Cultural Dimensions of Armenians Based on Hofstede's Theory and Their

Submitted to

American University of Armenia
Manoogian Simone College of Business and Economics

In partial fulfillment of the requirements for the degree of BA in Business

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Yerevan 2018

ABSTRACT

As there doesn't exist a unique study of the workplace cultural characteristics of Armenians, this paper tried to do just that, by revealing the cultural dimensions scores of Armenians. To find the cultural dimensions scores, a survey was administered based on the 2013 Values Survey Module developed by Geert Hofstede and Michael Minkov. The major findings were that Armenians ranked moderately high on the Individualism dimension, the Long Term Orientation dimension and the Masculinity dimension. The Indulgence dimension and Power Distance were ranked moderately low and Uncertainty Avoidance had a very low score. Based on these findings, relevant managerial recommendations were given; recommendations which can benefit foreign companies who will conduct business activities in Armenia.

Keywords: Armenian Cultural Dimension score based on the Hofstede Cultural Dimensions Theory

ACKNOWLEDGEMENTS

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Introduction

Before a company opens a business in a foreign country, they must firstly understand and analyze the culture of that country. Without considering the culture of a country, a company almost certainly cannot operate efficiently and profitably. According to Quintanilla and Ferner (2003), cultural dimensions have the greatest influence on national human resource management (HRM) practices and according to them, national culture greatly affects HRM practices. According to Meshksar (2012), cultural dimensions also affect the development and structuring of training and development programs in businesses. Ultimately, culture affects a wide array of aspects of a business (Hofstede, Hofstede & Minkov, 2010). However, many international companies that want to operate in Armenia are met with a dilemma; what is the culture like in Armenia? Most companies use the same business techniques and strategies they implement in Russia for Armenia and they group the former Soviet republics in one cultural segment. Nevertheless, there are quite a lot of differences between Armenian and Russian cultures (Bayadyan, 2012) and thus, there should be a distinctive approach for dealing with the Armenian cultural characteristics. However, there doesn't exist a unique study of the cultural characteristics of Armenians. The most widespread study to understand workplace culture is Hofstede's cultural dimensions theory based on the Hofstede model which provides strategically relevant cultural insights for developing organizational roles, structure and leadership (Hofstede, Hofstede & Minkov, 2010). However, Hofstede has not analyzed Armenia and thus Armenia's cultural dimensions are not known. Hence, this paper will try to reveal the cultural dimensions of Armenians. Therefore to accomplish this, a survey which was based on the 2013 Values Survey Module developed by Geert Hofstede and Michael Minkov, was administered to 50 Armenians age 18 to 29. The major finding was that Armenians ranked moderately high on the

Individualism dimension, the Long Term Orientation dimension and the Masculinity dimension. The Indulgence dimension and Power Distance were ranked moderately low and Uncertainty Avoidance had a very low score. Based on these findings regarding the cultural dimensions of Armenians, relevant managerial recommendations and comparisons with similar countries are given, which will consequently benefit foreign companies in conducting business activities in Armenia.

Literature Review

Hofstede's cultural dimensions theory has been extensively analyzed in the academic community. In the 1970s, Hofstede got access to a large survey database about values and related sentiments of people in over 50 countries around the world who worked in the local subsidiaries of IBM. A breakthrough occurred when the focus was directed at correlations between mean scores of survey items at the level of countries. Next, Hofstede got the opportunity to administer a number of the same questions to nearly 400 management trainees from some 30 countries in an international program unrelated to IBM. Their mean scores by country correlated significantly with the country scores obtained from the IBM database (Hofstede, 2011). The four dimensions (an aspect of a culture that can be measured relative to other cultures) were thus formed and they were the Power Distance, Uncertainty Avoidance, Individualism and Femininity. In the 1980s, on the basis of research by Canadian psychologist Michael Harris Bond, a fifth dimension, Long-Term versus Short-Term orientation was added (Hofstede, 2011). In the 2000s, research by Bulgarian scholar Michael Minkov using data from the World Values Survey (Minkov, 2007)

allowed the addition of a sixth dimension, Indulgence versus Self-Restraint (Hofstede, Hofstede & Minkov, 2010).

- Power Distance- related to the different solutions to the basic problem of human inequality

- Uncertainty Avoidance- related to the level of stress in a society in the face of an unknown future

- Individualism versus Collectivism- related to the integration of individuals into primary groups

- Masculinity versus Femininity- related to the division of emotional roles between women and men

- Long Term versus Short Term Orientation- related to the choice of focus for people's efforts: the future or the present and past.

- Indulgence versus Restraint- related to the gratification versus control of basic human desires related to enjoying life.

Studies based on Hofstede's indices for studying cultural dimensions in business are widespread. In *Cultural Dimensions in Business Life: Hofstede's indices for Latvia and Lithuania*, Maik Huettinger (2008) explored the culture dimensions of Latvians and Lithuanians in accordance with Geert Hofstede's indices. The survey was based on more than 800 questionnaires handed out to students in Latvia, Lithuania and Sweden. The Swedish scores were used to calibrate the Lithuanian and Latvian values to the existing Hofstede database. The study showed that respondents of both Latvia and Lithuania scored very similar for all five dimensions of the Hofstede model. The results of the study were that the three Baltic countries have similar scores and are much more similar to Scandinavia than Russia or Poland, thus international

business actors should therefore include the Baltic states in their Nordic strategy – rather than adding them to central and Eastern Europe (Huettinger, 2008). In *How Culture Makes a Difference in Management: Applying Geert Hofstede's Cultural Dimensions to Management in Germany and China,* Brock Foster (2015) elaborates upon cultural concepts of German and Chinese individuals and then goes on to use Hofstede's Cultural Dimensions Theory to make an analysis on some of the issues that may arise when working with Germans and Chinese. Germany and China have very different ways of conducting business and this is important to detect from a business perspective. This work provides insight into the cultural values of Germany and China, but also into the business applications for both of those cultures. In *A Comparative Study of HRM Practices Based on Hofstede Cultural Dimensions*, Sahar Meshksar (2012) demonstrates that cultural dimensions have an influence on conducting business, specifically he demonstrated their influence on Human Resource Management (HRM) practices. The outcomes of the study showed that high uncertainty avoidance has a weak influence on using more written documents, high power distance has a weak relationship with centralized decision making, in collectivistic countries the way of selecting employees is internally, organizations in low masculinity countries have action programs for women, employees in low power distance countries contact their managers directly and results did not show that variable pay in collectivistic countries is based on team performance. Ultimately, this study confirmed that HRM practices in different countries are shaped and influenced by cultural dimensions. Kristian Lindholm (2013), in his *The Implications of Culture in Business and the Cultural Dimensions of Finland and India* examined the implications of culture in business. Preliminary evidence suggested that there was a correlation between national culture and internal work culture and thus certain assumptions to managerial practices could be made. He looked into the

specific cultural dimensions of Finland and India, as a practical application of the theory. The theoretical framework finds that Finland and India are on opposite sides of the cultural dimensions spectrum and couldn't be further apart. It was concluded that to solve dilemmas that exist between cultures in the workplace, managers must approach the problem with awareness of both cultures and to adjust in accordance to that knowledge. It is also apparent that ignoring the cultural implications on an international business can have horrible consequences. He concludes that it is important for businesses to increase their cultural knowledge to minimize conflicts within their inter-cultural workforce to have a successful and growing business. In, *Management Culture in Comparison - East vs. West.The Cases of Bulgaria and Germany,* the author (Stoyanova, 2012) examines the relationship between culture and management practices and the employees' attitude on these practices. It aimed at evaluating culture as a factor in international business relationships. Through qualitative and a quantitative research, it compared the management practices in Germany and Bulgaria. The findings of the study showed significant differences between Bulgaria and Germany and thus contributeed to the already existing research in cross-cultural management.

The closest research that has been conducted on Hofstede's cultural dimensions in Armenia, was Stepan S. Khzrtian's and Thomas J. Samuelian's (2012) *The Armenian Culture of Negotiation: Research Approaches*. This paper was part of a larger cross-cultural study in ethnography of negotiation. The research was aimed to describe the most prominent characteristics of Armenian negotiation culture using the Hofstede dimensions of culture (except Indulgence vs Restraint dimension). They used an online survey and had a total of 120 respondents. The respondents were asked to watch two negotiation video role-plays, one was a "Hard-Hard Negotiation" (two very competitive, "hard" negotiators) and the second was a "Soft-

Hard Negotiation" (a soft negotiator encountering a hard negotiator). Respondents were asked a number of questions, the two most important ones being, which negotiator's behavior is more effective and which negotiator's behavior is more typical of negotiations in Armenia. The results showed that respondents consistently rated behavior that is not-typical of Armenian negotiation culture as more effective. The survey results also provided data to support findings on three dimensions – Power Distance, Individualism vs Collectivism, and Masculinity vs Femininity. These findings were based on the behaviors which respondents considered to be typical of Armenian negotiations. The researchers concluded that the Armenian culture has a high power distance, Armenian culture tends to be individualist and Armenian culture is masculine. However, for Uncertainty Avoidance and Long-Term Orientation, the researchers concluded that further data collection and analysis are needed. However, preliminary findings indicated that Armenian culture tends to be open to uncertainty and to be long-term oriented. This was a immense study, the first of its kind in Armenia. However, it was only able to describe three (out of six) characteristics of Armenians based on Hofstede's cultural dimensions theory. Also the survey was done by showing videos to respondents, unlike this study, which utilized the Values Survey Module developed by Hofstede. This means, they were not able to give a physical score to Hofstede's cultural dimensions and thus it makes it difficult to compare their results with other countries. Also, the paper doesn't provide information on how these specific cultural characteristics can be applied to doing business in Armenia. Also, the findings were based on the behaviors which respondents considered to be typical of Armenian negotiations, but Hofstede's cultural dimensions theory accounts for many more aspects than negotiations alone. For example, in the above mentioned survey, 90% of the respondents indicated that a negotiator who is a CEO and who sees no reason to consult with the board on a specific matter and is used

to making sole decisions, is more typical in negotiations in Armenia. This, however, doesn't specifically deduce that Armenians as a whole are an individualistic nation- they might be individualistic in negotiations, but not in other aspects.

Another similar study is the book, *Culture, Values, Beliefs: Behaviour Guidelines in Changing Armenian Society* by Narine Khachatryan et. al. (2014). The difference, however, is that the researchers used the Schwartz Values Survey instead of Hofstede's cultural dimensions, nevertheless the findings are relevant and can be compared with Hofstede's dimensions. The authors conducted an extensive survey with a sample designed on the basis of the proportions of population, distribution by age, gender, and location. The sample comprised 803 respondents aged between 18 and 65 from Yerevan and the Shirak, Syunik, Armavir, and Vayotz Dzor marzes. The sampling margin of error was 4.55%, with a 99% percent confidence interval. In each marz, the survey was conducted in one urban and two to three rural settlements. The questionnaire included 57 values that measured 10 basic values. The respondents rated the importance of each on a 9-point scale ('7' points indicating 'a guiding principle in my life', '0' indicating 'not important', and ' -1' indicating 'opposed to my values'). The mean was calculated for each of the ten values, which were then ranked accordingly. The survey concluded that conservative values such as conformity and security are predominant, which entail an inclination of maintaining social order and stability in relationships and refraining from actions that contradict social expectations. Benevolence, which is the need for attachment with the primary group, also ranks high. These values are primarily oriented towards the group and as such, have a social focus. Achievements and self-direction, which are individualistic values aimed at one's own success and augmenting one's own personal potential, have medium scores. Other individualistic values such as the desire to overcome challenges, the significance of

sensation and life satisfaction (stimulation and hedonism) have low scores. Ultimately, this study's scores can be compared to Hofstede's Individualism and Uncertainty Avoidance index dimensions.

Below is a list of the scores of each value:

Table 1 Cultural Scores for Armenia based on Narine Khachatryan's Study

Values	M	SD	R	α
Conformity	5.15	0.98	1	0.48
Tradition	3.69	1.20	7	0.56
Benevolence	5.09	0.89	2	0.66
Universalism	4.53	0.97	6	0.72
Self-Direction	4.55	1.01	5	0.56
Stimulation	3.31	1.57	9	0.62
Hedonism	3.22	1.64	10	0.64
Achievement	4.98	0.97	4	0.46
Power	3.58	1.23	8	0.51
Security	5.03	0.87	3	0.45
M: medium value, SD: standard deviation, R: Ranking, α: Cronbach's alpha				

What is Culture?

To understand Hofstede's cultural dimensions, it's important to firstly understand what culture is and why culture is important. According to UNESCO's definition, culture is, "the set of distinctive spiritual, material, intellectual and emotional features of society or a social group and it encompasses, in addition to art and literature, life styles, ways of living together, value systems, traditions and beliefs" (UNESCO Declaration Concerning The Intentional Destruction Of Cultural Heritage: UNESCO, 2003) According to Hofstede, "Culture is the collective programming of the mind that distinguishes the members of one group or category of people from others". (Hofstede, 2011). Culture includes the values, norms, the knowledge, beliefs, art, morals, laws, customs, and other habits acquired by people a member of a certain society. Understanding different cultures can make managers and executives more aware of how tasks are completed and decisions are made in foreign companies, and how different perspectives lead to differing outcomes globally. Culture also influences not only people's behaviors, but also the reasons for which people choose to behave in one way or the other (Hofstede, Hofstede, & Minkov, 2010, p. 315). Thus, understanding culture can help managers or executives preempt future inter-company dilemmas and help them better understand their employee's motives and intentions. Cultural values thus exert influence on a person's behaviors and motivations and it is important for managers to understand cultures and base management styles and human resource management techniques on the national culture. If national cultures are not accounted for, there will be misunderstandings between managers and employees and inefficiencies and loss of profits. Also in international business, it's important to know national cultures in order to avoid interpreting different cultural behaviors in the wrong way or to avoid offending others (Meshksar

2012). Hofstede (2011), also indicated that management practices and values are different from country to country based on each nation's unique culture and traditions. These unique cultural values significantly influence a country's economic, societal and political structure and further affect the development of management practices and the ways of conducting business in each country. Ultimately, because of different cultural backgrounds such as attitudes and values, under similar circumstances different people can behave differently and thus managers must be culturally aware and have a deep understanding of culture to mitigate any issues (Meshksar, 2012).

Hofstede's Theory

As mentioned earlier, Hofstede's theory contains six dimensions. Power Distance is the extent to which the less powerful members of organizations and institutions accept and expect that power is distributed unequally. This represents inequality and suggests that a society's level of inequality is approved by the followers as much as by the leaders (Hofstede , 2011). Companies in high power distance countries tend to have very centralized organizations and firmly established hierarchies. Thus there is a great deal of respect for authority and rank. A lower power distance country encourages and emphasizes a flatter organizational structure and there is more individual responsibility and personal autonomy in the workplace (Hofstede , 2011).

Uncertainty Avoidance deals with a society's tolerance for ambiguity, that is, how they would feel and would deal with unexpected situations. Societies with high uncertainty avoidance

avoid taking risks, avoid the spread of new ideas and values and they try to eliminate the

unexpected. They try to minimize such unexpected situations by strict laws and rules, strict

moral codes and a disapproval of nonstandard opinions (Hofstede, Hofstede & Minkov, 2010).

Ultimately, the main goal is to make life as predictable as possible. On the other hand, societies

with low levels of uncertainty avoidance indicate are willing to take more risks, embrace change

and they are more entrepreneurial in business.

Individualism is the extent to which people in a society are integrated into different

societal groups. In individualist societies everyone has to look after and take care of only

themselves and their immediate families, thus they have weak interpersonal links with people

outside of their core family. Cultures on the opposite side of the spectrum have people integrated

in strong, unified groups and members continue protecting each other in exchange for

unquestioning loyalty (Hofstede , Hofstede & Minkov, 2010). In collectivist societies teamwork

is key and they are very loyal to their companies and expect the company to look after them. On

the other hand, individualist societies value and encourage individual performance, upward

mobility. Ultimately, it is the difference between I-thinking and We-thinking societies.

(Hofstede, 2011).

Masculinity versus femininity in a society refers to the allocation of values between the

genders. Being assertive is known as a masculine value and being modest is known as a feminine

value. In different societies, men's values range from being very assertive and competitive (very

masculine) to being modest and caring (very feminine) (Hofstede, Hofstede, & Minkov, 2010).

Ultimately, a society is called masculine if there is maximum gender and social role

differentiation between the genders; gender roles and values are clearly set apart, that is, men

only have masculine roles, while women must be modest, tender and have other feminine values.

A society is called feminine if there is minimum differentiation between gender roles, that is, gender roles overlap: both men and women share stereotypical feminine values. In business, masculine societies are hard-edged and achievement based with an aggressive decision making style. Feminine societies value a higher degree of consultation, humility and human interactions are valued (Hofstede , 2011).

Societies with a high Long Term Orientation value thrift and perseverance, they place emphasis on the future and have a sense of shame. Societies with Short Term Orientation desire immediate gratification and value respect for tradition , fulfillment of social obligations, personal composure and stability (Hofstede, 2011). These societies also emphasize short-term performance compared with a more longer term perspective in Long Term Orientation societies, which also encourages more long-term thinking and rewards for fulfillment of long term goals.

The Indulgence versus Restraint dimension stands for a society that allows satisfaction of basic and natural human desires related to enjoying life and having fun, versus a society that controls the gratification of desires and controls it by means of strict social norms (Hofstede, Hofstede, & Minkov, 2010). In other words, cultures with high indulgence scores place greater value on finding happiness and enjoying life, compared to cultures that lean toward restraint, where more emphasis is put on suppressing gratification and indulgence and there is more regulation of society's conduct and behavior through stricter social norms. In business, this means that people in more restrained countries tend to conduct a business more restrained, they are more pessimistic and they don't take many risks.

Methodology

The questionnaire was based on the Values Survey Module 2013 (VSM 2013) and it was translated into Armenian for the first time. VSM was developed for comparing culturally influenced values and sentiments of similar respondents from two or more countries. It allows scores to be computed on Hofstede's six dimensions of national culture. With four questions per dimension, it has a total of 24 content questions. All content questions are scored on five-point (1 to 5) Lickert Scale. According to Hofstede, the ideal size for a homogeneous sample is 50 respondents and comparisons should be based on matched samples of respondents (Hofstede, & Minkov, 2013)

According to Hofstede, next to nationality, answers to the 24 content questions will also reflect other characteristics of the respondents, such as their gender, age, level of education, occupation, kind of work and the point in time when they answered the questions. Therefore comparisons of countries should be based on samples of respondents who are matched on all criteria other than nationality that could systematically affect the answers (Hofstede, & Minkov, 2013).

Thus, by following Hofstede's guidelines, the sample age group that was used in our study was 18 to 29 year old Armenians who are current or former students (have higher education). Simple random sampling was used to distribute the survey. The survey took place on the streets and some universities of Yerevan, Armenia. Two screening questions were placed at the beginning of the survey to determine the eligibility of respondents. The screening questions

were regarding the age and education level of the respondent and those who did not fit the criteria, were asked to not fill out the rest of the survey. In total, there were 50 eligible respondents to the survey. There were 28 respondents from the 18-24 age category and 22 from the 25-29 age category. There were 21 male respondents and 29 female respondents.

Table 2 Sample distribution by age

Age Category Indicated by Participants	Overall
18-24	28
25-29	22
Total Participants	50

Table 3 Sample distribution by gender

Gender Category Indicated by Participants	Overall
Male	21
Female	29
Total Participants	50

There were three different types of questions based on a five point scale; the first type included questions on a five point scale with strongly agree being 1 and strongly disagree being 5, the second type included questions with of utmost importance being 1 and of very

little or no importance being 5, and the third type included questions with always being 1 and

never being 5. Below is the average score for each question based on a 5 point scale.

Table 4 Mean scores of 24 content questions from samples

Q1 Have sufficient time for your personal or home life	2.56
Q2 Have a boss (direct superior) you can respect	2.17
Q3 Get recognition for good performance	2.36
Q4 Have security of employment	2.58
Q5 Have pleasant people to work with	2.00
Q6 Do work that is interesting	1.97
Q7 Be consulted by your boss in decisions involving your work	2.17
Q8 Live in a desirable area	2.47
Q9 Have a job respected by your family and friends	2.67
Q10 Have chances for promotion	2.08
Q11 Keeping free time for fun	2.67
Q12 Moderation: having few desires	2.89
Q13 Doing a service to a friend	2.00
Q14 Thrift (not spending more than needed)	3.00
Q15 How often do you feel nervous or tense?	3.11

Q16 Are you a happy person?	2.06
Q17 Do other people or circumstances ever prevent you from doing what you really want to?	3.08
Q18 All in all, how would you describe your state of health these days?	2.03
Q19 How proud are you to be a citizen of your country?	2.36
Q20 How often, in your experience, are subordinates afraid to contradict their boss (or students their teacher?)	3.06
Q21 One can be a good manager without having a precise answer to every question that a subordinate may raise about his or her work	3.39
Q22 Persistent efforts are the surest way to results	2.39
Q23 An organization structure in which certain subordinates have two bosses should be avoided at all cost	2.97
Q24 A company's or organization's rules should not be broken - not even when the employee thinks breaking the rule would be in the organization's best interest	2.89

To test whether being a male or female affected the means of each variable, a MANOVA test was conducted with the variables. Only two variables, variable 12 and 21 had a significant difference between male and female respondents as their P-value was less than 0.05. These variables were 'Moderation: having few desires' (V12) and 'One can be a good manager without having a precise answer to every question that a subordinate may raise about his or her work' (V21). Ultimately though, the test found that the majority of results of a particular variable among males is not significantly different from those among females. This means that the fact that a respondent was male or female did not affect the results of the means of each variable and in affect did not hinder the results of the survey. Also Welch's two sample T-test was conducted for variables 12 and 21 to find out the individual means for male and female respondents. For V12 the mean for females was 3.61 and for males it was 2.48. For V12 the mean for females was 2.69 and for males it was 3.78.

Figure 1 MANOVA Test with P-Value for V12

```
 Response V12 :
           Df Sum Sq Mean Sq F value   Pr(>F)
V25         1 10.740 10.7395  11.127 0.002067 **
Residuals  34 32.816  0.9652
---
Signif. codes:  0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1
```

Figure 2 MANOVA Test with P-Value for V21

```
Response V21 :
            Df Sum Sq Mean Sq F value  Pr(>F)
V25          1  9.873  9.8733  6.1389 0.01835 *
Residuals   34 54.682  1.6083
---
Signif. codes:  0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1
```

Next, to calculate the cultural dimension scores, Hofstede provided formulas for each cultural dimension. Each of the national culture dimensions can be scored on a 0 to 100 scale. If the score is lower and closer to zero, it means that the national cultural dimension of that country has a very low or insignificant characteristic of that dimension in relation to all the other countries in Hofstede's study (2010). If the score is high and closer to 100, it means that the dimension is quite significant.

Table 5 Formulas for calculating each Cultural Dimension Score

PDI = 35(m07 − m02) + 25(m20 − m23) + C(pd)
IDV = 35(m04 − m01) + 35(m09 − m06) + C(ic)
MAS = 35(m05 − m03) + 35(m08 − m10) + C(mf)
UAI = 40(m18 - m15) + 25(m21 − m24) + C(ua)
LTO = 40(m13 − m14) + 25(m19 − m22) + C(ls)
IVR = 35(m12 − m11) + 40(m17 − m16) + C(ir)

In the formulas, M stands for the mean score for each specific question (m07 stands for the mean score for question #7). Hofstede's cultural dimension index normally has a range

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between 0 and 100 and thus, C is a constant (positive or negative) that can be chosen by the user to shift the scores to values between 0 and 100. The constant depends on the nature of the samples and it does not affect the comparison between countries. To find the constant, the cultural dimension score for a country is compared to that specific country's official Hofstede score and the difference between them is used as the constant.

However, as Armenia was not previously studied by Hofstede, we cannot add a constant to our values and thus we can't arrange the values between 0 and 100. In theory, we have to compare the score of Armenia from our survey to Hofstede's official score for Armenia and calculate the difference, which would've been the constant. However, as there are no scores for Armenia by Hofstede, we can't use this method. Thus to overcome this problem, we can utilize Huang Xiaomei's (2016) *Apply Hofstede's National Cultural Dimension Theory to Analyze Chinese Tourist Behaviors in Portugal Tourism* study. As mentioned earlier, the module that was used in this study was developed for comparing culturally influenced values and sentiments of similar respondents from two or more countries. Thus, we can compare the scores of Armenia with those of China. This Chinese study was chosen because it included 20-29 year olds with a higher education background. Consequently, it almost exactly had the same criteria as in our study (similar respondents). The Chinese constants can therefore be used to calibrate the Armenian values to the existing Hofstede database. Ultimately, we can utilize the constants from this Chinese study and use them for our own study. From the Chinese study, by subtracting the Chinese Indexes based on Xiaomei's work from Hofstede's indexes for China, we can conclude that the constants are 28, 26, 46, 40, 93 and -15 for Power Distance, Individualism, Masculinity, Uncertainty Avoidance, Long Term Orientation and Indulgence respectively.

Table 6 Cultural Dimension Scores for China and the Constant Score

	Chinese Index Based on Xiaomei's Work	Chinese Index Based on Hofstede's Work	Difference Between Dimensions (Constant)
Power Distance (PDI)	52	80	28
Individualism (IDV)	-6	20	26
Masculinity (MAS)	20	66	46
Uncertainty Avoidance (UAI)	-10	30	40
Long Term Orientation (LTO)	-6	87	93
Indulgence (IVR)	39	24	-15

Ultimately, based on the formulas we calculated the Armenian dimensions to be 2.08, 25.28, 0.97, -29.00, -43.69 and 48.89 for Power Distance, Individualism, Masculinity, Uncertainty Avoidance, Long Term Orientation and Indulgence respectively. However, by

adding the constants to these dimensions, we can calibrate them to be between 0 and 100. Thus, the major finding was that Armenians ranked moderately high on the Individualism dimension, Long Term Orientation and Masculinity, with scores of 51.28, 49.31 and 46.97 respectively. The Indulgence dimension and Power Distance were moderately low with scores of 33.89 and 30.08 respectively. Uncertainty avoidance had a low score of 11.

Table 7 Cultural Dimension Scores for Armenia

	Armenian Index Based on Present Study	Constants	Armenian Index With Constants
Power Distance (PDI)	2.08	28	30.08
Individualism (IDV)	25.28	26	51.28
Masculinity (MAS)	0.97	46	46.97
Uncertainty Avoidance (UAI)	-29.00	40	11
Long Term Orientation (LTO)	-43.69	93	49.31

Indulgence (IVR)	48.89	-15	33.89

In conclusion, a comparison can be made between the scores of Armenia and the official scores for China, Russia, USA and Singapore. Armenia is similar to USA on the Power Distance dimension. It's closer to Russia for the Individualism dimension and quite similar to Singapore on the Masculinity and Uncertainty Avoidance dimensions. Armenia also shares a similar score to Singapore on the Long Term Orientation and Indulgence dimensions

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Figure 3 Cultural Dimension Scores for Armenia, China, Russia, USA, Singapore
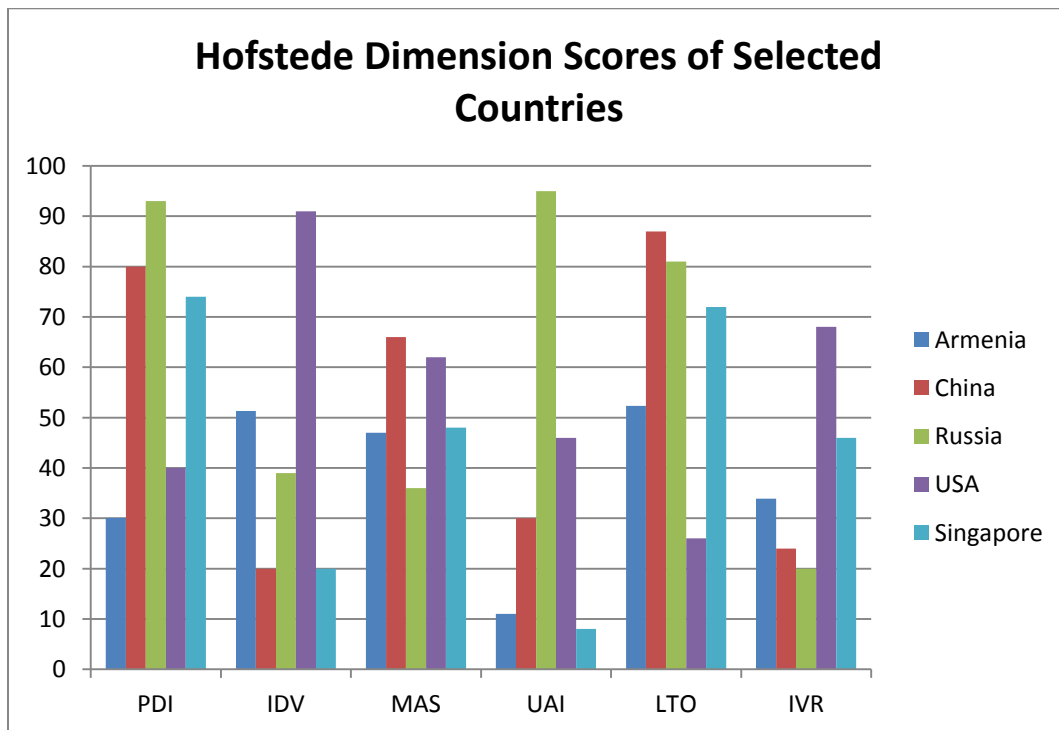
Recommendations:

Armenia's Power Distance Score: 30

This is a moderately low score and it means that Armenians believe they are quite an equal country. As the survey includes the younger generation who were not part of the Soviet Union, the results show that they generally feel more equal and don't believe in strict hierarchies. Therefore, in Armenia, interactions across power levels are generally more cooperative and friendly. There is a general equality among supervisors and employees, they are not afraid to make jokes or have a fun time together. Subordinates would like to be consulted when decisions are made, as respondents had an average score of 2.17 on this survey question. A flat organization is recommended, albeit it will depend on the industry. Foreign managers should involve as many people and as many skill sets into the decision making process. In the past, during the Soviet Union especially, only the very top managers could make decisions, but today this is becoming less and less true. Teamwork can also be utilized to solve problems and issues and managers should delegate as much as possible to the locals. Preferably, all those directly affected by a decision should be consulted. Overall, a low power distance also means that society as a whole values fewer rules and they don't like very strict regulations, thus managers should give some sort of independence in the company (Mind Tools Content Team, 2016). However, as the score is moderately low, managers should acknowledge that Armenia has some tendencies associated with high power distance countries, frequent corruption, uneven income distribution and respect and fear for the elderly and of those in power.

Armenia's Individualism Score: 52

This is a moderately high score and it means that Armenians tend to be more of an individualistic nation. It is evident to the naked eye that Armenians value themselves and their immediate families and have difficulties cooperating with groups. This score means that in Armenia, a higher value is placed on people's time and their need for freedom, thus they don't like to work more than their maximum working time. They would like to balance their personal life and work. Also they try avoiding mixing work life with their social and private life. They expect and like to receive individual rewards for hard work. Foreign managers should also acknowledge individual accomplishments. Managers should encourage debate so that employees can express their own ideas; Armenian employees love it when managers hear and appreciate their comments or ideas. Managers avoid giving negative feedback to an individual in public (Mind Tools Content Team, 2016). However, as the score is moderate, managers should remember that some collectivist values still remain in the Armenian society, such as societal pressure, conservative

Armenia's Masculinity Score: 47

Armenia has a moderate, medium score for masculinity. This score means that Armenians balance between the traits of being assertive and modest. Armenians have a clearly established emotional and social role differentiation between the genders and the population still adheres to traditional, patriarchal values, for example, women should be modest and caring (Matosian, Kazhoyan and Harutyunyan, 2013). However, this survey showed that Armenians

also value some "feminine" traits such as balancing between family and work. Thus, Armenians value workplace flexibility and work-life balance as evident from their score of 2.56 on the survey regarding this question. Another so-called "feminine" trait is focusing on the quality of life and workplace, such as having pleasant people to work with and doing work that is interesting, which had low scores of 2 and 1.97 respectively. Workplace flexibility may be important, both in terms of the job design, organizational environment and culture. Foreign managers should also motivate their employees by precise targets and by showing them that they achieved these targets (Hofstede, 2011). Survey respondents had a score of 2.36 on the 'get recognition for good performance' question. However, managers should be aware of the possibility of differentiated gender roles, for example, most women work in administrative jobs ((Matosian, Kazhoyan and Harutyunyan, 2013), nevertheless, managers should practice equality in the workplace.

Armenia's Long Term Orientation Score: 49

This is a moderate score and it means that Armenians balance between qualities of long-term and short-term societies. In general countries that score high on long term orientation tend to be pragmatic, modest, long-term oriented, and more thrifty (Hofstede, 2011). However from the survey we can see being thrifty or not spending more than needed received a score of 3 which means Armenians don't value thriftiness. On the other hand, Armenians like to be persistent, which is a characteristic of long-term oriented countries. On the question, persistent efforts are the surest way to results', respondents had a score of 2.39. Cultures with high long-term orientation also place strong importance on family, which Armenians do to as mentioned

previously. Managers must decide for themselves whether to use a short term reward system versus long term system. Managers also have to understand that Armenian employees want their managers to be competent, as the question 'one can be a good manager without having a precise answer to every question that a subordinate may raise about his or her work' received the highest score of 3.39, which means most Armenians disagree with this statement.

Armenia's Uncertainty Avoidance Score: 11

This score is strikingly low, even compared with the world average. It seems that the younger generation is more open to change and innovation. This score means that in companies, employees are more inclined to open-ended learning or decision making. Managers should ensure that people remain focused, but too much structure is not necessary. The business atmosphere is more informal, more friendly. There should be less structure in the company as employees are more entrepreneurial. Also there is a dislike of too many rules, thus managers should not overdue it (Hofstede, 2011). For example, on the question 'A company's or organization's rules should not be broken - not even when the employee thinks breaking the rule would be in the organization's best interest', the score was 2.9 which is quite high.

Armenia's Indulgence Score: 34

This is a moderately low score, but still Armenians balance between being too indulgent and too restrained. Armenians suppress satisfaction and gratification of needs and they regulates their behavior by social norms, as on the question ' do other people or circumstances ever prevent you

from doing what you really want to?', they had a score of 3.1. On the other hand however, the question 'are you a happy person?' had a low score 2.06. This means that Armenians are quite happy, even though society sometimes prevents them from doing what they really want. Managers should balance between the two extremes, by emphasizing flexible working hours and work-life balance, making jokes and encouraging debate and dialogue in meetings or decision making. Managers should also prioritize feedback, coaching and mentoring (Hofstede, 2011).

Overall Recommendations:

The cultural dimensions that relate to professionalism are the Power Distance (PDI), Individualism (IDV) and Uncertainty Avoidance (UAI) indexes. According to Gray's Theory of Cultural Relevance, a higher ranking in IDV and a lower ranking in UAI and PDI is suggestive of a preference for professionalism (Stander, Buys and Oberholzer 2017). This survey revealed that Armenians had a high IDV score (52) and lower UAI (11) and PDI (30) scores, which means Armenians should rank high in terms of professionalism.

The cultural dimensions that relate to uniformity versus flexibility are the Power Distance (PDI), Individualism (IDV) and Uncertainty Avoidance (UAI) indexes. According to Gray's Theory, a lower ranking in IDV and a higher ranking in UAI and PDI is suggestive of a preference for uniformity over flexibility (Stander, Buys and Oberholzer 2017). This survey revealed that Armenians had a high IDV score (52) and lower UAI (11) and PDI (30) scores, thus suggesting Armenian employees value flexibility.

The cultural dimensions that relate to conservatism versus optimism are the Masculinity (MAS), Individualism (IDV) and Uncertainty Avoidance (UAI) indexes. According to Gray's

Theory, a lower ranking in IDV and MAS and a higher ranking in UAI is suggestive of a preference for conservatism over optimism (Stander, Buys and Oberholzer 2017). This survey revealed that Armenians had a high IDV score (52) and a MAS score (47) and a lower UAI (11) score, thus suggesting Armenian employees value optimism.

The cultural dimensions that relate to secrecy and transparency are the Masculinity (MAS), Power Distance (PDI), Individualism (IDV) and Uncertainty Avoidance (UAI) indexes. According to Gray's Theory, a lower ranking in IDV and MAS and a higher ranking in UAI and PDI is suggestive of a preference for preference for secrecy (Stander, Buys and Oberholzer 2017). This survey revealed that Armenians had a high IDV score (52) and a high MAS score (47) and lower UAI (11) and PDI (30) scores, thus suggesting Armenian employees value transparency.

According to Meshksar (2012), countries with high level of individualism and with low level of uncertainty avoidance individual incentive compensation practices have a better fit. This survey revealed that Armenians had a high IDV score (52) and a lower UAI (11), thus suggesting individual incentive compensation is much better.

Countries with low power distance prefer decentralized and flat organizations and equal privileges (Meshksar, 2012). He also argued that in low uncertainty avoidance countries, employees prefer fewer rules. As Armenians had a low PDI score (30) and a low UAI (11), it can be suggested that managers should try have decentralized and flat organizations with fewer rules.

Countries with low power-distance societies prefer participative delivery of trainings and education courses (Meshksar, 2012)., which can also apply to Armenia. Also, according to

Rousseau and Tinsley (1997) employers in individualistic cultures are more likely to hire applicants on the basis of whether they have the necessary skills and abilities rather than if they have a good university degree or if they are a good fit with the company's culture. Finally, Meshksar (2012) concluded that highly structured interviews are the norm in individualistic cultures like Armenia.

Conclusion:

This study was the first of its kind in Armenia as it classified the cultural values of Armenians based on Hofstede's dimensions. However, there were some shortcomings, for example, the sample size could be larger than 50 for more accuracy, even though Hofstede argued that 50 is already an ideal size. Also, the study only included 18-29 year old Armenians with a higher education. This was done in order to comply with Hofstede's guidelines in which he states that comparisons should be based on matched samples of respondents. This was also done to match with and be compared with the study done on 20-29 year olds in China. In any case, this effects the representativeness of the study and it should be noted that this study may not apply to all segments of the Armenian labor market. Also, this kind of study should ideally compare two or more countries, that is, the survey should take place in more than one country anf then the country scores should be compared. However, do to time constraints, a survey in another country could not be conducted and thus, the country that Armenia was compared to was based on Xiaomei's work on China. Nevertheless, this study can be paramount for companies who are eager to employ young Armenian specialists in the burgeoning IT and communications, financial, professional and other sectors of the economy. Ultimately, this study found that

Armenians ranked moderately high on the Individualism dimension, Long Term Orientation and Masculinity, with scores of 51.28, 49.31 and 46.97 respectively. The Indulgence dimension and Power Distance were moderately low with scores of 33.89 and 30.08 respectively and Uncertainty Avoidance had a low score of 11. These results are close to Khzrtian's and Samuelian's results, as they concluded that the Armenian culture tends to be individualistic and the Armenian culture is masculine. They also concluded that that Armenian culture tends to be open to uncertainty and to be long-term oriented, which once again matched with the results of this study. Based on this study's results, recommendations were made for companies that would like to do business in Armenia. For example, it was concluded that Armenians rank high in terms of professionalism, Armenian employees value flexibility, optimism, transparency. Also individual incentive compensation was recommended for Armenians and foreign managers should try have decentralized and flat organizations with fewer rules.

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Appendix:

The survey which was administered:

Ամերիկյան Համալսարանի բակալավրիատի թեզի շրջանակներում մենք իրականացնում ենք հարցում, որպեսզի հասկանանք հայերի մշակույթին առանձնահատկությունները:

Ձեր մասին որոշ տեղեկություններ (վիճակագրական նպատակներով):

Խնդրում ենք նշել ձեր տարիքը;

18-24	25-29	30-39	40-49	50-59	60 կ ամ ավելի
○	○	○	○	○	○

Դուք հանդիսանում ե՞ք ներկայիս կամ նախկին ուսանող (ունեք բարձրագույն կրթություն):

Այո	Ոչ
○	○

Եթե չեք հանդիսանում **18-29** տարեկան կամ եթե պատասխանեցիք ՈՉ վերջին հարցին, ապա շնորհակալություն ձեր ժամանակի համար, խնդրում ենք բաց թողնել մնացած հարցերը:

Խնդրում ենք պատկերացնել ձեր իդեալական աշխատավայրը, հաշվի չառնելով ձեր ընթացիկ աշխատանքը (եթե ինչ-որ տեղ աշխատում եք): Խնդրում ենք ընտրել միայն մեկ պատասխան յուրաքանչյուր տողում:

Իդեալական աշխատանք ընտրելիս, որքա՞ն կարեւոր է ձեզ համար ....

1= չափազանց կարեւոր է, 2 = շատ կարեւոր է, 3 = համեմատաբար կարեւոր է, 4 = ոչ շատ կարեւոր, 5 = եշանակություն չունի կամ ընդհանրապես կարեւոր չէ

01. Ունենալ բավարար ժամանակ ձեր անձնական (տնային) կյանքի համար

<div align="center">1 2 3 4 5</div>

02. Ունենալ դեկավար (անմիջական վերադաս) ում կկարողանաք հարգել

<div align="center">1 2 3 4 5</div>

03. Ստանալ երախտագիտության խոսքեր, գովասանք աշխատանքը լավ կատարելու համար

1   2   3   4   5

04. Համոզված լինել որ չեք կորցնի ձեր աշխատանքը

1   2   3   4   5

05. Աշխատել լավ և հաճելի մարդկանց շրջապատում

1   2   3   4   5

06. Ունենալ աշխատանք որը հետաքրքրաշարժ կլինի ձեզ համար

1   2   3   4   5

07. Ունենալ դեկավարություն, որը կխորիրդակցի ձեզ հետ, ձեր աշխատանքին առնչվող որոշումներ կայացնելիս

1   2   3   4   5

08. Ապրել ցանկալի վայրում (քաղաք, թաղամաս, շրջան)

1   2   3   4   5

09. Ունենալ աշխատանք որը կիարգեն ձեր ընտանիքը եւ ընկերները

1   2   3   4   5

10. Ունենալ առաջ շարժվելու (պաշտոնի բարձրացման) հնարավորություն

1 2 3 4 5

Հետևյալ հայ տարարություններից յուրաքանչյուրը, որքա՞ն կարևոր է ձեզ համար, ձեր անձնական կյանքում (Ընտրել միայն մեկ պատասխան յուրաքանչյուր տողում):

11. Ունենալ ազատ ժամանակ ժամանցի համար

1 2 3 4 5

12. Ունենալ չափավորության, քչով բավարվելու օժտվածություն

1 2 3 4 5

13. Ունենալ ձեր ընկերներին, հարազատներին օգնելու հնարավորություն

1 2 3 4 5

14. Լինել անտեսող, անիրաժեշտից ավել չծախսող

1 2 3 4 5

15. Ձեզ զգու՞մ եք նյարդային կամ լարված:

Միշտ	Հաճախ	Երբեմն	Հազվադեպ	Երբեք

○	○	○	○	○

16. Դուք երջանիկ լինու՞մ եք:

Միշտ	Հաճախ	Երբեմն	Հազվադեպ	Երբեք
○	○	○	○	○

17. Երբևէ՞ լինում է, որ այլ մարդիկ կամ հանգամանքներ թույլ չեն տալիս ձեզ անել այն, ինչ ցանկանում եք:

Այո, միշտ	Այո, հաճախ	Երբեմն	Ոչ, շատ հազվադեպ	Ոչ, երբեք
○	○	○	○	○

18. Ընդհանուր առմամբ, ինչպե՞ս կնկարագրեք ձեր ներկայիս առողջական վիճակը:

Շատ լավ	Լավ	Բավարար	Վատ	Շատ վատ
○	○	○	○	○

19. Որքա՞ն եք հպարտ, որ դուք ձեր երկրի քաղաքացին եք:

Շատ հպարտ	Բավականի	Որոշ չափով	Ոչ շատ	Հպարտ չեմ

	ն հպարտ	հպարտ	հպարտ	
◯	◯	◯	◯	◯

20. Ձեր փորձից, հաճախ են ենթակաները վախենում հակասել իրենց ղեկավարներին (կամ ուսանողները իրենց ուսուցիչներին):

Երբեք	Հազվադեպ	Երբեմն	Հաճախ	Միշտ
◯	◯	◯	◯	◯

Որքա՞ն եք համաձայն կամ համաձայն չեք հետևյալ հայտարարությունների հետ (Ընտրել միայն մեկ պատասխան յուրաքանչյուր տողում):

1 = Լիովին համաձայն եմ, 2 = Համաձայն եմ, 3 = Չգիտեմ, 4 = Համաձայն չեմ, 5 = Ընդհանրապես համաձայն չեմ

21. Մեկը կարող է լինել լավ ղեկավար նույնիսկ եթե չիմանա աշխատանքի վերաբերյալ որոշ հարցերի պատասխաններ, որոնք իր ենթակաները կարող են հարցնել իրեն....

1   2   3   4   5

22. Համառ աշխատելը արդյունքի հասնելու ամենից արդյունավետ ճանապարհն է ...

1   2   3   4   5

23. Պետք է ամեն զնով խուսափել այնպիսի կազմակերպության կառուցվածքից, որտեղ որոշակի ենթականեր ունեն երկու անմիջական ղեկավարներ...

1   2   3   4   5

24. Կազմակերպության կանոնները պետք է երբեք չխախտել, նույնիսկ այն ժամանակ, երբ աշխատակիցը կարծում է, որ կանոնը խախտելը կլինի հենց կազմակերպության համար ավելի շահավետ...

1   2   3   4   5

Ձեր մասին որոշ տեղեկություններ (վիճակագրական նպատակներով):

25. Դուք`

տղամարդ	կին
◯	◯

Շնորհակալություն հարցաթերթիկը լրացնելու համար: