

Using Strategy Vector Model for the Comparisomal Analysis of German and Turkish Culture

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Abstract. Culture is accepted as a major parameter in the development of organizational structures and organizational strategies. Thus, culture explains both the variance and similarities in the organizations in different countries. Strategy Vector model is a conceptual model developed by Livvarçin [1] initially for the assessment of organizations. Based on Strategy Vector Model, culture differences and similarities can be represented by the Cultural Vector Model.

1. Introduction

Strategy Vector Model (SVM) developed by Livvarcin [1] proposes a new conceptual model for the evaluation of organizational strategies and for the diagnosis of strategy problems in organizations. SVM introduces a holistic approach for the strategic management of all kinds of organizations. Livvarcin has proved the usage of Strategy Vector Model by the measurement of strategic vectors through empirical analysis.

The new developed SVM gives the possibility to set the strategy directions and strategy magnitude of an organizational strategy. SVM is composed on four margins. In two dimensional cartesian coordinate systems two “x” axis are defined as *erratic* and *adaptive*, two “y” axis are defined as “*innovative*” and “*conservative*”.

Strategy Vector Model is based on a vectorial concept. SVM uses vectors for the expression of strategies that are represented by an arrow. The direction of the arrow defines the direction of the vector, and the length of the arrow defines the vector's magnitude.

Instead of strategic management this study emphasizes the culture and the directions and magnitudes without concentration on strategic problems. The purpose of this paper is to show the multifunctional usage of the Strategy Vector Model.

The aim of this research is to use the developed Strategy Vector Model for the comparison of different cultures, based on defined four strategy directions by Livvarcin. Strategy directions are used in this research for determining cultural dimensions. These allow to compare cultural differences of nations or organizations.

The global business is influenced by national cultures and by organizational cultures. Katz underlines that a few published results suggest that while there is a strong correlation between

national and organizational culture, organizational cultures are also shaped by many other influences [2]. The core values of an organization begins with its leadership. Leaders have to appreciate their function in maintaining an organization's culture. Leadership styles, organizational culture, and national culture influence the cultural dimensions and the level of cultural magnitudes.

This research aims to contribute for the future implementation of a new tool for the comparison of cultures based on Strategy Vector Model. The new adapted Vector Model is named as Cultural Vector Model (CVM). The strategy directions of SVM are named in CVM as cultural directions, the strategy magnitude of SVM as cultural magnitude.

The literature researches on culture and observations of the author based on many years in Germany and Turkey allow characterizing cultural dimensions and cultural magnitude of two countries for the usage of CVM.

An empirical analysis in the future will make possible to measure cultural directions and cultural magnitude with Cultural Vector Model. Cultural Vector Model based on Strategy Vector Model can set and compare the cultural directions and the level of cultural magnitudes with cultural vectors.

2. Strategy Vector Model

Strategy Vector Model developed by Livvarcin proposes a new empirical and holistic approach for understanding organizational strategies in organizations. SVM is proposed as a tool for the measurement of actual organizational strategy which may also be used for the evaluation of strategic performance and for the determination of strategy related problems.

SVM is a tool for the measurement of organizational *strategy direction* and *strategy magnitude* and for the expression of organizational strategy. The model uses the vectorial concept. It presumes that each member of the organization has its own *strategy vector* which includes strategy direction and strategy magnitude. Strategy direction and magnitude of individuals constitute the vectors. The overall *strategy direction* and magnitude or the resultant vector of the organization is the vectorial sum of those vectors.

Strategy performance which is derived from *strategy deviation* and *strategy deficiency* can also be evaluated with this model. Strategy deviation refers to the directional deviation from the intended strategy direction. Similarly, strategy deficiency refers to the difference between the intended and measured strategy magnitudes.

Another tool that is provided by SVM is called *strategy mapping*. Strategy mapping is basically a kind of projection where individual strategy vectors are placed on the formal organizational chart. This tool gives the possibility to easily observe the *strategy status* of the organization and to identify the *strategy anomalies* as strategy problems.

This study concentrates only on dimensions and magnitudes. SVM interprets organizational strategy as a vector in a 2D circular coordinate system where azimuth refers to *strategy direction* and radius refers to *strategy magnitude*.

Four cardinal strategy directions (innovative, conservative, adaptive, and erratic) and five levels of strategy magnitude are employed in the model for expressing both individual and organizational *strategy vectors*.

SVM proposes four *Cardinal Strategy Directions* as shown in Figure 1.

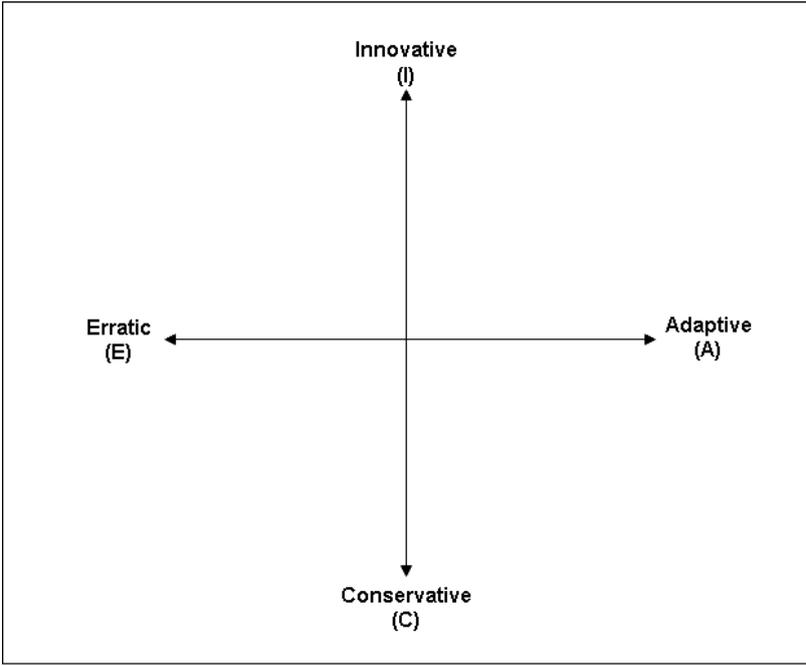


Fig. 1. Cardinal Strategy Directions

Figure 2 shows the *Intercardinal Strategy Directions* which are between each of the four cardinal strategy directions.

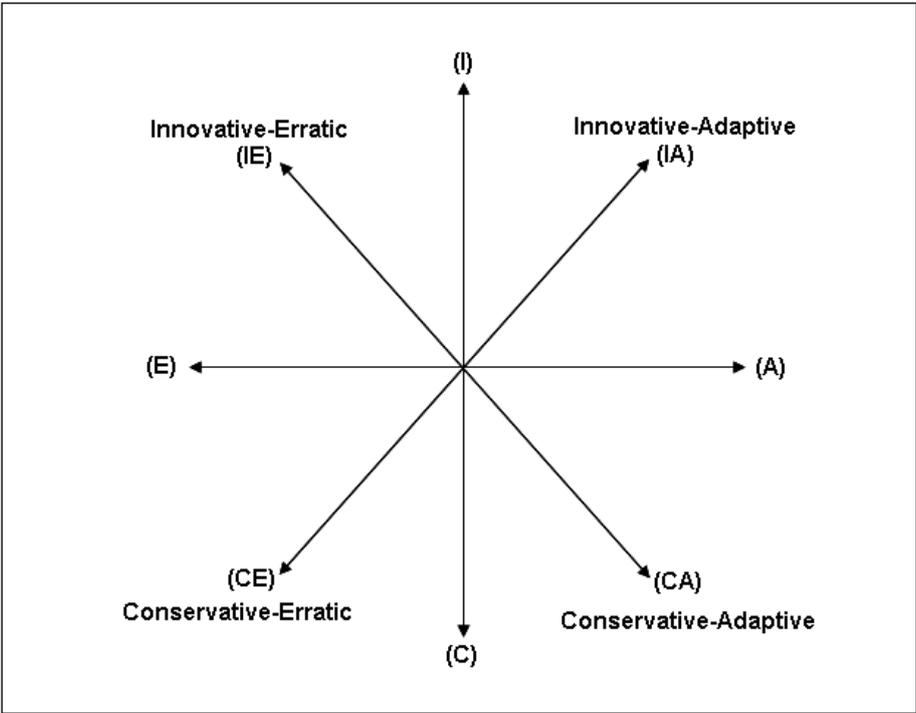


Fig. 2. Intercardinal Strategy Directions

Strategy magnitude expresses as a parameter the overall capability to influence the organizational strategy. SVM proposes five levels of strength where 5 is the strongest and 1 is the weakest. Figure 3 shows the levels of strategy magnitude as well as the overall schematic display of SVM.

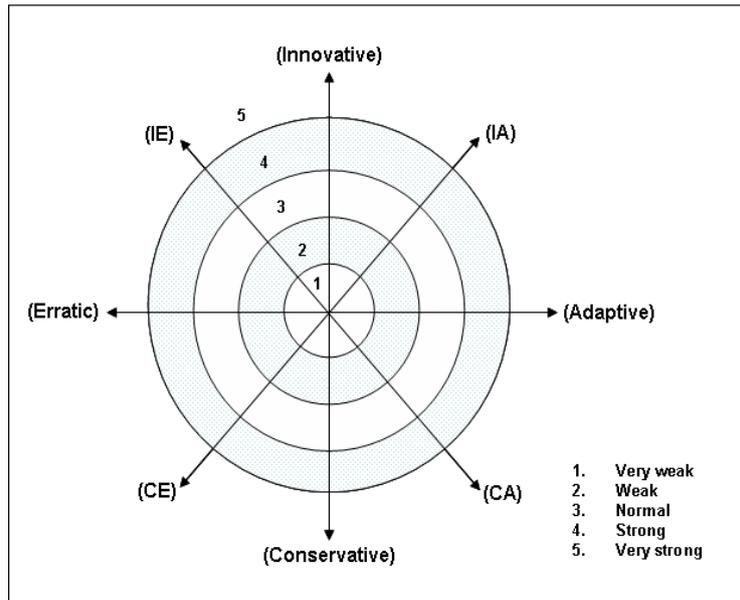


Fig. 3 Strategy Magnitude Levels and Schematic Display of SVM

SVM uses the vectorial concept for individual and organizational strategies. The direction of the arrow that represents the vector defines the direction of the vector, and the length of the arrow defines the vector's magnitude.

SVM uses Circular Coordination System for the graphical display of individual and organizational vectors. R and Θ represent the strategy magnitude and the strategy direction of a vector. Radius (R) coordinate is the length of the vector and Angle (Θ) coordinate is the angle from a fixed line (which is usually the positive part of X axis). In Figure 4 A vector is displayed in Circular Coordination System.

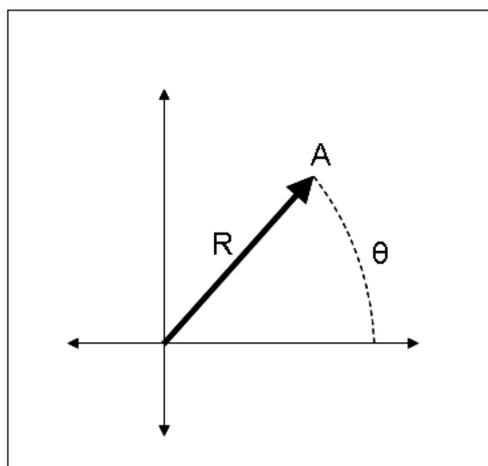


Fig. 4. Projection of Vector "A" in Circular Coordination System

In two dimensional cartesian coordinate systems (also called as rectangular coordinate systems), two axes are defined. The horizontal axis is generally labeled as "x", and the vertical axis as "y".

Strategy Vector Model includes four strategy directions with the margins of "x" axis: *adaptive* and *erratic*, and with the margins of "y" axis: *innovative* and *conservative*. Livvarcin's definitions for the directions are based on Merriam-Webster (2007). Adaptive is "*showing or having a capacity for or*

tendency toward adjustment to environmental conditions.” Livvarcin asserts that the level of consciousness is high for adaptive individuals (or organizations). On the contrary, erratic individuals (or organizations) are “characterized by lack of consistency, regularity, or uniformity” due to the low consciousness level.

Strategy Vector Model introduces “y” axis as the dimension where the willingness level of individuals (or organizations) on innovations. The margins are *innovative* and *conservative*. Innovative individuals (or organizations) are characterized by being productive of new things or new ideas. Conservatives favor traditional views or values and tend to oppose change or innovations.

3. Assessment of German and Turkish Culture in Cultural Vector Model

Hofstede’s [3] study on how the work place values were affected from culture and the Global Leadership and Organizational Behavior Effectiveness (GLOBE) [4] Research Program gives a comprehensive description of how cultures are different or similar from one another.

Hofstede defines culture as “the collective mental programming of the people in an environment” [5]

Hofstede explores German and Turkish national culture through the lens of the 5-D Model. Hofstede delineated five cultural dimensions: power distance (PDI), individualism (IDV), masculinity/femininity (MAS), uncertainty avoidance (UAI) and long-term orientation. According Hofstede the deep drivers of German and Turkish culture differ (Figure 5).

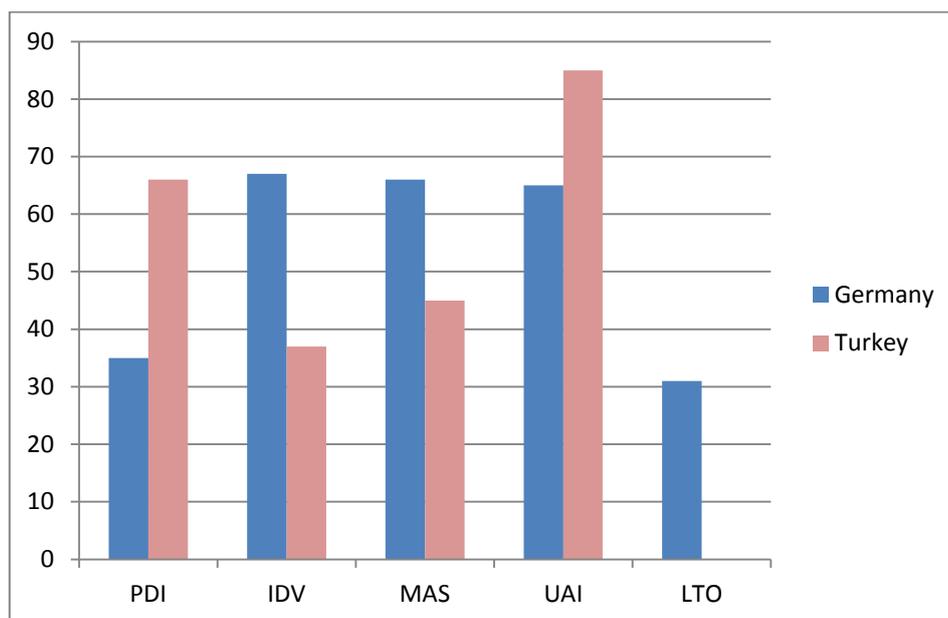


Fig. 5. Cultural Dimensions of Germany and Turkey by Hofstede

GLOBE provides the most extensive research on culture and leadership. GLOBE differences between nine cultural dimensions that build on findings by Hofstede (1980), Schwartz (1994), Smith (1995), Inglehart (1997), and others. GLOBE’s major premise is that leader effectiveness is contextual, it is embedded in the societal and organizational norms, values, and beliefs of the people being led.

According the culture clusters in the GLOBE study Germany is in Germanic Europe cluster, and Turkey in the Middle East cluster. According GLOBE’s country clusters Germanic and Middle East clusters are apart. This means that Germany and Turkey show cultural differences.

GLOBE defines leadership as “an outstanding leader is a person in an organization or industry who is exceptionally skilled at motivating, influencing, or enabling you others, or groups to contribute to the success of the organization or task.” [6]

Six leader styles according GLOBE and the scores are as follows (Table 1). Scores between 1 and 3.5 defines a leader style as inhibiting outstanding leadership. Scores between 3.5. and 4.5 indicate that a style doesn't much matter for outstanding leadership. Scores from 4.5 to 7 indicate that a leadership style contributes to outstanding leadership:

Table 1. Scores of Leadership Styles of German and Turkish Culture – GLOBE Study

	Charismatic	Team Oriented	Self-Protective	Participative	Humane-Oriented	Autonomous
Germany	5.84	5.49	2.97	5.88	4.44	4.30
Turkey	5.96	6.01	3.58	5.09	4.90	3.83

Hofstede and GLOBE and other researches on culture represent the typical cultural differences of Germany and Turkey. An overview of the German and Turkish cultural dimensions match with dimensions that developed and developing countries characterize. Wasti [5] has differentiated the dimensions of developed and developing countries under the subjects:

Characterization of economic and political environment, socio-cultural features, and characterization of professional life.

The following table gives an overview of German and Turkish cultural differences:

Table 2 German and Turkish Cultural Differences

German Culture	Turkish Culture
Uncertainty avoidance relatively low	Uncertainty avoidance relatively high
Individualistic	Collectivistic
Power distance relatively low	Power Distance relatively high
Relatively high result/success oriented	Relatively high relationship oriented
Locus of control internal	Locus of control external
Time perspective future oriented	Time perspective past and present oriented
Time units for action long-term	Time units for action short-term
Task orientation proactive	Task orientation passive/reactive
Success orientation pragmatic	Success orientation moralism
People orientation collegial/participative	People orientation authoritative/paternalistic
Masculine	Feminine
Compassion relatively low	Compassion relatively high
Team orientation relatively low	Team orientation relatively high

Cameron and Quinn have identified four basic organizational culture (Figure 6).

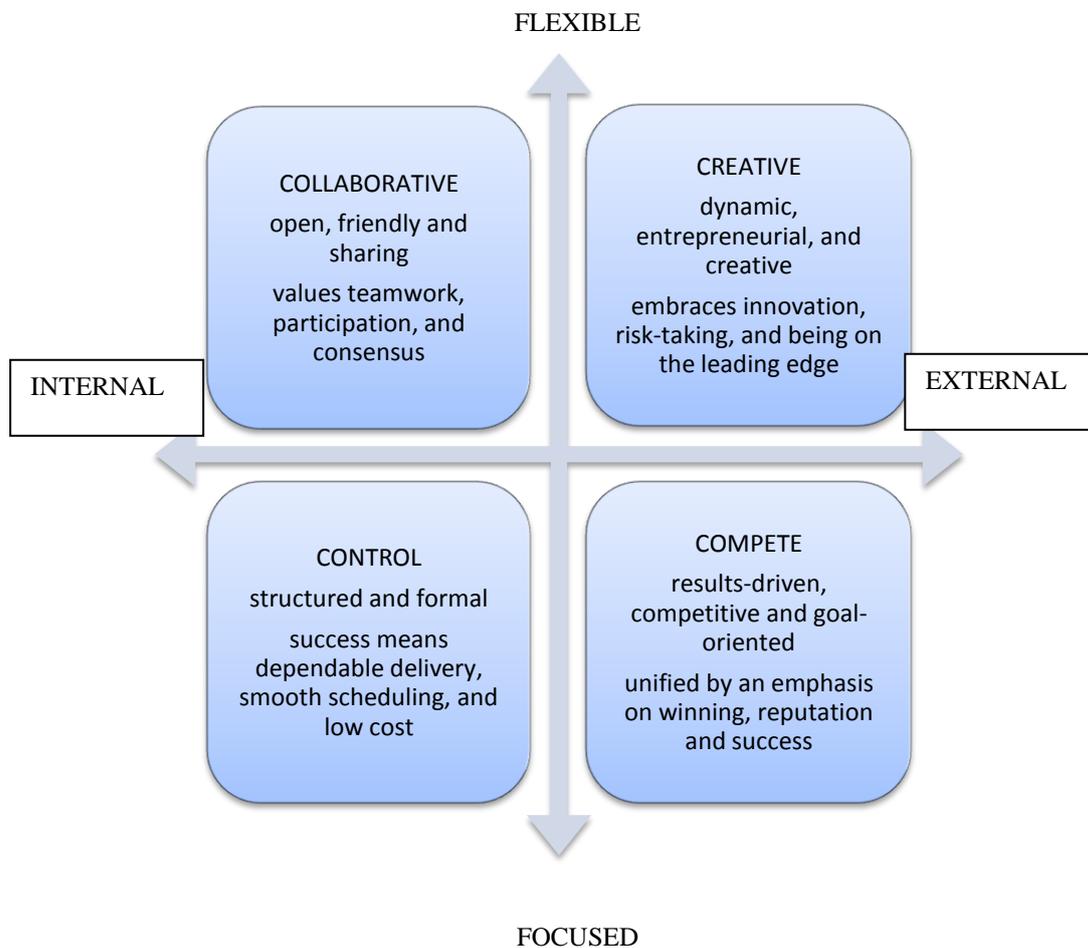


Fig. 6. Types of Organizational Culture by Kim Cameron and Robert Quinn [6]

It is possible to point out German and Turkish culture according the scheme of Cameron and Quinn by matching various culture studies. The innovation rank of Germany and Turkey according the Global Innovation Index (2013) supports the definition of the innovative culture of the countries. According the Global Innovation Index Germany is on the 15th rank, Turkey is on the 68th rank among 142 countries [7]. It is expected that in the near future the innovation rate in Turkey will increase with the support of the national Technology Foresight Program which was carried out under the name of Vision 2023.

All these cultural dimensions characterize the cultural differences. The Cultural Vector Model would support the comparison of national or organizational cultures.

Strategy Vector Model includes four strategy directions with the margins of “x” axis: *adaptive* and *erratic* and with the “y” axis *innovative* and *conservative*. According the literature research on German and Turkish culture the representation of the cultural directions and cultural magnitudes with the strengths could be like in the figure 7. An empirical research will evaluate cultural vectors like in the research of Livvarcin,

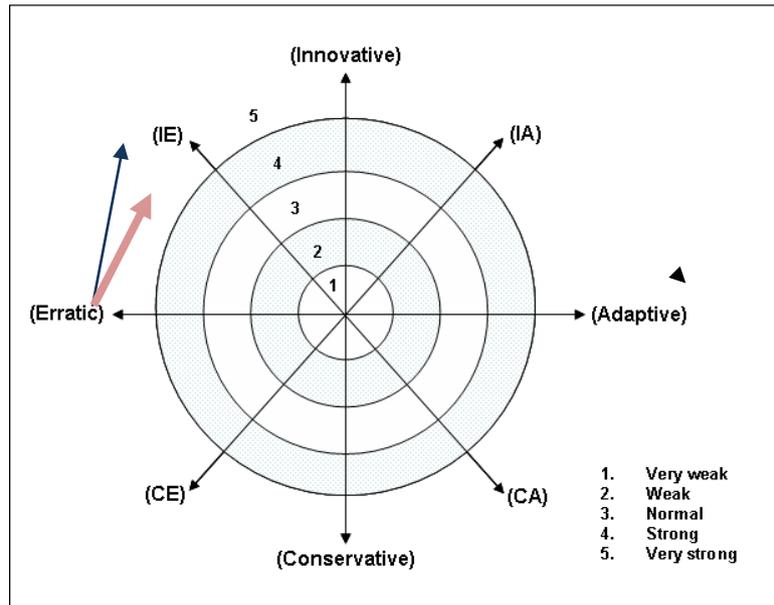


Fig. 7 Cultural Directions and Cultural Magnitude According Cultural Vector Model

Turkey → Germany →

4. Conclusions

Globalization has different impacts on business. It increases the importance of adaptation to national and organizational cultures but also the diversity management of strategic human resources management in organizations. One of the subjects of diversity management is culture.

Livvarcin has proposed and empirically proved a new tool for strategic management: Strategy Vector Model (SVM). This new conceptual model is developed for the evaluation of organizational strategies and for the diagnosis of strategy problems in organizations.

The purpose of this paper is to apply SVM for the comparison of cultures with evaluation of vectors.

The new developed SVM gives the possibility to set the strategy directions and strategy magnitudes of an organizational strategy. The aim of this paper is to propose the strategy directions and strategy magnitudes as cultural directions and cultural magnitudes.

SVM is composed on four margins. In two dimensional cartesian coordinate systems two “x” axis are defined as *erratic* and *adaptive*, two “y” axis are defined as “*innovative*” and “*conservative*”. These dimensions can used flexible, they can be defined with new cultural dimensions. In this paper the four dimensions innovative/conservative and erratic/adaptive are considered.

This paper underline the new and proved Strategy Vector Model as a useful conceptual model for the evaluation and comparison of culture differences or similarities. Based on the vectorial concept of SVM, the name Culture Vector Model is proposed for the determination of cultural dimensions and cultural magnitudes.

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