Towards a Transactional Approach to Culture: Illustrating the Application of Douglasian Cultural Framework in a Variety of Management Settings

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Frameworks of national/societal culture approach (NCA), although popular, are unsuitable for cultural sense-making when: (1) people’s national/corporate identities become blurred; (2) the focus is on cultural diversity within an entity; and (3) the cultural phenomenon spans across levels, scales and geo-ethnic boundaries. To serve as an alternative to NCA in these scenarios, a cultural framework must: (1) explain people’s behaviors without evoking nationality-based behavioral generalizations; (2) lend itself to applications across levels, scales and geo-ethnic boundaries; (3) explain social change as a never-ending, unpredictable phenomenon; and (4) explain conformity and diversity of human behavior. In search of such a framework, we review anthropology literature, more precisely Barth’s transactional culture approach. Our search leads us to the Douglasian cultural framework (DCF). We show that DCF meets the aforementioned criteria, and has been successfully used by scholars as a transactional cultural tool in scenarios where NCA frameworks are unsuitable.

Keywords: culture; national/societal culture approach; transactional culture approach; Douglasian cultural framework; social change; dynamic culture

Introduction

Culture literature in business studies has been largely dominated by the functionalist tradition. Functionalist scholars compare cultures and show similarities within and differences between them by ‘freezing’ the culture and by representing its characteristics in a static way (Schultz and Hatch, 1996). Following this tradition, Hoecklin (1993) defines culture as a combination of personal values and society/nation’s influence on individuals in their growing years, implying that past a certain age an individual’s cultural preferences remain relatively unchanged (see Schein, 1985). Similarly, Hofstede (1980: 25) defines culture as ‘the collective programing of the mind which distinguishes members of one human group from another.’ In the same functionalist tradition, many business scholars treat culture as a relatively stable construct dictating people’s behaviors within fault lines drawn by geographic boundaries of nations and/or societies (Hofstede, 1980; Trompenaars and Hampden-Turner, 1997). We call this approach the national/societal culture approach (NCA).

NCA is illustrated by studies invoking national culture to explain failures in international business collaborations (e.g., Vanhonacker and Pan, 1997; Sarala, 2010). Such studies assume that since international collaborations bring together people from different nations/societies, somehow culture is more disruptive in this context than in domestic collaborations. A larger ‘cultural distance’ (Hofstede, 1991) between national/societal cultures of collaborating firms is believed to lead to difficult working relations (Vanhonacker and

The assumptions of relative stability (Hofstede, 2001) and objectively-measured attributes of national culture render frameworks of NCA unsuitable for cultural explorations in certain managerial scenarios. For instance, these frameworks cannot be used in contexts where peoples’ national and/or corporate identities become blurred (e.g., in international strategic alliances) (Ailon-Souday and Kunda, 2003). Second, frameworks of NCA cannot be used to explore cultural diversity within social entities (Usunier, 1998) because they are designed to focus on cultural similarities within and differences between nations/societies. Third, frameworks of NCA conceptualize culture within specific geo-ethnic boundaries. This allows for cultural comparisons across similar social entities (e.g., two or more nations), but not across different social entities (e.g., a firm and a community group). Also, such frameworks cannot be used to study cultural phenomena spanning across levels and scales (Barth, 2007). Having recognized these limitations, business scholars (e.g., Tsui et al., 2007) are now exploring alternative conceptualizations of culture in disciplines like cognitive psychology (e.g., Tinsley and Brodt, 2004) and anthropology (Leung et al., 2005). These scholars are also attempting to shift away from the functionalist tradition and towards a dynamic (defined as evolving over time) conceptualization of culture. Notwithstanding, these models remain grounded in NCA and cannot be used in the managerial scenarios outlined earlier in this paragraph.

Contrary to the prevailing trend, some business scholars follow the interpretivist tradition. They seek to understand the construction of culture (Meyerson and Martin, 1987) and focus on the interrelated cyclic processes of interpretation, sense-making, understanding, and action (Schultz and Hatch, 1996). The interpretivist tradition has also influenced anthropology (cf. Rosaldo, 1989) where the cultural discourse has evolved significantly in the past century (Cuiche, 2001). Most anthropologists no longer believe in unique national cultures and in individuals as passive recipients of culture (McSweeney, 2009). This includes proponents of the transactional culture approach (TCA) (see Barth, 1966a, 1966b), who conceptualize culture as emerging through a process of social transactions. Social transactions involve a patterned transference of material and immaterial items between individuals and groups (Kapferer, 1976). Cultures have a dynamic quality, capable of transforming meaning and redirecting behavior. Following the same tradition, Douglas (1970) conceptualizes culture as dynamic (defined as evolving with context and time) and offers what we call the Douglassian cultural framework (DCF). For proponents of DCF culture is not linked to countries, races or ethnicities. It is a way of organizing – an arrangement of social relationships or transactions – which evolves with the context (Thompson and Wildavsky, 1986).

In this conceptual paper, we offer DCF as a framework of TCA for studying culture in scenarios where frameworks of NCA are unsuitable. Since an alternative framework should address at least some conceptual gaps in existing frameworks, we begin by reviewing the NCA and identifying any gaps therein. Next, we review TCA, more specifically, the work of noted anthropologist, Fredrik Barth. Then we present DCF as a tool of TCA and explore to what extent it serves as an alternative framework in the following scenarios: (1) when national and corporate boundaries become blurred; (2) when the focus is on the cultural variety within a social entity; and (3) when the aim is to study cultural interactions between different kinds of social entities across levels and scales. We support our arguments with examples of past applications of DCF in three such scenarios. We also offer the limitations of DCF as a conceptual tool and end the paper with theoretical and managerial implications.

**National/societal culture approach (NCA)**

In this section, we outline some of the prominent frameworks of NCA from business literature. Hofstede (1980), a well-known culture expert in business literature, explored the differences in thinking and actions between members of 72 countries and regions. He proposed four dimensions that distinguish members of one human group from those of another: high versus low power distance, uncertainty-avoidance versus risk-taking, individualism versus collectivism, and masculinity versus femininity. Later, Hofstede and Bond (1988) proposed another dimension: ‘Confucian dynamism’ or ‘long-term orientation.’ Similarly, Trompenaars and Hampden-Turner (1997) offered seven cultural dimensions, which distinguish societies and influence how businesses are conducted between them: (1) universalism versus particularism; (2) individualism versus collectivism; (3) affective versus neutral in expressing emotions; (4) specific versus diffused relations; (5) achievement versus ascription-oriented; (6) sequential versus synchronic attitude to time; and (7) internal versus external locus of control. More recently the Global Leadership and Organizational Behavior Effectiveness (GLOBE) study brought together 127 researchers from 62 countries. Between 1994 and 1997 these participants collected data from 17,300 managers in 951 organizations. Nine cultural dimensions distinguishing societies from one another were identified: (1) uncertainty-avoidance; (2)
power distance; (3) collectivism-I; (4) collectivism-II; (5) gender-egalitarianism; (6) assertiveness; (7) future-orientation; (8) performance-orientation; and (9) humane-orientation (House et al., 2004).

The aforementioned frameworks of NCA offer broad behavioral generalizations grounded in people's national/societal origin. While the simplicity of these frameworks renders them attractive to users, it also generates much criticism. First, the way culture is conceptualized in these frameworks does not adequately reflect the inherent complexity of corporate life (Bird et al., 1999; Tung, 2008). For instance, these frameworks do not address intra-nation cultural variations despite increasing evidence of the same (Tsui et al., 2007). They mostly examine the static influence of a few cultural elements on human behavior, while neglecting the simultaneous impact of other cultural elements (Leung et al., 2005). They ignore factors beyond culture (see Johnson’s 1982 discussion of institutional and policy-based decisions) that may account for differences in work behavior across nations (Tsui et al., 2007). Second, frameworks of NCA treat national identity as if it were a predetermined template, while neglecting that people may consciously choose what national belonging means to them (Ailon-Souday and Kunda, 2003). We argue that people do not always behave according to broad generalizations grounded in their national origin (see also Usunier, 1998; Patel, 2005). Relying excessively on such generalizations could be erroneous for two reasons. First, it leads to the generation of self-fulfilling stereotypes, and thereby to a dead-end in cultural understanding (Osland and Bird, 2000). Second, rather than being passively subjected to their national culture, people may actually be contributing to the persistence of nationality-based generalizations because doing so is advantageous to them (Ailon-Souday and Kunda, 2003).

Having recognized these limitations of NCA frameworks, researchers are now attempting to refine them. For example, Taras et al. (2010) show that nationality-based behavioral generalizations predict organizational outcomes only within specific boundary conditions. While this constitutes a significant revision of Hofstede’s initial framework, this and other frameworks like it remain conceptually-bounded to geo-ethnic boundaries. Therefore, these frameworks cannot be used in scenarios where thinking along geo-ethnic lines is not the best way for cultural sense-making. Hence, alternative approaches capable of explaining people’s behavior without relying on broad nationality-based generalizations are desirable. Such approaches would be even more meaningful if they could explain why individuals, irrespective of national/societal origin, behave differently in different contexts. This is the first criterion that a cultural approach must meet for it to be considered as an alternative to NCA for the three scenarios outlined earlier in the paper.

Next, studies grounded in NCA offer a variety of cultural frameworks, which while offering more choices to cultural researchers, also lead to a lack of dominant paradigm in the field (Tsui et al., 2007). Theoretical pluralism, although important, could lead to theoretical compartmentalization (Astley and Van de Ven, 1983), and could obscure the inter-relatedness between various viewpoints (Glynn and Raffaelli, 2010) if relied upon excessively. We ask whether different frameworks purportedly addressing culture at different levels (national, societal, corporate and others) (Hofstede, 1980; Trompenaars and Hampden-Turner, 1997; Hofstede et al., 1990) are truly required for better cultural sense-making. Such frameworks do not allow for cultural exploration of phenomena spanning across levels and scales (Barth, 1978). We ask: is there an alternative approach which transcends the need to address culture at different levels, scales or geo-ethnic boundaries? Such an alternative approach would focus on underlying processes by which behavioral patterns emerge and are shared (Barth, 1966a, 1966b, 2007), thereby allowing for cultural exploration across levels, scales and geo-ethnic boundaries. This is the second criterion that a cultural approach should meet for it to be useful to cultural scholars.

Studies grounded in NCA have also been criticized for selectively treating culture as a global and shared property of a social entity, while neglecting that culture is also a configural property (Klein and Kozlowski, 2000). Consequently, Tsui et al. (2007) urge scholars to focus on cultural variations within social entities rather than focusing only on similarities within and differences between them. Tung (2008) also calls for a better balance between cross-national and intra-national cultural studies. The key question is: which framework should one use to study cultural diversity within a nation or any other social entity? Frameworks of NCA have been designed for cross-national comparisons, and may not be suitable for exploring intra-national cultural diversity (Usunier, 1998; McSweeney, 2009). Therefore, we need an alternative cultural approach capable of addressing both the diversity and conformity of human behavior (Geertz, 1973). This is the third criterion that a cultural approach should meet for it to be considered noteworthy in the field of culture studies.

Finally, many NCA scholars treat culture as a relatively stable construct (Erez and Earley, 1993). This reduces ambiguity and facilitates better control over expected behavioral outcomes (Weick and Quinn, 1999). However, some scholars believe that the assumption of cultural stability is valid only as long as there are ‘no

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1While a global property is objective and a shared property is consensual, a configural property captures variations in individual characteristics within a group (e.g. different value systems in a country).
environmental changes’ (Leung et al., 2005). They call for dynamic models of culture that track cultural changes and their effects over time. This call has been partially met by recent studies embedded in cognitive psychology. For instance, Tinsley and Brodt (2004) use evolving ‘frames’, ‘schemas’ and ‘scripts’ to explain dynamic behaviors of individuals in conflict scenarios. While we appreciate the move towards dynamic conceptualizations of culture, we also note that most scholars who take that direction (e.g., Hong et al., 2000) continue to ground their arguments in the national/societal culture concept. We call for a shift away from national culture and towards other forms of explanation. Second, we believe that the state of ‘no environmental changes’ that some scholars (cf. Leung et al., 2005) talk about is hard to come by. One need only consider the turbulent political and economic changes of past decades as evidence. It would be more appropriate to treat socio-cultural change as a never-ending, non-linear, and unpredictable phenomenon (Mathe ws, 2000), rather than an intermittent disruption of an otherwise stable state. Consequently, an interesting cultural approach would be one that treats culture as dynamic and social change as never-ending, non-linear and unpredictable, and does so without relying on the national/societal culture concept.

In this section we have identified four criteria that a cultural approach should meet for it to be a suitable alternative to NCA for cultural exploration in the three managerial scenarios outlined earlier in this paper. We now review anthropology-based transactional culture literature in search of such an alternative approach.

**Transactional culture approach (TCA)**

Over half a century ago, Barth (1956, 1959a, 1959b) criticized structural-functional cultural approaches in anthropology because they: (1) assume that culture is a structurally-integrated whole; (2) treat society as a system of morals, without explaining how these morals influence behaviors (Kapferer, 1976); and (3) oversimplify cultural discourse by depicting the world as divided into separate yet internally cohering parts. Barth encouraged anthropologists to: (1) focus on transactions which produce generally shared meanings; (2) avoid engaging in a ‘morphological matching of forms so as to locate differences’ (Kapferer, 1976: 3); and (3) explain how cultures are generated and how they change (Barth 1967, 2007). We find much similarity between Barth’s criticism of the structural-functional orthodoxies in anthropology and the criticisms being leveled against NCA in business literature today. Also, since many concerns that currently preoccupy culture scholars in business studies have been addressed by Barth, we believe that a review of his work would be useful.

Rejecting the normative consensus of structural-functional approaches, Barth (1966a, 1966b) explained people’s behaviors by resorting to ‘rationalities.’ He explained that when exposed to a new situation, people do not know how to behave. Nevertheless, they possess a repertoire of disparate values, which helps them assess their options and identify behaviors that will be most advantageous. If individuals experience a match between their behavior and that of those around them, or if they are rewarded, their behavior will be reinforced. If not, they will re-adjust their behavior. Through more experiences, the repertoire of values and behaviors becomes systematized and consistent. While Barth’s (1966a, 1966b) concept of rationality was much appreciated, his frequent reference to actors pursuing ‘self-interest’ was challenged by those who believed that ‘self-interest’ is not universal. Skvoretz and Conviser (1974), for instance, offered a set of exchange rules wherein individuals’ behaviors are guided by individualism, competition, group-gain, equity or reciprocity. Although this constitutes a valuable revision of Barth’s (1966a, 1966b) model, more work on the variety of rationalities and social contexts that trigger them is desired. Other anthropologists (like Geertz, 1973), soon joined Barth in criticizing structural-functional models and called for more dynamic approaches capable of explaining both variation and conformity of observed behavior, a goal that business scholars are being urged to pursue even today (Tsui et al., 2007).

As explained earlier, frameworks of NCA do not allow for exploration of cultural phenomena spanning across geo-ethnic boundaries, levels and scales. Barth (1978) tackled this issue over three decades ago when he began questioning the credibility of schemas representing society as a whole composed of parts. He explained that these schemas are subject to the part-whole error, that is, they treat social entities (like companies, clubs, etc.) to be smaller concentric circles embedded within larger ones (e.g., national, global). Conversely he argued, ‘If individuals are taken to form the elementary parts, they regularly will prove to hold memberships in groups of a diversity of levels and scales and in groups which transect the boundaries of any designated region’ (Barth, 1992: 30). Some situations are so complex that only schemas where parts of the local system connect in criss-crossing ways to higher levels are effective in describing them (Barth, 2007). In his work on models of social organization, Barth (1966b) offers a solution for both the issue of scales and the part-whole dilemma. He explains that social transactions involve a series of interactions systematically governed by reciprocity, with each party trying to ensure that the value it gains is greater than or at least equal to the value lost. Through repeated transactions, people create enduring social forms between them, which provide a way to model both micro level (e.g., interpersonal) and macro level (e.g.,
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Douglasian cultural framework (DCF) as a transactional analysis tool

DCF explains human behavior by grounding it in two dimensions of social transactions: group and grid. ‘Group’ represents the extent to which people are restricted in thought and action by their commitment to a social unit larger than the individual. Group strength is high when people are deeply committed to a group and spend much time in mutual interactions. Group strength is low when people lead their lives on their own, neither constrained by, nor applying constraints on others (Gross and Rayner, 1985). ‘Grid’ is the extent to which people’s behaviors are controlled by role differentiation. High grid score occurs when people are segregated on grounds of sex, color, hierarchical position, age, lineage, etc. Conversely, grid is of low strength when such distinctions are weak (Gross and Rayner, 1985). For proponents of DCF, human behavior is the result of ongoing interactions between an individual’s behavioral preferences (on the grid-group dimensions) and her social context (Douglas, 1970). People are not conscious of their behavioral preferences. Making behavioral choices in daily life is like walking; once we have mastered it, the ‘automatic pilot’ takes over (Thompson et al., 1990). These automatic pilots have been variously referred to as ‘cultural biases’ (Thompson et al., 1990), ‘rationalities’ (Thompson, 1996), ‘worldviews’ (Mamadouh, 1999), and ‘preferences’ (Verweij, 1995).

Four cultures emerge from different grid-group configurations in which people organize themselves. Since people may place themselves in different grid-group arrangements at different times and in different contexts, the four cultures of DCF are not rigid categories; they are sets of behavioral preferences which change with the context. While it is clear in DCF literature that the four cultures emerge in every social system, it is not clear why someone is attracted to one culture, while others converge to another. Our subsequent discussion of the four cultures of DCF partly meets calls by past transactional theorists for explanations of rationality beyond those grounded in self-interest. For sake of simplicity, we label each culture according to the kind of rationality its members display.

Douglas (1970) combined Durkheim’s (1915) types of solidarity with the complexity and variability of symbolic organization. Like Durkheim, Douglas saw cultures as being the product of social interaction, but unlike Durkheim, she avoided the evolutionist ranking of societies (Ward, 1997).

1Patel (2005) provides an example where the respondent although not conscious of his cultural preference, nevertheless recognizes a cultural shift in retrospect. He explains that unlike his present company, his previous employer had a ‘strong power structure’ and although he has adapted to both companies, he is ‘relieved’ to be part of a flat organization. This example also shows that a cultural shift takes place only when/if the context allows it.

1. Low grid-low group: This culture emerges when members attribute low importance to both group and grid. Low group strength implies that members favor individual spatial and social mobility. Attachment to past or ancestry is weak. Individuals exert few restrictions on others and expect few restrictions to be applied on them. All boundaries are provisional and subject to negotiation (Douglas, 1996; Coyle and Ellis, 1994). This culture allows maximum options for negotiating contracts or choosing allies (Gross and Rayner, 1985). Low grid strength implies that members do not segregate among themselves. Self-regulation and the respect for individual rights are valued. Members care less about status or procedures and more about the bottom-line (Thompson, 1996). Their pragmatic, substantive and competitive rationality guides their market-focused way of life. In subsequent discussions we refer to this culture as the ‘competitive culture.’

2. High grid-high group: This culture emerges when people attribute great importance to both grid and group. Here, one finds both compulsion and inequality. High group strength implies that members have strong mutual bonds and expect two-way accountability. They prefer standardized ways of doing things and adhere to rules, regulations and procedures. Members value security and obtain it by for-saking opportunities for competition and social mobility. High grid strength implies that members have unequal roles and unequal status. People at lower ranks show deference to those perceived as superiors (Coyle and Ellis, 1994). Such cultures come to the fore in big bureaucratic structures (Gross and Rayner, 1985). Members of this culture adhere to a hierarchical and process-oriented rationality. They are more concerned with who does what rather than the outcomes. In subsequent discussions we call this culture the ‘hierarchical culture.’

3. Low grid-high group: Being high on group, members of this culture give considerable importance to group-bonding, defining the external group boundary and distinguishing members from non-members (Gross and Rayner, 1985). Members engage in frequent face-to-face interactions and many-sided relationships. They support participative decision making, sharing of values and reciprocal exchanges (Douglas, 1986). Low grid implies that within the group interpersonal relationship are open to negotiation. Members apply few constraints on one another, yet there is voluntary respect for one another. While members are close-knit, consensual and egalitarian internally, they are unrelenting in criticizing what goes on outside their ‘walls of virtue’ (Thompson, 1996: 10). Thus, they pursue an egalitarian rationality internally and a critical rationality externally (Thompson, 1996). We call this culture the ‘egalitarian culture.’

4. High grid-low group: Individuals find themselves in this arrangement when they have been excluded from decision making and have no way of contesting decisions imposed on them, or when they are highly competitive individuals who have been excluded from competition (Gross and Rayner, 1985). In this culture behaviors are strongly regulated by socially-assigned classifications (Gross and Rayner, 1985). Individuals have little free choice (Coyle and Ellis, 1994) and even lesser group support. The rationality these individuals adhere to is fatalistic because they do not perceive themselves as controlling anything. We refer to this culture as the ‘fatalistic Culture.’

The competitive, hierarchical, and egalitarian cultures described above are active cultures. They are so called because their adherents actively promote their way of life and attempt to convert people around them to their own worldview. The fatalistic culture, on the other hand, is a passive culture. Its members make no attempts to propagate its way of life (Mamadouh, 1999). The four cultures transact with one another in a system which is itself in a state of constant flux due to two simultaneous mechanisms:

1. Competition between members of different cultures: members of the three active cultures do not simply adhere to a specific grid-group configuration, they also actively promote it. For this to happen, people must ‘experience’ the culture. Therefore, members of the three active cultures organize perceptions and knowledge in line with their way of life. They also socialize new entrants according to their own worldview (Rayner, 1991). Members of the three active cultures compete with each other for a dominant position in the system by converting others around them to their own worldview, and by weakening other worldviews (Thompson, 1996). In contrast, members of the fatalistic culture, being passive, simply align themselves to whichever culture is strongest at that time.

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2. Interdependence between members of different cultures: despite their ongoing competition, members of the three active cultures also depend on one another for their survival. This dependence does not have to be mutual. It is sufficient that members of each active culture do something vital for members of one other culture. This inter-dependence implies that if one culture were to disappear, they would all disappear. If there were no hierarchy, there would be no one to impose restrictions on members of the competitive culture and the latter’s excessive market-focused rationality would lead to an eventual collapse of the system. Without the competitive culture, other cultures would be ill-equipped to harness opportunities for creativity and entrepreneurship. Without the egalitarian group, members of the hierarchical and competitive cultures would be unable to bridge their differences and would end up in a gridlock (Thompson, 1996). Even the fatalistic culture provides a valuable coping mechanism to members of other cultures in the face of adversity (6, 2003). Although members of different cultures might occasionally recognize their interdependence (see Rayner, 1986a), they are by nature so entrenched in their own worldview that they rarely see the interconnectedness between the different cultures and how this leads to collective survival (Thompson et al., 1990).6

The ongoing competition and interdependence between members of different cultures generates a constant tension between them. How, then, do they transact with one another? Thompson (1996) explains that members of different cultures form uneasy alliances by temporarily back-grounding their differences and foregrounding their similarities. This is illustrated in the case of American exceptionalism where members of competitive and egalitarian cultures form an alliance to weaken the control of hierarchal bodies (Wildavsky, 1991). Such alliances are not permanent, however, because the differences between members and the heavy investment required on their part soon catch up and lead to a rupture of the alliance (Thompson, 1996). We now explore whether DCF meets the objectives of this paper.

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6Consider Thompson et al.’s (1990) example. When faced with mortal danger, different individuals adopt different attitudes to save themselves. While some support the ‘each for himself’ attitude, others advocate ‘women and children first’ or ‘follow the leader’, while still others that ‘it’s no use, I’ll just stay here’. Although people simply act out their preferences without consciously thinking about collective survival, not all individuals behave selfishly. By exposing these different rationalities, proponents of DCF take the rationality discourse much beyond Barth’s (1966a, 1966b) idea of ‘self-interest.’

DCF as an alternative cultural framework for specific managerial scenarios

Earlier in this paper, we identify three managerial scenarios where using NCA frameworks may not be suitable. We also identify four criteria which a cultural framework should meet for it to be considered an alternative to NCA in the aforementioned managerial scenarios. We now explore whether DCF meets these four criteria.

**Does DCF explain people’s behaviors without relying on nationality-based behavioral generalizations? Does it explain why people behave differently in different contexts?**

Following transactional theorists (e.g., Barth, 1967; Marriott, 1976), proponents of DCF explain human behavior by evoking different rationalities of members of the four cultures. Consistent with a process-oriented rationality, members of the hierarchical culture are guided in their behavior by rules, regulations and procedures rather than by individual or communal gains. Following a communal and critical rationality, members of the egalitarian culture behave in ways that support the communal interest of their group members, even if this implies challenging non-members. The substantive rationality of members of the competitive culture encourages them to behave in ways that optimize self-gains, even if this occasionally leads to compromising rules or communal interest. Interestingly, competitive individuals may support communal gains if doing this increases gains for all, including themselves. Finally, people adhering to the fatalistic rationality pay lip-service to whatever measure contributes to self-preservation.

Now, we address the second half of the question: why do people sometimes behave differently in different social contexts? Following Barth (1967), proponents of DCF explain that people may be temporarily forced to alter their behavior to fit with those around them, either due to the internal reasons (competition and interdependence between members) or due to external stimuli (Thompson, 1996). As an example of externally-induced shift in behavior, consider the case of Swiss villagers who switch from competitive to egalitarian behaviors in their forest management when avalanches threaten their homes (Price and Thompson, 1996). Also, following Barth (1992), proponents of DCF explain that when social transactions fall into a number of distinct spheres, the same individual may display different grid-group preferences and therefore different behaviors in each sphere (Thompson, 1997).

Following from this discussion, one may ask how easy/difficult it is for individuals to move in and out of a culture. To answer this question, we distinguish between
transient and temporary cultural switches, and more profound cultural shifts. Since proponents of DCF conceptualize culture as patterns of behavioral preferences connecting people in a specific context, cultures are neither stable nor permanent. People move in and out of cultures frequently and with relative ease. In fact, temporary cultural switches are virtually uncontrollable because new cultural affiliations are constantly being created as people move from one context to another. Consider Kapferer’s (1972) example of Zambian workers, who although divided against the management in one action, became united in another. In contrast, profound cultural shifts are less frequent. Thompson (1999) explains that individuals spend their lives in different spheres. To cope with the different cultures governing activities in different spheres, individuals ‘compartmentalize’ themselves and do not question contradictory beliefs for as long as these are manifested in different spheres. However, the ‘compartmentalization of the self’ cannot continue forever because individuals have a psychological need for consistency (Festinger, 1959). They will eventually make a choice, at which time, both the individuals and the concerned groups will experience some shock (Hendry, 1999).

Does DCF lend itself to applications across levels, scales and geo-ethnic boundaries?

Following Barth (1966a, 1966b, 1978, 2007), proponents of DCF explain human behavior as a function of people’s behavioral preferences and the rationalities they use when they transact with one another in different contexts. Since DCF focuses on transactions, and since transactions are common to all human and group interactions, DCF is not constrained in its application to specific levels, scales or geo-ethnic boundaries (Thompson, 1997). For instance, at the organizational level, DCF can be used to assess the cultural type that one organization demonstrates in its interactions with another. If we zoom in on the organization, we find different cultures within the organization, probably in different departments. By zooming in on a department, one finds the four cultures again, this time voiced by different individuals (Thompson, 1997). Since DCF is not constrained in its applications, it has been applied to explore culture across levels (e.g., intra-firm, inter-firm, international) and across different kinds of social entities (e.g., firms, football clubs). While some scholars consider frameworks (such as DCF) that are too widely applicable as having weak predictive powers, others see this flexibility as an asset (Mamadouh, 1999).

Does DCF satisfactorily explain both conformity and variation in human behavior?

Past scholars (see Olson, 1965) invoke variables like smallness of scale and coercion to explain collective action. However, anthropological literature offers many examples where either smallness of scale fails to result in collective action or where collective action is seen despite the absence of coercion. The challenge, as Tansey (2004) explains, is to describe the rational foundations for collective action without resorting to alternative forms of explanation (e.g., nationality, profession, etc.) which may not hold elsewhere. Proponents of DCF explain conformity and variations in collective action in grid-group terms. They state that any two individuals or entities with similar grid-group preferences will demonstrate similar behaviors in that context (Douglas, 1970). This conformity is neither permanent nor is it a function of people’s national origin. Also, individual behavior is a function of the social pressures within which the individual finds herself within a specific context (Thompson, 1996). Therefore, the same individual may experience different levels of social pressure and may behave differently in different contexts. Conversely, individuals within an entity may be subject to different degrees of social pressures, thereby resulting in considerable behavioral plurality within that entity.

Does DCF explain social change as a never-ending and unpredictable phenomenon?

In past social science models such as Weber’s (1905) competitive versus bureaucratic institutions and Durkheim’s (1893 [1984]) mechanical versus organic solidarity, social change is deterministic and predictable: being dislodged from one culture automatically lands the individual into the other. NCA scholars (e.g., Hofstede, 1980; Trompenaars and Hampden-Turner, 1997), also cannot explain social change satisfactorily because they conceptualize culture as a function of national/societal origin, and hence as static. The few NCA scholars, who do address cultural change, do so by treating society as a morphological creature with needs. The change process stops as soon as these needs are met. Therefore, for these scholars, social change is deterministic and predictable. In contrast, for proponents of DCF culture emerges from people’s arrangement on the grid-group dimensions. The four cultural types are not rigid categories, but sets of behavioral preferences that change with the context. As long as there is a fit between an individual’s worldview and the worldviews around her, there is no change. Conversely, if there is a misfit, the individual experiences a ‘surprise’, which dislodges her from her culture. When this happens, there are three potential directions that she can take, generating a total of 12 potential destinations, although it is impossible to predict the final outcome. Therefore, according to DCF, social change is neither deterministic, nor predictable. Also, social change never stops because new cultural affiliations are constantly being created as people move from one context to another.

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Following from this discussion, we ask how social change can be effected in companies. Martin and Siehl (1983) explain that creating cultures and controlling cultural development are not as much under managerial control as many would like to believe. Managers can, however, capitalize on those cultural effects they perceive as positive and slightly modify the trajectory of a culture. From the DCF perspective, such modifications can be effected by altering the grid-group components of the transaction in question. Consider for example, that there is high level of fatalism (high grid-low group) in a company, which brings with it the risk of subversion and sabotage. Managers can effectively modify the situation by providing regular opportunities for members of the fatalistic group to voice their concerns. In so doing, it is likely that the ‘group’ dimension within the relation will be strengthened and the ‘grid’ dimension that poses barriers to communication will be weakened, thereby leading members to abandon their fatalism. Such minor cultural modifications may be easier to achieve than more profound cultural changes, where members need to significantly change their values, perceptions and behaviors. Such changes will occur only when there is enough incentive for individuals to make the shift (Douglas, 1996). Managerial efforts in such cases may need to be complimented with supporting policies and rewards.

We conclude that for the most part DCF meets the four criteria listed earlier in the paper. We now offer three examples of past applications of DCF to support our arguments.

Illustrating the varied applications of DCF

The examples in this section have been purposefully selected to illustrate the application of DCF in the three managerial scenarios where using NCA frameworks may be unsuitable or ineffective. In each example, we show how using DCF provides a richer understanding of the phenomenon in question as compared to frameworks of NCA.

Example 1: Using DCF to study the viability of international strategic alliances (Patel, 2005)

We include Patel’s (2005) study in this paper because it illustrates how DCF can be used to study culture in international strategic alliances, a context where national and corporate identities often become blurred (Ailon-Souday and Kunda, 2003). Through an ethnographic exploration of 25 Indo-French alliances, 48 semi-structured interviews, extensive field studies and participation-observation, Patel (2005) reveals that managers using the national culture concept for cultural sense-making often find themselves incapable of explaining diversity within and similarities across nations. Managers invoking situational variables (e.g., company size, company management: professional or family-run, sector: private or public) for cultural sense-making also remain dissatisfied because these variables may be configured differently in every alliance. Finally, invoking corporate culture also does not help because managers find it difficult to distinguish between the cultures of parent companies and the alliance, and because they often wrongly assume the existence of a homogenous corporate culture. Past affiliations and ongoing mergers, acquisitions and takeovers blur national and corporate identities of these managers. Since the concepts of national and corporate culture are ineffective for cultural sense-making in this scenario, Patel (2005) resorts to DCF. Using the first round of 18 interviews and grounding her work in past literature, she operationalizes the four cultures of DCF as shown in Table 1.

The systematic set of seven criteria offered in Table 1 is then used to analyze behaviors of alliance members, irrespective of national origin, function or corporate affiliation. Treating each interview as a unit of analysis, and using field notes to support or challenge findings from interviews, Patel (2005) offers certain insights regarding transactions between members of different cultures. First, members of hierarchical and competitive cultures depend on one another, albeit for different reasons. Members of the competitive culture depend on those of the hierarchical culture because the latter ensure that standards are respected, quality is maintained and rules are followed. Conversely, members of the hierarchical culture rely on those of the competitive culture because the latter are quick at grasping opportunities, being creative and understanding customers’ needs (see also 6, 2004). This dependence between members of hierarchical and competitive cultures is seen in both failed and viable alliances.

Next, Patel (2005) finds that alliances may fail due to: (1) the excessive rigidity of the members of the hierarchical culture and their inability to adapt to other cultures; and (2) the excessive preoccupation of members of the competitive culture with self-interest, which leads them to compromise on ‘rights and wrongs.’ Also, the marked absence of egalitarian culture in failed alliances  

\footnote{Consider Patel’s (2005) example of Allbright-Woodhouse, an alliance between Woodhouse India Ltd and Allbright, France. A few years ago, the Indian Railways issued tenders for a very prestigious contract. The French partner had the required technology and was using it for nuclear purposes, but failed to recognize the opportunity. Conversely, the Indian partner took the lead, adapted the technology to railway applications and successfully secured the tender. The Indian partner’s ability to exploit the opportunity for the benefit of both partners reveals its underlying competitive mindset, while the French partner’s preference for standardized ways of doing things and its inability to harness the opportunity reveals its hierarchical orientation. This incident reinforces similar findings from the interviews and field study conducted in this alliance.}
Table 1 Operationalizing the four cultures of DCF in the context of Indo-French alliances

<table>
<thead>
<tr>
<th></th>
<th>Hierarchical culture</th>
<th>Competitive culture</th>
<th>Egalitarian culture</th>
<th>Fatalistic culture</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Style of organization</td>
<td>Centrally ordered community, characterized by tight rules and high mutual accountability e.g. bureaucracies</td>
<td>Community of entrepreneurial individuals, characterized by individual and spatial mobility, low mutual accountability, e.g. free markets</td>
<td>Internally egalitarian, characterized by sharply marked boundaries; e.g. sects, cults, clubs</td>
</tr>
<tr>
<td>2</td>
<td>Basis for power</td>
<td>Rule and role-based authorization, members experience both compulsion and inequality</td>
<td>Personal control of resources, few restrictions on behavior</td>
<td>Constant personal and collective reaffirmation</td>
</tr>
<tr>
<td>3</td>
<td>Strategy</td>
<td>Follow regulations and processes, prioritize security over competition and social mobility, concerned with who does what rather than outcomes</td>
<td>Allow for maximum negotiations of contracts or choosing allies, negotiate for control of resources, concerned with outcomes, not processes</td>
<td>Group held together by shared commitment to moral principle, frequent confrontations with non-members</td>
</tr>
<tr>
<td>4</td>
<td>Network</td>
<td>Dense social ties at top, vertical ties at the bottom</td>
<td>Sparse social ties as relations are redefined frequently</td>
<td>Dense social ties within the group</td>
</tr>
<tr>
<td>5</td>
<td>Authority</td>
<td>Status-based, paternalistic, but with rule-bound discretion</td>
<td>Derived from ability to define opportunities and bestow rewards</td>
<td>Charismatic, based on demonstration of greater commitment to shared principle</td>
</tr>
<tr>
<td>6</td>
<td>Strength</td>
<td>Enables clarity and complex division of labor</td>
<td>Motivates people by inciting their self-interest, enables focused instrumental activity</td>
<td>Allows for passionate principled commitment, protects members</td>
</tr>
<tr>
<td>7</td>
<td>Weakness</td>
<td>Limited ability to generate prosperity, rigid system of rule and role leads to de-motivation of “lowerarchy”</td>
<td>Excess self-focus may lead to compromising “rights and wrongs”</td>
<td>Risks de-motivation through exhaustion and burn-out, or schism</td>
</tr>
</tbody>
</table>


and its presence in viable alliances suggests that its members may play a role in the viability of alliances. Further exploration reveals that egalitarian members share a high group preference with members of the hierarchical culture and low grid preference with members of the competitive culture. By appealing to these inherent similarities, members of the egalitarian culture reach out to members of hierarchical and competitive cultures, and help them develop temporary workable coalitions with one another. The next question is: what role do fatalists play in the viability of international alliances? Patel (2005) finds that although instances of fatalism are observed in most alliances, fatalistic individuals do not have the voice to make an impact on viability. She concludes that the co-existence of four cultures and the interdependence of three active ones ensure the viability of international alliances.

Patel (2005) offers two distinct knowledge contributions. First, while most scholars exploring the role of culture in international business rely on conventional NCA (cf. Barkema and Vermeulen, 1997), and on broad behavioral generalizations, Patel (2005) shows that such generalizations do not always hold (see footnote 7).

Studies grounded in NCA treat national identity ‘as a passive embodiment of a predetermined cultural template’ (Ailon-Souday and Kunda, 2003: 1074), thereby neglecting that people may consciously choose what national belonging means to them. Hence, conventional NCA cannot satisfactorily explain many aspects of the globalized organizational reality (Ailon-Souday and Kunda, 2003). Patel (2005) offers DCF as an alternative tool for cultural sense-making in an increasingly globalizing context. Second, while past studies using NCA claim that cultural differences are inevitably problematic for international business (Vanhonacker and Pan, 1997; Sarala, 2010), Patel (2005) shows that the coexistence of different cultures (defined as per the DCF tradition) is actually required for the viability of international firm collaborations.

Example 2: Using DCF to study diversity of risk perceptions in hospitals (Rayner, 1986a)

We include Rayner’s (1986a) study in our paper because it shows how DCF can be used to explore cultural diversity within a social entity. Rayner (1986a) explores perceptions towards radiological hazards in
American hospitals. He finds four distinct patterns of risk-perception corresponding to the four cultures of DCF in every hospital. The inductively-derived categories for classifying members into the four cultures are presented in Table 2. Rayner (1986a) explains that since risk-perception is socially constructed, members of the four cultures focus on different kinds of risks and have different ‘blind spots.’

Among the hospital personnel interviewed, surgeons tended to show the maximum disrespect for rules governing the use of radioactive substances. For example, one surgeon removed radioisotopes for his experiments from the Radiation Protection Officer’s (RPO) office without prior authorization. He could not understand why his research should be subject to external controls. Only the threat to shutting down his laboratory made him change his ways. The surgeon’s disrespect for rules and his resistance to external control reveal his competitive orientation. A similar behavior was also observed among some physicians, who asked patients to take X-rays even when not required, simply to protect themselves from future litigation. This preoccupation with self-protection even if this implied exposing patients unnecessarily to radiation risk reveals the competitive mindset of these physicians. Rayner (1986a) explains that for members of the competitive culture, the transactional arena is a network based on self-interest and the transactional mode is competitive. To maintain credibility, competitive individuals must innovate continuously. Their weakness is that they tend to overestimate the extent of their own control on occupational risks.

Unlike the surgeons and physicians described above, hospital administrators and clinical technicians scrupulously follow rules regarding use of radioactive substances because this, for them, is the only way of avoiding mishaps. They regularly carry out wipe tests for radioactive contamination and meticulously maintain records of radioactive substances. This adherence to rules and procedures reveal their underlying hierarchical preference. For members of the hierarchical culture the transactional arena is composed of organic groups. The preferred mode of transaction is one ordered through rules, regulations and routines. Career success involves rising through a hierarchy of qualifications. Members of the hierarchical culture also have blind-spots: their excessive reliance on time-consuming routines sometimes accentuates the risk. Similarly over-reliance on standards leads them to wrongly assume that exposure to radiation below those standards is always safe (Rayner, 1986a).

Rayner (1986a) also interviewed members of the Coalition for Medical Rights of Women, some nurses’ organizations and small cooperative clinics. These individuals strongly oppose centralized medicine, but since the outright opposition of life-saving technology would not appeal to anyone, they manifest their opposition by emphasizing the dangers of radio-medicine to patients and medical-staff. Nurses, in particular, are concerned about the well-being of fellow-nurses and skeptical of people outside their group. This distinction between members and non-members indicates an egalitarian mindset. For members of egalitarian groups, the transactional arena is mechanical and the preferred transactional mode is collaboration. Decision making is consensual and a voluntary concern for members is the dominant value. The drawback is that members have no mechanism for conflict-resolution. Disagreements either lead to outsiders being blamed or to schism in the group.

Auxiliary staff (e.g., janitors, plumbers, cleaners) in these hospitals was skeptical of radiation-related regulations and of experts charged with their safety. Sometimes efforts to provide these employees with more radiation-related information resulted in increased fatalism. For instance, in one hospital, maintenance workers returned after Christmas to find exhaust fans labeled with radiation hazard warnings. Rather than appreciating this as management’s increased sensitivity, these workers were distressed about possible consequences of prior exposure to these radiation sources. The perceived lack of information about radiation risks coupled with their relatively powerless position in American hospitals makes these individuals fatalistic. But they are not inherently and permanently fatalistic. As seen in one hospital, giving more control to these employees over handling radio-active substances led them to discard their fatalis-

<table>
<thead>
<tr>
<th>Transactional arena</th>
<th>Organic groups</th>
<th>Ego-based networks</th>
<th>Mechanical groups</th>
<th>Atomized niches</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 Transational mode</td>
<td>Routinized procedures</td>
<td>Competition</td>
<td>Cooperation</td>
<td>Controlled</td>
</tr>
<tr>
<td>3 Decision making</td>
<td>Committee</td>
<td>Individual</td>
<td>Consensus</td>
<td>Limited by others</td>
</tr>
<tr>
<td>4 Driving values</td>
<td>System maintenance</td>
<td>Expansion</td>
<td>Equality</td>
<td>Survival</td>
</tr>
<tr>
<td>5 Focus of attention</td>
<td>Routinization of procedures (standardization)</td>
<td>Professional career (cure)</td>
<td>Health maintenance (prevention)</td>
<td>Diverse</td>
</tr>
</tbody>
</table>
It is easy to assume that people’s risk-perceptions are related to their profession. However, the example of auxiliary employees who quickly discard their fatalistic mindset when given more control on their work environment shows that risk-perception can be altered without any corresponding change in profession. Conversely, the egalitarian mindset is observed among members of different groups (small clinics, nurses’ organizations and the Coalition for Medical Rights of Women), who do not share a common profession.

8It is easy to assume that people’s risk-perceptions are related to their profession. However, the example of auxiliary employees who quickly discard their fatalistic mindset when given more control on their work environment shows that risk-perception can be altered without any corresponding change in profession. Conversely, the egalitarian mindset is observed among members of different groups (small clinics, nurses’ organizations and the Coalition for Medical Rights of Women), who do not share a common profession.

Rayner (1986a) contends that while members of the competitive and the hierarchical cultures have power and members of the fatalist and egalitarian cultures do not, limiting the discussion of risk-perception to the power differential between employees is inadequate. Using DCF, instead, reveals interesting insights. Members of the competitive and hierarchical cultures share a sense of control over radiation hazards, but for different reasons. While the former are risk-takers who view radiation hazards as the legitimate cost of individual choices, the latter use standards and procedures to minimize risks. Conversely, members of both the fatalistic and the egalitarian cultures are risk-averse, but for different reasons. Members of the fatalistic culture have no choice but to tolerate risks, while members of the egalitarian culture avoid risks by arguing that ‘a threat to one is a threat to all.’ Despite the apparent distinctions between the four cultures, there is a certain amount of tension as well as a degree of give and take between them. For example, RPOs acknowledge that there are times when rules need to be bent. Similarly, surgeons acknowledge that routines offer protection to ill-informed individuals. There are therefore few purely competitive or purely hierarchical individuals.

Rayner (1986a) makes three contributions to past literature. First, he shows that different cultures exist in the same hospital. Members of each culture have different appreciations of the same risk and try to protect themselves from what they consider risky (see also Masuda and Garvin, 2006). Second, based on Rayner’s (1986a) study one may argue that categorizing an entire nation as being high or low on risk-taking (Hofstede, 1980), is simplistic, and that people within the same entity (nation or hospital) display different propensities for risk. Rayner (1986a) offers more conceptual richness than the traditional dichotomy of risk-takers versus risk-avoiders. Hence, methods of promoting increased vigilance against safety hazards will be different for members of different cultures. Third, past studies usually relate risk-perceptions to specific national cultural dimensions, such as uncertainty avoidance and power distance (Kailani and Kumar, 2011). Such scholars inadvertently transpose national culture dimensions on to companies (Leung et al., 2005). They fail to consider the inherent contradiction of holding both the national and corporate cultural approaches simultaneously (Barth, 2007; McSweeney, 2009), which would imply little difference between corporate cultures in the same country. In contrast, Rayner (1986a) shows that people’s risk perceptions are informed by their underlying values and behavioral preferences rather than their national origin and/or corporate affiliations.

Example 3: Using DCF to explore football hooliganism in the British stadia safety industry (BSSI) (Frosdick, 1995a, 1995b)

We include Frosdick’s (1995a, 1995b) study in our paper because it illustrates how DCF can be used to explore cultural interactions between different kinds of social entities across levels and scales. As Frosdick (1995a, 1995b) explains in sports events, safety is the outcome of interactions between various agencies: police, medical staff, fire brigade, local authorities, sportspersons, sports clubs, local communities, sports fans and others. Through participation-observation (35 football matches, 8 other sports events at 27 venues), detailed case studies, ethnographies and over 100 interviews, Frosdick (1995a, 1995b) attempts to understand the cultural preferences of different agencies and the nature of their transactions. He identifies four attitudes towards safety among these agencies, which correspond to the four cultures of DCF. He operationalizes grid as space, time, objects and resources/labor, and group as frequency, mutuality, scope and boundary of interactions. The inductively-derived criteria for classifying subjects into the four cultures are provided in Table 3. Frosdick (1995a) reveals that the hierarchical culture dominates the BSSI and includes football organizations, match officials, television companies, licensing authorities, certifying authorities, government, police and others. Members of the hierarchical culture blame disasters on rule-breaking because their risk-perception is informed by an emphasis on rules and deference to authority. In contrast, players, managers, football clubs, and stadium owners reveal a competitive mindset. Rule-breaking is approved if it leads to short-term advantages, and disasters are seen as random events. Stadium communities and supporter groups have egalitarian preferences. They are conscious of the need of precautions against disasters, which they blame on ‘the system’ or on authorities over-stepping their boundaries. Finally, individual supporters, local residents and fans who are not affiliated to any of the aforementioned groups reveal a fatalistic mindset. Despite the threat of hooliganism, these individuals come to watch the football match because for them, the football ground is a symbol of local pride. They can do nothing about sports-related disasters except endure them.

Next Frosdick (1995b) explores how members of the four cultures interact with each other, thereby creating
a distinct safety culture in each stadium. More precisely, he exposes the weakness of the four cultures, each of which makes the system susceptible to disasters in a different way. Since members of the competitive culture attach less importance to the group dimension, they pay less attention to coordinating routine situations, and communicating with other agencies. Members of the hierarchical culture, being overly attached to ranks and rules, may stifle the reactivity of lower-level members. Reactions to emergencies may be slow since superiors are required to ‘assess the situation’ first. Senior managers may take decisions without consulting junior staff who might know more about the problem at hand. Members of egalitarian groups put considerable emphasis on consensus, thereby losing valuable time in the consultative process. Considerable tolerance may be shown towards misbehaving members, with expulsion being the solution of last resort. Those with a fatalistic orientation perceive one agency as being in-charge of safety, thereby adopting a ‘laissez-faire’ attitude during crisis situation. Within this culture, communication is reserved only to those with high status, while those at lower levels function in isolation. Since members of each culture have different weaknesses, they play different roles in making the system vulnerable to disasters.

Frosdick’s (1995a, 1995b) studies makes three unique knowledge contributions. First, it reveals that although different agencies have different attitudes towards risks, traditional safety measures have focused selectively on creating and applying more stringent rules. Such measures have a limited impact on members other than those of the hierarchical culture. Conversely, Frosdick’s (1995a, 1995b) exposure of the different attitudes that members of different cultures have towards safety facilitates better policy decisions for preventing sports-related disasters. Second, while some past scholars show that national culture, in particular dimensions such as high power distance, high uncertainty avoidance and high individualism have a positive impact on safety (see Merritt, 2000), others (Thoraldsen and Haukelid, 2009) criticize such studies for their superficial treatment of the topic. Frosdick (1995a, 1995b), on the other hand, shows that people’s attitude to safety is a function of their underlying values and behavioral preferences, rather than their national origin. Third, the field of safety research is plagued by an ongoing debate about the difference between behavioral and cultural approaches to safety (DeJoy, 2005), with some recent scholars (Thoraldsen and Haukelid, 2009) attempting to combine the two approaches. Frosdick (1995a, 1995b) shows that people’s risk-perceptions, their risk-related behavior, and their reactions to safety measures are a function of their underlying cultural preferences. Culture and safety-related behavior, are therefore, not as disconnected as some would think.

**Discussion**

This paper aims to identify a cultural framework that can serve as an alternative to NCA in one or more of the following scenarios: (1) when national and corporate
identities become blurred; (2) when the focus is on the cultural diversity within a social entity; and (3) when the aim is to study cultural interactions between different kinds of social entities across levels and scales. The three examples offered in the previous section show that DCF can be used as a valid transactional framework in each of these scenarios. In the first example, Patel (2005) applies DCF to explore cultural interactions in international strategic alliances where national and corporate identities of employees often become blurred. In the second example, Rayner (1986a) uses the same framework to expose the diversity of cultures and risk-perceptions in American hospitals. In the third example, Frosdick (1996a, 1996b) uses DCF to explore the cultural interactions between different kinds of social entities interacting in the BSSI at different levels and scales. Conceptually speaking, DCF allows us to study the configurational property of culture, that is, it allows us to explore variations within social entities by evoking different rationalities, and thereby go beyond studying similarities within and differences between social entities. Thus, we partially meet Tsui et al.’s (2007) call for more theoretical development regarding asymmetric cultural experiences of people.

As explained earlier, cultural literature embraces a wide variety of theoretical approaches and frameworks. Although theoretical pluralism is important and deserves to be encouraged, excessive pluralism leads to unnecessary theoretical compartmentalization (Astley and Van de Ven, 1983), and obscures the connection between different schools of thought (Glynn and Raffaelli, 2010). Therefore, a certain degree of consolidation in culture literature is desired (Tsui et al., 2007). This consolidation is difficult to achieve as long as one continues to use different frameworks to study culture at different levels, scales and within different geo-ethnic boundaries. Since DCF can be applied across levels, scales, and boundaries, it has the potential to produce some degree of consolidation in cultural literature. DCF has already been used to explore a wide variety of managerial concerns in past years: environmental issues (Rayner, 1991), consumption patterns (Douglas, 1996), ethical decision making (Patel and Schaefer, 2009), and many more. Despite this ability to offer some degree of consolidation to culture literature, DCF also has its limitations, which are now discussed.

Limitations of DCF
In this subsection, we offer three limitations of DCF. First, the variety of labels for the four cultures of DCF has led to considerable confusion and inconsistency in past literature (Mamadouh, 1999). The high grid-high group culture has been referred to as hierarchy (hierarchist or hierarchical) or bureaucracy; the low grid-low group culture has been called markets, competition, entrepreneurs, individualism (individualistic or individualists); the high group-low grid culture has been called egalitarianism or egalitarian(s), factionalism, sect, enclave, dissenting groups, or communard(s), and finally the high grid-low group culture has been labeled as fatalism (fatalist or fatalistic), isolates, insulated, or atomized subordination. These different labels draw one’s attention to their different connotations and away from the grid-group dimensions (Mamadouh, 1999). Also, the use of labels such as ‘individualists’ and ‘hierarchists’ have led some researchers to incorrectly assume that the four cultural types are personality or psychological types rather than emerging cultural patterns. Consequently, these scholars have tended to neglect the social context and the constraints that these cultures place on individuals (Tansey, 2004). Thus, confusing labels have weakened the presentation, application and validation of DCF (Mamadouh, 1999).

Second, while DCF has proven useful in many different disciplines, its applications are vulnerable to illusory examples and bird-spotting (Mamadouh, 1999). Consequently, proponents of DCF often find themselves caught in a cross-fire between those who prefer to not address culture at all and those who want to study culture but find typologies to be too reductionist. We reckon that one way to overcome this limitation is to follow Barth’s advice and focus on the underlying processes that lead to the emergence of the four cultures. Doing this will give richer insights into the problem at hand, as compared to simplistic exercise of spotting the four cultures. Finally, Sjöberg (1998) complains that DCF fails to capture the full richness of observed behavior. In response, 6 and Mars (2008) explain that the objective of DCF is not to force-fit every human behavior into four ideal types, but to facilitate an understanding of the dynamic social interactions that occur as the four cultures compete with each other in daily life. In reality one encounters a combination of different cultures within a social entity. Discussing the four cultures in their pure forms is only required to facilitate an understanding of the framework.

Managerial implications
We offer two managerial recommendations. First, managers often treat culture as an ‘uncaused cause’ (Thompson, 1996). In other words, although they believe that culture influences businesses, they are unable to explain how culture is generated, or how it changes. Also, managers seem to have a preference for simplified cultural schemas, such as nationality-based generalizations, because they need easy-to-understand

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10Bird-spotting implies spotting representatives of each culture for the sake of spotting them.
categories to structure their action and sell it to their constituencies. It is in the nature of their enterprise to project action into an unknown future. When doing so, too much subtlety and contextualized analysis can weaken managers’ faith in their own decisions, or even paralyze decision making. This explains why broad behavioral generalizations continue to circulate despite their evident inadequacies. Even managers who recognize the limitations of these generalizations continue to rely on them due to lack of suitable alternatives. By offering DCF as a tool for cultural sense-making, we partially address this void. As the three examples offered in this study reveal, DCF is a flexible tool that managers can customize to fit their own needs.

Second, companies today invest significant amounts of money on training programs designed to enhance employees’ cultural sensitivity. Although such training programs are believed to facilitate cultural understanding, they indirectly propagate an ‘us’ versus ‘them’ mentality by encouraging comparisons between supposedly objective and resolute attributes of national cultures (Ailon-Souday and Kunda, 2003). Conversely, frameworks such as DCF propose that cultures are dynamic, and change in unpredictable ways. Consequently, we suggest that aforementioned training programs be replaced by programs that make managers fluent in all four rationalities, and in methods for creatively using them in real-life situations. Training programs should also be designed to enable employees to adapt to external and internal forces of change and to help them understand that excessive adherence to any one worldview has its pitfalls. Success, in organizational life, therefore, requires working efficiently with people of different worldviews.

Conclusions and suggestions for future research

The NCA has dominated business literature for many decades. However, frameworks grounded in such approaches are not appropriate for cultural exploration in all scenarios that managers encounter. Dissatisfied with frameworks of NCA, scholars have looked for alternative and more dynamic conceptualizations of culture in disciplines such as cognitive psychology. Following their example, we search for alternative conceptualizations of culture in anthropology, more precisely within the transactional school. We identify four criteria that any alternative approach must meet for it to be considered a usable alternative to NCA in scenarios where the latter is unsuitable. We offer theoretical arguments and empirical examples to show that DCF satisfactorily meets these criteria.

DCF is different from psychology-based dynamic models of culture in one important way. While the latter conceptualize culture as the outcome of the individual’s psychological processes and continue to ground the discourse in nationality terms, DCF is grounded in social anthropology and its proponents conceptualize culture as being the dynamic outcome of the ongoing interactions between individuals’ behavioral preferences and their social context. Despite being grounded in different disciplines, psychology-driven dynamic models of culture and DCF have a common goal: they both attempt more meaningful conceptualizations of culture as compared to conventional NCA. Consequently, they both deserve to be encouraged.

We offer three suggestions for future research. First, like the three examples offered in this paper, many DCF scholars explore dynamic transactions among members of the four cultures at a point in time. Instances where DCF is used to explore cultural evolution over time are less common. Rayner’s (1986b) exploration of the cultural changes in the International Socialist Workers’ Party over a period of twenty years is one such study. We encourage scholars to favor this line of exploration in their future work. Second, we call for a rigorous reflection on the use of term ‘culture.’ In traditional business literature culture denotes a stable and unchanging core. Although many recent scholars have challenged this conceptualization, other scholars and the popular media continue to attribute a stable core to culture. Therefore, the continued use of the term culture for what researchers (like us) define as a much more dynamic property could be confusing for readers (see Brubaker and Cooper, [2000] for a similar discussion on ‘identity’). We suggest that future scholars use less historically-loaded terms such as habitus, cosmologies (Douglas, 1982), and cognitive schemas (Thompson et al., 1990), to denote a more dynamic conceptualization of culture. Finally, we invite scholars to use DCF judiciously. If DCF is used purely as a classification tool rather than an explanatory tool that is, if it is used simply to categorize people’s behaviors without relating these to underlying values and preferences, and the social context, then it would be no different from some of the frameworks we criticize in this paper. It is therefore crucial that DCF scholars follow Barth’s advice and continue to focus on the underlying processes that lead to the generation, sustenance and evolution of different social forms.

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