

Comparative Management – A Performance Vector

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Abstract: *Through this analysis we intend to briefly present some of the common elements of management in each country and, at the same time, to point out some of the notable differences. Within our analysis, we consider some peculiarities of the specific management models of enterprises in the United States, Germany, Great Britain, France and Spain. In this regard, we shall use, inter alia, Geert Hofstede's model regarding the cultural dimensions in management (individualism / collectivism, certainty / uncertainty, masculinity / femininity, high power distance / low power distance). Meanwhile, comparative management studies (parochial, ethnocentric, polycentric comparative, geocentric) allow us to define the scope of investigation starting from specific cultures, the similarities and differences between various cultures, from investigating multinational corporations, thus establishing the meaning of the evolution of management in the globalization era.*

Keywords: management, result, effect, individual, global, managerial culture

Introduction

Each company has its own management; each management has its own functional values, structures and architectures. Definitely, managerial policies and strategies, as well as the management itself (management of companies and enterprises of all kinds, management of big corporations and multinationals, etc.) have dynamic and complex similarities and differences. Even if the trend is for all of them to evolve towards the same horizon of expectation imposed by an increasingly more pronounced process of transition to a knowledge-based society, dominated by profound interfacing systems of values, information, cognition, leading technology and network effect, the peculiarities and differences continue to remain, the competitive spirit does not fade, but instead develops itself, the individualizations and regrouping on new coordinates gain new and consistent aspects. Their management becomes both a universal science and especially an art, switching increasingly from a strictly individualised dimension, competitive and even isolated, to one which is at least compared, before becoming integrated.

In 1978, William Newman demonstrated that "comparative management deals with the study of the similarities and differences local of managerial practice from different countries."¹ Comparative management is not a supra-management, but a means of analysing the various forms of management within different cultures and even within the same culture, in order to identify similarities, areas of intersection, differences and even conflicts.

¹ W. Newman, *Comparative Management: A Resource for Improving Managerial Adaptability*, in "Columbian Journal of World Business", vol. 13, 1978;

It is true that the civilizational identities and cultures that define and individualize them meet increasingly more in an essential way (so to avoid saying that they merge), in a new and consistent horizon of expectation, the one of the culture of the knowledge-based society which, in our opinion, defines a new type of civilization, a global civilization, a civilization of earthlings, the civilization of knowledge, the cognitive civilization. Cognitive civilization will not lead for sure (at least, in a predictable perspective) to absolute uniformity, nor to zero entropy (meaning the death of civilization and humanity), but to new systems of value, new configurations and civilizational identities that require new management formula. Well, comparative management tries, even as of now, to analyse the current formulas and forms of management (organizational management, human resources management, financial management, etc.) in their cultural, national, regional, international, multinational, global areal, so that the conclusions which emerge from such to lead to performance increase and the rational use of resources, to the permanent adaptation of culture and managerial experience to new requirements and especially to new intercultural and multicultural configurations.

Below we shall selectively approach only a couple of the numerous aspects that concern such a topic, generally sticking only to the managerial particularities of the national management of enterprises, companies and organizations and the global one, existing in some countries, as well as to the entirety of the effects and their implications.

1. Cultures, experiences and managerial typologies

Although management science usually operates with the same principles almost all over the world, the management itself, no matter what forms and formulas would have, is not and will probably never be the same. And the reason for such is that people and their communities, companies, enterprises, countries and even multinationals are different. And, within the comparative analysis, differences are essential.

American Management seems to be miraculous. Americans have an inherent managerial culture, a very special type of culture, which integrates in itself, as an essence, the managerial aptitude and attitude (every American is a manager) and profit, result, effect-centred managerial vocation. Americans place the effect before the cause because the American culture, including the culture management, emerged from effect, not from the cause. Here, for example, while most European countries scored stagnations or even negative economic growth (the oxymoron is used here deliberately to describe an endogenous conflict within the space of the civilization of money), Americans recorded growth in their economic analyses. Another interesting phenomenon is constituted by the increasing of the cleavage between the social classes, there being an acute concentration of wealth for those who are already rich, thus affecting the middle class and the poor, the younger generations being particularly affected. Is it the famous American managerial miracle? Or something else?

The American management, at all levels, has several features that make it unique and miraculous in its own way. It is not an empty saying the one that states that, for the

Americans, when they want to build something, there is no obstacle they cannot overcome. As a rule, Americans do not avoid obstacles, but they approach them directly. Should there be a mountain ahead a road under construction, Americans would climb it or dig through the mountain but under no circumstances they deviate from their project.

The American management, at all levels, but especially at the level of the enterprise, is both:

- direct;
- pragmatic;
- based on the omnipotence of the effect;
- based on the unimportance of the hierarchical differences;
- unsympathetic, individualistic, business-centred;
- mercantile (profitable in terms of purpose and means).

With all its limitations - that it singularizes it and, at the same time, puts it into conflict with other types of management - the American management represents one of the most performant management in the world. It is interesting to notice that the American global management (the United States of America being one of the few countries in the world that benefit from such an effective global management), is equally direct, pragmatic and based on effect, as the management at the level of enterprise. In addition, the American global management is based on the following:

- info domination;
- techno domination (total technological and informational domination);
- global strategic dominance;
- financial engineering (speculation);
- economic and technological dominance;

- political, geopolitical and military dominance;
- dominance based on a pragmatic culture, on the culture market.

Although in all types of management Americans consider, first, the profit (therefore, the result), they never miss the point, the direct way and the detail with essential value. Almost all countries in the world are

fascinated by the American management and, even if they do not have a culture in this regard and no such vocation, they take it as a model.

The main elements, in our view, of a possible comparative management in the American-Romanian relationship are presented below (Table no. 1)

Table no. 1 Characteristics of the American and Romanian type of management

MANAGEMENT			COMMENTS (DIFFERENCES)
	AMERICAN	ROMANIAN	
Internal	Direct	Often uncertain, hesitant, uneducated, tricky, servile (copy paste)	Although intelligent and capable, Romanian managers do not have a management culture and do not know what they want (usually, they do what others want from them). Therefore, they imitate (and they are doing it wrong) or do what is demanded of them.
	Pragmatic	"Rascal" / oriented (fluid and unsecure)	Romanian managers do not have a culture of pragmatism. Usually, they mistake pragmatism with resolutions in the form of some casts made of conglomerates that have no direct complementarity.
	Based on the omnipotence of the effect	Based on group interests, often imported and insufficiently adapted	Romanian managers do not have a culture of effect, a culture of the planned and pursued with perseverance outcome, a culture of the priority and the job well done. Romanian managers think of themselves as omnidirectional, omniscient and they do not focus on the possible outcome analysis or on the effects of the outcome.
	Based on the unimportance of the hierarchical differences	Dominated by bureaucratic excess and hierarchies	For the Americans, work is essential, while for the Romanians property, hierarchy, pride of the job function, position and megalomania are of utmost importance.
	Unsympathetic, individualistic, business-centred	Unsympathetic, individualist, prolix	Under normal circumstances, for Romanian the unsympathetic, the individualism and selfishness matter as well, and not the business itself as it is the case of the Americans, but the position, the culture of the unconscious and self-important ego.

	mercantile (profitable in terms of purpose and means)	Inessential, petty purpose	Immediate gain, without concern for the future / the unsustainable). Romanian managers have a humble mentality of national helplessness, of dependency, of non-sovereignty. Sovereignty, for some of them, represents a burden.
Global	Info domination	Obedience	Romanian managers do not consider the global competition.
	Techno domination (total technological and informational domination)	What can be obtained from others, at prices established by them	Romanian managers do not trust the technological capacity and capability of Romania and, therefore, they do not include it into the management equation as a contributing factor, as a relevant potential.
	Global strategic dominance	Global strategic humiliation. Global strategic disinterest	Romanian managers believe they do not have and cannot have such competences. Most of them believe that the domination, leading and rapid actions strategies are too far away.
	Financial engineering (speculation)	Financial servitude financial "pulling through"	After the 1990, Romanian managers did not rely on the financial possibilities of Romania and for the sake of attracting foreign capital, they have completely destroyed their own financial resources and have facilitated the cornering of the financial sector by the foreign actors...
	Economic and technological dominance	Humble economic survival	Once the resources have succumbed and, without knowledge or by stupidity or selfish interest, have contributed to the destruction of the national economy, the concept of survival as well cannot enter any national economic management strategy ...
	Political, geopolitical and military dominance	Political, geopolitical and military dependency. Niche dimension.	The geopolitical vision of the Romanian managers is completely devoid of knowledge, understanding, wisdom and strategic interest. Army country is dependent on imports of military technique...
	Dominance based on a pragmatic culture, on the culture market	Cultural niche	Romanian managers are not considering such dominance and not even a healthy participation alongside those who have such a capability.

The management of an organization from a culture and, especially, its analysis compared to the management of an organization from another culture, involves many things, starting with the very culture of that organization and continuing with the concept of leadership, with its philosophy and physiognomy, with its brand, with the human resource (the only one which is intangible and creator of value) and continuing with the relational systems, flows and actions that characterize the organization, the concepts and management techniques and many others. We believe that the landmarks are enough to understand, especially the differences. And this is a very important issue.

What it results from the information presented above, it seems that, apart from names and some absolutely general landmarks, the Romanian organizational management is very far from the American management, mainly because the managers' lack of personality, the asymmetry of perception, representation and managerial attitude.

In other words, American management, no matter how performant, it cannot be copied *ad litteram*, neither imitated nor taken selectively, but only analysed and used in inspirational support, as an efficient and functional model. The same thing happens with the strategies that come along with it: the direct ones, the strategies based on effect, the pragmatic ones, etc.

The German management and the French model. "The German model"² is increasingly brought into discussion especially within the complex French-German

² Gerald Lang et Nicolas Mottis, *Le management à l'allemande : un actif méconnu?*,

<http://www45.essec.edu/professorsCV/showDeclFileRes.do?declId=11224&key=Publication-Content>;

relationship, in which the historical reconciliation plays a very important role. It is a German management model. The French know the Germans as being very organized individuals. The main features of the German model, as it is known in France, derive from this feature of the German, namely the fact that he is very organized. The meetings are carefully planned and have a very specific agenda. The French prefer meetings or briefings without agenda. Someone writes a protocol. The Germans have the patience to hear the speaker, unlike the French who prefer meetings without an accurate agenda, meetings which usually ends without conclusions. Other features of the German model are the ones we all know from the literature and the German brand: the punctuality; the activity of providing attention to detail ("The devil hides in the detail" says a German proverb); the careful management of everyone's career (people have a long career within the enterprise, they are not replace at someone's will, neither for applying a principle of rotation, etc.; the careful management of projects by following very precise and unanimously accepted rules (Germans do not reinvent the wheel); the compliance with the principle of hierarchy, that the Germans understand as a strict compliance of skills in a register of collegiality (unlike the Americans, where this principle is generally unimportant in the enterprise management, but very important in the military); the careful preparation of starting work on a project, unlike the French who do not share this opinion; explicit and direct communication.

In many ways, the German management style is similar to the American one, especially in terms of rigor, precision and respect for labour. In terms of communication,

the Germans are explicit and direct. Communications (written or verbal) are clear, precise, explicit and leave no room for interpretation. With Germans there is no such thing as reading between the lines.

The way of decision making is also of utmost importance. In France, the employer makes the decision, after previously, during a meeting, listens to (or not) everyone's proposals (which he take into account or not). In Germany, all the participants contribute in the process of decision making, while the decision actually represents a compromise. The German decision-maker takes into account all the details and all the significance.

The German management style that generates the German management model is based on a rigorous culture of detail, on the respect of each member of the group and on his important role in drafting the decision and putting it into practice. The Germans actually work as a team where everyone has an important and irreplaceable role, even if the basic principle is represented by the hierarchy. The hierarchy does not mean a succession of pedestals, but a whole pyramid of competences.

The most important principles of the German management model result from the above features. They can be summarized as follows:

The fundamental principles of the German management model are the following:

- the process involving participation and codetermination;
- competence, hierarchy, team spirit, results;
- respect for detail, discipline, rigor, diligence, creativity;
- fairness, stability, ensuring the welfare of all employees.

The information recounted above says almost everything about the culture of detail

and the well and thoroughly done job, which represent the foundation of the German management model. Such a model seems to be perfect, valid for everyone, regardless of the value systems and culture to which one belongs to. Everyone wants rigor, accuracy, punctuality, precision, clarity and efficiency. In reality, in terms of culture, theory and practice of management things are not so simple. Not all men are Germans. Even if all Germans are rigorous people and own the culture of detail. Other people have as well the culture of rigor and detail, for example people such as the Chinese, Japanese, Czechs and even Romanians. Numerous of the important inventions of this world were made by Romanians. But this respect for detail and, generally, for doing things right can be implemented in redundant processes as well, only if such redundancies provide the necessary framework to the cultures in question so that to generate managerial performance.

From those related above, results also some of the features of the French model of management. Even if currently in France, the German model seems to have an increasingly substantial audience (to be read: respect), however, the French prefer their model, which is based on one of the richest cultures of the world – the French culture.

For this reason, the principles of the French model of management seem quite different from the German ones, sometimes even opposed, but these models – the German and the French ones - coexist in the social and economic engine of the European Union, in the peace, stability and prosperity of the Union. It is not at all negligible that the European Union, on parity with the United States, with a GDP of more than 17,000 dollars, has the most advanced economy and the most dynamic and performant culture within the horizons of knowledge and the process of

generating value systems of the world. And even if Union faces numerous problems in the current formula and bureaucracy, there is no doubt that European management will find in due time, the most appropriate way to optimize and revitalize this giant pillar of culture and planetary civilization.

The following are also part of these principles:

- the authority and the interventionism of the state as the main managerial pivot of the country;
- the individualism having ancestral roots and notable performances in the creative managerial dimension;
- the endogenous, rigorous and authoritative bureaucracy;
- the traditionalism, the respect towards a huge heritage that generates the managerial force of the culture;
- the creative spirit, the technological and artistic creativity;
- the role of elites and the role of a creative competency based management.

The economy of France, its performance in generating global and European values is based on a strong, flexible and creative management and on its completeness relationship with the aforementioned German management. There are numerous examples of performance resulted from this completeness. Such examples prove that a style of performant management is not enough, but a wider range of shapes and forms of different creative management is needed so that to generate those potentials without which the sustainable development is not possible.

In our view, the British model of management is part of the same areal as this type of management is based on the global culture of this great maritime force, on the extensive experience, a large vision on a long-term and an Euro-Atlantic geopolitics of greater depth.

The main characteristics of the British model of management are:

- the capacity and capability of achieving some ingenious projects, based on independence in thought and action and on encouraging such spirit in all the structures and all over the regions of the British areal;
- stylistic rigor and the geopolitical culture of determinations, meaning the accurate and effective accumulation and dissemination of cognition, as a precondition to self-accomplishing managerial performance;
- the employees' respect and the careful use of their capacity and intelligence;
- the culture of the ancestral superiority;
- the safety and security of the productive action and of any other activity.

The main features of the management of enterprises and organizations in Spain are determined by the different conditions of the regions in this country, by the quite high differences in the process of developing regions, by a much too high dependency on foreign, imported technologies, just like in Romania and other Eastern European countries, by the way too emphasized dependencies on foreign capital, by the lack of consistency and solid support for sustainable development, etc. However, since 1990, Spain, as well as Italy, has been benefitting from the huge intake of qualified and generally well-trained force, a force coming mainly from Romania, due to the destruction of the national economy of this country. But it is possible that Romania and other countries from Eastern Europe to have been sacrificed for saving Spain and Italy from an economic disaster caused by the insufficiency of the human potential as an intangible resource.

2. The role of culture in the architecture and style of the performance management

Culture is, by far, the most essential concept of civilization. And the value is the monad of culture. Values are large deposits in time of the results of the effective vaulted human action. Basically, any form of management represents a connection between value, capability, interests, the processual characteristic and the method of generating efficient action, having performance as main effect. But such a chain is not possible without a strong cultural foundation, without a stimulating environment and without a generous expectation horizon. Management does not only mean to manage potentials, resources and actions, but it also represents a solid concept, a significant creation, and a style. The managerial style is given specifically by this heritage, meaning by the value systems, more precisely by culture.

Over time, many researchers, sociologists and other scientists were concerned by the assessment of the role of culture in the process of generating similarities and differences between populations, as well as management styles specific to enterprises, companies, countries and even civilizations. It is about the role of culture in human typology and thereby the effective role of culture and civilization in the process of generating and conditioning of managerial styles.

Geert Hofstede³ was the first specialist

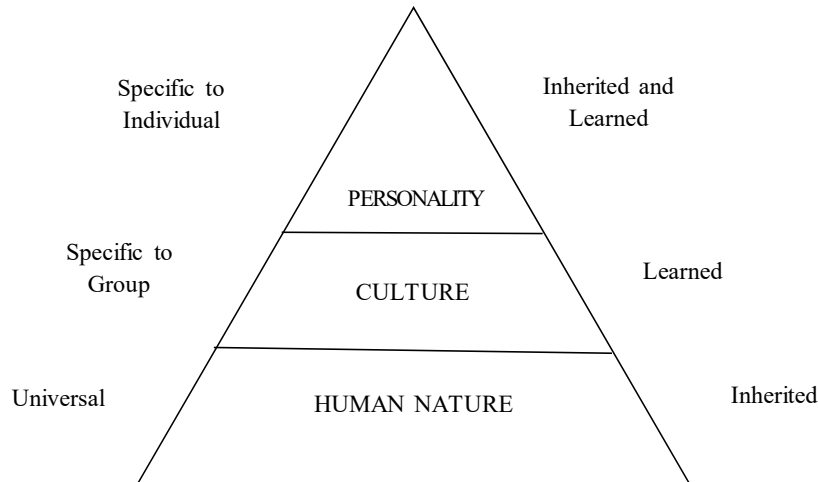
who has dealt with the issue of the role of culture in human typology, in building and setting the collective mind. What distinguishes a human community from another and even a team from another team is precisely this mental. The physical man, as we see him every day, is a given of nature. But the human nature includes within not only the physical man with his primary necessities but also the cognitive man, the man who thinks and builds in the thinking ground, in an abstract world which is specific only to him, meaning in the culture and knowledge ground. Culture is learned, being an effect or result of education. Man is essentially a cultural being. He lives in a universe of cognition, of values, of faith, beliefs, attitudes, skills, experience and cultural and heritage accumulations. Therefore, the differences in terms of management practices and successes of individuals, groups, companies and countries and, after all, the whole mankind are explained by Hofstede through the existence of some cultural differences.

Hofstede says that culture is a way of mental programming of thinking. It is not something inherited, a genetic product, but it originates from the social environment. Culture – the most important component of the individual's personality – is assimilated, formed in time during the whole lifetime. The individual is as he develops. And he develops through learning, through education, through culture. A person's character and the other traits of his personality, of the group and the society are a product of interactions within the culture ground.

Hofstede represented these components of an individual's mental programming with the help of a pyramid (Figure no. 1)

³ Geert Hofstede - Culture's Consequences International Differences in Work, Related Values, Beverly Hills CA: Sage Publications ; Geert Hofstede - Cultures and Organisations, Software of the Mind, Institute for Research on Intercultural Cooperation (IRIC), Published by McGraw - Hill Book Company Europe, London, 1991;

Figure no. 1 The pyramid of the mental programming of an individual



Even if globalization ⁴will end (if it will ever finish) cultures will continue to exist as expressions of uniqueness, differences and diversity.

Interculturality is defined precisely on these differences, on these sets of cultures, having two concentric essential configurations:

- the central zone which consists of shared values;
- the mosaic zone composed of all the values which are part of the culture of a civilization.

Culture represents a product of human activity, which is assembled in great systems of values. Values appear as a huge mosaic assembled in value systems.

Therefore, in Geert Hofstede's vision, the following are among the determining factors of the business culture:

- "traditions, beliefs, ethnic values

transmitted from generation to generation, representing important landmarks of the national consciousness;

- the dominant religion;
- the level of the economic development, economic structures and mechanisms, habits of consumption;
- the legal and institutional framework;
- the natural, geographical and climatic environment, etc." ⁵

Of course, there are other determining factors, the attitudinal ones, the ones belonging to the human personality, and the ones which reveal the differences.

But also in terms of cognitive culture in the age of knowledge, there is a reversal of the Hofstede's pyramid - we shall define it the cultural pyramid of cognition - which we believe to become essential in the new type of society based on knowledge, in the cognitive

⁴ Source: <http://www.rasfoiesc.com/business/management/ASPECTE-METODOLOGICE-IN-MANAGEMENT16.php>;

⁵ Apud, Ioan Popa, Ibidem, p. 127, Geert Hofstede, Cultures and organisations. Software of the Mind, McGraw-Hill Company, London, 1991;

or epistemic society, a society which is characterized by a knowledge-based economy or by an epistemic economy.⁶

All these determine the management style adopted by an organization, a company, a country or even humanity.

Instead of conclusions

Comparative management is nothing but the analysis (of course) by comparison of

⁶ University Professor PhD Adrian Curaj, *Capital intelectual*, Bucuresti, 2011-2012, pp. 2-3, <http://www.slideshare.net/andreeacalin77/capital-intelectual-15384059>.

different shapes, formulas, types and styles of management, to discover, mainly, the differences between them, the intersection areas and the conflict zones, in order for them to be used in managing conflict and achieving economic, political, social, informational, cultural and even military performance.

In our opinion, the fact that there are structural and functional differences and dissimilarities in terms of style and method does not represent vulnerability, but a field where optimization procedures and techniques and management of differences can be used, and these can generate new horizons of expectation and new managerial performances.

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