-re-educative strategy, the rational-empirical strategy and the creative strategy. The identified dimensions of national culture and the identified organizational change strategies differ from one another with respect to the same criteria: the distribution of power and task orientation *versus* people orientation. Based on this fact, it is possible to establish eight hypotheses about a causal relationship between certain types of national cultures and certain organizational change strategies.

**Keywords:** organizational change, national culture, organization, strategy

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### INTRODUCTION

Through its assumptions and values, national culture, determines the way in which the members of the organizations of that culture interpret the surrounding reality as well as the way they behave in the reality (Hofstede, 2001). For this reason, we may assume that national culture has an impact on the way in which an organization changes, and that the matching of national culture and a change strategy will improve the efficiency of the change process. National culture has a strong impact on an organization and its

management, which emerges from its nature and content. Here, national culture is understood as „...mental programming: the pattern of thoughts, feelings and actions which every individual adopts in childhood and applies throughout the entire lifetime” (Hofstede, 2001, 25). National culture assumptions and values determine the way in which members of all organizations belonging to a particular national culture will understand the organization itself and, thereby, the adequate way to change it. The process of organizational change involves a series of activities, interactions and decisions which are undertaken by the leader and the members of an organization. Changes, however, can be led and implemented in organizations in very different ways, and each method or strategy of change is based on activities, decisions and

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interactions of a different nature of and between the members of the organization while it is being changed. The organizational change strategy that will be chosen by the leaders and the members of an organization depends on how they understand the world around them, the organization, the relations within it, and the ways considered to be suitable and effective for it to undergo change. For example, in cultures with a high power distance, such power is assumed to be unequally distributed and that the leader and his/her associates at the top of the organization are primarily responsible for the operation of as well as changes in their organization. In such a culture, we can certainly expect a directive kind of changes or changes planned at the top of the organization and implemented top-down. In cultures with a low power distance, an organization's members are expected to have an impact on everything in the organization, including the manner in which it is being changed. So, cultures with a low power distance can be expected to have their organizational changes guided bottom-up instead of top-down. Therefore, it is natural to assume that the assumptions and values embedded in a particular national culture have a significant impact on its organizational change strategies. Already, there are studies showing that people's reactions to change, and suitable strategies to overcome resistance to change, depend on national culture (Alas, Sun & Gao, 2012).

The described impact of national culture on organizational change management strategy is, however, too general in character and calls for operationalization which would consist of generating and testing the hypothesis on the causal relationship between certain dimensions of national culture and certain organizational change strategies. In other words, it is necessary to prove that specific organizational change management strategies are favored or are more frequent and more efficient in specific types of national cultures. Such operationalization of the relationship between national culture and organizational change strategy has not been dealt with in the literature so far. The researchers who have analyzed different organizational change strategies have only listed culture as one of the factors in an adequate change strategy selection (Nickols, 2010). There have been no concrete findings on the relationship between national

culture types and organizational change strategies. The purpose of this paper is to fill this gap.

The goal of the paper is to explore the role of certain dimensions of national culture in choosing an organizational change strategy in organizations in greater depth. The goal will be accomplished through developing hypotheses about the relations between certain dimensions of national culture and certain organizational change strategies.

The scientific method used in this paper is in accordance with the explorative character of the research. The implications of certain dimensions of national culture for managers' and employees' behavior will be compared with the conditions for an efficient implementation of different change strategies in organizations. When we find out compatibility between certain dimension of national culture and the implementation of certain change strategy, we will then assume this dimension of national culture to imply the implementation of this organizational change strategy.

The structure of the paper is as follows: first, the organizational change strategy will be defined, and the classification through which various organizational change strategies are differentiated will be presented. Then, the classification through which national culture types are differentiated will be presented. Finally, in the last segment of the paper, and based on the similarity of the criteria in the described classifications of culture and the strategy, hypotheses stating the implementation of a specific organizational change strategy is conditioned by a certain combination of national culture dimensions will be established.

## ORGANIZATIONAL CHANGE STRATEGIES

In the area of organizational change management, the attention of academic researchers and practicing managers has mainly been focused on three principal questions: what it is that changes (the content), why it changes (the causes), and how it changes (the process) (Pettigrew, 1987; Porras & Robertson, 1987). Unlike the issues of the content, the cause and the

process of organizational change, organizational change strategies have been less present in research (Nickols, 2010). An organizational change strategy includes the approach, the method, or the manner in which changes are implemented in an organization. This definition implies that changes are always planned and that, whenever we speak about a change implementation strategy, we actually speak about planned organizational changes. The fact that the very first classification of an organizational change strategy deals with a planned change strategy also contributes to this impression (Chin & Benne, 1969; Benne, 1978). This, however, does not always have to be the case. Changes can also be spontaneous or unplanned, and their consistent approach, method, or manner constitutes a change strategy. They can be an organizational change realization strategy, even though such changes have been unplanned.

When classifying organizational change strategies, almost all authors start with the seminal work by R. Chin and K. Benne (1969), which recognizes the three basic ways to implement change in a social system: rational-empirical, power-coercive, and normative-re-educative. This classification, which has been supplemented many times, will also be the basis for organizational change strategy differentiation in this paper. Therefore, we will first introduce the basic elements of the three strategies.

The rational-empirical strategy is founded on the assumption of the rationality of organizations and the people constituting them. Organizations are observed as a rational means for achieving the mutual goals of their members through a collective action. People are treated as rational beings led by self-interest. Therefore, changes are implemented by showing the members of an organization that they are rational, i.e. justified and useful from the perspective of achieving organizational goals, as well as useful to the self-interest of the members of the organization. The assumption is that the members of the organization in which changes are performed will, as rational beings, behave according to their objectively given interests. Hence, if they are provided with a proof that change is in their interest, they will accept it. Changes are conducted through a rational process of information gathering and the application of knowledge in solving

the problems the organization faces. The problem is solved and changes conducted by applying a theory, regardless of how simple it is, to observations of the problem that must be solved. Practically, changes are conducted through the process of the implementation and testing of specific theories, which seem adequate in a given context.

Organizational changes are conducted in five phases: problem identification, information gathering and analysis, the generation of alternative courses of action, the selection of the optimal course of action, and the implementation of the solution. In the rational strategy, are exactly the information regarding the problem which must be solved and possible problem-solving strategies are the basic driver of change. If such information is convincing and clear, and if it is correctly communicated, the members of an organization will, as rational beings, accept the implementation of changes. The process of communicating the information regarding the problem and the changes that will have the problem solved is unilateral and top-down. No dialogue or discussion in which the members of the organization would be allowed to challenge, question, or redefine the „facts“ or the theoretical models presented to them is included.

It is clear that the top management are the agent of change in this strategy and that the direction of change is top-down. The members of the organization have a passive role and their role is limited to receiving information and acting accordingly. An organization's members' participate at a low degree and acceptance is, at best, the reaction to the strategy, demonstrated by the participants in the changes. As a rule, there is high resistance to change.

The basic rational-empirical strategy change implementation tools are tasks, or work positions, rather than the social structure of an organization and the relations within it. Since an organization is understood as a rational tool for achieving mutual goals, changes in it are primarily realized through changing the formal, planned, 'hard' components: tasks, structures, procedures, policies, strategies, and its relation with the environment. Only the first-order changes can be initialized and conducted through the rational empirical strategy, since the process does not

allow the redefining of the assumptions of reality; these would be part of the second-order changes (Bartunek & Moch, 1987). As a rule, changes do not require very much time, except when the information gathering process is a very complex one.

The power-coercive strategy implies that an organization is observed as a political system, in which those with power also have the right to manage the organization and therefore change it. Man is not a rational but a political being, who submits to the will of the more powerful. Therefore, in the power-coercive strategy, power is the key driver and the tool for change. Those who have power, usually the leader or the top management, plan changes and, by exploiting the power they have, impose these changes on the other members of the organization. The members of the organization are expected to obey and implement the changes unquestioningly. This strategy is based on the assumption that the right to impose a course of collective action in one social community also emerges from power. Thus, the inferior members of a community also expect the superior members to set a course in which changes will be implemented.

Communication is unilateral and directed top-down. It consists of the leader or the management reaching a decision on the solving of a problem, and then communicating to their followers and an organization's members how, when, where, and who will implement the changes which will solve the problem. The only agent of change is the leader or the management of the organization, who have power to implement changes. The participation of the members of an organization in the process of change is very low, and their role is passive and comes down to mere obedience. In this strategy, information has a top-down flow, because the agent of change only informs the organization's members about what they are expected to do, without receiving feedback. For the same reason, change-related activities are unilateral.

The power-coercive strategy can only produce the first-order change, since it does not include changing the assumptions, values, or attitudes of the members of an organization. Of all the strategies, the power-coercive strategy leads to the fastest results, which is its main advantage and the reason why it is relatively often

used. However, its disadvantages are rather numerous; for example, the destruction of motivation and loyalty, very strong resistance to changes, and a lack of understanding of changes leading to their inefficient implementation. This change strategy is focused on relations and the social structure, rather than the work structure and tasks. Since relations of dependence are what this strategy is founded on, it naturally depends on relations between the powerful agent of changes and the inferior members of the organization. Thus, the power-coercive strategy relies on relations and the social, informal, „soft“ component of the organization as a tool for change.

The normative-re-educative strategy is based on the assumption that an organization is a social system in which the behavior of its members is determined by shared assumptions, values, norms, and attitudes. People are, above all, social beings, who – in the process of social interaction – construct an image of reality and set the rules of behavior in the reality. The social construction of reality is the basic mechanism for determining an individual and collective action in each social system, such as an organization. This is why organizational changes are conducted through the construction of a different image of reality, which then implies changes in the assumptions, beliefs, and values of the organization's members, which in turn implies changes in their behavior. Therefore, people are not rational beings who always determine their behavior based on objective information, but rather social beings who derive their behavior from their own beliefs and values. Thus, it is possible to achieve changes in individual and collective actions by changing their values and beliefs rather than by a rational persuasion. Such changes are normative because changing values standardizes a new behavior, and they are re-educative because this process of change is conducted through a form of learning. Values are therefore the basic driver of change in this strategy.

Changes are conducted by changing the assumptions, values, norms, and attitudes shared by the organization's members in the first place, and then by changing their actions and interactions or relations as well. Therefore, it is precisely these relations and social components of the organization that are the basic tools for change in the normative-re-educative

strategy, rather than its „hard“ components, i.e. tasks. In this strategy, changes happen at the level of relations between the organization's members. The normative-re-educative strategy includes the process of reframing, or changing, the socially-constructed image of reality, from which changes of both collective assumptions and values emerge.

This process, however, implies a multilateral action, since the change of a socially-constructed reality evolves through an interaction of all or most of the members of an organization. Of course, the leader of the organization, whose competences allow him/her to impose a certain image of reality on the other members of the organization, often plays a leading role in this process. However, this does not mean the reframing process is unilateral, or that activities related to change are directed top-down. It often happens that the shared assumptions and values of an organization's members change beyond the will and plan of the leader of the organization. Even when they do change due to actions undertaken by the organization's leader, it is necessary for the organization's members to engage in numerous mutual interactions in order for these changes to lead to a new system of collective assumptions and values and thereby to real changes in their organization.

Thus, changes in this strategy are directed both top-down and bottom-up, and the information flow is multilateral. In the normative-re-educative strategy, the agents of change in an organization are both the management and the employees. The organization's members are active participants in change at a high level: hence, resistance to change is relatively low. Changes conducted by the normative-re-educative strategy imply the organization's members' commitment to a new image of reality and a new organization, and is of a higher quality than the previous two strategies which demand an organization's members' acceptance and obedience. The normative-re-educative strategy may initiate and lead to the second-order change, since it implies changing the way in which members of an organization understand the world around them (Bartunek & Moch, 1987). The implementation of this strategy, however, takes longer since changing assumptions, values, norms and attitudes is not a quick process.

Since the classification of the strategies described here emerged, a great number of authors have used it in their analyses of specific organizational changes (Quinn & Sonenshein, 2008). However, a significant number of authors have evaluated R. Chin and K. Benne's classification as an incomplete one. Many authors needed a fourth strategy, which would supplement the previous classification. Thus, F. Nickols (2010) added the environmental-adaptive strategy based on the human ability to adapt to changes in the environment. This strategy consists of abandoning the existing organization, defining a completely new organization through a vision and then through a transfer of people from the existing organization to the new one. M. Miles, A. Thangaraj, W. Dawei and M. Huiqin (2002) have developed the fourth strategy through their research in China, which they added to R. Chin and K. Benne's classification, naming it the relational strategy. This change strategy is based on using people's personal relations in order to force them to implement changes. R. Quinn and S. Sonenshein (2008) also added the fourth strategy and called it the transforming strategy. It consists of transforming some people, who, by setting a personal example, lead then others into a process of change. In his book "Paths of Change", M. McWhinney (1997) differentiated four basic modes of change: analytic, imperative, participant, and emergent. The analytic mode of change is very similar to the change strategy which R. Chin and K. Benne named the rational-empirical strategy; the imperative mode of change is compliant with the power-coercive strategy; and the participant mode of change matches R. Chin and K. Benne's normative-re-educative strategy. The emergent change strategy is new, and implies that changes are „achieved through creating and accepting a new idea“. This strategy is realized by having the members of an organization or society articulate their feelings and ideas, thus making it possible for them to perceive the problem in a new way and find a new solution to the problem.

The fourth strategy we will supplement and balance R. Chin and K. Benne's classification with is similar to M. McWhinney's emergent mode of change. Here, we will call it the creative strategy since it is based on the individual creativity of an organization's members.

The creative strategy is based on the assumption that people are creative beings, and that an organization is a form of improvisation in which all processes, including the process of change, take place as a consequence of the free will, actions, and ideas of its members. Hence, changes are conducted through the process of the articulation of new ideas by a member of the organization, and through the acceptance of these ideas by the rest of the members. The creative strategy is a typical example of what is called an innovative process in a company. Changes occur through an act of individual creativity, through which the problem the organization is being faced with is demonstrated in an entirely new way and creative solutions are found. This is why the process of change is a process of creative improvisation, with ideas and a vision being the basic drivers of change. The members of an organization themselves, as the source and generator of ideas, are the agents of change.

However, the process of communicating these solutions to the other members of an organization is equally important to the individual articulation of new solutions to the problem. Changes will not occur if the process of communication is inefficient and if the other members of the organization reject the innovation. This is why this strategy implies a multilateral action of the agents of change, and the information flow is directed bottom-up. The role of the management in this strategy is merely to create an ambience in which the members of the organization will be free to improvise and articulate new ideas. When this happens, ideas flow bottom-up towards the management who realize these ideas. The creative strategy implies an active role and the highest possible level of participation on the part of the organization's members who creatively react to changes in the change process. This is why resistance to changes is the lowest in this strategy.

Since changes are realized through the articulation of creative solutions to problems, it is clear that this change strategy leads to the second-order changes as well as that performing these changes will be relatively time-consuming. The creative strategy is realized through the articulation of new ideas in order to solve some of the existing problems in the company's functioning and task performance. This is why tasks,

or the organizational work structure, are the primary change tool in this strategy is.

From the description of the four change strategies, it is obvious that, apart from their basic assumptions and drivers of change, they differ from each other according to the two basic criteria: the direction of changes and the basic means (tools) of change. There are two different strategies for the direction which changes are made in: the directive and the participative ones.

The directive strategies are characterized by a unilateral change action and a top-down information flow. This means changes are planned at the top of the organization and then the other members of the organization implement them in the way the top management have planned. The leader or the top management has the key role in directive changes, sometimes helped by external consultants. The members of the organization have a passive role as executives, with little or no participation at all in the process of change. Their reaction to changes is also passive and reflects in their obedience or acceptance. Resistance to change by an organization's members is relatively strong because they do not know the causes and the direction of changes; hence, they face uncertainty regarding the impact of these changes on themselves. Directive changes are relatively fast and efficient, except when prolonged due to such resistance. Nevertheless, these strategies only lead to the first-order changes. The directive strategies of organizational change include the rational-empirical and power-coercive strategies.

The participative change strategies imply that there is a top-down direction of change inclusive of multilateral information flows. Through the application of the participative strategies, changes are realized at multiple points in an organization and flow in multiple directions. Not only managers, but employees themselves, too, are the agents of change. This is why an organization's members' degree of participation in change is high and their role active. Consequently, resistance to change in applying these strategies is relatively low. On the other hand, however, the implementation of the participative change strategies consumes much more time. These strategies lead to

the second-order changes. The normative-re-educative strategy and the creative strategy belong to the set of the participative change strategies.

The second criterion for the organizational change strategy differentiation is the means (tools) of their implementation. Under this criterion, a distinction is made between the strategies in which changes are implemented through the structure and tasks, on the one hand, and those in which changes are implemented through interpersonal relations, on the other. Each organization comprises of both its work or the formal „hard“ component, consisting of the systems and processes, and its social or informal „soft“ component, consisting of the people, their relations and an influence on others. Organizational change strategies differ from each other in the organizational component they use as the primary lever of change: work or the social component. The rational-analytical and the creative strategies differ in the direction of the changes they imply; however, they have in common the fact that changes are conducted through changing the way tasks are performed in in the structure of the organization. In these two strategies, changes in the the way tasks are performed in in the structure of the organization. In these two strategies, changes in the functioning and improvement of the organizational performance are based on redefining the way in which individual tasks and work processes are performed within the organization. On the other hand, the power-coercive and the normative-re-educative strategies, which differ in the direction of changes, have in common that they both use people and their interpersonal relations in order to perform changes. In these two strategies, changes are realized through having an influence on an organization’s members rather than on their tasks or work processes. The only difference between these two strategies is he who executes this influence. In the power-coercive strategy, the leader of the organization is the one to unilaterally influence all the members of the organization, thus realizing changes. In the normative-re-educative strategy, all members of an organization, both individuals and groups, multilaterally influence all other individuals and groups within the organization.

When the two described criteria for the differentiation of the organizational change management strategies intertwine, the following matrix can be constructed (Table 1).

**Table 1** The differentiation of the organizational change strategies

Change direction	Change tool	
	Work structure, tasks	Social structure, relations
Directive changes	Rational-analytical Strategy	Power-coercive Strategy
Participative changes	Creative Strategy	Normative-re-educative Strategy

Source: Author

## THE DIMENSIONS OF NATIONAL CULTURES

In order to deal with national cultures’ influence on the organizational change strategies, the substantial components of national cultures that distinguish one from another must be identified. Those components are the dimensions of national cultures, usually subject to research by the authors in the field of cross-cultural management. The dimensions of a national culture form the basic assumptions and values constituting a culture’s substance, define its specific nature and distinguish it from other cultures. The framework for studying and understanding the dimensions of national cultures as well as their first classification is provided by F. Kluckhohn and F. Strodtbeck (1961). As they noted, the basic assumptions and values comprising the dimensions of national cultures are, de facto, answers to fundamental questions every society faces. There are, in fact, a limited number of basic issues every community has to resolve if it strives to endure and function as a social group. For example, every

social group must resolve the issues of power and status in terms of their distribution within the group in a certain way. Moreover, every social group must solve the issue of the individual-collective relation. Those are the fundamental issues relevant for every social group in any given period, without whose resolving the group can survive as a community. In other words, all societies in the world are, at one time or another, faced with a limited set of similar or identical questions and issues to resolve. On the other hand, the number of the existing solutions to the said issues is also limited. The problem of the distribution of power can, for example, be solved through one of the two basic modes: the hierarchical and the egalitarian ones. While the former model implies an uneven distribution of power within a society, the latter implies a balanced one. The question of an individual-collective relation is also answered through one of the two fundamental modes: individualism and collectivism. The former implies the predominance of individual interests over the collective ones, whereas the latter implies the opposite. All the alternative solutions to fundamental problems are always present in every society. However, all societies prefer some alternatives over others during certain periods; i.e. advantage is sometimes given to some alternatives over others. The preferred variants of solving the fundamental questions societies face develop into the dimensions of their national cultures. These dimensions create their national cultures and figure as a *differentia specifica* in relation to other societies.

Several authors have identified the fundamental dimensions of national cultures (Hall & Hall, 1990; Schwartz, 1992; Trompenaars, 1994; Javidan, Dorfman, de Luque & House, 2006). The most prominent among them were defined in G. Hofstede's famous research: power distance, uncertainty avoidance, individualism-collectivism, masculinity-femininity (Hofstede, 1980; 2001). These are the ones usually used when the effects of national culture on management are researched, possibly because G. Hofstede had them quantified. From their description, it can clearly be seen that their essence lies in solving the fundamental questions of the society. G. Hofstede identified and described four fundamental dimensions, according to which national cultures worldwide can be differentiated.

These dimensions are bipolar; therefore, every national culture can be positioned within a continuum between the two extremes of a dimension. Owing to this methodology, G. Hofstede was able to quantify the position of every national culture within each dimension. Every national culture is given an index regarding its position within each cultural dimension.

The dimensions of national culture constitute the basic values and assumptions shared by the members of a national community about the vital problems every society faces. A society resolves the questions of authority and social inequality by accepting a premise about power distance. The question of the individual-community relation is resolved in locating a national culture at a specific position on a continuum between the two extremes: individualism-collectivism. The social implications of *male* and *female* find its reflection in the dimension of national culture called masculinity-femininity. Hence, in this dimension, every national culture assumes a position as a culture of either masculine- or feminine-predominant values. Finally, the manner in which a society reacts to uncertainties, changes, differences and conflicts is formulated as the level of its uncertainty avoidance, as a dimension of national culture.

Power distance indicates the level at which a society accepts the fact that power found in institutions and organizations is unequally distributed (Hofstede, 2001). In other words, power distance outlines the level at which the members of a society consider the uneven distribution of power as a common and expected fact; so, in that society, it is consequently possible for very powerful groups and individuals to coexist with individuals who have no power whatsoever. Power distance reveals the manner in which a society has solved the problem of the distribution of power and prestige, varying between egalitarianism (small power distance) and high level of authoritarianism (large power distance). Power distance reveals not only the position of those in power but also the one of those forced to obedience. High power distance indicates that the unequal distribution of power in a society and its organizations is considered to be normal and natural, as something that should not or could not be changed, in both groups. The unequal distribution

of power in a society is considered to be the only possible and natural state of affairs and a prerequisite for a functional society and its organizations. The authoritarian mindset prevails in high power distance societies, so their level of authoritarianism is notably high.

Uncertainty avoidance indicates the level of the endangerment felt by the members of a society in uncertain, unclear and variable conditions. Uncertainty avoidance signifies the manner in which a society deals with the fundamental issues of changes, uncertainty and the unknown. Two extreme answers can be given. Some societies treat changes, uncertainty and the unknown as a threat, and avoid these conditions whenever possible. Other societies embrace changes, uncertainties and the unknown as an opportunity.

Individualism–collectivism answers the fundamental question every society must deal with: the individual–collective relation. The crucial difference between individualism and collectivism concerns the placing of responsibility for one's own destiny. Individualism considers every individual to be responsible for themselves and their families. Conversely, collectivism – in a family, an organization and a society in general alike – considers the collective responsible for its every single individual. In collectivism, individuals believe they have the right to expect the collective to take care of them. In return, they owe complete loyalty to the collective and its leader. In individualism, an individual assumes him- or herself responsible for his/her own destiny, and does not see the collective as obliged to him.

The masculinity–femininity dimension of national culture reveals a society's attitude towards doing and being. Cultures with the prevailing masculinity value action, the accomplishment of tasks, results, determination and aggressiveness. Since these values are often perceived as „masculine“, the cultures in which they dominate are called masculine national cultures. These are the „doing cultures“ in which someone's value is measured by his/her ability to earn money and his/her material prosperity. Caring for others is not this culture's priority. Feminine national

cultures are those comprised of prevailing values such as relationships, the quality of life, balance and harmony. Since these values are often perceived as „feminine“, cultures which they dominate in are called feminine national cultures. These cultures prefer harmonious relations and connections with the natural and social environment.

Two of the four dimensions of national culture identified by G. Hofstede are particularly important for an analysis of the impact of national culture on the choice of a strategy of organizational change. These are the power distance and the masculinity–femininity dimensions. Because these two dimensions of national culture have two extremes, four types of national cultures are possible to identify. These types of national cultures differ in terms of their assumptions regarding power distribution and a suitable frame of collective actions. The power distance dimension of national culture divides national cultures according to the notion of the useful, efficient or desirable distribution of power in a community and organizations within it. High power distance implies an assumption that the unequal or hierarchical distribution of power in a community and organizations within it is good, efficient and useful. Low power distance implies an assumption that the equal or egalitarian distribution of power in a community and organizations within it is desirable.

On the other hand, the masculinity–femininity dimensions of national cultures divide national cultures according to the notion of suitable or efficient frame of collective action in a community and organizations within it. Masculine cultures contain an assumption that collective actions in a social community and organizations within it will be the most efficient if they are undertaken within the frame of the work structure or tasks. Feminine cultures contain the assumption that the social structure and human relations are the most efficient frame of undertaking collective actions in a community and organizations within it. The differentiation of the four types of national cultures that have an impact on the choice of an organizational change strategy can be seen in the following matrix (Table 2).

**Table 2** The differentiation of the national culture types

Assumptions about power distribution	Assumptions about the frame of collective actions	
	Work structure, tasks	Social structure, relations
Hierarchical distribution of power	High power distance Masculinity	High power distance Femininity
Egalitarian distribution of power	Low power distance Masculinity	Low power distance Femininity

Source: Author

## CAUSAL RELATIONSHIPS BETWEEN THE DIMENSIONS OF NATIONAL CULTURE AND ORGANIZATIONAL CHANGE STRATEGIES

The presented classification of national cultures and organizational change strategies shows a high degree of correspondence between the criteria used to differentiate them. The assumptions regarding a suitable distribution of power in a social community, by which national cultures are differentiated, are obviously connected with the direction of changes which differentiate change strategies. Also, the assumptions regarding a suitable frame of collective actions in an organization, by which organizational cultures are differentiated, are obviously connected with the means of change which differentiate change strategies. This enables us to establish hypotheses about the causal relationships between certain national culture types and certain change strategies.

In authoritarian or hierarchical cultures, with high power distance, in which the assumption about an unequal distribution of power prevails, the preferred and efficient strategies of organizational changes are directive strategies or strategies directed top-down. These strategies are exactly the rational-empirical and power-coercive change strategies. Since all the members of an organization consider an unequal distribution of power to be a natural order, their views on a suitable way of managing change will assume a

different role for the management and employees in the change process. In such cultures, the leader and his/her associates will always be expected to articulate and plan changes, which others in the organization will merely implement. Therefore, the only agent of change is the leader; change activities are unilateral top-down; and the members of the organization have a passive role in the change process. Thus, the following hypothesis can be established:

H1 : National cultures with high power distance favor the implementation of the rational-empirical and power-coercive change strategies.

By contrast, in low power distance cultures, or egalitarian cultures, which assume a need for a more equal distribution of power, the desirable and efficient change strategies are the participative ones, i.e. change strategies directed bottom-up. These are precisely the normative-re-educative and the creative change strategies. In these cultures, an organization's members expect to play an active role in both everyday functioning and changes. The leader and the management are expected to provide resources for changes and space for the participation and active role of all the members of the organization. In such cultures, the agents of change are not just at the top of but throughout the organization as well, and change activities are multilateral. Therefore, the following hypothesis can be established:

H2 : National cultures with low power distance favor the implementation of the normative-re-educative and the creative change strategies.

In cultures that primarily accomplish their problem solving and achievement of goals through the work structure or tasks, the desirable and efficient change management strategies will be based on the work structure and tasks as the fundamental change tools. Since these cultures assume the work structure and tasks are where the fundamental managerial tool for organizational functioning is, it is only natural to expect that work tasks are the fundamental tool for leading change as well. Change strategies based on the work structure and tasks as the primary change tool are the rational-empirical and the creative change

strategies. Therefore, the following hypothesis can be established:

H3 : National cultures with masculine values favor the implementation of the rational-empirical and the creative change strategies.

In contrast, in cultures where problem solving and the achievement of organizational goals is primarily accomplished through the social structure and relations, the desirable and efficient change strategies are those in which the primary tool for change is precisely this social structure and these relations. Since these cultures assume that social structures and interpersonal relations are the fundamental managerial tool of an organization's management, it is only natural to expect that the social structure and relations are the primary tools for change management. Change strategies based on the social structure and relations as the primary change tool are the normative-re-educative and the power-coercive change strategies. Therefore, the following hypothesis can be established:

H4 : National cultures with feminine values favor the implementation of the normative-re-educative and the power-coercive change strategies.

Based on the compliance of the basic criteria for the differentiation of national cultures and change management strategies, the following matrix, from which the hypotheses about direct causal relations between certain types of national cultures emerge and about suitable change management strategies in these cultures can be constructed (Table 3).

The national cultures combining high power distance with masculine values favor an organizational change strategy including directive, top-down changes primarily within the work or task structure of the organization. This is why the following hypothesis can be established:

H5 : National cultures with high power distance and masculinity favor the implementation of the rational-empirical strategy for organizational change.

The national cultures combining high power distance with feminine values favor an organizational change

**Table 3** Matching organizational change strategies and national culture types

Assumptions about power distribution / direction of change	Assumptions about the form of collective action / a change tool	
	Masculine values Work structure, tasks	Feminine values Social structure, relations
High power distance	High power distance, masculine values	High power distance, feminine values
Directive changes	Rational-empirical Change Strategy	Power-coercive Change Strategy
Low power distance	Low power distance, masculine values	Low power distance, feminine values
Participative changes	Creative Change Strategy	Normative-re-educative Change Strategy

Source: Author

strategy including directive, top-down changes primarily within the social or relation structure of the organization. This is why the following hypothesis can be established:

H6 : National cultures with high power distance and femininity favor the implementation of the power-coercive strategy for organizational change.

The national cultures combining low power distance with masculine values favor the organizational change strategy including participative, bottom-up changes, primarily within the work or task structure of the organization. This is why the following hypothesis can be established:

H7 : National cultures with low power distance and masculinity favor the implementation of the creative strategy for organizational change.

The national cultures combining low power distance with feminine values favor an organizational change strategy including participative, bottom-up changes, primarily within the social or relation structure of the

organization. This is why the following hypothesis can be established:

H8 : National cultures with low power distance and femininity favor the implementation of the normative-re-educative strategy for organizational change.

## CONCLUSION

National culture, through its assumptions and values, determines the way in which the members of the organizations of that culture interpret the reality surrounding them as well as the way they behave in that reality. For this reason, we assume that national culture has an impact on the way in which an organization changes, and that the matching of national culture and a change strategy will improve the efficiency of the change process. The four types of national culture have been identified on the basis of two cultural dimensions: power distance and masculinity–femininity. On the other hand, the four organizational change strategies have also been identified: coercive, normative-re-educative, rational-empirical and creative strategy. The identified dimensions of national culture and the identified organizational change strategies differ from one another according to the same criteria: the distribution of power and the frame of collective action. Based on this fact, we have been able to establish the eight hypotheses about the causal relationship between certain types of national cultures and certain organizational change strategies.

This paper has several significant theoretical implications. The most important theoretical implication is the usefulness of further research into relations between national culture and organizational change strategies. The paper has shown that there is a theoretical basis for the assumption that national culture is one of the factors in the selection of organizational change management strategies. It is now necessary to empirically test this assumption by testing the hypotheses generated in this paper. This paper also implies the need to expand research into the impact of national culture on the other aspects of organizational change. It is necessary to explore

whether national culture has an impact on the character of the change process or not, and if so – to what extent; i.e. whether changes will be continuous or discontinuous, partial or comprehensive, evolutionary or revolutionary, developmental or adaptive. It is also necessary to explore if and how culture has an impact on the efficiency of the change process and its success.

This paper has significant limitations as well. The first and foremost limitation lies in the very nature of this paper, which is explorative and theoretical. The paper has resulted in the hypotheses regarding the relations between national culture and the strategy which are yet to be empirically proven. Without being empirically tested, the findings of this paper are not entirely valid. The paper is also limited to investigating national culture's impact on just one aspect of organizational change management – a change management strategy. It does not examine the impact of culture on the other aspects of organizational change that would complete the picture. Finally, the limitation of this paper is exclusive reliance on just one classification of organizational change strategies and the two dimensions of national culture derived from the only one classification of national culture's dimensions. Given the abundance of the classifications of both organizational change and national culture's dimensions, it is possible that different results would have been obtained had those other classifications been used.

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