

Gary Llewellyn EVANS*

School of Business, University of Prince Edward Island

A mega review of cultural studies: linking leadership to corporate governance

Abstract: This paper take us through the history of culture research with five top researchers in the field and how their culture theories are structured and the debate that has occurred on the application of cultural dimensions. This paper takes the unique perspective of corporate boards and considerations required in the application of cultural dimensions within the boardroom. Research of board culture is only starting to occur and to be effective we need to consider the history of cultural research and how we can apply this knowledge to the board environment going forward. As we enter 2014 the search is on by both academics and practitioners on how to better understand the role of culture within our corporate boards.

Keywords: culture, corporate governance, culture dimensions, leadership, boards.

JEL codes: F60, L21, M14, Z10.

Introduction

While culture has not been a major research stream of corporate governance, a substantial amount of cultural research literature does exist. The aim of the paper is to review the research of cultural dimension models developed by past scholars and the learnings that can be applied to the issue of corporate governance. For each model, defined dimensions are linked to existing corporate governance theories. Cultural leadership models reviewed include their potential impact on corporate governance and cultural research. Finally, there is a summary and discussion of past research: its contributions, gaps,

* E-mail: gevans@upe.ca.

and how it supports the aims of this study. Historically culture research was linked to anthropology, sociology and social psychology, but more recently it has become more popular in organizational studies and since the Walker [2009] report on corporate governance has become associated with corporate boards. A number of scholars have recognised the importance of culture in understanding organizations and a number of new streams of culture research are being launched to study the issue of culture within the board room [Evans 2010, 2013]. This cannot be accomplished effectively without having a solid understanding of past culture research and its impact within the boardroom structure. This paper highlights the contribution of five of the dominate developers of culture dimensions and how their contribution can be reviewed within the boardroom.

The paper is divided into six sections. The first section deals with the foundational work of Hofstede leading to the initial development of cultural dimensions. The second section is devoted to the work of Schwartz and his seven dimensional cultural model. The third section highlights the work of Trompenaars who proposed a seven dimensional model for international business. Section four discusses the nine dimensional model of the GLOBE project the largest academic lead cultural research project carried out in the 1990s by Robert House. The fifth section is dedicated to the work of Denison and the four traits he applies to cultural research for corporations. Section six brings the paper to a close with an overview of past findings and concluding remarks and conclusions.

1. The Hofstede foundation research

Hofstede [1980] published his pivotal culture research “Culture’s consequences: International differences in work-related values” based on findings from his studies within IBM completed between 1967 and 1973 covering 66 countries. Hofstede looked at the attributes that make cultures different in various parts of the world and came up with a number of characteristics that formed the bases for his studies. In the development of his range of differentiating attributes, Hofstede initially defined four dimensions as the pillars of culture difference: uncertainty avoidance, individualism/collectivism, masculinity/femininity, and power distance. A fifth dimension was added in 1988: long-term versus short-term orientation [Hofstede & Bond 1988; Hofstede 1993].

Hofstede et al. [1990] presented the findings of a study on 20 units from 10 different organizations in Denmark and the Netherlands to determine if they could measure organizational differences quantitatively. Hofstede et al. 1990 acknowledged that organizational culture and strategy had overlapping constructs. Even though there was no consensus on a single definition, most scholars would agree that organizational/corporate culture had the following six constructs: “it is (1) holistic, (2) historically determined, (3) related to anthropological concepts, (4) socially constructed, (5) soft, and (6) difficult to change” [Hofstede et al. 1990, p. 286]. The Hofstede et al. [1990] project was to determine which dimensions could be used to measure organizational culture. Hofstede et al.’s hypothesis was “organizational cultures are partly predetermined by nationality, industry, and task, which should be visible in significant effects of such factors on culture dimensions scores” [Hofstede et al. 1990, p. 287]. Hofstede et al. acknowledged the work of Denison in 1984 on performance measures, but were unable to confirm or refute the relationship between participative decision making and performance within his study. Using a polar measurement philosophy similar to Hofstede’s IBM research, the [1990] study identified six dimensions to measure corporate/organizational cultures: process-oriented vs. results-orientated, employee-oriented vs. job-oriented, parochial vs. professional, open system vs. closed system, loose control vs. tight control, normative vs. pragmatic. These dimensions overlapped with Hofstede and Bond’s [1988] five dimensions used to study national cultures. Hofstede [1993] suggested that part of the overlap could be explained by the separation of values and practices. He concluded that while overlap occurred between national and organizational dimensions, more research was necessary to develop organizational dimensions.

The Hofstede et al. [1990] research project was an important contributor to the demystification of the organizational culture construct. After a slew of criticisms were launched at Hofstede for his original IBM study, he became focused on defending his past work. The Hofstede et al. [1990] organizational study was the only study where Hofstede participated directly on organizational cultural research, until his recent publication “Cultures and Organizations, Software of the Mind” with his son G. J. Hofstede and M. Minkov in 2005. The 2005 publication refers back to Hofstede et al.’s article from 1990, but in this publication, instead of expanding his organizational dimensions, it links back to his original four dimensions. The article is more of a restatement of the 1990 study, with additional comments regarding organizational studies, comparing the 1990 study back to his original four dimensions. No mention is given to the fifth dimension [Hofstede, Hofstede & Minkov 2005].

Many researchers had strong criticism of Hofstede's original methods and data. Researchers who tried to compare or replicate his research frequently reached research conclusions that debated Hofstede's cultural findings [Triandis 1982a, 1982b, 2001; Martin & Frost 1996; Winch, Millar & Clifton 1997; Baskerville 2003; Fang 2003; Javidan & House 2001; House et al. 2002, 2004; Drogendijk & Slangen 2006; Javidan et al. 2006; McSweeney 2002a, 2002b, 2009; Smith 2006; Ailon 2008; Magnusson & Wilson 2008; Tung & Verbeke 2010; Rapp et al. 2011]. In response to this criticism, Hofstede repetitively stated that many of the criticisms were based on a lack of understanding of the difference between organizational and national cultures, and those who criticized were confusing values and practice. He argued that had they read his research properly, including the 1990 project, they would have understood how both national and organizational cultures could exist within a corporation.

The research that generated the largest debate was project GLOBE [House et al. 2004]. Hofstede strongly criticized the researchers for failing to properly understand his work, misusing two of his dimensions, and incorrectly developing others [Hofstede 2006, 2010].

A large percentage of the academically published articles focus on Hofstede's cultural and dimensional measurements, comparing them to other dimensional models or trying to replicate the findings. In the cultural research literature reviewed in this paper, Hofstede is referenced in 40% of the articles reviewed. This percentage is similar to findings that other researchers have found in reviewing organizational culture literature [Matsumoto & Seung 2006; Rapp et al. 2011]. The popularity of Hofstede's research has dominated cultural research during the last thirty years. The popularity of his research has been echoed in numerous studies, either supportive or critical of his research findings [Schein 1983; Schwartz 1994, 1999; Denison & Mishra 1995; Barkema & Vermeulen 1997; Winch, Millar & Clifton 1997; Detert, Schroeder & Mauriel 2000; Dimmock & Walker 2000; Triandis 1982a, 1982b, 1994, 2001; Moon & Choi 2001; Sivakumar & Nakata 2001; McSweeney 2002a, 2002b, 2009; Martin 2002; Fey & Denison 2003; Van Den Berg & Wilderom 2004; House et al. 2004; Licht, Goldschmidt & Schwartz 2005; Matsumoto & Seung 2006; Srite & Karahanna 2006; Ng, Lee Soutar 2007; Ailon 2008; Li & Harrison 2008; Breuer & Salzmann 2009; Skerlavaj, Song & Lee 2010; Rapp et al. 2011; Haan & Jansen 2011; Fortuna & Loch 2012; Chen et al. 2012; Minkov & Blagoev 2012; Banuri & Eckel 2012; Mohanty & Rath 2012]. The fact is, no other researcher has received as much attention for their cultural research findings [Detert, Schroeder & Mauriel 2000; Tung & Verbeke 2010; Rapp et al. 2011].

Hofstede's primary research was on cultural difference between societies, but his dimensions quickly became the focal point for those doing research on organizational culture. Hofstede was a pioneer in the development of cultural dimensions, and regardless of one's stance or views on the dimensions, they are considered some of the first steps in demystifying the concepts of culture.

1.1. Hofstede uncertainty avoidance

Hofstede defines the uncertainty avoidance as the "Degree to which people in a country prefer structured over unstructured situations" [Hofstede 1993, p. 90]. In the uncertainty avoidance dimension, cultures with high uncertainty avoidance have clear parameters and strategies to reduce the risk of uncertainty. In low uncertainty avoidance cultures, there is a greater openness to unknown situations and therefore higher willingness to accept different concepts and processes [Hofstede 1980].

In the field of corporate governance, a primary goal is risk management. The concept of rules-based governance supports a high uncertainty avoidance culture, with specific rules and codes such as the Sarbanes-Oxley Act or the Dodd-Frank Act in the USA. The Hofstede study highlighted the USA as having a low uncertainty avoidance, which is in contrast to what would be expected for a culture that is avoiding uncertainty. The alternative European/Canadian governance system of principle-based governance, according to Hofstede's definition, would be more suited to the low uncertainty avoidance, providing guidelines versus specific rules for situations.

The other argument put forward linking to the uncertainty avoidance definition is the role of independent directors [Li & Harrison 2008]. The argument is that independent directors are less likely to be corrupted and therefore are more likely to accept reasonable levels of measured uncertainty, reducing the risk associated with it [Cox & Munsinger 1985]. The few corporate governance board studies that link directly to the Hofstede dimensions are focused on specific variables such as board composition. Li and Harrison [2008] used Hofstede's dimensions to study the composition of leadership structures and argued that companies with high uncertainty avoidance had more outside directors who would have the necessary skills to deal with complex problems. The study was based on 399 companies from a number of registries and corporate listings, including Standard and Poor's registry, Moody International, Directory of Multinationals, and the Fortune 500 International Director listings [Li & Harrison 2008]. While this study indicated a strong correlation be-

tween Hofstede's dimensions, it only focused on one variable, board composition, and did not take into account how regulation in many countries was impacting the number of outside directors being mandated to boards [Licht, Goldschmidt & Schwartz 2005].

1.2. Hofstede individualism/collectivism

Hofstede defines individualism/collectivism as “The degree to which people in a country prefer to act as individuals rather than as members of groups” [Hofstede 1993, p. 89]. The most cited example for this would be the comparison between Russia and the United States. Russian culture, or socialism by definition, encourages members of society to work to the common good of society over their individual goals and ambitions. The United States, on the other hand, is seen as a culture promoting individualism over group behaviour. This would appear to be partly demonstrated in a Fey and Denison [2003] study looking at organizational culture and effectiveness, comparing American theories to Russian theories. The study used a combination of Hofstede's model and the Denison model. The Hofstede model gave the USA a score of 91 compared to 40 for Russia on the individualism/collectivism dimension.

For corporate governance, the researchers' argument is the higher the individualism rating, the greater number of outside directors allocated to the board and the greater the likelihood the CEO will be the chairperson [Li & Harrison 2008]. A long-term critic of Hofstede, later to become a strong advocate of the GLOBE project, Triandis [1982a, 1982b, 2001] recognized the importance of this dimension to identify differences between societies but was critical on the application of results that did not take into consideration different patterns within a society based on religion or other situational elements.

1.3. Hofstede masculinity/femininity

Hofstede used the masculinity/femininity dimension to describe “The degree to which tough values like assertiveness, performance, success, and competition, which in nearly all societies are associated with the role of men, prevail over tender values like the quality of life, maintaining warm personal relationships, service, care for the weak, and solidarity” [Hofstede 1993, p. 90]. Countries such as Norway have feminine culture dominance whereas the Middle East has what is referred to as a masculine dominance [Hofstede

1993]. In the field of corporate governance, this dimension could be directly related to the composition of the board and form part of the argument that more gender diversified boards result in greater board acceptance to corporate social responsibility (CSR) [Ringov & Zollo 2007; Bear, Rahman & Post 2010].

1.4. Hofstede power distance

The equality of a culture is defined by Hofstede within the power distance dimension as the “Degree of inequality among people which the population of a country considers as normal: from relatively equal (that is, small power distance) to extremely unequal (large power distance). All societies are unequal, but some are more unequal than others” [Hofstede 1993, p. 90]. The higher the value, the greater the polarization of power to a few. In North America the power dimension would appear low, representing a culture where power is distributed broadly; whereas in Russia and China, this dimension would appear high, highlighting the inequality among people.

For corporate governance, organizations demonstrating high degrees of inequality would likely consolidate the CEO and chair position. Looking at Canada and the United States, where cultures are similar, this does not appear to be true. Canada has virtually no dual CEO/chair positions compared to the US, where they continue to be common. The power/distance and individualism/collectivism dimensions are the most debated dimensions [McSweeney 2002a; House et al. 2004].

1.5. Hofstede long-term versus short-term orientation

This is the fifth dimension, added after a joint study on Chinese culture and the teachings of Confucius by Canadian Michael Harris Bond and Geert Hofstede [Hofstede & Bond 1988]. To resolve issues of time Hofstede created the long-term versus short-term orientation dimension which he defined as “On the long-term side one finds values oriented towards the future, like thrift (saving) and persistence. On the short-term side one finds values rather oriented towards the past and present, like respect for tradition and fulfilling social obligations” [Hofstede 1993, p. 90]. While a couple of studies have incorporated the fifth dimension into their analyses, this dimension has been avoided by most researchers into culture [McSweeney 2002a].

Hofstede highlights the different management techniques of the USA versus other countries and acknowledges the need to internationalize manage-

ment theories. He advocates moving away from a US-centric focus and their idiosyncrasies stressed on market processes and individuals, and to move more to looking at leadership rather than workers. Hofstede [1993] recognized corporate culture and national culture were different. Citing the 1985 work of Schein, Hofstede's assessment was that national cultures were developed during childhood whereas corporate cultures had to be learned after joining the organization, and that these common values and practices were what held together organizations such as IBM [Hofstede 1993].

Hofstede did not believe the convergence hypothesis put forward, as the socialist system failed we would all focus on the capitalist system in the same way. The goal of the Hofstede study was to develop a common definition for culture and to use the 117,000 surveys collected during his time at IBM to add clarity to the cultural relativity of organizational practices and theories [Hofstede 1983]. Companies need to consider the quality of life concepts that are specific to individual countries and not an ethnocentric approach of past corporate headquarters [Hofstede 1984]. Hofstede concluded organizational culture differences were composed of other elements than those making up national culture. He argued that organizational studies need to take into account common practices, symbols, heroes, and rituals and acknowledge "organizational cultures are gestalts, wholes whose flavor can only be completely experienced by insiders and which demand empathy in order to be appreciated by out-siders" [Hofstede 1990, p. 313].

Hofstede continues to be a leading influencer in cultural literature research, and of his five dimensions, the two receiving wide acceptance for cultural research are power distance and uncertainty avoidance [Rapp et al. 2011]. One of the harshest critiques of Hofstede's model was by McSweeney [2002a], who challenged the crucial methodological assumptions Hofstede used in the determination of his dimensions. McSweeney put forward that Hofstede only saw the national as having values and therefore ignored the three discrete cultural components of organizational, occupational and national. He argued that Hofstede was closed to the possible effects of non-national cultures and the potential influence of non-cultural variables including leadership.

Picking up from McSweeney, Ailon [2008] expanded on his criticism with a detailed analysis of Hofstede's masculine/feminine dimension, stating that it was rooted in Western bias and was potentially sexist, therefore not allowing for effective cross culture analysis. Ailon [2008] and McSweeney [2002a, 2002b] both believed development of the fifth dimension by Hofstede was in itself admission the model was flawed. Ailon [2008] argued that the differ-

ences between Christianity and Islam would demonstrate more divergences than would be expected from individual nations, and that those nations are in fact made up of more than one religion and society.

While Hofstede has been without doubt the most cited cultural researcher for his four dimensions, other researchers have continued researching for new cultural dimensions.

2. Schwartz

The 1994 work of Shalom H. Schwartz on cultural dimensions is often cited in comparative studies with Hofstede's work [e.g., Licht, Goldschmidt & Schwartz 2005; Ng, Lee & Soutar 2007; Magnusson & Wilson 2008]. Schwartz [1999] identified seven dimensions: conservatism, intellectual autonomy, affective autonomy, hierarchy, egalitarianism, mastery, and harmony.

These dimensions were based on three issues:

1. The relationship between individuals and groups (conservatism, intellectual autonomy and affective autonomy)
2. Responsible behaviour societies needed to confront in order to operate in a functional way (hierarchy, egalitarianism)
3. Humankind in both the natural and social worlds (mastery, harmony)

Schwartz [1994] argued his dimensions were better suited to work for both national and organizational cultural differences. Schwartz's framework for his dimensions is based on individual values as biological organisms and societies. Schwartz started with 56 value items from Rokeach [1973] which he grouped into 10 parts, professing that these values created a superior set of dimensions and method of measurement over Hofstede's oversimplified dimensions [Ng, Lee & Soutar 2007]. Schwartz's research concluded: "There is widespread agreement in the literature regarding five features of the conceptual definitions of values: A value is a (1) belief (2) pertaining to desirable end states or modes of conduct, that (3) transcends specific situations, (4) guides selection or evaluation of behaviour, people, and events, and (5) is ordered by importance relative to other values to form a system of value priorities" [Schwartz 1994, p. 20]. The 10 value groups Schwartz settled on were: power, achievement, hedonism, simulation, self-direction, universalism, benevolence, tradition, conformity, and security [1994]. The value groups identified by Schwartz can be identified in each of Schwartz's seven dimensions.

Schwartz put forward that often values are considered in a single-value approach, when behaviour and attitudes are not guided by a single value but the trade-offs between competing values, and this develops the guiding principles. He argued that without such conflict you would not have the differences identified between cultures [Schwartz 1996]. Schwartz's studies [1994] included samples from 44 countries, and his subjects were teachers and students.

Follow-up studies by other researchers included a combination of corporate participants and business managers [Licht, Goldschmidt & Schwartz 2005; Ng, Lee & Soutar 2007; Magnusson & Wilson 2008; Breuer & Salzmann 2009]. Not all of these studies were complimentary; Ng, Lee and Soutar [2007] put forward that both Hofstede's and Schwartz's frameworks were obsolete due to the age of the data. They described how major shifts had occurred in a number of countries, making both models outdated. Another study reviewing the applications of Hofstede and Schwartz concluded: it is premature to judge Hofstede's model as obsolete or one model superior over the other until more research work is done [Drogendijk & Slangen 2006].

2.1. Schwartz conservatism

The focus of the conservatism dimension is on the status quo and that traditional order prevails. History has set the pattern and emphasis is on keeping with how things have been done. The conservatism dimension helps to define the relationship between the individual and the group. Those with a high score in conservatism tend to focus more on issues of the group versus the individual. A comparative Hofstede dimension would be individualism/collectivism. As with all dimensions, none are totally transferable and overlaps will depend on the approach and definition of terminology used by the researcher. Hofstede's individualism/collectivism also overlaps with Schwartz's intellectual autonomy and affective autonomy. Schwartz [1992, 1994, 1999] postulated that his dimensions take into account the shortcomings of Hofstede's work; that they are an improvement as they have a better and separate focus on the impact of groups and individuals and how they interrelate.

Until recently, most boards would have scored high on conservatism. Change is slow and past focus has not been on change but on how to achieve compliance. Without more studies directly involving boards, we cannot assess how much change is occurring [Pettigrew & McNulty 1995].

2.2. Schwartz intellectual autonomy

The intellectual autonomy has emphasis on curiosity, creativity, and independent intellectual ideas. Schwartz [1992] separated out autonomy as having two important value distinctions not found in Hofstede's collectivism/individualism dimension. Schwartz believed adding this dimension allows the researcher to determine the degree to which the culture is forward thinking [1992, 1994, 1996, 1999].

Business researchers looking at organizational effectiveness often state the importance of creativity and innovation as key to maintaining a strategic advantage, and that these values are key to high performance corporations [Schein 1996; Detert, Schroeder & Mauriel 2000; Haan & Jansen 2011; Fortuna & Loch 2012]. This dimension links directly to one of the primary roles of the board, which is to be the driver of innovation and strategic direction of organizations. Two recent studies found a positive relationship between innovation and board performance. Both studies found a positive relationship between strategic planning/thinking and corporate innovation. Both studies were conducted using questionnaires directed to the CEO and not from a sample of board members [Gabrielsson & Politis 2009; Zona, Minichilli & Zattoni 2009].

Others who have studied the issue of innovation within corporate governance have concluded that consensus is difficult to achieve when so much remains to be understood. A combination of the dominance of agency theory, resource theory, and others, cloud relationships between boards and strategic planning and the final link to innovation [Driver 2012].

2.3. Schwartz affective autonomy

The affective autonomy dimension has an emphasis on hedonism, pursue of exciting and variety of life experiences. The focus of this dimension is on the individual and behaviours motivated by providing pleasure. Organizational research has identified the importance of a variety in work, and Schwartz [1999] believed this value would be reflected in different ways depending on the culture. Schwartz [1996] recognized some of the values may not be geographic and could be linked to other factors, such as religion or language, and since his study was based on teachers and students his argument remained that much of the bias was absent from his study, as the teachers represented an anchor to a social network [Schwartz 1999].

In the world of corporate governance, affective autonomy is associated with agency theory and the desire of individuals and management to fulfil their

own needs, which may not be to the benefit of other parts of the organization [Jensen 1986, 1993].

2.4. Schwartz hierarchy

Similar to Hofstede's and GLOBE's dimensions of power distance, Schwartz [1992] terms his dimension hierarchy and defines it as the legitimacy of unequal distribution of power, role, and resources. Researchers in culture have universally identified one dimension to describe the inequality between those in power and those not. For Schwartz, hierarchy and egalitarianism were dimensions necessary to preserve the social fabric and welfare of others. Schwartz put forward, in 1992, that individual responses on fixed questionnaires would not determine the normative ideals of a culture – a criticism shared by other researchers [Triandis 1993; McSweeney 2002a].

For those who have studied the elites, the question comes back to: where does the power exist? In response, most corporate governance studies have had a focus on the dual role of the CEO and chair. In no other field of research is the black box issue more apparent. Obviously board members are at the top, but how they work and interrelate is only just starting to be opened out to more than those within the boardroom [Pettigrew & McNulty 1998; Bonn & Pettigrew 2009].

2.5. Schwartz egalitarianism

While a culture can have separation of power, this does not necessarily mean inequality that exists between groups creates an inequality of justice, responsibility, or honesty. Schwartz [1992] believed culture could not be measured effectively with only a bipolar approach to cultural values and that many values were interdependent on each other. A culture could have a strong hierarchy, but be equally concerned with the welfare of others [Schwartz 1992]. Hofstede [1993] claimed this was covered in his power distance dimension.

Governance literature has only had limited exposure to this cultural dimension, and the few studies that could apply would prefer to trust behavioural theories and some forms of corporate social responsibility (CSR) [Ees, Gabrielsson & Huse 2009; Ees, van der Laan & Postma 2009; Huse 2009a, 2009b].

2.6. Schwartz mastery

Schwartz defined mastery as the cultural emphasis on being in control of the environment and doing what was necessary to get ahead as a society. The dimension of mastery was not to accept the world as it was but to take control and develop it into fulfilling the organization's interest [Schwartz 1992].

In the world of corporate governance, this could be incorporated in the ongoing primacy debate. In the corporate governance world, boards whose focus was on delivery value to the shareholders versus stakeholders would score high on the mastery level. The board would seek to control situations and cost to deliver maximum return to shareholders. In the extreme case, companies would ignore environmental issues of production in consideration of maintaining cost effectiveness [Smith, Dugan & Trompenaars 1996; Jensen 2001; Kaler 2003; Letza, Sun & Kirkbride 2004]. For Hofstede, this was covered in his masculinity/femininity dimension.

2.7. Schwartz harmony

The concept of harmony was acceptance of how the world is and how to work in conjunction with the world as it exists. The environmental awareness analogy is the most common example of corporations defining their harmony dimension. Examples range from green energy to the use of environmentally friendly product packaging. Going beyond the environmental aspect, harmony fits with the broader facets of stakeholder theory that considers all parties to have a direct or indirect relationship to the corporation [Ronnegard & Smith 2010]. Corporate governance research has identified that organizations that have an active strategic focus combined with a humanistic culture will have a positive impact on corporate social responsibility [Galbreath 2010].

3. Trompenaars

Trompenaars [1993] presented a seven-dimensional model of national culture differences with a focus on the impact of the various dimensions on how international business is conducted. The study included 21 countries and 25,000 participants. As with Hofstede and Schwartz, Trompenaars shared a similar conceptual view of culture, in that it was unique to nations/countries sharing

common core values, beliefs, and attitudes which guided individual behaviour. Trompenaars viewed culture like the layers of an onion. The outer layer is made up of artefacts and products often associated with culture including language, housing, clothes, etc.. The next layer, or the middle, Trompenaars described as the norms or values of what we see as right and wrong. The core of the onion is the assumptions culture has developed over time to deal with the problems society faces. How a society deals with the dilemmas created by relationships, time, and the natural environment may change, but the need to deal with these is true for all societies [Trompenaars 1996].

Trompenaars' work stems from Parsons' [1951] sociological work, which he then built on to create his seven dimensions. The seven dimensions are: universalism – particularism, individualism – communitarianism, neutral – affective, specific – diffuse, achievement – ascription, attitude towards time, and attitude towards internal / external control. Trompenaars' model and database were sharply criticized by Hofstede [1996]. He saw the model as a simple extension to Trompenaars' earlier [1985] doctoral dissertation, which cobbled together five dimensions from sociologist Parsons [1951], and the remaining two dimensions from anthropologists Kluckhohn and Stodtbeck [1961]. Hofstede was critical of the design of Trompenaars' questionnaire, stating that he confused conceptual categories with dimensions and he ignored important elements of power conflict.

Other researchers were more kind, praising Trompenaars' work as theoretically sound and adding value to the field of cultural research [Smith, Dugan, and Trompenaars 1996; Uhlenbruck 2004; Magnusson and Wilson 2008]. Trompenaars' method of testing dimensions was done with the concept of storytelling, and testing the answer by putting a situational question to the individuals. His study found that effective strategic managers are constantly reconciling between all seven polar dimensions [Trompenaars 1996].

3.1. Trompenaars universalism – particularism

Trompenaars [1993], like other researchers, defined dimensions using polar values. Universalism necessitated consistency, uniform procedures and working within a system of standards and rules. Universalism required order and followed the letter of the law. Particularism was more pragmatic and flexible, making exceptions, and worked to the spirit of the law. The method Trompenaars used in reconciling what appear as opposites, was not to state one or the other but to have a culture of dialectics. In his research Trompenaars

found that Protestant cultures had higher degrees of universalism, where individuals were expected to follow the rules of God. This was compared to Catholics, whose culture allowed for a mechanism of forgiveness with the hearing of confessions and forgiveness of sins [Trompenaars 1996].

With the push for globalization, many organizations have adopted the “think global, act local” euphemism to tackle cultural differences. While no specific corporate governance studies have made reference to Trompenaars, this dimension would reflect the difference between rules-based governance (as highlighted with Sarbanes-Oxley Act 2002, or Dodd-Frank Act 2010) in the USA versus principle-based governance followed in Canada and the UK [Roberts 2012].

3.2. Trompenaars individualism – communitarianism

The individualistic view is that, given more freedom, individuals will have the opportunity to develop themselves and, by so doing, improve one’s quality of life. The opposing view is that if individuals focus on continuously taking care of each other, then the quality of life will improve for everyone and sometimes it’s necessary to restrict some individual freedoms and individual development so it will be more beneficial to everyone in the future [Trompenaars 1993]. The results of Trompenaars’ study showed western cultures had a greater focus on individualism versus communitarianism. Communitarianism proved more dominant in China, Japan, India, and Mexico [Trompenaars & Hampden-Turner 1998].

In business it is about getting the best of both worlds. It is advantageous to have individuals work independently and yet also to have groups work as teams. Part of the concept of independent directors was to have individuals who could bring different views to the table but to also work as a team in helping set a new direction for the corporation. This could best be accomplished with clear team objectives based on individual initiatives for success [Trompenaars 1996]. Javidan [2004] credits Trompenaars and Hampden-Turner for their empirical evidence supporting two cultural types: one dominated by the USA, whose focus of getting the job done was more important than individual freedom, the other in countries such as Oman, where people preferred individual freedoms over getting the job done.

Board research has only just started to look beyond the agency theory philosophy and to go further than the inconclusive studies of independent directors to studies that look at the actual behaviour of board members [Bhagat & Black 1999; Aguilera 2005; Argote & Greve 2007].

3.3. Trompenaars neutral versus affective

This dimension relates to the amount of emotions that can, or should, be displayed overtly. At the top of the scale to overtly display emotions were countries such as Ethiopia and Japan, while Egypt and Kuwait were least likely to express emotions overtly. Trompenaars and Hampden-Turner [1998] put forward that this trait could be validated by using measurement tools such as the Myers-Briggs Type Indicator (MBTI).

Organizations which focused on only working to facts without acceptance of emotions in decision making were more likely to face the dilemma of paralysis by analysis. On the opposite side, organizations who were more led by emotions were more likely to make decisions based on feelings versus empirical evidence. The appropriate level is a combination of the two [Trompenaars & Hampden-Turner 1998]. This is an important strategic dimension as inventiveness is an intuitive and emotional competence, but needs logical reasoning to become an innovation [Trompenaars 1996].

For corporate governance, this links back to how directors share and relate to each other. The importance of directors meeting outside the meeting room to get to know each other on a personal level can encourage a balance in decision making [LeBlanc 2004; LeBlanc & Gillies 2005]. One of the few governance studies looking directly at the impact of emotions within the boardroom concluded that many decisions are impacted by this area, and only by having a more profound understanding of the role of emotions will researchers be able to unlock some of the mysteries of the boardroom [Brundin & Nordqvist 2008].

3.4. Trompenaars specific versus diffuse

The ability to engage others in specific areas of life. A question put forward in Trompenaars' [1993] survey was "Would you paint the boss' house if requested?" A specific response would be "No", with the position that outside the workplace the boss has no influence. Alternatively, a more diffuse response would be "Yes". While he may not have influence outside of the workplace, he has power regardless. Trompenaars found that "Sweden and most western societies showed little willingness to do the task, whereas in China, the majority response was to accept the task" [Trompenaars 1993, p. 80].

In national settings, the values of the CEO would most likely be shared across the organization. Trompenaars [1996] advocated reconciling this dimension,

that it was the one where balance was most crucial for effective management. This hits on personal relationships and little empirical research has been done in the field of corporate governance looking at either executive or non-executive directors and their relationships [Huse 1998; Gabrielsson & Huse 2004; Ees, Gabrielsson & Huse 2009; Ees, van der Laan & Postma 2009b].

3.5. Trompenaars achievement versus ascription

Some individuals will be ascribed higher status than others and as such they may face different measurement metrics. Status is either based on achievement or ascribed based on age, class, gender, education, or other factors, creating a separation between individuals [Trompenaars 1993]. This is similar to the power distance dimension defined by Hofstede in 1983. From a strategic position, Trompenaars saw the need to reward individuals on their skills and accomplishments, but equally to respect the experience individuals bring to the organization. An over-ascribed organizational culture fails to challenge the status quo and too much emphasis on achievement may create an unstable environment [Trompenaars 1996]. A study conducted with 10,000 managers across Eastern and Western Europe found Eastern managers valued ascription over achievement [Smith, Dugan & Trompenaars 1996].

In corporate governance, with a background of the “old boys’ network”, this area of research is wide open for review. Governance research has thus far had a focus on board composition, often ignoring cultural differences highlighted by this dimension [Heslin & Donaldson 1999; Kakabadse & Kakabadse 2007; Rhode & Packel 2010].

3.6. Trompenaars attitude to time

Perception of time allows organizations to co-ordinate activities with a common focus. The focus of time impacts what is critical or what merely is a guide for completion. For example, an organization’s plans to expand with new locations during the next five years will create a very different set of parameters than a time span to open new locations during the next year, quarter, month, etc.. Depending on managers, attitude to time can create a very different set of dynamics within an organization [Trompenaars 1993]. Directors need to be able to deal with the issues of the moment, but simultaneously retain a long-term view for the strategic development of the organization [Zattoni & Pugliese 2012].

3.7. Trompenaars internal – external control

This polar comparison was based on having competing forces to either respond to the needs of the customer or to keep a focus on what the organization does well. In Trompenaars' study, the internal locus of control for Americans were those who seized the opportunity and became successful, compared to those who believed external forces were at work and all they could do was react. In reconciling these forces for business were the concepts of big new ideas or refining novel ideas allowing for quicker growth [Trompenaars 1996]. Trompenaars saw businesses as having a pivotal opportunity to use culture strategically to build and accelerate business by riding the waves of culture. Trompenaars was criticized for staying on the sidelines of the great debate between Hofstede and the GLOBE project [Maseland & van Hoorn 2009].

In the boardroom this dimension could be expressed by the comparison between monitoring (internal) and the strategic (external). While boards by definition are supposed to do both, the conflicts of time often make this a difficult task [Rindova 1999; Kim, Burns & Prescott 2009; Pugliese et al. 2009].

4. Project GLOBE nine cultural dimensions

The GLOBE (Global Leadership and Organizational Behaviour Effectiveness) was a multi-country research project led and developed in the 1990s by Robert House, working with research associates from around the world. The GLOBE team defined culture as “shared motives, values, beliefs, identities, and interpretations or meanings of significant events that result from common experiences of members of collectives that are transmitted across generations” [House et al. 2004, p. 15]. “Beliefs are people’s perceptions of how things are done in their countries. They are the reported practices in a particular culture. Values are people’s aspirations about the way things should be done. They are the reported preferred practices” [Javidan & House 2001, p. 293]. The project studied sixty-two societies and included close to 170 Country Co-Investigators (CCIs), social scientists and management scholars [House et al. 2004]. The project revived the original Hofstede debates surrounding his initial four dimensions and was defined by Fischer, associate editor of the *Journal of Cross-Cultural Psychology*, as “one of the most heated and controversial debates in contemporary cross-cultural management research” [Fischer 2009, p. 26]. The project surveyed approximately 17,300 middle managers in 951 organi-

zations from 62 societies, and the results were published in a book edited by House et al. [2004] in which they describe in detail the results of their work. This project is considered to have had the largest-ever academic-led cultural research team [House et al. 2004].

The GLOBE project was developed to go beyond the Hofstede model and to look at the link between leadership, organizations, and culture. GLOBE's definition of leadership was "the ability of an individual to influence, motivate, and enable others to contribute toward the effectiveness and success of the organizations of which they are members" [House et al. 2004, p. 15]. A primary goal of the study was to answer the six following questions:

1. Are there leader behaviours, attributes, and organizational practices that are universally accepted and effective across cultures?
2. Are there leader behaviours, attributes and organizational practices that are accepted and effective in only some cultures?
3. How do attributes of societal and organizational cultures affect the kinds of leader behaviours and organizational practices that are accepted and effective?
4. What is the effect of violating cultural norms relevant to leadership and organizational practices?
5. What is the relative standing of each of the cultures studied on each of the nine core dimensions of culture?
6. Can the universal and culture-specific aspects of leader behaviours, attributes, and organizational practices be explained in terms of an underlying theory that accounts for systematic differences across cultures? [House et al. 2002, p. 4]

The House et al. GLOBE project conceptualized and developed nine dimensions of culture and six dimensions of leadership. The first two dimensions were taken directly from Hofstede's five dimensions: uncertainty avoidance and power distance. The GLOBE project took the definition for both these dimensions directly from Hofstede's 1980's work. Hofstede's individualism – collectivism dimension was broken into two dimensions of institutional collectivism and in-group collectivism.

When designing their cultural questions, the researchers looked at judgments of what *should be* compared to *as is*. This form of question design was borrowed from the traditional anthropological methods of culture assessment [Kluckhohn & Strodtbeck 1961]. House et al. described how their study's cultural manifestation of *as is* and *should be* "correspond to Schein's [1992] concepts of artifacts and espoused values as levels of culture. Specifically, Schein argues both artifacts and espoused values are important elements of culture" [2004, p. 98].

Hofstede's masculinity – femininity dimension was redeveloped into two dimensions of gender egalitarianism and assertiveness. The future orientation and humane orientation dimensions were both derived from the 1961 work of Kluckholm and Strodtbeck – their Human Nature is Good versus Human Nature Is Bad dimension. The ninth dimension performance orientation was rooted in McClelland's [1961] work on human motivation, which GLOBE claimed covered Hofstede's fifth dimension of long-term versus short-term orientation. The definitions for the dimensions are summarized below.

4.1. GLOBE power distance

Defined similarly to Hofstede that no society has total equality and it is the degree to which some are more equal than others. The measurement for this dimension is the same as for Hofstede's dimension: the acceptance of unequal distribution of power. The study found this dimension correlated highly with Hofstede's power distance, confirming his findings for this dimension. In contrast, the cross-correlation to other dimensions did not replicate Hofstede's findings, and GLOBE suggested "that Hofstede's original power distance index reflects more of societal power distance practices than values" [Carl, Gupta & Javidan 2004, p. 543]. Adding to this criticism, they then portrayed GLOBE as having a superior design due to the fact that they integrated this with their *as is* and *should be* that allowed them to make use of their culturally endorsed implicit theories of leadership [Carl, Gupta & Javidan 2004].

The importance of bringing leadership to the forefront in understanding organizational culture cannot be overstated. The GLOBE model, and others, have utilized middle managers and employees as participants within their surveys, and GLOBE appropriately utilized their culturally endorsed leadership theory (CLT) that was derived from Implicit Leadership Theory. "According to this theory individuals have implicit beliefs, convictions, and assumptions concerning attributes and behaviours that distinguish leaders from followers, effective leaders from ineffective leaders, and moral leaders from evil leaders. These beliefs, convictions and assumptions are referred to as individual implicit theories of leadership" [House et al. 2004, p. 9].

A more appropriate leadership model for the boardroom may be the recently explored shared leadership model [Vandewaerde et al. 2011]. The boardroom is made up of leaders working with leaders, and while power and influence is most certainly a factor in the boardroom, the most effective leadership model may depend on the situation and makeup of the board. It

has been argued that a board that reflects a leader/follower model is more likely a weak or passive board, as the board members are following instead of leading [Beaver, Davies & Joyce 2007]. The unique aspect of GLOBE's Power Distance dimension is how it has applied CLT leadership as part of its ability to understand culture. The other characteristics of the model are the same as Hofstede's Power Distance dimension.

4.2. GLOBE uncertainty avoidance

As with Hofstede GLOBE defines uncertainty avoidance as the degree of comfort people have of the unknown. While the definition was the same as Hofstede's dimension, the GLOBE data set had two major differences. Firstly, the project's target respondents were managers, whereas the Hofstede IBM study was aimed more at employees. Secondly, Hofstede took an eco-logic approach to both power distance and uncertainty avoidance, whereas the GLOBE project took a psycho-logic approach [Hofstede 2006]. The GLOBE explanation for this was that since they were measuring leadership, the selection of middle managers was appropriate – these respondents provided leadership to employees while themselves responding to upper levels of management leadership [Javidan et al. 2006]. Looking at both arguments, what is apparent is that the levels of employee response did impact the culture of the organization and leadership.

Considering that a board, by its very mandate, is made up of senior leaders, it is possible that in themselves they represent a different data set and potential values than what would be found within the mainstream organization. A review by Venaik and Brewer [2010], trying to understand the reason for the variation in findings for a dimension that was adopted by the GLOBE team, concluded they were not measuring the same values. They argued that future studies need to take into account how the dimensions are defined by the authors when making comparisons. They concluded more research would be necessary to reconcile the differences of the “avoiding uncertainty” dimensions of Hofstede and GLOBE [Venaik & Brewer 2010].

4.3. GLOBE institutional collectivism

For the GLOBE project institutional collectivism was the degree to which organizations or societies rewarded and encouraged collective action and distribution of resources [House et al. 2002]. Using a questionnaire format, the re-

spondents were asked to rate both the organization *as is* and what it *should be*. The separation of the questions into these two groups has added to the debate that the method created eighteen dimensions, thereby making the model overly complex [Minkov & Blagoev 2012]. Hofstede in particular argued that this relationship between values created a problem for the GLOBE team and that the GLOBE questions were formulated in such an abstract way that the respondent would not be able to effectively separate the difference in the question [Hofstede 2006, 2010]. The GLOBE researchers responded that their investigation supported the onion assumption and that their methodology allowed them to test the assumption that cultural values drive cultural practices [Javidan et al. 2006].

GLOBE, following the research of Triandis et al. [1986], took a multi-dimensional approach to Hofstede's individualism – collectivism dimension. GLOBE claimed that institutional collectivism scores had a negative correlation with both Hofstede's and Schwartz's results, but these correlations were much lower than those found in the in-group dimension. GLOBE acknowledged that different aspects of culture were being measured [Gelfand et al. 2004].

4.4. GLOBE in-group collectivism

The GLOBE researchers in this dimension were looking at the “degree individuals express pride, loyalty, and cohesiveness in the workplace and within their societies” [House et al. 2002, p. 6]. Hofstede argued that no separation is necessary and this dimension is adequately covered in his individualism – collectivism dimension [Hofstede 2006, 2010]. GLOBE found that the in-group had high correlations to both Hofstede's individualism – collectivism and Schwartz's autonomy and egalitarianism dimensions [Gelfand et al. 2004].

At a board level, this is an ongoing debate in terms of board effectiveness and good cohesiveness of a board is considered critical for an effective board. A board is unique in that it requires cohesiveness but still values independent views and debate is also seen as a healthy aspect of a board's function. In fact, a fear for most boards is that group-think can take place [Pettigrew & McNulty 1995; Esser 1998; Pugliese et al. 2009].

4.5. GLOBE gender egalitarianism

GLOBE defined this dimension as “The degree to which an organization or a society minimizes gender role differences while promoting gender equality” [House et al. 2004, p. 12]. A specific questionnaire example was: “I believe

that opportunities for leadership should be: more available for men than for women/equally distributed for men and women/more available for women than for men” [House et al. 2004, p. 360]. Hofstede [2010] argued that the GLOBE process had, by the nature of its questions, created stereotypes without working out the separation between beliefs and behaviours.

Gender in the field of corporate governance has become a concern to both regulators and organizations promoting good corporate governance. Again, there is a danger of stereotypes in defining the qualities women bring to the board, but it is an issue gaining substantial interest in the corporate governance literature [Brammer, Millington & Pavelin 2007, 2009; Hillman, Shropshire & Cannella 2007; Rose 2007; Sealy & Vinnicombe 2012].

4.6. GLOBE assertiveness

The GLOBE team defined assertiveness as “The degree to which individuals in organizations or societies are assertive, confrontational, and aggressive in social relationships” [House et al. 2002, p. 6]. While the GLOBE team felt that there was value in the Hofstede masculinity – femininity dimension, they also felt that its current format created confusion and did not effectively separate out the issue of social inequality [House et al. 2004]. While this dimension has its roots in Hofstede’s dimension, once separated out into gender egalitarianism and assertiveness it becomes impossible to do effective comparisons on the findings as they are no longer measuring the same variables.

Looking at assertiveness by itself is without doubt a dimension reviewed within the field of corporate governance. Board members are expected to be assertive and confrontational in asking the tough corporate governance questions, thereby protecting both the stakeholders and shareholders. Boards showing a high degree of assertiveness would be deemed as providing good corporate governance. No studies appear to have been completed on corporate governance looking at this specific dimension.

4.7. GLOBE future orientation

This dimension refers to “the degree to which individuals in organizations or societies engage in future planning, investing, and delaying gratification” [House et al. 2002, p. 6]. The GLOBE study found countries with strong future orientation were more likely to be prosperous with longer planning horizons and less likely to participate in instant gratification [House et al. 2004].

This has been an ongoing debate when discussing the role of boards: is it to monitor what has been done to ensure proper procedures and policies have been adhered to and to provide oversight to management, or is it to help the organization focus more to the future, thereby providing the organization a strategic advantage? [Zattoni & Pugliese 2012]. The consensus of corporate governance scholars and practitioners is that effective boards take a pro-active role in strategic development and therefore keep the board with a future-orientation focus [Pettigrew & McNulty 1998; Cornforth & Edwards 1999; Daily, Dalton & Cannella 2003; Bebchuk, Cohen & Ferrell 2004; Corley 2005; Dalton & Dalton 2005; Roberts, McNulty & Stiles 2005; Useem & Zelleke 2006; Huse 2009a/2009b; Pugliese et al. 2009; Zattoni & Pugliese 2012].

4.8. GLOBE performance orientation

Performance orientation is defined as “The degree to which society encourages and rewards group members for performance improvement and excellence” [Javidan & House 2001, p. 300]. This dimension has some overlap with Power Distance and Future Orientation, but is unique in that it brings the importance of reward systems to culture. Hofstede and Bond’s [1988] fifth dimension based on Confucian values would overlap with this dimension. Countries such as the USA and Singapore would score high in this dimension, demonstrating a “can-do” attitude and a pro-active approach to developing excellence. In the GLOBE study Russia and Argentina scored low, indicating more of a traditional approach and a resistance to change [Javidan & House 2001].

Performance orientation has been a long-term issue within corporate governance in setting up proper reward systems. This includes philosophies incorporating reward systems for both executive and non-executive directors. Board studies on performance have focused on trying to identify performance matrices; what they have not done is to separate out whether the organization has a culture that drives improvement and excellence [Cordeiro, Veliyath & Erasmus 2000; Fernandes 2005; LeBlanc & Schwartz 2007; Bozec, Dia & Bozec 2010; Schwartz-Ziv & Weisbach 2011].

4.9. GLOBE humane orientation

The definition of humane orientation is “The degree to which a society encourages and rewards individuals for being fair, altruistic, generous, caring and

kind to others” [Javidan & House 2001, p. 301]. This dimension has a close relationship to Schwartz’s egalitarianism dimension [Magnusson & Wilson 2008]. Trompenaars’ dimension of specific – diffuse would also have some overlap, and Hofstede would argue this dimension is already incorporated within his masculinity – femininity dimension.

In the field of corporate governance, this dimension strikes at the heart of the long-fought issue of shareholder versus stakeholder or primacy debate [Smith 2001; Letza, Sun & Kirkbride 2004; Ronnegard & Smith 2010] and the more recent corporate social responsibility (CSR) debate of the last 10 years [Mackenzie 2007; Bethoux, Didry & Mias 2007; Fassin & Rossem 2009].

5. Denison

Denison started his quest for an organizational model with his 1984 paper “Bringing Corporate Culture To the Bottom Line”. Here, Denison compared performance data (financial ratios) for 34 corporations with the level of participation in the workforce. These were measured with a 125 Likert scale questionnaire that sought to measure levels of participation, creating an index. Denison concluded from this study that organizational cultures could be measured and surveys were just one measurement tool. This belief was a catalyst for Denison’s continued exploration of culture as applied to organizations [Denison 1990, 1996, 2000; Denison & Mishra 1995; Denison, Hooijberg & Quinn 1995; Denison, Haaland & Goelzer 2003; Denison, Cohen & Ferrell 2004; Denison, Cho & Young 2006].

During the time of the 1984 study, Hofstede’s work had not been released, and Denison was focused on organizational culture and corporate performance versus national cultures and the potential differences. Denison continued his research and presented the Denison organizational culture model in his 1990 publication “Corporate Culture and Organizational Effectiveness”. Using a number of surveys and case studies, Denison outlined his four cultural traits: involvement, consistency, adaptability, and mission. While Denison used the term “trait” instead of “dimensions”, it was to highlight that his studies were focused on organizational culture similarities instead of national cultural differences.

Under each of the four traits identified by Denison, three dimensions were allocated to each trait, giving a total of 12 dimensions. The four traits were expanded from the original trait study put forward by Denison and Mishra

[1995], resulting in the final 12 dimensional model in 2002. The dimensions under each trait were as follows:

1. Involvement: Empowerment, Team Orientation, and Capability Development.
2. Consistency: Core Values, Agreement, and Coordination and Integration.
3. Adaptability: Creating Change, Customer Focus, and Organizational Learning.
4. Mission: Strategic Direction and Intent, Goals and Objectives, Vision.

For ease of comparison, this paper looks at each of the traits in turn, incorporating the expanded dimensions into each trait.

In the development of his model, Denison recognized that, for many organizations, having dominant traits in one area could result in another trait being less fulfilled. A company, for example, that scores highly in consistency, with strong coordination and integration between departments, may also score highly in terms of mission, with clear vision and strategic direction, but have limited involvement traits and its associated dimensions of empowerment and team orientation. The company could also be strong in one dimension within a trait, but have limited abilities within the same trait with a different dimension. For example, a company scoring highly in customer focus, may score low in change flexibility [Denison, Haaland & Goelzer 2003].

In answering criticism that this model was North American-centric, Denison developed two further studies, each comprised of a variety of national settings. The first study compared 230 European organizations across a broad base of industries, and the second studied 218 supermarkets from Canada, Australia, Brazil, the USA, Japan, Jamaica, and South Africa. The findings indicated that organizational effectiveness could be measured across national boundaries, providing clear patterns and also supplying empirical support for a general framework [Denison, Haaland & Goelzer 2003]. Similar patterns of model consistency and validation were found in other studies [Denison et al. 2004, 2006; Fortuna & Loch 2012].

While no empirical evidence exists at this stage for the lack of national differences, Denison offers a range of potential explanations for the “no difference” in terms of national cultures: “It may be the fact that respondents tend to ‘self-norm’ by comparing their own situation to other organizations in their same country or region” [Denison, Haaland & Goelzer 2003, p. 219]. The purpose of the model was to measure effectiveness and was not designed to identify differences between national cultures, different nationalities may have different traits, but all would concur empowerment was a good trait, however, they may have a different context that would not be picked up by the model. Denison

concluded that to fully understand what had caused the “no difference” result would require further research [Denison, Haaland & Goelzer 2003].

Each of Denison’s “traits” have values and behaviours that can be interpreted, and while results differ from other dimension models, there has equally been no agreement on findings between the other models. All of the researchers have noted in their defence or criticism of each other that they use different lenses when looking at their own research and it is unlikely that other researchers will have the ability to use the same lenses [Denison, Haaland & Goelzer 2003; Hofstede 1990; Trompenaars 1993; Schwartz 1994; House et al. 2004].

Denison was a researcher who frequently used a combination of qualitative and quantitative studies in the development of his theories [Denison & Mishra 1995; Denison 2000; Denison et al. 2003].

5.1. Denison involvement

Denison proposed “involvement is a cultural trait which will be positively related to effectiveness” [Denison & Mishra 1995, p. 214]. The involvement trait had the three values of empowerment, team orientation and capability development. Comparing Hofstede’s six organizational dimensions to the twelve developed by Denison, it is evident that they approach each dimension from a different perspective. One on one comparison would be inappropriate as each dimension from each author would overlap with multiple dimensions. A more effective comparison is accomplished by comparing Hofstede’s six organizational dimensions with Denison’s four “traits”. At this level, Hofstede’s employee-oriented vs. job-oriented and open system vs. closed system would have a reasonable fit within the involvement trait. Involvement could also be compared to Hofstede’s and GLOBE’s power distance dimensions, Schwartz’s intellectual and affective autonomy dimensions or Trompenaars’ universalism – particularism dimension.

The sample survey questions highlighted by GLOBE and Denison have similar structures with slightly different contextual structures. The difference in questionnaire format could explain different cultural findings. A sample power distance *as is* question from the GLOBE study, using a seven point scale (scored 1 to 7), was: “In this society, followers are expected to: obey their leaders without question / questioning their leaders when in disagreement” [House et al. 2004, p. 537]. A sample Denison involvement survey question, using a low to high scale (low being strongly disagree to high being highly agree), was: “Most people in this company have input into the decisions that

affect them” [Denison, Hooijberg & Quinn 1995, p. 231]. Both questions look at the power structure of the organization and the dynamics at work within the society/organization, but how the question is asked can shape the answer [Schwartz 1999]. The difference between the questions is that Denison clearly stipulates the “company’s” culture, whereas the GLOBE project could have respondents who answer the question based on either the organization culture or the national culture, a criticism Hofstede has raised on the GLOBE study [Hofstede 2006, 2010]. Denison clearly recognized the value and importance of the Hofstede, Schwartz, Trompenaars and GLOBE studies in determining national cultural differences, but his focus, research and theory development has always been directed at organizational cultures and effectiveness. He believed his values were universal in their applicability [Denison & Mishra 1995; Denison, Haaland & Goelzer 2003; Denison, Lief & Ward 2004].

From a corporate governance perspective, the concepts of power distance, involvement, and universalism are all important in determining the culture of the board. One possible issue with this study is that Denison’s respondents were predominately middle managers and so may not reflect the culture within the boardroom any more than the studies of Hofstede, Schwartz, Trompenaars or GLOBE.

5.2. Denison consistency

Denison’s research found organizations were “effective because they have ‘strong’ cultures that are highly consistent, well-coordinated, and well-integrated” [Denison, Haaland & Goelzer 2003, p. 208]. Denison’s consistency trait is rooted in the idea that executives, managers, and employees share core values within the organization, which means effective organizations will reach agreement on difficult decisions even when there are diverse points of view [Denison, Hooijberg & Quinn 1995]. Companies with high scores in consistency were found to be well coordinated with high levels of integration. Both the involvement and consistency traits have an internal focus to the organization [Denison, Haaland & Goelzer 2003; Denison, Lief & Ward 2004].

Denison’s consistency trait compares to Hofstede’s parochial vs. professional and loose control vs. tight control organizational dimensions. The consistency trait overlaps with Hofstede’s individualism/collectivism and uncertainty avoidance dimensions, Schwartz’s conservatism and egalitarianism dimensions, Trompenaars’ universalism – particularism and individualism – communitarianism dimensions, and GLOBE’s two collectivism dimensions. The overlap between the various models can be viewed positively – all the

researchers recognized the importance of structure, stability, and some form of conformity within a cultural setting.

Board literature has attempted to address consistency in terms of board cohesiveness, succession planning, and structure and relationship to company performance [Heracleous 2001; Ward, Brown & Rodriguez 2009]. Boards compare themselves to a best practice corporate governance checklist, with no consistent empirical proof that this type of evaluation leads to either consistent or improved corporate governance. Wong, in 2009, put forward that corporations need to consider more than just the Anglo-Saxon best practice models and consider local (cultural) factors as part of the evaluation process [Wong 2009a, 2009b]. Turnbull [2012] echoes the concern that many of the best practice methods put forward are Anglo-Saxon in design and may not consider the cultural aspects of boards. He also argues, “There is no agreed basis for defining what is good governance and thus no empirical test for identifying the existence of good governance” [Turnbull 2012, p. 428]. Combine the potential best practice design flaw with the fact that we don’t have consensus on who should do the evaluation and the complexity of the problem grows [Turnbull 2012].

Another evaluation mechanism used within corporate governance is the use of governance codes, which again can result in inconclusive findings as to their effectiveness [Adjaoud, Zeghal & Andaleeb 2007; Seidi 2007; Udayasankar & Das 2007]. For board evaluations to work effectively, new methods must be found that include understanding who is to do the evaluation, a clearer understanding of what is being evaluated and how evaluations are to be conducted in a consistent fashion, and who receives the results [Minichilli, Gabrielsson & Huse 2007].

5.3. Denison adaptability

Denison found adaptability at odds with his consistency trait and in some aspects he found them polar in their application to the organization. Part of the explanation for this is that the adaptability trait is externally focused whereas the consistency trait is internally focused. Another polarizing factor is that adaptability is about change and flexibility whereas consistency is more about standardization and stability [Denison, Haaland & Goelzer 2003; Denison, Lief & Ward 2004]. Denison identified three dimensions within the adaptability trait: creating change, customer focus and organizational learning. Hofstede’s organizational dimensions of process-oriented vs. results-oriented

and normative vs. pragmatic fit within Denison's adaptability trait. GLOBE's and Hofstede's uncertainty avoidance dimensions and Hofstede's masculinity – femininity dimensions can also be linked to Denison's adaptability trait. Schwartz's intellectual autonomy dimension and Trompenaars' universalism – particularism dimension once again fit within the adaptability trait.

For corporate governance, adaptability has historically been considered key – allowing the organization the ability to deal with changing external environments. For all corporations and organizations, some part of what is done, be it a service or product, is supported by having what is referred to as a “customer focus”. Part of the board's oversight responsibility is to identify if the level of customer focus is appropriate for their organization. In developing the model, Denison, Haaland and Goelzer [2003] saw organizational learning as key to the adaptability trait [Gillespie et al. 2008]. For a board, the company's ability to learn from mistakes and take corrective action is part of their overseeing responsibility [Schein 2008]. Hofstede, Hofstede and Minkov [2005] would argue that the change aspect is imbedded at an early age and the term of organizational learning is more in line with “climate” and practices versus culture. House et al. argued that Hofstede was wrong on four fronts: “(a) values and practices both serve to differentiate between societies and organizations; (b) the values and practices each account for unique variance; (c) the values and practices scales interact; and (d) the dimension of values and practices can be meaningfully applied at both levels” [House et al. 2004, p. 75]. Denison [1984] was a pioneer in bringing organizational learning as a cultural trait to the forefront to be studied as part of cultural uniqueness.

5.4. Denison mission

Denison created the mission trait to address what a series of scholars had already determined, that strategy was closely related to culture and changes in strategy had a direct impact on organizational culture [Hofstede 1990; McClelland 1961; Schein 1990, 1996, 2004]. Culture is what sets a company apart from other organizations who have similar products or services. For strategy, it is culture that provides the uniqueness of a sustainable advantage [Pennington 2009]. With his mission trait, Denison put forward three dimensions: strategic direction and intent, goals and objectives, and vision. Denison has applied high emphasis in his model to organizational focus and future direction. Hofstede recognized in his own literature review that “cul-

ture' and 'strategy' are partly overlapping constructs" [Hofstede et al. 1990, p. 286]. In spite of this, Hofstede's organizational dimensions have no direct comparison. Neither Hofstede nor Schwartz have dimensions which completely replicate Denison's mission trait. Trompenaars has one dimension, attitude to time, that encompasses some of the aspects of Denison's mission trait. GLOBE more closely matches with Denison's mission trait with their two dimensions of future orientation and performance orientation.

In the field of corporate governance, boards have two primary goals: to provide oversight and to provide strategic direction. Using publicly available board minutes to determine the areas of focus and allocation of effort on different areas, Schwartz-Ziv and Weisbach [2011] found that the bulk of time and effort of the boards was spent on fiduciary issues, with less than 13% of time and effort being allocated to dealing with issues that would be classified as strategic. The lack of strategic focus in the banking sector is considered one of the contributing factors to the 2008 financial crisis [Unseem 2012]. Acknowledging the need for strategic focus does not mean boards can claim that they have a strategic culture [LeBlanc 2004]. Hofstede correctly identifies that organizational cultures will vary with each organization, and both Hofstede and Denison highlight the need for ongoing qualitative studies to better understand the role of strategy within the organization [Hofstede 1990, 2006, 2010; Denison et al. 2003, 2004]. A growing amount of corporate governance literature has been dedicated to looking at the role of strategic planning in the boardroom [Cornforth & Edwards 1999; Rindova 1999; Dockery, Herbert, & Taylor 2000; Ingley & Van der Walt 2001; Plumptre 2004; Galan 2006; Kim, Burns & Prescott 2009; Pugliese et al. 2009].

6. Concluding remarks

Looking at the various dimensions and how they have been applied to culture, it is clear that dimensional models even with the same title were measuring different attributes. A challenge with all the existing cultural dimensions is that they were created with the purpose of either identifying different cultural traits between countries or middle management organizations. None of the cultural models were ever designed for use in the boardroom. Researchers need to take some of the value of each existing dimension model and look at how to adapt them to match more closely with the requirements of determining board culture [Evans 2013].

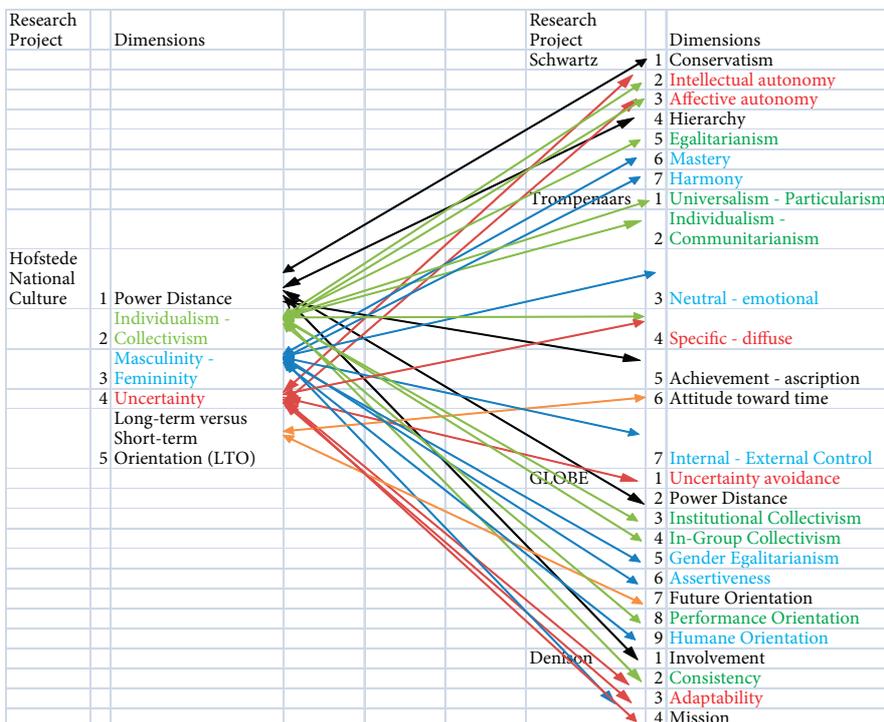


Figure 1. Overlap model between dimensional constructs (by author)

Each of the existing models correctly identified dimensions found effective in measuring values within their specific target groups and much of the debate has been on the gray area of overlap between the different dimensions. Figure 1 demonstrates the overlap of the different models when compared back to Hofstede's five level National Culture dimensions.

Detert, Schroeder and Mauriel [2000] recognized that the past research was disjointed and tried to come up with a framework to synthesize the work of Hofstede and Schein; this was to determine which dimensions add value from a total quality management (TQM) perspective. As with other prominent authors of the time, Detert et al. believed culture was a culmination of values and beliefs that members share around accepted behaviour. Their research concluded that no one cultural or trait dimension could be identified as adding more value than others [Detert, Schroeder & Mauriel 2000].

Schein [1996] recognized within organizations that cultures can exist within occupational communities. He argued organizations have three distinct

cultures: (1) culture of engineers, (2) culture of executives, and (3) culture of operators that often work at cross purposes and do not understand each other very well. Each group has shared values which they do not necessarily share with other groups. The engineer and executive cultures tend to express themselves from a global perspective, while the operator culture is more local. The importance of understanding these cultural differences is critical in the development of a learning organization. All change requires learning, and without a learning culture organizations cannot achieve their full potential [Schein 1996]. The definition of organizational learning is as elusive a concept as “culture”, with different scholars having different perspectives and definitions. A common understanding they do share is that organizational learning includes the retention and sharing of information in a consistent format [Skerlavaj, Song & Lee 2010]. As with culture, the degree and methods utilized for knowledge learning and retention are varied between scholars.

A number of scholars have attempted to build indices based on either Hofstede’s dimensions or other models, but a growing number of scholars see the use of indices as movement in the wrong direction when so many questions still need to be answered on existing models. While some proceed to build indices, “a growing number of others reject this outright as being a vestige of the ‘dark middle ages’ of cross-cultural research” [Tung & Verbeke 2010, p. 1270].

6.1. Leadership and culture

“It can be argued that the only thing of real importance that leaders do is to create and manage culture, that the unique talent of leaders is their ability to understand and work with culture” [Schein 2008, p. 362].

Dimmock and Walker [2000] found in their study, when comparing the eight leadership elements of collaboration, motivation, planning, decision making, communication, conflict resolution, appraisal and self-development to both the Hofstede and Trompenaars models, that these areas of leadership appeared important regardless of culture. The difficulty was the identification of which attributes had the greatest impact [Dimmock & Walker 2000].

The largest cross-corporate leadership and cultural dimensions study was conducted by the GLOBE team, resulting in two volumes of research findings for 62 countries, including 950 organizations and 17,300 individual participants. The first volume “Culture, Leadership and Organizations” published in 2004 provides a detailed analysis of the GLOBE project including compara-

tive results of the nine dimensions. For project GLOBE “The central proposition of the integrated theory is that the attributes and entities that differentiate a specified culture are predictive or organizational practices and leader attributes and behaviours that are most frequently enacted and most effective in that culture” [House et al. 2004, p. 17].

For the success of the GLOBE project, the researchers needed to agree on a single leadership theory they could use consistently across the study. The Implicit Leadership Theory (ILT) was a logical choice for the GLOBE team: “A major assertion of ILT is leadership is in the ‘eye of the beholder” [House et al. 2004, p. 670] Using ILT as a foundation, the GLOBE team developed six dimensional labels of:

1. Charismatic/Value-Based Leadership
2. Team-Oriented leadership
3. Participative leadership
4. Humane-Oriented leadership
5. Autonomous leadership
6. Self-Protective Leadership [House et al. 2004, p. 674].

These six labels became the core of what the GLOBE team would refer to as the Culturally Endorsed Implicit Leadership Theory (CLT) [House et al. 2004].

In the second volume, “Culture and Leadership Across the World”, [Chhokar, Brodbeck, & House 2007] the GLOBE team completed the second level of their qualitative/quantitative review of 25 societies, combining a qualitative review of each society with a quantitative analysis of leadership across the nine GLOBE cultural dimensions [Chhokar, Brodbeck, & House 2007]. As with the cultural study, the leadership study included an *as is* and *should be* inquiry to participants, a concept strongly criticized by Hofstede [Hofstede 2006, 2010]. Each section of the second volume deals with a unique country, and as with the cultural study, it includes both a qualitative and quantitative analysis by country. The nine cultural dimensions are compared to individual country styles. For example, Chapter 14 deals with leadership in the United States and identifies a research and scholarly bias in the definition of leadership: “Leadership tends to be seen as a process of influence in which the individual leader exercises considerable impact on others by inducing them to think and behave in certain ways” [Hoppe & Bhagat 2007, p. 491]. In general there is no one clear definition of leader or follower, and the concept that the leader influences the behaviour and actions of followers is one-sided, with a restricted top-down view of the world [Hollander 1992].

The GLOBE 2004 project’s most important leadership contributions were some of the universal leadership values that appeared to be true regardless of

culture. The attributes of integrity, trust, honesty, and justice appear as important leadership qualities across cultures. Cultures universally endorsed leadership values including motivational, dynamic and visionary. Other universal GLOBE findings included that elements of transformational leadership are problem solving, being decisive, excellence, and being team-oriented. Universal negative leadership values included ruthlessness and being dictatorial, non-cooperative and confrontational, all of which were seen as representing poor and ineffective management. Culturally contingent items ranged across charismatic/transformational leadership. Other leadership attributes ranged from individualistic to micro-manager [House et al. 2004].

A constraint of the GLOBE study, recognized by its authors, was that participants were middle managers and the leadership model was based on ILT [Den Hartog et al. 1999].

Denison's research, with his emphasis on change management, is related to strategic leadership theory, as has been presented in the literature since the 1980's [Hambrick & Mason 1984; Hambrick 2007]. While all of the models presented within this paper include elements of behaviour that can be captured within the existing models, "virtually no research has studied the antecedents of leader empowering behaviour" [Hakimi, Van Knippenberg & Giessner 2010, p. 701]. The study of empowerment requires not only the trust in follower performance, but the conscientiousness level of the leader. Hakimi, Van Knippenberg and Giessner [2010] put forward conscientiousness as a dimension directly related to leadership effectiveness. The personality of the leader has an important impact on how empowerment is deployed, and highly conscientious leaders are more likely to be successful in their empowerment. More research is necessary in this largely unexplored area of empowering behaviour to help determine situational, relational, and personality influences that impact the leadership empowerment process [Hakimi, Van Knippenberg & Giessner 2010].

A more pluralistic philosophy is that both leaders and followers have influence, depending on their individual experience and knowledge. The shift from a leader-centric to a follower-centric power orientation depends on the environment and willingness of all parties to acknowledge individual expertise and the value they contribute to decision making [Morasso & Mierzwa 2012]. The collegial model sometimes put forward to address the issue of leader / follower does not address the boardroom leadership situation as again this model is based on the concept of an employer/employee relationship [Cox 2012].

A model that is more reflective of the boardroom is the shared leadership theory, where leadership is defined as "a dynamic, interactive influence process

among individuals in groups for which the objective is to lead one another to the achievement of group or organizational goals or both” [Pearce & Conger 2003, p. 1]. The shared leadership model encompasses many aspects of other leadership models included in transformational and charismatic leadership theories. What differs is that, unlike the leader–follower model, the shared leadership model allows for the transformational motivation to come from the team [Hernandez et al. 2011]. An important distinction of shared leadership is that, while it may share some aspects of other leadership models, it is based on an outcome ontology and therefore should be free to develop its own structures and processes. Shared leadership is not restricted to the tripod anchors of leaders, followers and shared values [Drath et al. 2008]. Shared leadership happens when team members share the role of leadership between them, taking advantage of the abilities of all members to reach a team goal [Bryman 2004; DeChurch et al. 2010].

A misrepresentation of boards is that they are a group of individual experts bringing a specific knowledge to the boardroom, when in fact they are experienced leaders, who may have specific expertise, but the strength of what they bring to the boardroom is the ability to sort through complex information and use constructive dialogue to challenge and build consensus as a team going forward [Maharaj 2008].

Shared leadership theory, a new and novel approach in leadership research, has already demonstrated benefits in a variety of team settings. While the concept of shared leadership has been studied in a combination of teams and collaborative situations, it has not been studied within the boardroom [Vandewaerde et al. 2011]. The focus of research on shared leadership has been on theoretical development [Day, Gronn & Salas 2004; Gronn 2002; Pearce & Conger 2003; Ensley, Hmieleski & Pearce 2006; Vandewaerde et al. 2011] with few empirical studies on the topic [for example, Pearce & Sims 2002; Ensley, Hmieleski & Pearce 2006; Harris et al. 2007]. The boardroom is made up of leaders, all with substantial expertise and the ability to influence each other in both knowledge and leadership background, an ideal group with which to view shared leadership theory. Unfortunately, access to this group has been an ongoing issue within the research of corporate governance [LeBlanc 2004; Huse 2005].

The leadership model for boards is unique. A board is made up of leaders, and for many boards the concept of trust between the executive and non-executive directors is essential, especially when you have the board controlling the reward system for the senior executives and the senior executives often controlling the sharing and dissemination of information. In this dynamic,

trust acts as a lubricant for effective decision making [Spreitzer & Mishra 1999]. Islam et al. [2011] identified trust, communication, and leadership as the most important influences on knowledge sharing. Reward systems were found to have no influence on knowledge sharing. They concluded that a culture of trust is more likely to share useful information and be more willing to listen and absorb each other's knowledge. Organizations whose cultures encourage a diverse gathering of information and intense interaction are more likely to create successful knowledge sharing [Islam et al. 2011]. Earlier studies reaching similar conclusions include those by Oliver and Kandadi [2006] and Sondergaard, Kerr and Clegg [2007].

Nowhere has secrecy been more dominant than in the corporate boardroom. The history of corporate governance research has in itself created a problem in understanding the leadership issue. "The historical legacy of agency theory and rationalist models of organisational functioning, particularly dominating the field of corporate governance, has positioned intra-organisational top management relationships as an 'un-required' area of study" [Kakabadse, Kakabadse & Barratt 2006, p. 135]. This, combined with the ongoing issue of access [Pettigrew & McNulty 1998; LeBlanc 2004; Denison, Cho & Young 2006; House et al. 2002], demonstrates this is not a new problem. As Kahl describes, "those who sit amongst the mighty do not invite sociologists to watch them make the decisions about how to control the behaviours of others" [1957, p. 10].

The role of the chairperson was to create the space to draw together the diversity of views of various board members on particular issues. It was not the role of the chair to create the mindset but to offer an environment where options could be explored [Kakabadse, Kakabadse & Barratt 2006].

6.2. Bringing the culture research together

The research has learned the importance of cross-cultural comparisons and developed and identified meaningful dimensions of cultural variability. The studies by Hofstede, Schwartz, Trompenaars, Denison and GLOBE have contributed to development of national and organizational dimensions, but with a limited amount of cultural research focused on the boardroom. The next level of research needs to go beyond the comfort of the existing dimensions and look at how culture interlinks with the wide range of outside variables [Matsumoto & Seung 2006; Earley 2006; Tung & Verbeke 2010]. Schwartz puts forward that often in historical quantitative research, values are consid-

ered in a single-value approach when behaviour and attitudes are not guided by a single value but trade-offs between competing values and this is what develops guiding principles. Without such conflict between values you would not have the differences identified between cultures [Schwartz 1996].

As it entered the world of business, culture research became interchanged with the term “climate”. In the area of risk management, one author would refer to the organization’s “risk management culture” while another would refer to it as the “organizational climate”. Denison [1996] described the previous 10 years as a decade of paradigm wars between those doing qualitative research and those doing quantitative research in the field of culture, and that this was most apparent in the field of organizational research. Experienced researchers including Denison, Hofstede, House et al. [2004], Schwartz [1994, 1996], Schein [1983, 2004, 2008], and Triandis [1994, 2006] have all identified the importance of qualitative research in the development of cultural research and advocate the need for more of it.

For the boardroom, this requires looking at which variables are impacting the board, and how the culture impacts the effectiveness and efficiency of the boardroom. The boardroom is unique in a number of ways. It is not hierarchical in structure, it is not composed of followers, and it is by its very nature made up of leaders and dominated by outside directors who are all part-time, often only meeting 10–12 times a year. To understand cultural research we must understand both the past research and build on this to develop a model that can effectively capture the unique aspects of corporate boards.

References

- Adjaoud, F., Zeghal, D., Andaleeb, S., 2007, *The Effect of Board’s Quality on Performance: a Study of Canadian Firms*, Corporate Governance, vol. 15, no. 4, pp. 623–635.
- Aguilera, R.V., 2005, *Corporate Governance and Director Accountability: an Institutional Comparative Perspective*, British Journal of Management, vol. 16, pp. 39–53.
- Ailon, G., 2008, *Mirror, Mirror on the Wall: Culture’s Consequences in a Value Test of its Own Design*, Academy of Management Review, vol. 33, no. 4, pp. 885–904.
- Argote, L., Greve, H.R., 2007, *A Behavioural Theory of the Firm: 40 Years and Counting. Introduction and Impact*, Organizational Science, vol. 18, pp. 3–49.
- Banuri, S., Eckel, C., 2012, *Experiments in Culture and Corruption*, Policy Research Working Paper, The World Bank, Series no. 56, pp. 1–27.
- Barkema, H.C., Vermeulen F., 1997, *What Differences in the Cultural Backgrounds of Partners Are Detrimental for International Joint Ventures?* Journal of International Business Studies, vol. 28, no. 4, pp. 845–864.

- Baskerville, R.F., 2003, *Hofstede Never Studied Culture*, Accounting Organizations and Society, vol. 28, pp. 1–14.
- Bear, S., Rahman, N., Post, C., 2010, *The Impact of Board Diversity and Gender Composition on Corporate Social Responsibility and Firm Reputation*, Journal of Business Ethics, vol. 97, no. 2, pp. 207–221.
- Beaver, G., Davies, A., Joyce, P., 2007, *Leadership Board of Directors*, Business Strategy Series, vol. 8, no. 4, pp. 318–324.
- Bebchuk, L., Cohen, A., Ferrell, A., 2004, *What Matters in Corporate Governance?* The Review of Financial Studies, vol. 22, no. 2, pp. 783–827.
- Bethoux, E., Didry, C., Mias, A., 2007, *What Codes of Conduct Tell Us: Corporate Social Responsibility and the Nature of the Multinational Corporation*, Corporate Governance, vol. 15, no. 1, pp. 77–90.
- Bhagat, S., Black, B., 1999, *The Uncertain Relationship Between Board Independence and Firm Performance*, The Business Lawyer, vol. 54, pp. 921–963.
- Bonn, I., Pettigrew A.M., 2009, *Towards a Dynamic Theory of Boards: An Organisational Life Cycle Approach*, Journal of Management & Organization, vol. 15, no. 1, pp. 2–16.
- Bozec, R., Dia, M., Bozec, Y., 2010, *Governance-Performance Relationship: A Re-examination Using Technical Efficiency Measures*, British Journal of Management, vol. 21, pp. 684–700.
- Brammer, S., Millington, A., Pavelin, S., 2007, *Gender and Ethnic Diversity Among UK Corporate Boards*, Corporate Governance, vol. 15, no. 2, pp. 393–403.
- Brammer, S., Millington, A., Pavelin, S., 2009, *Corporate Reputation and Women on the Board*, British Journal of Management, vol. 20, pp. 17–29.
- Breuer, W., Salzmann, A.J., 2009, *National Culture and Corporate Governance*, Working paper, <http://ssrn.com/abstract=1260746> or <http://dx.doi.org/10.2139/ssrn.1260746> [access: 12.07.2011].
- Brundin E., Nordqvist, M., 2008, *Beyond Facts and Figures: The Role of Emotions in Boardroom Dynamics*, Corporate Governance, vol. 16, no. 4, pp. 326–241.
- Bryman, A., 2004, *Qualitative Research on Leadership: A Critical but Appreciative Review*, The Leadership Quarterly, vol. 15, pp. 729–769.
- Carl, D., Gupta, V., Javidan, M., 2004, *Power Distance, Culture, Leadership, and Organizations*, in: House, R.J., Hanges, P.J., Javidan, M., Dorfman, P.W., Gupta, V. (eds.), *Culture, Leadership, and Organizations: The Global Leadership and Organizational Effectiveness (GLOBE) Study of 62 Societies*, Sage Publications, Thousand Oaks, CA, pp. 513–563.
- Chen, Y., Podolski, E.J., Rhee, G.S., Truong, C., Veerarghavan, M., 2012, *Regional Culture, CEO Overconfidence and Corporate Takeovers*, Working Paper SSRN, <http://ssrn.com/abstract=1979322> [access: 20.07.2012].
- Chhokar, S.J., Brodbeck, F.C., House, R.J., 2007, *Culture and Leadership Across the World: The GLOBE Book of In-Depth Studies of 25 Societies*, Lawrence Erlbaum Associate, Publishers, Mahwah, New Jersey.

- Cordeiro, J., Veliyath, R., Erasmus, E.J., 2000, *An Empirical Investigation of the Determinants of Outside Director Compensation*, *Corporate Governance*, vol. 3, no. 3, pp. 268–279.
- Corley, K.G., 2005, *Examining the Non-Executive Director's Role from a Non-Agency Theory Perspective: Implications Arising from the Higgs Report*, *British Journal of Management*, vol. 16, pp. S1–S4.
- Cornforth, C., Edwards, C., 1999, *Board Roles in the Strategic Management of Non-profit Organisations: Theory and Practice*, *Corporate Governance: An International Review*, vol. 7, no. 4, pp. 346–362.
- Cox, J., Munsinger, H.L., 1985, *Bias in the Boardroom: Psychological Foundations and Legal Implications of Corporate Cohesion*, *Law and Contemporary Problems*, vol. 48, no. 3, pp. 83–135.
- Cox, V.T., 2012, *Critical Needs Model*, Working Paper, pp. 1–11, <http://ssrn.com/abstract=2050186>.
- Daily, C.M., Dalton, D.R., Cannella, A.A., 2003, *Corporate Governance: Decades of Dialogue and Data*, *Academy of Management Review*, vol. 28, pp. 371–382.
- Dalton, C., Dalton, D., 2005, *Boards of Directors: Utilizing Empirical Evidence in Developing Practical Prescriptions*, *British Journal of Management*, vol. 16, pp. S91–S97.
- Day, D.V., Gronn, P., Salas, E., 2004, *Leadership Capacity in Teams*, *The Leadership Quarterly*, vol. 15, no. 6, pp. 857–880.
- DeChurch, L.A., Hiller, N.J., Murase, T., Doty, D., Salas, E., 2010, *Leadership Across Levels: Levels of Leaders and Their Levels of Impact*, *The Leadership Quarterly*, vol. 21, pp. 1069–1085.
- Den Hartog, D.N., House, R.J., Hanges, P.J., Ruiz-Quintanilla, S.A., 1999, *Culture Specific and Cross-culturally Generalizable Implicit Leadership Theories: Are Attributes of Charismatic/transformational Leadership Universally Endorsed?* *Leadership Quarterly*, vol. 10, no. 2, pp. 221–256.
- Denison, D.R., 1984, *Bringing Corporate Culture To the Bottom Line*, *Organizational Dynamics*, vol. 13, no. 2, pp. 5–22.
- Denison, D.R., 1990, *Corporate Culture and Organizational Effectiveness*, Wiley, New York.
- Denison, D.R., 1996, *What is the Difference between Organizational Culture and Organizational Climate? A Native's Point of View on a Decade of Paradigm Wars*. *The Academy of Management Review*, vol. 21, iss. 3, pp. 619–654.
- Denison, D.R., 2000, *Organizational Culture: Can it be a Key Lever for Driving Organizational Change?* in: Cooper, C.L., Cartwright, S., Earley, P.C. (eds.), *The International Handbook of Organizational Culture and Climate*, John Wiley & Sons, Chichester, pp. 347–372.
- Denison, D.R., Cho, H.J., Young, J.L., 2006, *Diagnosing Organizational Cultures: Validating a Model and Method*, Working Paper, International Institute for Management Development, Lausanne, Switzerland.

- Denison, D.R., Haaland, S., Goelzer, P., 2003, *Corporate Culture and Organizational Effectiveness: Is There a Similar Pattern Around the World?* *Advances in Global Leadership*, vol. 3, pp. 205–227.
- Denison, D.R., Hooijberg, R., Quinn, R.E., 1995, *Paradox and Performance: Toward a Theory of Behavioural Complexity in Managerial Leadership*, *Organization Science*, vol. 6, pp. 524–540.
- Denison, D.R., Lief, C., Ward, J.L., 2004, *Culture in Family-Owned Enterprises: Recognizing and Leveraging Unique Strengths*, *Family Business Review*, vol. 17, pp. 61–70, <http://fbr.sagepub.com/cgi/content/abstract/17/1/61> [access: 15.06.2012].
- Denison, D.R., Mishra, A.K., 1995, *Toward a Theory of Organizational Culture and Effectiveness*, *Organization Science*, vol. 6, no. 2, pp. 204–223.
- Detert, J.R., Schroeder, R.G., Mauriel, J.J., 2000, *A Framework for linking Culture and Improvement Initiatives in Organizations*, *Academy of Management Review*, vol. 25, no. 4, pp. 850–863.
- Dimmock, C., Walker, A., 2000, *Cross-Cultural Values and Leadership*, *Management in Education*, vol. 14, iss. 3, pp. 21–24.
- Dockery, E., Herbert, W.E., Taylor, K., 2000, *Corporate Governance, Managerial Strategies and Shareholder Wealth Maximisation: A Study of Large European Companies*, *Managerial Finance*, vol. 21, no. 9, pp. 21–35.
- Dodd-Frank, 2010, *Dodd-Frank Wall Street Reform and Consumer Protection Act*, Public Law 111–203, 111 Congress, US Government printing office.
- Drath, W.H., McCauley, C.D., Palus, C.J., Van Velsor, E., O'Connor, P.M.G., McGuire, J.B., 2008, *Direction, Alignment, Commitment: Toward a More Integrative Ontology of Leadership*, *The Leadership Quarterly*, vol. 18, pp. 635–653.
- Driver, C., 2012, *Governance, Innovation and Finance*, in: Clarke, T., Branson, D. (eds.), *The Sage Handbook of Corporate Governance*, SAGE Publications, Thousand Oaks, CA, chapt. 22, pp. 496–519.
- Drogendijk, R., Slangen, A., 2006, *Hofstede, Schwartz or Managerial Perceptions? The Effects of Different Cultural Distance Measures on Establishment Mode Choices by Multinational Enterprises*, *International Business Review*, vol. 15, no. 4, pp. 360–81.
- Earley, P.C., 2006, *A Matter of Paradigms and Taste*, *Journal of International Business Studies*, vol. 37, no. 6, pp. 922–931.
- Ees, H., Gabrielsson, J., Huse, M., 2009, *Toward a Behavioural Theory of Boards and Corporate Governance*, *Corporate Governance: An International Review*, vol. 17, pp. 307–319.
- Ees, H., van der Laan, G., Postma, T.J.B.M., 2009, *Trust and Board Task Performance*, in: Huse, M. (ed.), *The Value Creating Board: Corporate Governance and Organizational Behaviour*, Routledge, London, pp. 471–481.
- Ensley, M.D., Hmieleski, K.M., Pearce, C.L., 2006, *The Importance of Vertical and Shared Leadership within New Venture Top Management Teams: Implications for the Performance of Startups*, *The Leadership Quarterly*, vol. 17, no. 3, pp. 217–231.

- Esser, J.K., 1998, *Alive and Well after 25 Years: A Review of Groupthink Research*, *Organizational Behaviour and Human Decision Processes*, vol. 73, no. 2/3, pp. 116–141.
- Evans, G., 2010, *Corporate Governance Culture – an Interview-Based Ethnography of Two Boards of Directors Using Grounded Theory*, *Poznań University of Economic Review*, vol. 10, no. 2, pp. 15–32.
- Evans, G., 2013, *Culture Research and Corporate Boards*, *American International Journal of Contemporary Research*, vol. 3, no. 5, pp. 1–10.
- Fang, T., 2003, *A Critique of Hofstede's Fifth National Culture Dimension*, *International Journal of Cross Cultural Management*, vol. 3, iss. 3, pp. 347–368.
- Fassin, Y., Rossem, A.V., 2009, *Corporate Governance in the Debate on CSR and Ethics: Sense making of Social issues in Management by Authorities and CEOs*, *Corporate Governance: An International Review*, vol. 17, no. 5, pp. 573–593.
- Fernandes, N., 2005, *Board Compensation and Firm Performance: The Role of "Independent" Board Members*, *European Corporate Governance Institute, Finance Working Paper*, no. 104, pp. 1–32.
- Fey, C.F., Denison, D.R., 2003, *Organizational Culture and Effectiveness: Can American Theory be Applied in Russia?* *Organization Science*, vol. 14, no. 6, pp. 686–706.
- Fischer, R., 2009, *Where is Culture in Cross Cultural Research? An Outline of a Multilevel Research Process for Measuring Culture as a Shared Meaning System*, *International Journal of Cross Cultural Management*, vol. 9, no. 1, pp. 25–49
- Fortuna, M., Loch, K.D., 2012, *Boardroom Cultural Governance: An Examination of the Beliefs and Values of Board Directors and Executive Management in US Based Multinational Corporations (MNCs)*, *The Second International Conference on Engaged Management Scholarship*, <http://ssrn.com/abstract=2086356> [access: 10.06.2012].
- Gabrielsson, J., Huse, M., 2004, *Context, Behaviour, and Evolution: Challenges in Research on Boards and Governance*, *International Studies of Management and Organization*, vol. 34, pp. 11–36.
- Gabrielsson J., Politis, D., 2009, *Board Control and Innovation*, in: Huse, M. (ed.), *The Value Creating Board*, Routledge, New York, chapt. 27, pp. 505–519.
- Galan, J.I., 2006, *Corporate Social Responsibility and Strategic Management*, *Journal of Management Studies*, vol. 43, no. 7, pp. 1629–1641.
- Galbreath, J., 2010, *Drivers of Corporate Social Responsibility: The Role of Formal Strategic Planning and Firm Culture*, *British Journal of Management*, vol. 21, pp. 511–525.
- Gelfand, M.J., Bhawuk, D.P.S., Nishii, L.H., Bechtold, D.J., 2004, *Individualism and Collectivism*, in: House, R.J., Hanges, P.J., Javidan, M., Dorfman, P.W., Gupta, V. (eds.), *Culture, Leadership, and Organization*, The GLOBE study of 62 Societies, Sage Publications, London, chapt. 16, pp. 437–512.
- Gillespie, M.A., Denison, D.R., Halland, S., Smerek, R., Neale, W.S., 2008, *Linking Organizational Culture and Customer Satisfaction: Results from Two Companies*

- in Different Industries*, European Journal of work and Organizational Psychology, vol. 17, iss. 1, pp. 112–132.
- Gronn, P., 2002, *Distributed Leadership as a Unit of Analysis*, The Leadership Quarterly, vol. 13, pp. 41–62.
- Haan, J., Jansen, D.-J., 2011, *Corporate Culture and Behaviour: A Survey*, De Nederlandsche Bank Working Paper, no. 334, pp. 1–25, <http://ssrn.com/abstract=1979326> or <http://dx.doi.org/10.2139/ssrn.1979326> [access: January 2012].
- Hakimi, N., Van Knippenberg, D., Giessner, S., 2010, *Leader Empowering Behaviour: The Leader's Perspective*, British Journal of Management, vol. 21, pp. 701–716.
- Hambrick, D.C., 2007, *Upper Echelons Theory: An Update*, Academy of Management Review, vol. 32, pp. 334–343.
- Hambrick, D.C., Mason, P.A., 1984, *Upper Echelons: The Organization as a Reflection of its Top Managers*, Academy of Management Review, vol. 9, pp. 193–206.
- Harris, A., Leithwood, K., Day, C., Sammons, P., Hopkins, D., 2007, *Distributed Leadership and Organizational Change: Reviewing the Evidence*, Journal of Educational Change, vol. 8, pp. 337–347.
- Harzing, A.W., 2007, *Publish or Perish*, <http://www.harzing.com/pop.htm> [access: 15.08.2012].
- Heracleous, L., 2001, *What Is the Impact of Corporate Governance on Organisational Performance?* Corporate Governance, vol. 9, no. 3, pp. 164–173.
- Hernandez, M., Eberly, M.B., Avolio, B.J., Johnson, M.D., 2011, *The Loci and Mechanisms of Leadership: Exploring a More Comprehensive View of Leadership Theory*, The Leadership Quarterly, vol. 22, pp. 1165–1185.
- Heslin, P.A., Donaldson, L., 1999, *An Organizational Portfolio Theory of Board Composition*, Corporate Governance, vol. 7, no. 1, pp. 81–88.
- Hillman, A.J., Shropshire, C., Cannella, A.A., 2007, *Organizational Predictors of Women on Corporate Boards*, Academy of Management Journal, vol. 50, no. 4, pp. 941–952.
- Hilmer, F., 1993, *Strictly Boardroom: Improving Governance to Enhance Company Performance*, The Business Library, Melbourne.
- Hofstede, G., 1980, *Culture's Consequences. International Differences in Work-related Values*, Sage, Beverly Hills, CA.
- Hofstede, G., 1983, *The Cultural Relativity of Organizational Practices and Theories*, Journal of International Business Studies, vol. 14, no. 2, pp. 75–89.
- Hofstede, G., 1984, *The Cultural Relativity of the Quality of Life Concept*, The Academy of Management Review, vol. 9, no. 3, pp. 389–398.
- Hofstede, G., 1990, *Measuring Organizational Cultures: A Qualitative and Quantitative Study Across Twenty Cases*, Administrative Science Quarterly, vol. 35, no. 2, pp. 286–316.
- Hofstede, G., 1993, *Cultural Constraints in Management Theories*, The Academy of Management Executive, vol. 7, no. 1, pp. 81–94.

- Hofstede, G., 2006, *What Did GLOBE Really Measure? Researchers' Minds versus Respondents' Minds*, *Journal of International Business Studies*, vol. 37, no. 6, pp. 882–896.
- Hofstede, G., 2010, *The GLOBE Debate: Back to Relevance*, *Journal of International Business Studies*, vol. 41, pp. 1339–1346.
- Hofstede, G., Bond, M.H., 1988, *The Confucius Connection: From Cultural Roots to Economic Growth*, *Organizational Dynamics*, vol. 16, iss. 4, pp. 4–21.
- Hofstede, G., Hofstede, G.J., Minkov, M., 2005, *Cultures and Organizations, Software of the Mind*, McGraw-Hill, New York.
- Hofstede, G., Neuijen, B., Ohayv, D.D., Sanders, G., 1990, *Measuring Organizational Cultures: A qualitative and Quantitative Study Across Twenty Cases*, *Administrative Science Quarterly*, vol. 35, no. 2, pp. 286–316.
- Hollander, E.P., 1992, *The Essential Interdependence of Leadership and Followership*, *Current Directions in Psychological Science*, vol. 1, iss. 2, pp. 71–75.
- Hoppe, M.H., Bhagat, R.S., 2007, *Leadership in the United States of America: The Leader as Cultural Hero*, in: Chhokar, J.S., Brodbeck, F.C., and House, R.J. (eds.), *Culture and Leadership Across the World: The GLOBE Book of In-depth Studies, of 25 Societies*, Lawrence Erlbaum Associates, Publishers, Mahwah, New Jersey, pp. 475–544
- House, R.J., Hanges, P.J., Javidan, M., Dorfman, P.W., Gupta, V., 2004, *GLOBE Associates, Culture, Leadership and Organizations: The Globe Study of 62 Societies*, Sage, Thousand Oaks, CA.
- House, R.J., Javidan, M., Hanges, P.J., Dorfman, P.W., 2002, *Understanding Cultures and Implicit Leadership Theories Across the Globe: An Introduction to Project GLOBE*, *Journal of World Business*, vol. 37, pp. 3–10.
- Huse, M., 1998, *Researching the Dynamics of Board-stakeholder Relations*, *Long Range Planning*, vol. 31, no. 2, pp. 218–226.
- Huse, M., 2005, *Accountability and Creating Accountability: A Framework for Exploring Behavioural Perspectives of Corporate Governance*, *British Journal of Management*, vol. 16, no. 5, pp. 65–80.
- Huse, M., 2009a, *The Value Creating Board. Corporate Governance and Organizational Behaviour*, *Routledge Studies in Corporate Governance*, Routledge, London.
- Huse, M., 2009b, *Building Blocks in Understanding Behavioural Perspectives of Boards. Developing a Research Stream*, *Routledge Studies in Corporate Governance*, pp. 58–68.
- Ingly, C.B., Van der Walt, N.T., 2001, *The Strategic Board: The Changing Role of Directors in Developing and Maintaining Corporate Capability*, *Corporate Governance*, vol. 9, no. 3, pp. 174–185.
- Islam, Z., Ahmed, S.M., Hasan, I., Ahmed, S.U., 2011, *Organizational Culture and Knowledge Sharing: Empirical Evidence from Service Organizations*, *African Journal of Business Management*, vol. 5, no. 14, pp. 5900–5909.

- Javidan, M., 2004, *Performance Orientation*, in: House, R.J., Hanges, P.J., Javidan, M., Dorfman, P.W., Gupta, V. (eds.), *Culture, Leadership, and Organizations. The GLOBE study of 62 Societies*, Sage Publications, London, chapt. 11, pp. 239–281.
- Javidan, M., House, R.J., 2001, *Cultural Acumen for the Global Manager: Lessons from Project GLOBE*, *Organizational Dynamics*, vol. 29, no. 2, pp. 289–305.
- Javidan, M., House, R.J., Dorfman, P.W., Hanges, P.J., de Luque, M.S., 2006, *Conceptualizing and Measuring Cultures and Their Consequences: A Comparative Review of GLOBE's and Hofstede's Approaches*, *Journal of International Business Studies*, vol. 37, pp. 897–914.
- Jensen, M.C., 1986, *Agency Costs of Free Cash Flow, Corporate Finance, and Takeover*, *American Economic Review*, vol. 76, pp. 323–329.
- Jensen, M.C., 1993, *The Modern Industrial Revolution, Exit, and the Failure of Internal Control Systems*, *Journal of Finance*, vol. 48, pp. 831–880.
- Jensen, M.C., 2001, *Value Maximisation, Stakeholder Theory, and Corporate Objective Function*, *European Financial Management*, vol. 7, no. 3, pp. 297–317.
- Kahl, J., 1957, *The American Class Structure*, Rinehart, New York.
- Kakabadse, A., Kakabadse, N.K., Barratt, R., 2006, *Chairman and Chief Executive Officer (CEO): That Sacred and Secret Relationship*, *Journal of Management Development*, vol. 25, iss. 2, pp. 134–150.
- Kakabadse, N.K., Kakabadse, A.P., 2007, *Chairman of the Board: Demographics Effects on Role Pursuit*, *Journal of Management Development*, vol. 26, iss. 2, pp. 169–192.
- Kaler, J., 2003, *Differentiating Stakeholder Theories*, *Journal of Business Ethics*, vol. 46, pp. 71–83.
- Kim, B., Burns, M., Prescott, J., 2009, *The Strategic Role of the Board: The Impact of Board Structure on Top Management Team Strategic Action Capability*, *Corporate Governance: An International Review*, vol. 17, no. 6, pp. 728–743.
- Kluckhohn, F.R., Strodtbeck, F.L., 1961, *Variations in Value Orientations* Row, Peterson, Evanston, IL.
- LeBlanc, R.W., 2004, *What's Wrong with Corporate Governance: A Note*, *Corporate Governance: An International Review*, vol. 12, no. 4, pp. 436–441.
- LeBlanc, R., Gillies, J., 2005, *Inside the Boardroom: How Boards Really Work and the Coming Revolution in Corporate Governance*, Canada: Wiley, Ontario.
- LeBlanc, R., Schwartz, M.S., 2007, *The Black Box of Board Process: Gaining Access to a Difficult Subject*, *Corporate Governance: An International Review*, vol. 15, no. 5, pp. 843–851.
- Letza, S., Sun, X., Kirkbride, J., 2004, *Shareholding versus Stakeholding: A Critical Review of Corporate Governance*, *Corporate Governance: An International Review*, vol. 12, iss. 3, pp. 242–262.
- Li, J., Harrison, R.J., 2008, *National Culture and the Composition and Leadership Structure of Boards of Directors*, *Corporate Governance: An International Review*, vol. 16, no. 5, pp. 375–385.

- Licht, A.N., Goldschmidt, C., Schwartz S.H., 2005, *Culture, Law, and Corporate Governance*, International Review of Law and Economics, vol. 25, iss. 2, pp. 229–255.
- Mackenzie, C., 2007, *Boards, Incentives and Corporate Social Responsibility: The Case for a Change of Emphasis*, Boards, Incentives and Corporate Social Responsibility, vol. 15, no. 5, pp. 935–943.
- Magnusson, P., Wilson, R.T., 2008, *Breaking Through the Cultural Clutter: A Comparative Assessment of Multiple Cultural and Institutional Frameworks*, International Marketing Review, vol. 25, no. 2, pp. 183–201.
- Maharaj, R., 2008, *Corporate Governance, Groupthink and Bullies in the Boardroom*, International Journal of Disclosure and Governance, vol. 5, no. 1, pp. 89–92.
- Martin, J., 2002, *Organizational Culture, Mapping the Terrain*, Sage Publications, London.
- Martin, J., Frost, P., 1996, *The Organizational Culture War Games: A Struggle for Intellectual Dominance*, in: Clegg, S., Hardy, C., Nord, W. (eds.), *Handbook of Organization Studies*, Sage, London, pp. 599–621.
- Maseland, R., van Hoorn, A., 2009, *Explaining the Negative Correlation between Values and Practices: A Note on the Hofstede-GLOBE Debate*, Journal of International Business Studies, vol. 40, pp. 527–532.
- Matsumoto, D., Seung, H.Y., 2006, *Toward a New Generation of Cross-Cultural Research*, Perspective on Psychological Science, vol. 1. no. 3, pp. 234–250.
- McClelland, D., 1961, *The Achieving Society*, The Free Press, New York.
- McSweeney, B., 2002a, *Hofstede's Model of National Cultural Differences and Their Consequences: A Triumph of Faith – A Failure of Analysis*, Human Relations, vol. 55, iss. 1, pp. 89–118.
- McSweeney, B., 2002b, *The Essentials of Scholarship: A Reply to Geert Hofstede*, Human Relations, vol. 55, iss. 11, pp. 1363–1372.
- McSweeney, B., 2009, *Incoherent Culture*, European J. Cross-Cultural Competence and Management, vol. 1, no. 1, pp. 22–27.
- Minichilli, A., Gabrielsson, J., Huse, M., 2007, *Board Evaluations: Making a Fit between the Purpose and the System*, Corporate Governance: An International Review, vol. 15, no. 4, pp. 609–622.
- Minkov, M., Blagoev, V., 2012, *What do Project GLOBE's Cultural Dimensions Reflect? An Empirical Perspective*, Asia Pacific Business Review, vol. 18, no. 1, pp. 27–43.
- Mohanty, J., Rath, N.B.P., 2012, *Influence of Organizational Culture on Organizational Citizenship Behaviour: A Three-sector Study*, Global Journal of Business Research, vol. 6, no. 1, pp. 65–76.
- Moon, H.C., Choi, E.K., 2001, *Cultural Impact on National Competitiveness*, Journal of International and Area Studies, vol. 8, no. 2, pp. 21–36.
- Morasso, A., Mierzwa, T., 2012, *Follower Voice: Influence on Leader Behaviour*, The Second International Conference on Engaged Management Scholarship. Cranfield, UK, 21–24 June, <http://ssrn.com/abstract=2084794> [access: 15.08.2012].

- Ng, S.I., Lee, J.A., Soutar, G.N., 2007, *Are Hofstede's and Schwartz's Frameworks Congruent?*, *International Marketing Review*, vol. 24, iss. 2, pp. 164–180.
- Oliver, S., Kandadi, K.R., 2006, *How to Develop Knowledge Culture in Organizations? A Multiple Case Study of Large Distributed Organizations*, *Journal of Knowledge Management*, vol. 10, no. 4, pp. 6–24.
- Parsons, T., 1951, *The Social System*, New York, Free Press.
- Pearce, C.L., Conger, J.A., 2003, *Shared Leadership: Reframing the Hows and Whys of Leadership*, Sage, Thousand Oaks, CA.
- Pearce, C.L., Sims, H.P., 2002, *Vertical versus Shared Leadership as Predictors of the Effectiveness of Change Management Teams: An Examination of Aversive, Directive, Transactional, Transformational and Empowering Leader Behaviours*, *Group Dynamics: Theory, Research, and Practice*, vol. 6, no. 2, pp. 172–197.
- Pennington, R.G., 2009, *Yes, But How? Nine Tips for Building a Culture Focused on Results, Relationships, and Accountability*, *Industrial and Commercial Training*, vol. 41, no. 3, pp. 146–150.
- Pettigrew, A.M., McNulty, T., 1995, *Power and Influences in and around the Boardroom*, *Human Relations*, vol. 48, pp. 845–873.
- Pettigrew, A.M., McNulty, T., 1998, *Sources and Uses of Power in the Boardroom*, *European Journal of Work and Organizational Psychology*, vol. 7, no. 2, pp. 197–214.
- Plumtre, T., 2004, *The New Rules of the Board Game: The Changing World of Corporate Governance and Its Implications for Multilateral Development Institutions*, *Institute On Governance*, Ottawa, pp. 1–20.
- Pugliese, A., Bezemer, P., Zattoni, A., Huse, M., Van den Bosch, A.J., Volberda, H.W., 2009, *Boards of Directors' Contribution to Strategy: A Literature Review and Research Agenda*, *Corporate Governance: An International Review*, vol. 17, no. 3, pp. 292–306.
- Rapp, J.K., Bernardi, R.A., Bosco, S.M., Williams, R., 2011, *Examining The Use of Hofstede's Uncertainty Avoidance Construct in International Research: A 25-Year Review*, *International Business Research*, vol. 4, no. 1, pp. 3–15.
- Rhode, D., Packel, A., 2010, *Diversity on Corporate Boards: How Much Difference Does Difference Make? Rock Centre for Corporate Governance*, Working Paper, no. 89, pp. 1–24.
- Rindova, V.P., 1999, *What Corporate Boards Have to do with Strategy: A Cognitive Perspective*, *Journal of Management Studies*, vol. 7, no. 7, pp. 953–975.
- Ringov, D., Zollo, M., 2007, *Corporate Responsibility from a Socio-institutional Perspective: The Impact of National Culture on Corporate Social Performance*, *Corporate Governance*, vol. 7, no. 4, pp. 476–485.
- Roberts, J., 2012, *Between the Letter and the Spirit: Defensive and Extensive Modes of Compliance with the UK Code of Corporate Governance*, *The SAGE Handbook of Corporate Governance*, Thousand Oaks, CA, chap. 9, pp. 196–216.

- Roberts, J., McNulty, T., Stiles, P., 2005, *Beyond Agency Conceptions of the Work of the Non-Executive Director: Creating Accountability in the Boardroom*, *British Journal of Management*, vol. 16, pp. 5–26.
- Rokeach, M., 1973, *The Nature of Human Values*, Free Press, New York.
- Ronnegard, D., Smith, N.C., 2010, *Corporate Social Responsibility and the Legitimacy of the Shareholder Primacy Norm. A Rawlsian Analysis*, Insead Working Paper, Social Innovation Centre, no. 01, pp. 1–41.
- Rose, C., 2007, *Does Female Board Representation Influence Firm Performance? The Danish Evidence*, *Corporate Governance*, vol. 15, no. 2, pp. 404–413.
- Schein, E.H., 1983, *The Role of the Founder in Creating Organizational Culture*, *Organizational Dynamics*, vol. 12, pp. 13–28.
- Schein, E.H., 1990, *Organizational Culture*, *American Psychologist*, vol. 45, no. 2, pp. 109–119.
- Schein, E., 1992, *Organizational Culture and Leadership*, 2nd ed., Jossey-Bass, San Francisco.
- Schein, E.H., 1996, *Three Cultures of Management: The Key to Organizational Learning*, *Sloan Management Review*, vol. 38, no. 1, pp. 9–20.
- Schein, E.H., 2004, *Organizational Culture and Leadership*, Jossey-Bass for John Wiley & Sons, San Francisco.
- Schein, E.H., 2008, *Creating and Managing a Learning Culture: The Essence of Leadership*, in: Gallos, J.V. (ed.), *Business Leadership: A Jossey-Bass Reader*, 2nd ed., Jossey-Bass, San Francisco, CA, pp. 362–369.
- Schwartz, S.H., 1992, *Universals in the Content and Structure of Values: Theory and Empirical Tests in 20 Countries*, in: Zanna, M. (ed.), *Advances in Experimental Social Psychology*, Academic Press, New York, vol. 25, no. 39, pp. 1–65.
- Schwartz, S.H., 1994, *Are There Universal Aspects in the Structure and Contents of Human Values?*, *Journal of Social Iss.s*, vol. 50, no. 4, pp. 19–45.
- Schwartz, S.H., 1996, *Value Priorities and Behaviour: Applying of Theory of Integrated Value Systems*, in: Seligman, C., Olson, J.M., Zanna, M.P. (eds.), *The Psychology of Values: The Ontario Symposium*, Erlbaum, Hillsdale, NJ, vol. 8, pp. 1–24.
- Schwartz, S.H., 1999, *A Theory of Cultural Values and Some Implications for Work*, *Applied Psychology: An International Review*, vol. 48, no. 1, pp. 23–47.
- Schwartz-Ziv, M., Weisbach, M.S., 2011, *What Do Boards Really Do? Evidence from Minutes of Board Meetings*, Working Paper Series, Dice Center. WP 2011–19, Fisher College of Business, Ohio State University.
- Sealy, R., Vinnicombe, S., 2012, *Women and the Governance of Corporate Boards*, in: Clarke, T., Branson, D. (eds.), *The Sage Handbook of Corporate Governance*, Sage Publications, Thousand Oaks, CA, chapt. 14, pp. 325–344.
- Seidi, D., 2007, *Standard Setting and Following in Corporate Governance: An Observation-Theoretical Study of the Effectiveness of Governance Codes*, *Organization*, vol. 15, no. 6, pp. 706–727.

- Sivakumar, K., Nakata, C., 2001, *The Stampede toward Hofstede's Framework: Avoiding the Sample Design Pit in Cross-Cultural Research*, Journal of International Business Studies, vol. 32, no. 3, pp. 555–574.
- Skerlavaj, M., Song, H. J., Lee, Y., 2010, *Organizational Learning Culture, Innovative Culture and Innovations in South Korean Firms*, Expert Systems with Applications, An International Journal, vol. 37, no. 9, pp. 6390–6403.
- Smith, G.D., 2001, *The Shareholder Primacy Norm*, The Journal of Corporation Law, vol. 23, pp. 277–323.
- Smith, P.B., 2006, *When Elephants Fight, the Grass Gets Trampled: The GLOBE and Hofstede Projects*, Journal of International Business Studies, vol. 37, no. 6, pp. 915–921.
- Smith, P.B., Dugan, S., Trompenaars, F., 1996, *National Culture and the Values of Organizational Employees*, Journal of Cross-cultural Psychology, vol. 27, no. 2, pp. 231–260.
- Sondergaard, S., Kerr, M., Clegg, C., 2007, *Sharing Knowledge: Contextualising Socio-technical Thinking and Practice*, The Learning Organization, vol. 14, no. 5, pp. 423–435.
- Spreitzer, G., Mishra, A.K., 1999, *Giving Up Control Without Losing Control: Trust and its Substitutes' Effects on Managers' Involving Employees in Decision Making*, Group & Organization Management, vol. 24, no. 2, pp. 155–187.
- Srite, M., Karahanna, E., 2006, *The Role of Espoused National Cultural Values in Technology Acceptance*, MIS Quarterly, vol. 30, no. 3, pp. 679–704.
- Triandis, H.C., 1982a, *Review of: 'Culture's Consequences: International Differences in Work-related Values'*, Human Organization, vol. 41, no. 1, pp. 86–90.
- Triandis, H. C., 1982b, *Dimensions of Cultural Variation as Parameters of Organizational Theories*, International Studies of Management & Organization, Winter 82/83, vol. 12, no. 4, pp. 139–169.
- Triandis, H.C., 1993, *Review of Cultures and Organizations: Software of the Mind*, Administrative Science Quarterly, vol. 8, no. 1, pp. 132–134.
- Triandis, H.C., 1994, *Theoretical and Methodological Approaches to the Study of Collectivism and Individualism*, in: Kim, U., Triandis, H.C., Kagitcibasi, C., Choi, S.C., Yoon, G. (eds.), *Individualism and Collectivism: Theory, Methods and Applications*, Sage, London, pp. 41–51.
- Triandis, H.C., 2001, *Individualism-Collectivism and Personality*, Journal of Personality, vol. 69, no. 6, pp. 907–924.
- Triandis, H.C., 2006, *Cultural Intelligence in Organizations*, Group & Organizational Management, vol. 31, no. 1, pp. 20–26.
- Triandis, H.C., Bontempo, R., Bentancourt, H., Bond, M., Leung, K., Brenes, A., Georgas, J., Hui, H.C., Setiadi, B., Sinha, J.B.P., Verma, J., Spangenberg, J., Touzard, H., de Montmollin, G., 1986, *The Measurement of the Etic Aspects of Individualism and Collectivism Across Cultures*, Australian Journal of Psychology, vol. 38, no. 3, pp. 257–267.

- Trompenaars, F., 1985, *The Organization of Meaning and the Meaning of Organization*, Unpublished Ph.D. Dissertation, The Wharton School of the University of Pennsylvania.
- Trompenaars, F., 1993, *Riding the Waves of Culture: Understanding Cultural Diversity in Business*, Economist Books, London.
- Trompenaars, F., 1996, *Resolving International Conflict: Culture and Business Strategy*, *Business Strategy Review*, vol. 7, no. 3, pp. 51–68.
- Trompenaars, F., Hampden-Turner, C., 1998, *Riding the Waves of Culture*, Nicholas Brealey, London.
- Tung, R.L., Verbeke, A., 2010, *Beyond Hofstede and GLOBE: Improving the Quality of Cross-cultural Research*, *Journal of International Business Studies*, vol. 41, pp. 1259–1274.
- Turnbull, S., 2012, *The Limitations of Corporate Governance Best Practices*, in: Clarke, T., Branson, D. (eds.), *The Sage Handbook of Corporate Governance*, Sage Publications, Thousand Oaks, CA, chapt. 19, pp. 428–450.
- Udayasankar, K., Das, S.S., 2007, *Corporate Governance and Firm Performance: The Effects of Regulation and Competitiveness*, *Corporate Governance*, vol. 15. no. 2, pp. 262–271.
- Uhlenbruck, K., 2004, *Developing Acquired Foreign Subsidiaries: The Experience of MNEs in Transition Economies*, *Journal of International Business Studies*, vol. 35, no. 2, pp. 109–123.
- Unseem, M., 2012, *The Ascent of Shareholder Monitoring and Strategic Partnering: The Dual Functions of the Corporate Board*, in: Clarke, T., Branson, D. (eds.), *The Sage Handbook of Corporate Governance*, Sage Publications, Thousand Oaks, CA, chapt. 6, pp. 136–158.
- Useem, M., Zelleke, A., 2006, *Oversight and Delegation in Corporate Governance: Deciding What the Board Should Decide*, *Corporate Governance: An International Review*, vol. 14, no. 1, pp. 2–12.
- Van Den Berg, P.T., Wilderom, C.P.M., 2004, *Defining, Measuring, and Comparing Organisational Cultures*, *Applied Psychology: An International Review*, vol. 53, no. 4, pp. 570–582.
- Vandewaerde, M., Voordeckers, W., Lambrechts, F., Bammens, Y., 2011, *Board Team Leadership Revisited: A Conceptual Model of Shared Leadership in the Boardroom*, *Journal of Business Ethics*, vol. 104, pp. 403–420.
- Venaik, S., Brewer, P., 2010, *Avoiding Uncertainty in Hofstede and GLOBE*, *Journal of International Business Studies*, vol. 41, pp. 1294–1315.
- Walker Report, 2009, *Walker Review of Corporate Governance of UK Banking Industry*, HM Treasury, http://webarchive.nationalarchives.gov.uk/+http://www.hm-treasury.gov.uk/walker_review_information.htm [access: 22.05.2010].
- Ward, A.J., Brown, J.A., Rodriguez, D., 2009, *Governance Bundles, Firm Performance, and the Substitutability and Complementarity of Governance Mechanism*, *Corporate Governance: An International Review*, vol. 17, no. 5, pp. 646–660.

- Winch, G., Millar, C., Clifton N., 1997, *Culture and Organization: The Case of Transmanche-Link*, *British Journal of Management*, vol. 8, pp. 237–249.
- Wong, S.C.Y., 2009a, *Uses and Limits of Conventional Corporate Governance Instruments: Analysis and Guidance for Reform – Part One*, A Global Corporate Governance Forum Publication, International Finance Corporation, Washington, DC, iss. 14, pp. 1–24.
- Wong, S.C.Y., 2009b, *Uses and Limits of Conventional Corporate Governance Instruments: Analysis and Guidance for Reform – Part Two*, A Global Corporate Governance Forum Publication, International Finance Corporation, Washington, DC, iss. 14, pp. 1–14.
- Zattoni, A., Pugliese, A., 2012, *Boards' Contribution to Strategy and Innovation*, in: Clarke, T., Branson, D. (eds.), *The SAGE Handbook of Corporate Governance*, Sage Publications, Thousand Oaks, CA, chapt. 10, pp. 217–232.
- Zona, F., Minichilli, A., Zattoni, A., 2009, *Boards of Directors and Firm Innovation. An Empirical Study of Small Technology-based Firms*, in: Huse, M. (ed.), *The Value Creating Board*, Routledge, New York, chapt. 26, pp. 495–504.