

Attitudes to risk across countries

Below are the majority of answers and references in response to the e-mail Anne-Wil Harzing sent out. I have tried not to repeat references e.g. Hofstede – who came up a number of times. Again I would like to thank everyone – if the research gets funded then hopefully I can share some of my findings with you!

*Dr Zoe Radnor
Bradford Management Centre, UK*

- Tse, D.K. Does culture matter? A Cross-cultural Study over Executives Choice, Decisiveness and Risk Adjustment in International Marketing, *Journal of Marketing*, 52, 4, 1988, 81-95.
- Harzing, A.W.K.; Hofstede, G. 1996 "Planned change in organizations: the influence of national culture", in: Bamberger, P.A., Erez, M.; Bacharach, S.B., *Research in the Sociology of Organizations: Cross-Cultural Analysis of Organisations*, Greenwich: JAI Press, pp. 297-340.
- Hofstede (1991): *Cultures and Organizations: Software of the Mind*, London: McGraw Hill
- Monir Tayeb (1988) published by Sage, entitled "Organizations and National Culture: A Comparative Analysis" where she operationalizes Hofstede's Uncertainty avoidance dimension, which has implications for risk taking. She compares England with India.
- Terpstra, R.H., Ralston, D.A. & Bazan, S. 1993. Cultural influences on the risk taking propensity of United States and Hong Kong managers. *International Journal of Management*, 10, 183-193.
- I worked as a research assistant for profs William Stanbury and Kenneth MacCrimmon, both at the Faculty of Commerce at UBC (Brit. Col). Both collaborated on such studies and published articles and books on it (for which I don't have references). You could check their homepages at UBC or ask them directly.
Dr. Hermann F. Schwind
Professor Emeritus
Human Resource Management
Faculty of Commerce
Saint Mary's University
Halifax, Canada
B3H 3C3
Tel: 902-420-5775
Fax: 902-420-5119
e-mail: hermann.schwind@stmarys.ca
Homepage: <http://www.stmarys.ca/academic/commerce/emba/hschwind.htm>
- Harnett & (Larry L.) Cummings published a book in about the early 80's where, if I recall correctly, one of their main areas of focus was people's propensity toward risk something like 8 or 12 countries. I forget the exact date or title of the book.

- Dichtl, Leibold, Koglmayr, and Muller (1984) The Export Decision of Small and Medium Sized Firms: A Review. *Management International Review*. v26 n2. pp.49-60.
- Dichtl, Leibold, Koglmayr, and Muller (1984b). The Foreign Orientation of Management as a Central Construct in Export-Centered Decision-Making Processes. Hampton, G. M and Van Gent, A (eds.). *Marketing Aspects of International Business*. Boston: Kluwer-Nijhoff Publishing.
- Dichtl, Koglmayr, and Muller (1990). International Orientation as a Precondition for Export Success. *Journal of International Business Studies*, First Quarter 1990.
- Hofstede's 'Uncertainty avoidance' was supposedly all about risk avoidance. However you need to go back to the three questions that he pulled from the IBM organisational satisfaction survey in 1969 to measure it:
 - Company rules should not be broken....
 - How long do you think you will continue working for this company and
 - How often do you feel nervous or tense at work!!
 not exactly impressive!! However if you get the 1980 abridged version of his book 'Culture's consequences' published by Sage, he does compare his results to other available data at the time and that gives you some insight into how other people have thought of measuring it. Also remember that everyone who answered Hofstede's questionnaire were employees at IBM, hardly a cross cultural body of risk takers and entrepreneurs!
- Papers of Hofstede with Michael Harris Bond (look at cultures and organisations (Hofstede McGraw 1991) to look at including the Chinese side of things and the long term/short term view of life that probably underlies our perceptions of risk. The Japanese and Chinese may come across as risk averse in business because they are looking at the long term perspective rather than the short term as in the US, not because they are afraid to take risks per se. However the Chinese norms of respect for money and thriftiness clearly avoid financial risk. See Gordon Reddings book on ' The spirit of Chinese Capitalism' (de Gruyter 1990) On the overseas Chinese, is excellent on relationship rules (filial piety, collectivism and face, limited and bounded trust, the work ethic, money, frugality and pragmatism, network and family). He introduces concepts such as limited and bounded trust which also act as mechanisms to control risk.
- Fons Trompenaars work (Riding the waves of culture") covers rules versus relationships and if you would lie to the police to protect your friend, which in a way could be seen as another aspect of respecting the rules to avoid uncertainty or not. Also in Trompenaars... specific versus diffuse on the extent that you need to know about the whole person before doing business with them or not... how long it takes to build up trust. See Fukuyama's book of that title (Penguin 1995) on low and high trust societies and the relationship to prosperity. There is probably a lot in the seven cultures of capitalism with Charles Hampden Turner, but they did not make an index!
- Then there is lots of older stuff done on conformity e.g. Meade R, conformity and anticonformity among Americans and Chinese 1973 in *Journal of Social Psychology*, vol 89 Pp 15 - 24 . Have look at the infamous Milgram in 'Nationality and conformity ' *Scientific American* December 1961 pp 45 -51. There is probably some more up to date stuff, although few people seem to do that kind of experimentation any more.

Look in:

- The Journal of Cross Cultural Psychology
 - Journal of International Business Studies
 - California Management review
 - Journal of Social Psychology
 - Psychological Review
 - International Journal of Psychology
 - Handbooks of Cross Cultural Psychology edited by Harry Triandis
 - Handbooks of Industrial and Organizational Psychology ed Harry Triandis
 - International Journal of Intercultural Relations
 - International Studies of Management and Organizations
 - Management International Review.
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- Ainamo, A. & Pantzar, M. (2000,): "Design for the Information Society: What Can We Learn from the Nokia Experience". The Design Journal, (Gower), pp. 15-26
Ainamo, A. & Pantzar, M. (2000, forthcoming): "Design for the Information Society: Learning from the Nokia Experience". The Design Journal.
 - Djelic, M-L. & Ainamo, A. (1999): "The Coevolution of New Organization Forms in the Fashion Industry: A Historical and and Comparative Study of France, Italy and the United States." Organization Science, Vol. 10, No.5, September-October, 622-637
 - Ainamo, A. (1998): "Armi Ratia, founder of Marimekko Ltd". In: National Biography. Edited by Aulikki Litzen. The Finnish Historical Society. <http://www.histseura.fi/biograf> [Also in Marjomaa, U. (2000): 100 Faces from Finland: A Biographical Kaleidoscope. Finnish Literature Society. Helsinki, pp. 382-287]
 - Ainamo, A. & Cardwell, W. (1998): "After Privatisation: Economic Development, Social Transformation and Corporate Governance in the Baltic States". Journal of Eastern European Management Studies, Special Issue on Mergers and Acquisitions. Volume 3, Number 2, 134-163.
 - Fynes, B. & Ainamo, A. (1998): "Organisational Learning and Lean Supply Relationships: The Case of Apple Ireland and Its Local Suppliers". Supply Chain Management, Vol 3. No 2, 96-107.
 - Ainamo, A. (1997): "Evolution of the Finnish System of Innovation: The Contribution of Nokia". In: Competing from the Periphery: Core Issues in International Business. Edited by Brian Fynes and Sean Ennis. The Dryden Press. Ireland, 423-439
 - Sakakibara, K., Lindholm, C. & Ainamo, A. (1995): "Product Development Strategies in Emerging Product Markets: The Case of 'Personal Digital Assistants'" Business Strategy Review, Vol. 6, Iss. 4, 23-36.
 - Ainamo, A. (1998): "Armi Ratia, the founder of Marimekko Oy". In: National Biography. Edited by Aulikki Litzen. The Finnish Historical Society. <http://www.histseura.fi/biografia>

- Kleinhesselink and Rosa, *Journal of Cross-Cultural Psychology*, 1991, vol 22, pp. 11-28, article deals with risk perceptions in USA and Japan.
- Richard Hill, in his stimulating and entertaining book, "EuroManagers & Martians", talks about a study by Dr. Geert Hofstede, founder of the Institute for Research on Intercultural Cooperation in Maastricht. It was published as "Culture's Consequences" (Hofstede, 1980) and "Cultures and Organizations" (Hofstede, 1991, McGraw-Hill, London).
- One is by Alice Stewart and myself (Mona Makhijia) in *Advances in International and Comparative Management*, JAI Press, 1998. Another researcher on this subject is Elke Weber. She has papers in *Management Science and Organizational Behavior and Human Decision Processes* (1997, I believe).
- Ali, A.J. (1993). Decision-making style, individualism, and attitudes toward risk of Arab executives. *International Studies of Management & Organization*, 23, 53-73.
- Nooteboom, B., Berger, H., & Noorderhaven, N.G. (1997). Effects of trust and governance on relational risk. *Academy of Management Journal*, 40, 308-338.
- Riahi-Belkaoui, A. (1998). Cultural determinism and systematic risk of global stock exchanges. *International Journal of Commerce & Management*, 8, 102-108.
- Boyacigiller, N. A. (1990). The role of expatriates in the management of interdependence, complexity and risk in multinational corporations. *Journal of International Business Studies*, 21(3), 357-381.
- Kleinhesselink, R. R., & Rosa, E. A. (1991). Cognitive representation of risk perceptions: A comparison of Japan and the United States. *Journal of Cross-Cultural Psychology*, 22(1), 11-28.
- Renn, O., & Rohrman, B. (Eds.). (2000). *Cross-cultural risk perception - A survey of empirical studies.*: Kluwer Academic