

EXPATRIATES PERCEPTIONS TOWARD HOFSTEDE'S INDONESIA CULTURAL DIMENSIONS

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ABSTRACT

The goal of this research was to explore the experiences of expatriates in Indonesia, related to Hofstede's Indonesia cultural dimensions. This study applied a phenomenological qualitative study and used purposive sampling to select the participants. Data were gathered using the semi-structured interview with appointments set before the meeting. The interviews were conducted on an individual basis and were recorded. Then, the data were transcribed and analyzed through coding and categorizing until sets of themes occurred. The results show that the majority of participants agree Indonesia has collectivism and low uncertainty avoidance culture. Meanwhile, the expatriates' experiences toward high power distance dimension in Indonesia vary.

Keywords: *expatriates perception, cross-cultural management, Hofstede's cultural dimensions*

INTRODUCTION

In this globalization era, more companies are expanding and entering foreign markets. Hence, multinational companies continue to rely heavily on expatriate assignments to increase their competitiveness in the global marketplace (Brookfield Global Relocation Services, 2016). Such phenomenon is becoming part of international business and management study. In the area of international business studies, the term 'expatriates' commonly describes corporate employees working outside of their home countries (Shimoda, 2017). Indonesia is one of the expatriates' destination country and also one of the most important hosts of transnational corporations in Southeast Asia since the Dutch colonial era when such corporations cooperated with the Dutch colonial system (Sluyterman, 2013).

As a consequence of entering foreign markets, culture collisions are more likely to appear. Hofstede (2010) stated that culture is more often a source of conflict than synergy, suggesting that cultural differences are a sign of disaster. Therefore, knowledge about cultural dimensions is essential for expatriates before arriving in foreign countries. There are six dimensions of national culture; (1) Power distance, (2) Individualism v Collectivism, (3) Masculinity v Femininity, (4) Uncertainty avoidance, (5) Long-term v Short-term orientation, and (6) Indulgence v Restraint (Center, 2015).

Power distance expresses the degree to which the members of a society accept and expect that the power is distributed unequally. The fundamental issue here is how a society handles inequalities among people (Ly, 2013). Individualism can be defined as a preference for a loosely-knit social framework in which individuals are expected to take care of only themselves and their immediate families. Its opposite, collectivism, represents a preference for a tightly-knit framework in society in which individuals can expect their relatives or members of a particular in-group to look after them in exchange for unquestioning loyalty. Society's position on this dimension is reflected in whether

people's self-image is defined regarding "I" or "we" (Brewer & Venaik, 2011). The masculinity side of Hofstede's dimension represents a preference in society for achievement, heroism, assertiveness, and material rewards for success. The opposite, femininity, stands for a preference for cooperation, modesty, caring for the weak, and quality of life (Center, 2015).

The uncertainty avoidance dimension expresses the degree to which the members of society feel uncomfortable with uncertainty and ambiguity (Venaik & Brewer, 2010). Long-term or short-term orientation is related to how every society has to maintain some links with its own past while dealing with the challenges of the present and the future. Thus, societies who score low on this dimension prefer to maintain time-honored traditions and norms while viewing societal change with suspicion. On the other hand, those with high scores, take a more pragmatic approach as they encourage thrift and efforts in modern education as a way to prepare for the future (Minkov & Hofstede, 2012). Indulgence stands for a society that allows relatively free gratification of basic and natural human drives that are related to enjoying life and having fun. Restraint stands for a society that suppresses gratification of needs and regulates it by restricting social norms (Center, 2015).

According to Brock *et al.* (2008), power distance is confirmed as prime predictors of expatriate deployment. Consequently, the power distance index plays an important role when selecting candidates for overseas assignments. Apart from that, six dimensions of national culture are also considered important because, as Dartey-Baah (2013) explained that both national cultures and organizational cultures are the main determinants of the success or failure of the multinational business.

This research tries to answer a question related to the power distance; individualism v collectivism, and uncertainty avoidance dimensions. Specifically, that question is; are there any differences between Hofstede's research of Indonesia and the expatriates' experiences of these three dimensions in the research? Hence, the objective of this research is to explore the experiences of expatriates in Indonesia, in relation to three of Hofstede's Indonesia cultural dimensions.

METHODS

This study applies a phenomenological qualitative study because it attempts to explore the experiences of expatriates in cross-cultural settings. The phenomenological study tries to understand how participants make sense of their experiences and involve a process of interpretation by the researcher (Flick, 2009). However, personal biases or beliefs should be eliminated when doing this type of research in order to not interfere with the researcher's ability to see the phenomenon.

Purposive sampling is used to select the participants because it allows the researcher to select cases based on researcher's decision in order for the question and objective to be met and answered (Saunders, Lewis, & Thornhill, 2015). The subject's first selection criterion is men and women expatriates who are currently staying and working in Jakarta, Indonesia. Second, they are working in any government, private agencies or companies in Jakarta and have been working there for more than six months. Third, each participant is expected to have exposure to locals at their workplace.

The data are gathered using semi-structured interview, and the appointments are set before the meeting. The interviews are conducted on an individual basis and are also recorded. The interviews take place outside of the workplace and last from 45 minutes to over an hour and a half. In order to open the interview and lead the discussion to the expatriates' experiences, open-ended questions are asked. Then, the data are transcribed and analyzed through coding and categorizing until sets of themes occur. Moreover, the research also uses interpretative phenomenological analysis (IPA) of

data. The interview questions generally focus on the participants' perceptions toward three of Hofstede's Indonesia cultural dimensions: high power distance, collectivism, and low uncertainty avoidance. The semi-structured interview is the main method of gathering data to answer the research question.

RESULTS AND DISCUSSIONS

The profile of the participants is explained in Table 1. It can be seen that the interview has been conducted with 19 male and 7 female expatriates. The respondents' duration of stay in Jakarta, Indonesia varies from 6 months to 29 years. Similarly, the participants' occupation and country of origin also vary broadly. Hence, the subjects' selection criteria are fulfilled.

Table 1 Profile of the Participants

Respondents	Occupation	Country of Origin	Duration of Stay	Gender
Respondent 1	Engineer	China	2 years	Male
Respondent 2	Graphic Designer	USA	5 years	Male
Respondent 3	Project Manager	China	6 months	Male
Respondent 4	English Teacher	United Kingdom	5 years and 6 months	Male
Respondent 5	IT Expert	India	1 year and 7 months	Male
Respondent 6	IT Expert	Taiwan	2 years	Male
Respondent 7	English Lecturer	India	6 years	Male
Respondent 8	General Manager	USA	2 years	Male
Respondent 9	English Teacher	USA	2 years and 7 months	Male
Respondent 10	Business Owner	USA	5 years and 2 months	Male
Respondent 11	Education Consultant	United Kingdom	8 months	Male
Respondent 12	Teacher	Philippines	11 years	Male
Respondent 13	Teacher	East Timor	2 years	Male
Respondent 14	General Manager	Australia	2 years	Male
Respondent 15	Client Head Manager	Mexico	4 years	Male
Respondent 16	Sales Director	USA	8 years	Male
Respondent 17	Lecturer	Hungary	2 years	Male
Respondent 18	Lecturer	USA	29 years	Male
Respondent 19	Embassy Staff	Switzerland	1 year	Male
Respondent 20	Engineer	China	4 years	Female
Respondent 21	Engineer	India	7 years	Female
Respondent 22	Italian Language Teacher	Italy	1 year and 2 months	Female
Respondent 23	Lecturer	Philippines	11 years	Female
Respondent 24	English Teacher	United Kingdom	10 years	Female
Respondent 25	Business Owner	China	1 year	Female
Respondent 26	Lecturer	United Kingdom	16 years	Female

According to Hofstede (2010), the dimensions of Indonesia national culture can be seen in Figure 1. It can be seen that Indonesia scores high on power distance dimension with a score of 78. This means that the following characterizes the Indonesian society are; (1) being dependent on hierarchy, (2) unequal rights between power holders and non-power holders, (3) superiors inaccessible, and (4) leaders directing, controlling, and delegating, (5) power is centralized and managers count on the obedience of their team members, (6) employees expect to be told what to do and when, (7) control is expected and managers are respected for their position, lastly, (8) communication is indirect and negative feedback is hidden (Hofstede, 2013).

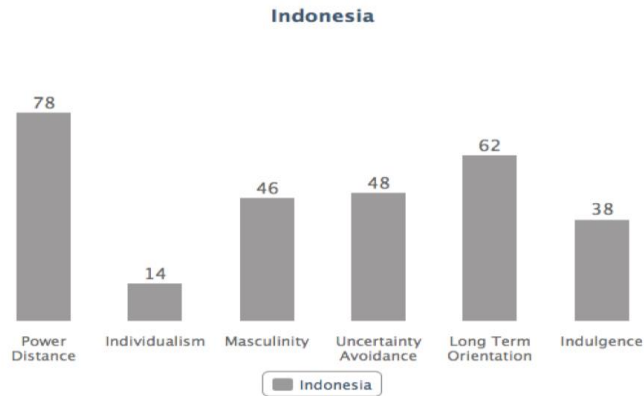


Figure 1 The Dimensions of Indonesia National Culture (Hofstede, 2010)

Indonesia, with a low score of 14, is a collectivist society. This means that there is a high preference for a tightly-knit social framework in which individuals are expected to take care of their relatives or members of the groups to which they belong (Hofstede, 2013). Indonesia scores 46 on the masculinity dimension which is considered low masculinity. In Indonesia, the status and visible symbols of success are important, but it is not always material gain that brings motivation. Often, it is the position that a person holds that is more important to them because of an Indonesian concept called *gengsi*, loosely translated to be outward appearances (Hofstede, 2013).

Indonesia scores 48 on the uncertainty avoidance dimension which means Indonesia has a low preference for avoiding uncertainty. When a person is upset, it is habitual for Indonesians to not show negative emotion or anger externally. They will keep smiling and be polite, no matter how angry they are inside. This also means that maintaining workplace and relationship harmony is very important in Indonesia and no one wishes to be the medium for bad or negative news or feedback. Another aspect of this dimension can be seen in conflict resolution. Direct communication as a method of conflict resolution is often seen to be a threatening situation and one that Indonesians are uncomfortable with. A successful method of conflict diffusion or resolution is using a third party intermediary, which has many benefits. This permits the exchange of views without loss of face. Moreover, since one of the main manifestations of Indonesia's uncertainty avoidance is to maintain the appearance of harmony in the workplace, an intermediary removes the uncertainty associated with a confrontation. Perhaps a key phrase in the Indonesian language that describes how this works is *Asal Bapak Senang* (keep the boss happy). Keeping the boss happy means that the employees that do such things will be rewarded and kept as a valuable member of the company (Hofstede, 2013).

Indonesia's high score of 62 in the next dimension indicates that it has a pragmatic culture. In societies with a pragmatic orientation, people believe that truth depends very much on the situation, context, and time. They show an ability to easily adapt traditions into changed conditions, a strong propensity to save and invest, thriftiness, and perseverance in achieving results (Hofstede, 2013).

The low score of 38 in the indulgence dimension shows that Indonesia has a culture of restraint. Societies with a low score in this dimension tend towards cynicism and pessimism. Furthermore, the restrained societies do not put much emphasis on leisure time and control the gratification of their desires. People with this orientation have the perception that their actions are restrained by social norms, and they feel that indulging themselves is somewhat wrong (Hofstede, 2013). The following results that are shown in Table 2 occurred after analyzing the data.

Table 2 Expatriate's Experience Related to High Power Distance

Respondents	High Power Distance		
	Agree	Disagree	No comment
Respondent 1	V	V	-
Respondent 2	V	V	-
Respondent 3	V	V	-
Respondent 4	V	-	-
Respondent 5	-	V	-
Respondent 6	V	-	-
Respondent 7	V	V	-
Respondent 8	V	V	-
Respondent 9	V	-	-
Respondent 10	-	V	-
Respondent 11	-	V	-
Respondent 12	-	V	-
Respondent 13	V	-	-
Respondent 14	V	V	-
Respondent 15	-	V	-
Respondent 16	V	V	-
Respondent 17	V	-	-
Respondent 18	V	V	-
Respondent 19	V	-	-
Respondent 20	-	V	-
Respondent 21	V	-	-
Respondent 22	V	-	-
Respondent 23	V	V	-
Respondent 24	-	-	V
Respondent 25	-	-	V
Respondent 26	V	V	-
Total	18	16	2

According to Hofstede (2011), the characteristics of high power distance in the workplace are; (1) superiors are difficult to reach, (2) managers are respected for their position, (3) communication is indirect, (4) negative feedback is hidden, (5) there are inequalities because of the hierarchy, and (6) subordinates expect to be told what to do by leaders. The expatriates have mixed experiences in the workplace related to this dimension. Those experiences are shown in Table 2.

18 interviewed expatriates agree that Indonesia has high power distance in the workplace, while 16 disagree and 2 choose not to comment. 10 expatriates say that they have seen evidence that Indonesia has both high and low power distance. For example, respondent 18 say that the distance between manager and staff occurs because of the manager's personality. Some managers like to have distance and others do not.

Respondent 16, who works as Sales Director supervises 20 regional sales manager and hundreds of staff, experiences the distance between manager and staff when he was first appointed. However, after a year in charge, he decided to change such behavior, and now his company has successfully adopted low power distance culture. According to respondent 14, high power distance occurs when the managers are expatriates, and the staffs are Indonesian. On the other hand, if the managers and the staffs are both Indonesian, there is no distance. Respondent 26 states that the management and the staffs at her workplace work together very closely. However, there is a huge distance between the lowest people in the organization and the top management, due to the work nature. Top management has the responsibility to plan and make the decision, which is why they do not see other people in the organization very often.

Respondent 1 has told the researcher that low or high power distance culture depends on the company's culture. In his company, the managers are easy to reach, and subordinates need to have their own initiatives. Low power distance is used because his company is a multinational company. He adds that if he works in Indonesian company, there would be a distance between managers and staffs as he heard it from one of his friend who is currently working in such company. Meanwhile, respondent 7's stance on high power distance in the workplace is in the middle. In spite of the high distance between the managers and staffs in his workplace, everybody is respected for their profession as long as they perform well. The bosses do not dominate and show that they are the bosses. The staffs can also communicate directly with their supervisor. Similarly, respondent 8 also has mixed experiences related to this dimension. In his company, there is no distance because the majority of the co-workers have graduated from abroad, which is why they tend to be more open-minded. Nevertheless, he agrees that Indonesia generally has high power distance. He mentioned that when he started working, the office boy called him 'Pak'. He was not familiar with that kind of greeting because in the United States everyone called him using his first name or 'mister' followed with his last name. However, that is not the case with Indonesian people who address others by saying 'Pak' followed with the first name. Based on that reason, he has concluded that Indonesia has high power distance.

Table 2 shows that 6 interviewed expatriates disagree that Indonesia has high power distance. Respondent 3 says that the distance between manager and staff in Indonesia is a bit closer than in China. Respondent 5 also adds that the managers in his workplace are quite friendly with the employee and humble as they do not want to show that they are the bosses. As a family business owner, respondent 10 applies low power distance culture in his company. He states that such approach works very well in his company because talking and communicating directly with his Indonesian employee build the close relationship. Additionally, he says that showing respect to each other is essential when managing his Indonesian employee. He still holds this belief even when his Indonesian employee ironically dares to smoke in front of him, a behavior he does not dare do in America since it is disrespectful. Respondent 11 and 12 have mentioned that the manager and staff in their workplace have the close relationship. Respondent 15 also explains that there is no distance because the manager and staff are working as a team and are willing to help each other. Respondent 20 similarly states that she does not see the distance because, in her company, both the manager and staff get along very well. Respondent 23 replies that there is no distance because she always works in a team and when she leads a team full of Indonesian people, she never pictures herself as a boss. Instead, she always tells her subordinates that she is a part of the team; therefore they need to work together to achieve good results.

Related to how to give feedback toward Indonesian employee, respondent 19 said that he criticizes his Indonesian colleagues with subtle tone to make sure no one eavesdrop. According to him, there are some colleagues who want to listen to criticism and some who are not. Respondent 23 also agrees that it is difficult to criticize Indonesian people because they are sensitive. Hence, she always criticizes carefully by giving feedback with positive tone instead of only judging her colleagues' mistakes. Respondent 3 mentions that he never criticizes his colleagues because he thinks that such action would cause trouble. Respondent 9 also never criticizes his Indonesian colleagues directly. He alternatively uses jokes, which is a method that works very well. Not only respondent 9, but respondent 11 also uses such method. Respondent 21 uses non-offensive language if she wants to criticize her colleagues. Respondent 4 agrees with Hofstede's explanation on Indonesia cultural dimensions. He says that Indonesia has indirect culture when it comes to criticism. Respondent 6 uses the same criticism method in his country by never telling the mistakes in public and instead does it personally. In contrary, respondents 2, 8, 12, and 22 use their country's method when criticizing their colleagues by talking directly and honestly about the mistakes that they did. Respondent 15 disagrees that negative feedback should be hidden. It is because his coworkers are very open-minded and willing to take negative feedback as they believe it will improve their work quality. Hence, the following themes occur in relation to expatriates' experiences toward power distance index in Indonesia;

manager's personality, expatriate's country of origin, company's culture, and co-worker's education affecting the relationship of managers and subordinates in Indonesia.

Dartey-Baah (2013) said that leaders from high power distance cultures tend to be very authoritative, and such behavior might lead to problems especially when managing people from low distance cultures. According to interviewed respondents, organizational culture influences the kind of power distance that the company uses. Hence, it might be easier for assigned expatriates to manage Indonesian subordinates as they are already familiar with the company's culture.

The characteristics of collectivism in the workplace are; (1) stress on belongings, (2) importance of we, (3) constant maintaining of harmony, (4) predetermined opinions and votes by group, (5) relationship prevailing over tasks (Hofstede, 2011). The expatriates' responses could be found in Table 3.

Table 3 Expatriates' Experiences Related to Collectivism

Respondents	Collectivism		
	Agree	Disagree	No Comment
Respondent 1	-	V	-
Respondent 2	V	-	-
Respondent 3	V	-	-
Respondent 4	-	V	-
Respondent 5	V	-	-
Respondent 6	V	-	-
Respondent 7	V	-	-
Respondent 8	V	-	-
Respondent 9	-	V	-
Respondent 10	V	-	-
Respondent 11	V	V	-
Respondent 12	V	-	-
Respondent 13	-	-	V
Respondent 14	-	-	V
Respondent 15	V	-	-
Respondent 16	V	-	-
Respondent 17	V	-	-
Respondent 18	V	-	-
Respondent 19	V	-	-
Respondent 20	-	-	V
Respondent 21	V	-	-
Respondent 22	V	-	-
Respondent 23	V	-	-
Respondent 24	-	-	V
Respondent 25	V	-	-
Respondent 26	V	-	-
Total	19	4	4

As seen in Table 3, the majority of participants agree that Indonesia has collectivism culture. Only four of them disagree with that statement, while one has mixed arguments. There are diverse answers to the question of why they think that Indonesia has individualism culture. Respondent 1 says that his Indonesian co-workers are unwilling to help him with his job and their reason is that they do not trust foreigners. This finding aligns with research by Shimoda (2013). According to the research, expatriates are living in a bubble, meaning that they are creating a distance with host nationals, thus are considered as outsiders by the locals (Shimoda, 2013). Respondent 4 states that Indonesian people,

especially those who live in big cities such as Jakarta, has Individualism culture. Respondent 9 explains that in his company there is no collectivism culture. Meanwhile, respondent 11 states that in his company there are some who prefer to work individually and some who prefer otherwise.

Hofstede (2011) said that the characteristics of low uncertainty avoidance in the workplace are; (1) dislike of rules- written or unwritten, (2) comfort with ambiguity and chaos, (3) lower stress and anxiety level, and (4) having no problem to change jobs. Table 4 displays the interview results.

Table 4 Expatriates' Experiences Related to Low Uncertainty Avoidance

Respondents	Low Uncertainty Avoidance		
	Agree	Disagree	No Comment
Respondent 1	V	-	-
Respondent 2	V	-	-
Respondent 3	V	-	-
Respondent 4	V	-	-
Respondent 5	V	-	-
Respondent 6	-	V	-
Respondent 7	-	V	-
Respondent 8	V	-	-
Respondent 9	V	-	-
Respondent 10	V	-	-
Respondent 11	V	-	-
Respondent 12	-	-	V
Respondent 13	V	-	-
Respondent 14	-	-	V
Respondent 15	-	-	V
Respondent 16	-	-	V
Respondent 17	V	-	-
Respondent 18	V	-	-
Respondent 19	V	-	-
Respondent 20	V	-	-
Respondent 21	V	-	-
Respondent 22	V	-	-
Respondent 23	V	-	-
Respondent 24	V	-	-
Respondent 25	V	-	-
Respondent 26	V	-	-
Total	20	2	4

There are 20 respondents who agree that Indonesia has low uncertainty avoidance culture. Two respondents disagree with the statement by saying everyone is following the company rules. Respondent 7 adds that people in Indonesia are better at following rules than people in his country.

CONCLUSIONS

Based on the research's results and discussion, it could be concluded that the majority of participants agree Indonesia has collectivism and low uncertainty avoidance culture. Such findings align with Hofstede's research. Indonesia has a high score of 78 on power distance based on Hofstede's research, while in this research, the expatriate's experiences vary. According to the respondents, high power distance culture in Indonesia depends on the organizational culture, education

level of Indonesian employee, expatriates' country of origin, and previous international expatriates assignment experiences. Hence, the following framework could be drawn from this research.

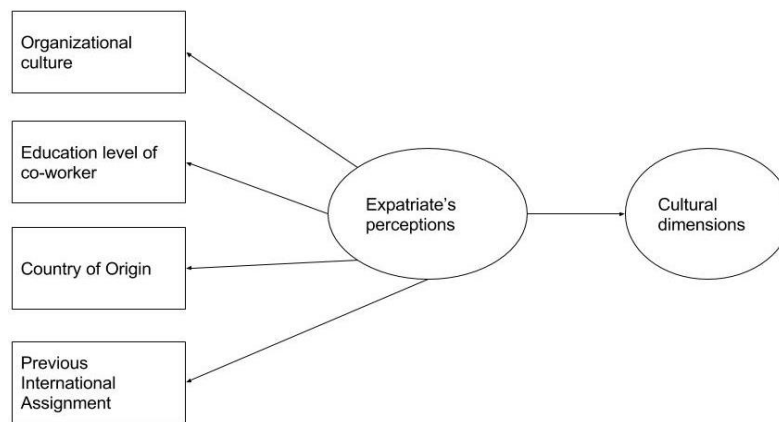


Figure 2 Research Framework

Figure 2 indicates that expatriates' perceptions are influenced by organizational culture, the education level of Indonesian colleagues, expatriates' country of origin, and previous international assignment. Moreover, there is a relationship between expatriates' perceptions and cultural dimensions. Hopefully, this framework could be tested using quantitative analysis in the future to supplement this research and deepen the knowledge in the area of cross-cultural management.

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