

Exercise Topic 2.3

Try to think about the competitive advantage of different cultural profiles concerning international competition.

Use Hofstede's Cultural Dimensions to describe these competitive advantages.

- E.g.: What are the competitive advantages for businesses in countries with high Power Distance? And what are the competitive advantages for business in countries with low Power Distance?

You can use the following table as a template.

Timeframe for preparation: 15 minutes

Power Distance (low) <ul style="list-style-type: none"> • acceptance of responsibility • • 	Power Distance (high) <ul style="list-style-type: none"> • discipline • •
Uncertainty Avoidance (weak) <ul style="list-style-type: none"> • • • 	Uncertainty Avoidance (strong) <ul style="list-style-type: none"> • • •
Collectivism <ul style="list-style-type: none"> • • • 	Individualism <ul style="list-style-type: none"> • • •
Femininity <ul style="list-style-type: none"> • • • 	Masculinity <ul style="list-style-type: none"> • • •
Short-Term Orientation <ul style="list-style-type: none"> • • • 	Long-Term Orientation <ul style="list-style-type: none"> • • •

Possible solutions:

Power Distance (low) <ul style="list-style-type: none">• Acceptance of responsibility	Power Distance (high) <ul style="list-style-type: none">• Discipline
Uncertainty Avoidance (weak) <ul style="list-style-type: none">• Basic innovations	Uncertainty Avoidance (strong) <ul style="list-style-type: none">• Precision
Collectivism <ul style="list-style-type: none">• Employee commitment	Individualism <ul style="list-style-type: none">• Management mobility
Femininity <ul style="list-style-type: none">• Personal service• Custom-made products• Agriculture• Food• Biochemistry	Masculinity <ul style="list-style-type: none">• Mass production• Efficiency• Heavy industry• Chemistry• Bulk chemistry
Short-Term Orientation <ul style="list-style-type: none">• Fast adaption	Long-Term Orientation <ul style="list-style-type: none">• Developing new markets

Source: adapted from Hofstede, Hofstede and Minkov, 2010, p. 405