

**EXPERIENCES OF DANISH BUSINESS EXPATRIATES
IN RUSSIA: A CROSS-CULTURAL COMMUNICATION STUDY**

A THESIS

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ABSTRACT

THESIS: Experiences of Danish Business Expatriates in Russia: A Cross-Cultural Communication Study

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Today Russia plays an important role in global economic development and attracts a lot of multinational companies, who establish their subsidiaries there. Many foreign investors send their representatives, business expatriates, to develop their businesses in Russia. The knowledge of cultural and communication specifics in Russia is very important for the success of those business personnel. This study has presented an in-depth picture of Danish business expatriates' experience in Russia. Qualitative interviews with eight Danish business expatriates were conducted to examine and compare cultural and communication norms in Denmark and Russia. The results were analyzed using the cross-cultural theories of Hofstede (2011) and Hofstede, Hofstede and Minkov (2010). The findings revealed that communication norms in Russia differ significantly from those in Denmark on two cross-cultural dimensions: Power Distance and Indulgence versus Restraint.

Keywords: business expatriates, power distance, indulgence versus restraint, cross-cultural communication, organizational communication, Russia, Denmark.

CHAPTER ONE: INTRODUCTION

When I hear Russia, first of all, I think about Moscow. And I have some pictures flashing, and I have some fast pictures of the street and an office building [where I worked], you know, the [light] color of the office building, and the first thing that comes to my mind is the [light] color of that building, which was a positive color. The trees are green. It is a warm day, nice warm day, and I am walking into the office. That is kind of a picture I have of Russia. It is a warm feeling, it is a good feeling. It is a feeling about the country which is developing. Slowly, but surely.

- Collin

I spoke Russian fluently, but I never felt comfortable in Russia. . . . At the moment I am in an active search for employment in Russia, as I believe it is the place where I can realize my full potential.

- Hans

Rationale

The comments above are given by two Danish business expatriates who were assigned to work in Russia. They provide a picture of the contradictory feelings these businessmen experienced in Russia. The purpose of my thesis is to examine the experiences of these Danish business expatriates in Russia, and by examining these experiences, to ultimately identify communication strategies that may help other business expatriates achieve success in Russia. The topic of my research is important for those in the modern business world as “the rise of the internationalized business environment and the intensification of global competition have led to an increasing number of people traveling across cultural and linguistic boundaries” (Lauring,

2011, p. 231), causing a significant increase in cross-cultural interaction between business people (Chai & Rogers, 2004). In addition, development of the Russian economy has led specifically to an increase of business expatriates in Russia.

Today Russia takes a unique place in the business world as it experiences a transition period from a socialist or “planned economy”¹ to a capitalistic market-oriented economy. Moving into the international arena, Russia has attracted the attention of foreign companies and investors due to its huge raw material resources, highly-qualified labor force, and enormous opportunities for sales and marketing development. Therefore, many multinational companies are interested in establishing their subsidiaries in Russia and are sending their representatives - business expatriates - to develop their business on the Russian market.

However, the mission of the business expatriates can be very challenging as they are assigned to work in an unfamiliar environment. Many expatriates fail to accomplish their tasks because they are not able to adapt successfully in the host country due to cultural and communication differences. In such cases, multinational companies often experience huge financial loss; their failed employees and their families often experience physiological damage. Therefore, business expatriates should be aware of cultural differences in the country where they are supposed to work. The specific purpose of my thesis is to examine Danish business expatriates’ experiences in Russia, including some key cultural and communication norms that affected their success in Russia.

¹ A centrally planned economy is an economy “in which the government controls all means of production” (Bradley & Donway, 2010, p.74). The government established five to ten years’ assessment of economic structures (Kollontai, 2002), leading to the lack of competition and market development.

Overview

In chapter two I help the reader understand the context for the study by providing a background of the economic and business environment in Russia. I overview the Russian economy after the collapse of the Soviet Union and provide information about the dynamics of foreign direct investments to Russia in order to illustrate the development of international business there. In addition, I review some of the important literature on business expatriates, focusing particularly on challenges they face in unfamiliar environments.

In chapter three, I describe the participants of the study, procedures I used to gather data about their experiences as Danish expatriates in Russia, and methods used to analyze those data for my research. In chapter four I present my findings, which are prefaced by explanations of the theoretical frameworks which help explain them. The theoretical frameworks are also supported by literature, which provides the historical and political context for understanding these findings. In chapter five I discuss the implications of my findings, and the strengths and limitations of the present study. In addition, I make some recommendations and offer directions for further research.

CHAPTER TWO: LITERATURE REVIEW

Overview of the Russian Economy

According to Puffer and McCarthy (2011), “Russia has undergone substantial change during the past two decades as the country has transitioned from the centrally-planned Soviet system to a more market-oriented economy” (p. 21). As a part of this transformation, business and management practices in Russia have experienced a redefinition as well. Due to its openness to new capitalist relationships, vast natural resources and highly educated population (Puffer & McCarthy, 2011), Russia offers enormous opportunities that might have a significant influence on future international business.

According to the Russian Statistics agency, Goskomstat (2010),² Russia has the largest territory in the world (17 million sq. km.) and a population of approximately 143 million. Additionally, Russia boasts a wealth of attractive natural resources including timber, furs, precious and nonferrous metals (Michailova, 2000). The country is “number one in the world in gas reserves and number two in oil reserves; the nation already supplies 25% of Europe’s energy” (Puffer & McCarthy, 2011, p. 22). Russia is also one of G8³ industrialized nations generating GDP of around \$1 trillion (Puffer & McCarthy, 2011).

After the break-up of the Soviet Union and the collapse of socialism in 1991, Russia began to open its economy and attract foreign investors (Michailova, 2000). Puffer and McCarthy (2011) noted, many world leading companies came to Russia to do business,

² Goskomstat stands for State Statistics Agency (in Russia).

³ “The Group of Eight (G8) refers to the group of eight highly industrialized nations--France, Germany, Italy, the United Kingdom, Japan, the United States, Canada, and Russia--that hold an annual meeting to foster consensus on global issues like economic growth and crisis management, global security, energy, and terrorism. The forum enables presidents and prime ministers, as well as their finance and foreign ministers, to candidly discuss pressing international issues” (Lee, Silver, & Laub, 2013).

including high-tech giants (Intel, Microsoft, Cisco Systems, Hewlett Packard, Sun Microsystems), numerous industrial and consumer goods companies (Ford, Kraft Foods, Nestle', Dannone, Unilever, Carrefour, Ikea, John Deere) and many of the largest Western financial services and consulting companies (Ernst & Young, Deloitte, KPMG, PricewaterhouseCoopers). The dominant motives for foreign enterprises' investment decisions are the large size of the Russian market (Ahrend, 2000), the qualified labor force, and low labor costs (Ahrend, 2000; Feng, Sun, & Walton, 2009; Fey & Denison, 2003), which increase investors' profit margin (Feng et al., 2009).

Unfortunately, Russia also has the reputation as "a country with paradoxical realities and shocking experiences, a country that is in a systematic collapse and general chaos, and is one of the most difficult markets to enter due to its weak legal system and an unpredictable economy" (Michailova, 2000, p. 99). Despite this, according to Belaya and Hanf (2010), "Russia retains the third position among the top 30 emerging markets worldwide" (p. 55). In addition, the country represents the largest and fastest growing retail market opportunity among the Central and Eastern European economies (Belaya & Hanf, 2010). The steady economic growth and the remarkable spending habits of the Russian consumer create opportunities for successful business development in the country and make the country quite attractive to foreign investors (Belaya & Hanf, 2010).

Foreign Direct Investments in Russia

Foreign direct investments (FDIs) are "a major source of economic growth. They provide the host country with capital as well as advanced management and technology; poor economies can experience a jump start powered by foreign direct investment[s]" (Feng et al.,

2009, p. 78). According to Belaya and Hanf (2010), FDIs became increasingly important elements in global economic development and integration during the 1990s. This development coincided with the process of transition from socialism to capitalism and with the integration of the Central and Eastern European countries into the world economy through trade and capital flows. These developments led to a large flow of FDIs into the region starting in the mid-1990s (Belaya & Hanf, 2010).

There are several positive effects of FDIs on transition economies. FDIs bring not only capital, production facilities and technology transfers, but also employment, new job skills and management expertise (Belaya & Hanf, 2010). Regional economies that have garnered the most FDIs and established institutional reforms, helping capture the full benefits of FDI, are likely to lead economic growth in the future (Belaya & Hanf, 2010).

Since the 1990s, FDIs have been flowing to emerging markets in large amounts (Feng et al., 2009). Domestic economic variables, in particular the size of the economy, seemed to favor Russia in terms of attracting foreign capital (Feng et al., 2009). At the time of the Soviet Union collapse in 1991, the first wave of FDIs in Russia started, accompanied by the passing of the law that allowed local companies to establish joint ventures with firms from capitalist countries. Initially, there was not much foreign investment in Russia (Belaya & Hanf, 2010). However, as Brock (2005) stated, later on FDIs increased in Russia, and appear to have been an essential source to help the economy grow despite the initial chaos of the transition.

FDIs were gravely threatened when, in August 1998, Russia was forced to devalue the ruble (Kharas, Pinto, & Ulatov, 2001). The 1998 economic crisis and its aftermath raised great

doubts about Russia and its capacity to begin an economic recovery in the near future (Hanson, 1999).

However, Russia rebounded very quickly from this economic crisis. For example, in 2003, Russia attracted huge FDIs and was placed third in FDIs projects in the world, ahead of both China and the US (Belaya & Hanf, 2010).

Further, according to Robinson (2007), in the period dating from 1999 through 2005, Russia demonstrated a near uninterrupted economic recovery: both gross domestic product (GDP) and industrial production averaged nearly seven percent growth annually, average wages rose from \$108 to \$301 per month, and the unemployment rate fell from approximately 13 percent to nearly eight percent. According to Puffer and McCarthy (2011), from 2006 to 2008 foreign direct investment to Russia averaged \$34 billion. Today, Russia continues to attract many foreign investors. As Feng et al. (2009) noted, most of these investors are “from the United States and Western Europe, most notably Luxembourg, the United Kingdom, the Netherlands, and Cyprus” (p. 82).

As a summary, Russia has the potential to attract foreign capital due to its relatively low costs, well-educated labor force, natural resources and developing infrastructure. As Belaya and Hanf (2010) stated, “The collapse of the central planning system in the former Soviet Union created an additional economic vacuum, which could be filled with new, Western ideas” (p. 69). These favorable conditions for business development and saturated markets in their home countries cause foreign investors to explore new market opportunities in Russia (Belaya & Hanf, 2010).

Business Expatriates

According to Peltokorpi and Froese (2009), an increasing number of people are spending part of their lives living and working in foreign countries. People who are dispatched by their home companies to international posts are referred to as organizational expatriates (Peltokorpi & Froese, 2009). In the public sector expatriates mainly hold diplomatic posts in foreign embassies or as consultants for government agencies; while in the private sector expatriate managers are mostly positioned in multinational companies that run business operations (Tahir & Ismail, 2007). I will refer to this last category of organizational expatriates as “business expatriates/expats.” Business expatriates are those professionals who are assigned by their companies to develop business in other countries for at least one or two years (Lee & Darren, 2010; Tahir & Ismail, 2007; Wang, 2008).

International management plays an ever more critical role as business becomes more global; therefore an increasing number of employees are sent on expatriate assignments (Heijden, Engen, & Paauwe, 2009). According to Siljanen and Lamsa (2009), “expatriate assignments are initiated by the employer and generally mean leaving to work abroad in the organization’s foreign branch office or a special project” (p. 1470). They are funded by the organization and their goals are derived from the organization’s objectives.

Multinational companies (MNC) are interested in international business development and gain great advantage due to business expatriates’ work. Transferring employees abroad is an important tool of global integration for international companies, allowing them to avoid tendencies for excessive centralization; businesses can make decisions locally but with a global perspective (Huei-Fang, 2010). According to Colakoglu and Caligiuri (2008), “there are more

than 65,000 multinational corporations with over 850,000 corresponding foreign subsidiaries scattered around the globe” (p. 223).

The performance of expatriates has become important to the success of MNCs strategy implementation (Shin, Chiang, & Hsu, 2010). It helps MNCs get such things as access to domestic markets and cheaper resources (Chen, Tzeng, & Tung, 2005). Via expatriates, the parent company can transplant its standards and values abroad (Huei-Fang, 2010). Some other strategic reasons for sending expatriates on international assignments are to establish new international markets, spread and sustain corporate culture (Raduan, Ramalu, Uli, & Kumar, 2010), facilitate subsidiary coordination and control (Raduan et al., 2010; Shin et al., 2010), and transfer technology, knowledge, and skills (Fang, Jiang, Makino, & Beamish, 2010; Raduan et al., 2010; Tahir & Ismail, 2007).

These international assignments are usually part of the expatriate’s organizational career (Siljanen & Lamsa, 2009). According to Raduan et al. (2010), the effectiveness of business expatriates’ assignments is becoming an important source of competitive advantage for many MNCs. Despite the obvious benefits to MNCs of placing expatriates, foreign assignments can be extremely challenging, and many expatriates do not complete their mission in a foreign country (Templer, 2010).

Chai and Rogers (2004) and Luring (2011) stated that international assignments present important challenges due to cultural and communication differences. Expatriates must adjust not only to new work cultures, but also to new ways of living and communicating in a host country. As expatriate employees and their families “immerse themselves in a new, unfamiliar cultural environment, adjusting to life overseas poses significant hurdles” (Kim, 2008,

p. 513). According to Huei-Fang (2010), one of the important indexes of accomplishment of foreign assignments is “expatriate adjustment,” which is critical to the organization and the managers themselves. Lee and Darren (2010) defined “expatriate adjustment” as “the process through which an expatriate comes to feel psychologically comfortable with a new environment and culture and harmonizes with it” (p. 630). Expatriates’ degree of adjustment partially predicts performance and completion of their missions.

When expatriates are not well-adjusted in the host country, it could be expected that their expatriation will not be successful (Lee & Sukoco, 2008). A number of scholars found that 10 to 40 percent (Siljanen & Lamsa, 2009; Kim, 2008), or 16 to 50 percent (Chai & Rogers, 2009) of business expatriates do not complete their assignments. One of the main reasons for their failure is their inability to adjust to a foreign cultural environment (Chai & Rogers, 2009; Kim, 2008).

Non-fulfillment of international assignments could incur serious costs to both companies and individual employees. Lee and Sukoco (2008) noted that the costs of establishing an expatriate in a foreign country “range from US \$50,000 to US \$150,000” (p. 1192). Early termination of just one expatriate costs a company “as much as \$1 million, in addition to various non-financial costs such as damaged reputations, lost business opportunities, and lost market or competitive shares” (Kim, 2008, p. 513). Moreover, withdrawal from an international assignment interrupts expatriates’ careers, diminishes their self-esteem, and has a negative impact on their relationships with families and colleagues (Shin et al., 2010). Therefore, understanding key success factors of expatriates’ adjustment to an

unfamiliar environment such as Russia, would be beneficial for MNCs and for business expatriates themselves.

Russian Business Environment

According to Belaya and Hanf (2010), the Russian environment is very complex. Russian culture differs significantly from many Western cultures, and that is one of the reasons why most Western and Russian managers often have different attitudes towards similar situations. For example, Belaya and Hanf (2010) observed that traditionally, Russian companies have been very good at vertical information flow. On the other hand, the horizontal flow of information from one department to another—a staple of much Western business culture—is not as well understood, nor as easily executed. For example, “It was very common to leave a telephone message for someone and not have the call returned for three or four days, if at all” (Belaya & Hanf, 2010, p. 66). In many business centers in the West, this situation would simply be unacceptable.

According to Belaya and Hanf (2010), Russian history also factors prominently in the divergent views that Russians and many Westerners have about management practices. For example, the concept of corporate ownership was totally foreign to Russian managerial practice as all the enterprises belonged to the state in the former Soviet Union. After the Soviet Union collapse, many Russian managers thought that since a joint venture did not belong to the state, they could run it any way they liked—raise their own or others’ salaries, extend benefits, reduce working hours, etc. (Belaya & Hanf, 2010).

Another source of misunderstanding and potential conflict is the fact that unlike many of their Western counterparts, Russian managers have very broad ideas about the concepts of

honesty, bribery, proprietary information etc., due to some social and historical specifics (Belaya & Hanf, 2010; Michailova & Husted, 2003). For instance, In Russia, unlike most Western countries, practically all issues of business regulation are handled by state entities rather than by self-regulating ones (Kossov, 2011). This means that success depends heavily on having good relations with representatives of the government (Kossov, 2011). Establishment of friendly relationships with the authorities can help solve many business problems.

There are also some cultural specifics in supervisor-subordinate relationships (SSR) in Russian companies based on norms of planned economy. Managers or supervisors in Russian organizations generally reflect Soviet standards of a strong, “autocratic leader who [makes] all of the important decisions” (Puffer & McCarthy, 2011, p. 27). Therefore, Russian subordinates have a tendency to be obedient, demonstrate a lack of initiative and an inclination to respond to authority (Belaya & Hanf, 2010; Kets De Vries, 2000; Michailova, 2000; Michailova & Husted, 2003). However, as Michailova (2000) noted, after foreign firms acquire or make a substantial investment in Russian companies, they initiate significant organizational changes, which may, in turn, influence the behaviors of organizational members.

Due to the lack of “business culture” in Russia as it is understood in the West (Belaya & Hanf, 2010), Russian managers are frequently poorly equipped to cope with the challenges of the rapidly changing and competitive environment of capitalist relationships (May, Stewart, & Sweo, 2000). However, foreign-owned companies serve as an example for domestic companies of how managers should behave and build SSR relationships under new market conditions.

Additionally, Belaya & Hanf (2010) stated that small and medium-sized Russian companies are beginning to show evidence of cross-national transfer of management practices

as these companies orient themselves toward Western European modes of doing business. Russia occupies an unusual position among the principal world cultures because of its long political, social, and economic isolation during the Soviet Union period (Naumov & Puffer, 2000). Taking into account the recent economic growth and increase of foreign investment flow to Russia, the findings of my study will add value as Russian business interests seek to modernize business and management practices. The study results will also be helpful for business expatriates working within the confines of such businesses.

First, Russian companies hosting business expatriates will be able to understand the cultural specifics and mentality of foreign employees better, which in turn will allow them to create a more productive and healthy communication environment for other potential expatriates. Further, Western expatriates, who might be considering working or living in Russia, will be able to better understand Russian cultural and business norms. Such knowledge may help these expatriates adjust more effectively to their new work culture and communicate more appropriately with those in their host community.

Although many researchers have analyzed the experiences of Western business expatriates in different countries, such as Singapore (Chai & Rogers, 2004), South Korea (Kim, 2008), Malaysia (Tahir & Ismail, 2007), China (Seak & Enderwick, 2008; Selmer, 2005), and Shanghai (Larsen, 2012), there is little research done to evaluate the experiences of foreign employees in Russia. Among the few examples of studies that have been done in this area are Kittler, Rygl, Mackinnon, and Wiedemann's (2011) evaluation of association of work adjustment with role conflict and role clarity among German expatriates assigned to the Central-Eastern

European (CEE) region and Russia. The goal of the present research is to fill this gap. To achieve this goal I ask the following broad research question:

RQ1: What, if any, aspects of cultural communication should business expatriates be aware of when living and working in Russia?

CHAPTER THREE: METHODOLOGY

To explore my research question I will analyze the experiences of Danish business expatriates in Russia. As one who possesses more than ten years of professional experience as an employee of Danish companies⁴ in Russia, I have a strong professional network that allowed me to find a sample of participants⁵ for my study.

Participants

The participants of my study are eight male Danish business expatriates who worked in Russia for at least two years. Most of them came to Russia when they were 27-35 years old. All participants held high managerial positions.

Data Collection

The sole method of data collection for the study was qualitative interviews. According to Hardy, King, and Firth (2012), “research interviews are the predominant method of collecting data in qualitative research” (p. 7). I chose this method as qualitative interviews provide “opportunities for the researcher to collect rich and meaning making data” (Frels & Onwuegbuzie, 2013, p. 188). I also chose this method because I wanted to support my findings by participant’s stories and observations. I think it would make a significant contribution to overall information and knowledge exchange as these stories represent real world experiences.

⁴ To protect confidentiality of the Danish companies, I will not reveal the name of the company, nor the product that they manufacture.

⁵ To protect the identity of my participants, I will not reveal their names, nor the companies for which they worked.

In my study I used “informant interviews.” As defined by Lindlof and Taylor (2011), these types of interviews occur when the researcher meets “informants” — people whose knowledge is quite valuable for the research objectives.

The process of data collection was arranged as follows. After I get IRB approval to conduct the study, I obtained contacts of the participants through my professional network. I sent e-mails to the participants; explaining the purpose of my study and asking them to participate in the study [see Appendix D]. The interview dates and times were coordinated and scheduled with the participants by e-mail.

All the participants speak English. However, due to the fact that Danish is the native language of the participants, I sent an Informed Consent Form to my participants in both English [see Appendix B] and Danish [see Appendix C] in accordance with IRB instructions. The participants were asked to sign the form and to send the scanned copy with their signatures back to me by e-mail before the interviews.

All interviews were conducted in English. During my interviews I asked participants a series of *broad or nondirective* questions regarding their experience as business expatriates in Russia [see Appendix E]. The broad questions allowed me to encourage the participants “to speak the truth as they know it” (Lindlof & Taylor, 2011, p. 202). This question type also helped the participants to discuss their experience without constraint: they freely explained their thoughts, experiences, and feelings. I think that the fact that I found the participants through my professional networks made them feel comfortable during the interviews. I feel confident that they answered my questions honestly and to the best of their knowledge.

The interviews were conducted via Skype.⁶ Three Skype interviews were arranged as video calls and five Skype interviews were arranged as phone calls. The video calls allowed me to observe the participants' nonverbal communication, which demonstrated their attitude toward the topic of the conversation. The Skype phone calls allowed me to evaluate the participant's perceptions of their experiences because I was able to listen carefully to vocalics and pauses.

All of the interviews took between 45 and 90 minutes. For purposes of accuracy, the interviews were audio-recorded. To clarify the responses of some participants, I arranged one follow up interview with one of the participants and two follow-up e-mails with two of the participants.

The interview schedule was organized according to the following categories: 1) the participant's experience in Russia as a foreigner; 2) the participant's experience in a Russian company as a business expatriate and a manager; and 3) the participant's recommendations for other business expatriates or foreigners who are planning to go to Russia to work and to live.

Data Analysis

The data analysis process consisted of four main stages: (1) interview transcription, (2) statement identification, (3) basic themes identification, and (4) main themes identification.

Stage One. Eight participants' audio-recorded interviews were transcribed, resulting in 155 pages of transcripts; one follow-up interview (11 pages) and answers to two follow-up e-mails (four pages) were added to these transcriptions. Any names used on the audio recordings

⁶ Skype is a free software that allows users to make voice and/or video calls by using the Internet (Michels & Chang, 2011).

were changed to pseudonyms once the recordings had been transcribed. The audio files were kept on my laptop, protected by a password. Once paper copies of the transcripts were made, they were stored in my home in a locked drawer to which only I had access. Now that the data have been analyzed, all audio recordings and transcripts have been destroyed.

Stage Two. I examined the transcripts using an *open coding method*, which involves identifying phrases or events that appear to be similar and grouping them into conceptual categories. Although Lindlof and Taylor (2011) remind us that one of the challenges of analyzing qualitative data is that it often takes a “wobbly, meandering, or otherwise uneven path” (p. 242), this “meandering” analysis eventually helped me to examine in a systematic way the experiences of these Danish expatriates as they navigated their way in an unfamiliar cultural environment. The open-coding system was used as follows.

The transcripts were read one after another several times. After every reading, some words, phrases, and graphic symbols, reflecting emotions, were written next to interview sections. The example of words and phrases are “bored,” “uncomfortable,” “Danish management style,” “Russian management style,” “feeling excited,” “ambitious young manager,” “hate attitude,” “love attitude.” Graphic symbols used during coding system were “☺,” reflecting happiness, joy; “☹,” reflecting negative attitude, uncomfoting. The next step was to convert graphical symbols into words; words and phrases into statements, for example: “love and hate attitude toward Russia.” After that I classified the data. During this process I compared each statement with other statements, noting the similarities and differences between them (Puolakka, Haapasalo-Pesu, Kiikkala, & Åstedt-Kurki, 2013).

Stage Three. The next step was to identify basic themes, as “themes allow sense-making at different rates and in various forms fitting the specific current concerns of the participants” (Owen, 1984, p. 276). I accomplished this using the following method:

The statements were read several times and they were regrouped. Statements found to be conceptually similar were grouped together under the same, higher level descriptive concept. As a result of regrouping and comparison, all the statements were placed in categories pertaining to the same themes and shared concepts were identified (Puolakka, et al., 2013, p. 24).

As a result of this coding system, ten basic themes were derived for further evaluation: “Positive attitude towards their experience in Russia,” “Differences in management style,” “Exciting Russia versus boring Denmark,” “Love and hate feelings towards Russia/ Private life,” “Love and hate feelings towards Russia/Business Practices,” “Negotiating Danish company culture/values within Russian company,” “Danish expatriates: Ambitious idealistic young men,” “Skills/qualities required to be successful/feel comfortable in Russia,” “Recommendations for potential business expatriates,” and “Stereotypes of Russia.”

Stage Four. The basic themes were written down in separate files. The evidence from all interviews were put to every theme file to support the theme statement. After that step, three main themes were identified as the most shocking/challenging for the Danish businessmen: “Differences in management style,” “Love and hate feelings towards Russia in private/social life,” “Love and hate feelings towards Russia in business practices.” As far as these themes represented the most problematic areas for the participants, I assumed that they would help

identify the main cultural and communication differences between Denmark and Russia.

Therefore, they were selected for more detailed analysis.

As I began to explore the literature on cultural pattern differences vis-à-vis these initial rounds of thematic coding, it became clear that two particular cultural patterns discussed in that literature were at play: “Power Distance” (Hofstede, Hofstede, & Minkov, 2010) and “Indulgence versus Restraint” (Hofstede, et al., 2010). I will discuss both of these frameworks at length in the following chapter.

Although I did not set out to do so in my methodology, in organizing the participants’ transcripts in relation to the theoretical frameworks, I could not, in some cases, help but make connections to my own experiences. In some of these cases where I have felt it may enlighten the reader, I have included my own experience as a Russian person and as a Russian employee working in Danish companies.

CHAPTER FOUR: FINDINGS

“Understanding and appreciating intercultural differences ultimately promotes clearer communication, breaks down barriers, builds trust, strengthens relationships, opens horizons and yields tangible results in terms of success of business” (Vijaya & Tiwari, 2010, p. 22).

Cross-Cultural Dimensions

“Cross-cultural communication concerns the comparison of communication across two or more specific cultures or ethnicities” (Steinfatt & Millette, 2009, p. 301) and “focuses on how people from different cultures can communicate and understand each other well” (Vijaya & Tiwari, 2010, p. 23). After examining the results of the study, I came to the conclusion that the basic themes identified during the interviews could be fruitfully analyzed using Hofstede et al’s. (2010) work on cross-cultural communication patterns, which I used to frame my findings. I will provide some theoretical context for the reader by first describing broadly this theoretical framework.

Hofstede (2011) defined culture as “the collective programming of the mind that distinguishes the members of one group or category of people from others” (p. 3). Hofstede claimed that on national and societal levels, people learn cultural norms from childhood; later one’s knowledge is developed and enhanced as social practices in their culture are communicated to them (Hofstede et al., 2010; Hofstede, 2011). Societal cultures usually exist in people’s unconscious values, “in the sense of broad tendencies to prefer certain states of affairs over others” (Hofstede, 2011, p. 3). Hofstede observed that there are some cultural characteristics that members of nations share in common and there are some cultural elements on which they differ. Likewise, organizational culture is based on visible and conscious

practices. It can be acquired in various organizations or in the workplace, and can be exchangeable when people join a new organization. Organizational culture is also described as peoples' attitudes and perceptions toward organizational norms and behaviors (Hofstede, 2011).

In his seminal work first published in 1980, Hofstede compiled results taken from his extensive research among more than 100,000 IBM employees working in 71 countries around the world in order to examine cross-cultural similarities and differences among various nations. From this work he described four basic cross-cultural dimensions: *Power Distance*, *Uncertainty Avoidance*, *Individualism versus Collectivism*, and *Masculinity versus Femininity*. In the 1980s, a fifth dimension, *Long-Term versus Short-Term Orientation*, was added based on the results of the study by Canadian psychologist Michael Harris Bond, who worked with many Asian scholars to include more Asian worldviews into the developing cultural taxonomy. Very recently, Bulgarian scholar Michael Minkov processed the results of the World Values Survey. Due to the findings of this study, the fifth dimension was enhanced and a sixth dimension, *Indulgence versus Restraint*, was introduced (Hofstede, et al., 2010; Hofstede, 2011).

These six cross-cultural dimensions demonstrate the major similarities and differences on various cultural levels (social, political, organizational, family, school, etc.). Here is a short overview of these dimensions.

1. *Power Distance* is "related to the different solutions to the basic problem of human inequality" (Hofstede, 2011, p. 8). Power distribution can be observed in relationships on various societal levels: family (e.g., parents - children), organizational (e.g., supervisors -

subordinates), and state (authorities - citizens). Power distance is presented in all societies, but in some societies it is more clearly expressed than in others (Hofstede, 2011).

2. *Uncertainty Avoidance* is related “to the level of stress in a society in the face of an unknown future” (Hofstede, 2011, p. 8). Uncertainty Avoidance deals with a society's tolerance for ambiguity. It measures to what extent society members feel uncomfortable or comfortable in novel, unknown, surprising or unstructured situations (Hofstede, 2011).

3. *Individualism versus Collectivism* is the degree to which people in a society are integrated into groups. Individualistic cultures are societies where members are generally expected to look after him/herself and his/her immediate family. In collectivistic societies, the ties between members of groups are very strong; beginning at birth, people are integrated into cohesive in-groups. They often have extended families that protect and take care of them during their lifetime (Hofstede, 2011).

4. *Masculinity versus Femininity* is “related to the division of emotional roles between women and men” (Hofstede, 2011, p. 8). In highly masculine cultures members tend to believe that a person's worth is defined largely by their achievement and performance. In such societies a more rigid separation between “masculine” and “feminine” roles exists. Men are supposed to be assertive, tough, aggressive, ambitious, and focused on material success and competition; women are modest, tender, and concerned with quality of life. In highly feminine cultures members are more people-oriented and tend to believe that a person's worth is defined largely by things that improve the "quality of life," such as service to others and helping those less fortunate. They prefer equality between the sexes, and both men and women are

supposed to be modest, tender, and concerned with the quality of life (Hofstede et al., 2010; Hofstede, 2011).

5. *Long Term versus Short Term Orientation* is “related to the choice of focus for people's efforts: the future or the present and past. In Short-term oriented cultures people tend to believe that most important events in life occurred in the past or are taking place now. People in Long-term oriented cultures make long-term plans as they think that most important events in life will occur in the future, based on the stability in their societies.

6. *Indulgence versus Restraint* is “related to the gratification versus control of basic human desires related to enjoying life” (Hofstede, 2011, p. 8). Some characteristics of more indulgent societies are a high percentage of happy people, a higher importance placed on leisure, and more lenient sexual norms in wealthy countries. In contrast, in restrained societies, there are fewer very happy people, a lower importance placed on leisure, and stricter sexual norms in wealthy countries (Hofstede, 2011).

During my interviews, Danish business expatriates discussed the cultural and communication differences that surprised and challenged them during their time in Russia. After analyzing the results of the interviews I came to the conclusion that those communication differences align very clearly and on a number of levels with *Power Distance* and *Indulgence versus Restraint* dimensions.

Power Distance in Russia and Denmark

One of the dimensions mostly widely used to examine cross-cultural differences is Power Distance (PD). According to Varela and Premeaux (2008), “power is defined as the capacity to influence others. It represents the ability to mold others’ attitudes, values, and

behaviors” (p. 135). Hofstede et al. (2010) defined PD as “the extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally” (p. 61). As a cultural value, PD captures how individuals’ reactions to power asymmetries differ across regions by placing these reactions in a continuum where Large Power Distance (LPD) and Small Power Distance (SPD) represent two opposite poles (Hofstede et al., 2010).

Hofstede (2011) and Hofstede et al., (2010) identified key differences between LPD and SPD societies. For instance, whereas SPD is associated with decentralized decision structures, less concentration of authority and flatter organizational pyramids, LPD is associated with centralized decision structures, higher concentration of authority and taller organizational pyramids. Managers in SPD countries rely on personal experience and on subordinates whereas managers in LPD countries rely on formal rules (Beekun, Stedham, Yamamura, & Barghouti, 2003). The main differences between SPD and LPD societies are presented in Table 1.

In addition, Hofstede introduced the Power Distance Index (PDI), which measures the distribution of power and wealth between people in a nation, business or culture, and demonstrates the extent to which subordinates or ordinary citizens submit to authority. PDI also measures the extent to which the less powerful members of organizations and institutions (such as the family) accept and expect that power is distributed unequally. The PDI is lower in countries or organizations in which authority figures work closely with those not “in authority,” and is higher in countries or organizations with a more authoritarian hierarchy. The PDI scale ranges from 11 (lowest score) to 104 (highest score). Russia’s PDI is 93, which indicates that societal inequalities are well represented in the country. In contrast, Denmark takes one of the

Table 1.

Main differences of SPD and LPD societies (Hofstede et al. 2010; Hofstede, 2011).

Small Power Distance	Large Power Distance
Use of power should be legitimate and is subject to criteria of good and evil	Power is a basic fact of society antedating good or evil: its legitimacy is irrelevant
Parents treat children as equals	Parents teach children obedience
Older people are neither respected nor feared	Older people are both respected and feared
Student-centered education	Teacher-centered education
Hierarchy means inequality of roles, established for convenience	Hierarchy means existential inequality
Subordinates expect to be consulted	Subordinates expect to be told what to do
Pluralist governments based on majority vote and changed peacefully	Autocratic governments based on co-optation and changed by revolution
Corruption rare; scandals end political careers	Corruption frequent; scandals are covered up
Income distribution in society rather even	Income distribution in society very uneven
Religions stress equality of believers	Religions with a hierarchy of clergy

lowest positions on the PDI scale: its PDI is 22, which signals that people pay less attention to the differences between high and low ranks than do members of cultures with higher PDIs.

When I analyzed my data, I found that the participants communicated their experiences with PD in Russia on two levels: organizational and social. In the organizational setting, characteristics of PD came out in different expectations about supervisors' management styles, as well as different perceptions of subordinates' participation in decision-making processes,

resulting in misconceptions of supervisor-subordinate relationships between Danish and Russian colleagues.

Power Distance in Organizations. *While working within Russian companies I always felt a large distance between supervisors and subordinates. Very often I had to wait in a line to talk to my manager—even just to get him to sign a paper. I always had to schedule an appointment with his secretary, who was sitting in front of his office. Even if the appointment was confirmed, I usually had to wait in line to meet him. What an interesting time! I got all that extra time to think over my plans, or to talk to my colleagues while waiting in that long, long line. And all of us were used to it. It was a part of our culture to live in lines. You had to spend several hours in line to get a plane or a train ticket, you had to wait your turn to get some groceries, and you had to plan some hours of “line socialization” if you needed to get a paper or a form in an administrative office. People shared their family problems, discussed politics in lines, and finally, got mad that the line moved so slowly...*

*The first day I started to work at a Danish company, I could not understand why my supervisor was sitting next to his “personal assistant” (please note, not “secretary”) like all the other colleagues in the office. Actually, our boss’ “room” was created only by a partition of standing book shelves reaching up to my shoulders. There were no walls, no doors, and this openness ... was shocking. From the desk where I was sitting I could observe how people came to our manager’s desk and how he was always ready to spend time with a visitor. I also noticed that he usually laughed very loudly. I was curious about what was going on, as my Russian bosses were always very serious during working hours; you can laugh with your colleagues, but you should pay respect to your bosses and be **serious** with them as a workplace is a **serious***

place to be. And if they are yelling at you or getting mad if you did something wrong, you need to accept it. They have the right to do this as they are your bosses, and they take the top hierarchical position.

That is why I did not know how to behave when I had to bring some papers for my boss to sign. Should I schedule an appointment or should I simply come to his desk and ask him to sign the paper? "Just go and ask him to sign," one of my colleagues told me. I tried to find a minute when my boss would stop working, but he was busy all the time, and I did not dare to interrupt him. Finally, I realized that I did not have time to wait anymore. I got the courage and rushed to his desk. I did not hear my voice, and I think I was either red or pale as I was scared to bother him. To my great surprise, he just smiled, and offered me a chair to sit. I think he realized that I was embarrassed, and told me in a very nice and soft manner, "We are all team members. Your problem is my problem, as soon as you solve your problem, I will not have this problem as well. Please feel free to come and share, and I will always be happy to help you." And he smiled again, and I was shocked again.

The previous story is a very good example of the culture shock I experienced as a Russian employee in a Danish company. Since that time of the story I have realized that there are some ways of communication between supervisors and subordinates that are totally different from those I used to experience. I found that my Danish managers, who came to Russia to work, also did not expect that there might be communication strategies other than those they had learned in Denmark.

Supervisor-Subordinate Relationships. The participants acknowledged that in general they felt comfortable supervising their Russian employees. They characterized them as hard-working and disciplined; generous, and educated; fluent in English; possessing a very high sense of humor, very devoted, enthusiastic, optimistic, opportunistic, and loyal; very open-minded to change, but also lacking initiative. As the adjectives in the list cited above suggest, some participants experienced mixed feelings about supervising Russians. Indeed, the perception of “supervisor” in Russian mentality is different from the way Danes understand it. For example, Collin commented on the specifics of supervisor-subordinate (SSR) relationships in Russia:

If we look traditionally, running an organization in Russia would look more top-down than in Denmark, but in our organization we were not that top-down. In the traditional Russian setting there is a boss and there are employees. He was the king and he could do whatever he would like, he could sign papers and do everything around him. He was some sort of a dictator, and for some [Russian employees] to see that their boss is their partner was very difficult.

Eric shared his experience of supervising Russians, which was similar to Collin’s perception:

In business and the managing of people the big differences were that Russian philosophy is very boss-oriented. I came from the society in Scandinavia where you are used to discussing everything. In Russia it is very strict; do what your boss says, even though we can see it is wrong. And that gave me some problems in the first six months. I expected that these people would say if I said something wrong. As I was a boss, they said “Yes, Sir.” When I learned these problems, then [supervising Russians] was nice. After we agreed [that as a supervisor I expected honesty] there is not a big distance

between subordinates and the leader, but before that it was not honest discussions we had, because they just accepted what I said.

Paul explained how the very clear PD between Russian supervisors and subordinates affected the specific behavior of Russian subordinates:

I think that most of Russian employees are used to more authority in the way the business is done. They are used [to the fact] that the orders are relatively clear, and you are also relatively clear on what you are expecting and, also following up on what you are expecting is very clear, and to some extent they do not take so much responsibility on themselves in the beginning, based on this - natural to them - kind of authority, “Who is my manager?” and “What task my manager is giving to me?” and then they are very hard working people, that they follow those tasks when they get them.

These comments explain the difference in SSR between Danish and Russian companies, and they are consistent with the findings of Hofstede, indicating that managers from the Nordic countries are far lower on the PD index than are Russians. In addition, Lindell and Arvonen (1996) noted that the most crucial quality of top Scandinavian managers is their ability to obtain results in cooperation with employees. Subordinates will not necessarily wait for their superiors to invite their participation, and they will support a form of employee codetermination in which either individuals or groups can bring initiatives to management.

In contrast, many Russian companies are typically structured as a coercive bureaucracy. This structural configuration is based on positional authority, top-down command and control, and autocratic strategy development (Michailova & Husted, 2003). Puffer and McCarthy (2011) claimed that management in Russian business has “a leadership style with high power distance,

reflected in leaders distancing themselves from subordinates; employing top-down communication; utilizing symbols of rank, status, and ceremony; and enjoying perks and privileges while exhibiting protectiveness in the form of paternalism toward subordinates” (p. 28).

Indeed, as Ardichivili (2001) noted, Russian management culture is characterized by a high degree of paternalism in relationships between superiors and their subordinates, where managers prefer to make important strategic decisions individually, without consulting with their peers or subordinates. This organizational norm is reflected in a funny saying I often heard during my own time as an employee working in Russia, “Rule number 1: Your boss is always right. Rule number 2: In case it is not true, see Rule number 1.” In addition, Michailova (2000) observed that the Russian notion assumes that top managers periodically check on the activities of employees at lower levels, and formal reward and punishment systems are most effective in getting employees to perform their tasks.

Scholars have also found out that Russian and Soviet leaders historically have exhibited strong, commanding, and authoritarian characteristics, creating dependency and even generating fear among subordinates (McCarthy, Puffer, & Darda, 2010). Ardichivili (2001) has traced the origins of this relationship to the early 15th century, when the country was rebuilding after a devastating Mongol invasion, and there was a need for centralization of power and paternalistic exchange relationships between the central power (Czar) and his subordinates (feudal lords and gentry). Muratbekova-Touron (2002) linked Russian managers’ behavior to the Soviet era: despite its espoused Communist philosophy, Soviet administration was famous for its high centralization, strong hierarchy and planned organization. This system

still works in state enterprises and organizations of Russia. Even if the system is constantly changing, the problems of the former methods of organization remain. People used to living in a strongly planned and centralized environment with numerous rules and regulations, are used to obeying a higher power (Muratbekova-Touron, 2002).

Supervisors: Leadership Style. The participants acknowledged that leadership style is one of the most important factors that should be taken into account by those managing Russian employees. As Frederic stated, “You cannot come and have a [leadership/management] style from another country, it is just imposed on the people in another country, in a foreign country, you have to learn, and I was not really good at that in the beginning, but I learned it.” Frederic’s comment is valid, as the perception of “leader” in Russia differs from the perception of “leader” in Denmark. Kristian stated too, that democratic managers who are not able to make a decision on his/her own are considered weak leaders in Russia:

It [management/business style in Russia] is more direct, it is a little bit more straight-to-the-point, it is a little bit more loud, with strong leadership style, whereas in Denmark it is a more consensus-oriented, I think the leader is more invisible, it is a little bit more a power-leadership in Russia, a little bit more dominance. Russians like strong leaders. It is very evident of Russia, if you look at the President, I mean, I think it is very obvious. You cannot have a weak leader.

This comment demonstrates the opinion of a number of participants of the study, who perceive the leader as someone who is tough and serious, an image of a military commander. In fact, some participants shared that they were assigned to go to Russia because of their military background. Hans even revealed that his own top managers at Danish headquarters

considered Russian employees as being “in kindergarten,” who always need “to be directed on what to do and how things should be done.” Casper, who believed his own leadership style was more consistent with Russian leadership style than it was with Danish leadership style, expressed his thoughts about the authoritative leadership style so prevalent in Russia:

I am not a typical Dane and that is why I think I fit well into Russia. That is why I came to Russia. I think I am little bit more authoritative, and I am a little bit more, you may say, conservative.... [In Russian culture] there is an element of being patriarchic. I think my personality and my personal values are somewhere between Denmark and Russia, and I am not a particular Dane. In terms of being able to be firm and say “no,” and be consequent in my way of management, I think I am much tougher than most Danes, and maybe a little bit softer than most Russians.

As authoritative leadership style dominates in Russian organizations, a number of Danish managers had problems with delegation of responsibilities among their employees, given that their Russian colleagues were more used to getting tasks from their managers, rather than responsibilities. Jacob stated, “[In Russia] you do not delegate too much, because you do not know how it is perceived.” Frederic shared his thoughts about his own leadership style in a Russian company, as well as his thoughts about Russian leadership style in general:

I think I used [in] some of my first years. . . . the Danish style, which is a little bit laid back. It was not exactly the style I should use in Russia. It is simply not understood. Kindness and delegation can be seen as a weakness, if you do not explain it correctly. You should be a strong leader to some extent, show strong leadership to some extent, and then have a very open attitude, so you can easily make good friends. When you are

a manager in Denmark, you do a lot of creative thinking, and you are always looking for creative possibilities to solve a given task. And you delegate a lot of responsibilities. In Russia, leadership or management style, as I had an experience, you have a task and you solve it, and you do not delegate too much. That is one of the differences.

Some of the participants stated that due to the fact that Russian employees are used to a more authoritarian leadership style, *control* is one of the tools in managing local staff. Jacob commented on the use of control in Russian organizations:

In Russia, management style is a little bit type of control: “control,” see what’s happening,” “check into details,” “what is going on.” So, control is absolutely a more relevant issue when you come to Russia when you are a Dane. The Scandinavian management style is much more of empowerment, and it is based in trust. And here is a difference.

Frederic added to this statement, “You should conduct a certain amount of control. And I think it goes to everywhere. . . . Yes, was it Gorbochev who said, “confidence is good, but control is better?”

Some explanation of the existing stereotype of leadership and management style in Russia can be found in academic literature. According to Puffer and McCarthy (2011), historically, the rulers of the country were powerful and authoritarian leaders: Peter the Great in the late 17th/early 18th centuries, Joseph Stalin in the 1930s to 1950s, and current Prime Minister Vladimir Putin. “Such leaders are seen as delivering extraordinary results, demonstrating superior ability, being exempt from the rules, being caregivers to the common people, and acting assertively” (Puffer & McCarthy, 2011, p. 28).

Kets De Vries (2000) claimed that the desire for a strong leader is indicative of a prevailing anxiety among Russians about their circumstances and surroundings: many people in Russia see the cure for every crisis as autocratic leadership. It suggests a great dependency on strong leaders for protection, for "containment" against chaos. Russians expect their leaders to take care of them. This streak of dependency has been encouraged through the years by Czars, landowners, the Orthodox Church, and the Communist Party (Kets De Vries, 2000). Therefore, as Elenkov (1998) has observed, in Russian culture many employees expect an autocratic leadership style.

A controlling management style, which includes centralized decision-making and military-like discipline, is also reflective of the Soviet era, where the centrally planned economy was viewed as an extension of politics, and failure to achieve economic goals could almost be viewed as sabotage. Consequently, strict rules, accompanied by fear and rewards, were used to control discipline. This management style continues to be common in non-entrepreneurial Russian organizations, as well as among a small minority of successful entrepreneurs (McCarthy et al., 2010).

Elenkov (1998) and Kets De Vries (2000) noted that even after the break-up of the Soviet Union in 1991, power and decision-making have remained centralized in Russia. Similarly, power in most Russian organizations is concentrated in the hands of the general director, with little influence in the decision-making process on the part of middle managers. The Russian system of management also has placed Russia among the countries with LPD. Even in organizations that profess egalitarianism—and many do—Russian executives place great importance on hierarchy and formal status. They distance themselves physically from the rank

and file; they receive (and feel entitled to) privileges; they enjoy ceremony, pompous titles, and symbols of rank and accomplishment; and they see compromise in decision-making as a weakness (Kets De Vries, 2000).

Michailova and Husted (2003) claimed that many managers in Russian organizations often talk in terms of “subordinating” people rather than leading them, and they believe this to be one of the manager’s most important functions. Therefore, Russian management is characterized as having an autocratic leadership style, lacking of delegation of responsibility, placing low emphasis on participation, and privileging authority wielded by position (Elenkov, 1998; Muratbekova-Touron’s, 2002).

Puffer and McCarthy (2011) noted that although this authoritative Soviet-era style continues to be the dominant leadership style of a large number of Russian businesspeople, some Russian employees have voiced a preference for democratic styles of leadership. Moreover, in their study about entrepreneurial leadership style in Russia, McCarthy et al. (2010) found that two-thirds of the successful entrepreneurs⁷ displayed an open⁸ leadership style, while 25 percent evidenced a balanced style,⁹ and eight percent a controlling¹⁰ one.

⁷ Kets De Vries (2000) claims that the talent pool available for creating the new Russia consists of two groups of people: a younger generation of entrepreneurs and an older group. Entrepreneurs are defined as “young, enthusiastic, talented people who recognize the opportunities the new open society presents” (p. 71). The older group is represented by the “administrators and bureaucrats who used to supervise the 120, 000 factories, farms, and other industrial units of the former USSR” (p. 71).

⁸ McCarthy et al. (2010) categorized Russian entrepreneurs into three leadership style categories: open, balanced, and controlling. The open style is democratic, “characterized by a moderate level of need for power and a moderate or high need for achievement as well as a high need for affiliation” (p. 55).

⁹ The balanced leadership style combines elements of democratic and authoritarian styles. Balanced leaders may consider employee input, but most decisions are made at the top. Leaders practicing this style usually identify “clear goals and provide incentives to motivate employees and foster creativity, but also employ strict guiding policies and procedures and closely monitor results” (McCarthy et al., 2010, p. 61).

Those exhibiting an open style increased from 63 percent in 2003 to 79 percent in 2007. These findings demonstrate that attitudes towards PD are changing in Russian society. Democratic or open leadership styles are becoming viewed as more effective than the historically developed authoritarian leadership styles.

In contrast, the Nordic management style can be characterized as one valuing planning and order, delegation of responsibility, friendship with subordinates, and orientation toward innovation (Lindell & Arvonen, 1996; Lorenz & Lundvall, 2010). The distance between the manager and his or her subordinates is short and communication is direct. According to Asparuhova (2011) and Erez (2000), Danish workplaces are characterized by an absence of the very hierarchical structure found in other more LPD countries. The line of command between the superior and the employees is short, and in principle everyone—regardless of education, position or social status—is regarded as equal. When working in Denmark, the possibilities are often good for exerting influence on the company and co-determining the content of one's work. There is a tradition of delegating responsibility, allowing employees to participate in decision-making and investing in the employees' further education and skill development (Asparuhova, 2011).

Moreover, in Denmark, the supervisors tend to listen to staff and take their advice because staff members are seen as specialists in their own fields. It is common to find the supervisor taking his or her lunch with the staff and standing in the same queue in the canteen.

¹⁰ A controlling management style includes centralized decision-making and military-like discipline, and often selecting a small circle of highly trusted managers who were given more freedom and benefits than others. Strict rules, accompanied by fear and rewards, are used to control and discipline (McCarthy et al., 2010).

Responsibility and influence are valued highly—higher than, for example, salary and employment security. Danes are group-oriented. It is normal to discuss subjects in order to reach an agreement: people discuss issues in order to achieve consensus and to see matters from all possible perspectives. Asking one's colleagues for advice is not seen as a sign of weakness. The ability to cooperate is regarded highly, and people help each other across status and professional categories. Humor plays a central role in the way Danes interact (Asparuhova, 2011).

Many Danish managers believe that the role of the manager is to solve problems, even helping their employees by giving them directions on how to solve a particular problem, rather than simply giving direct answers to their questions. In this way the managers believe that they motivate their workers for "creativity and productivity." The Scandinavian organizational culture puts a great emphasis on the decision-making process, encouraging organizational members to influence the final result. In addition, informal and egalitarian organizational environments often foster a more relaxed atmosphere. Other characteristics of the Nordic management style are respect for others' feelings, conflict avoidance and control over emotions, so they do not influence unduly decision-making processes (Asparuhova, 2011).

Subordinates: Attitude towards Initiative. Related to the strong, centralized hierarchy in Russian organizations discussed above is "a lack of the initiative," that, according to some participants, characterizes many members of Russian organizations. In other words, the subordinates are used to getting clear instructions from superiors and following them to the letter, without questioning and without adding their critical input. Kristian commented on this phenomenon:

I think there is maybe something to do with the working discipline, and also in terms of the initiative, which is of course problematic in Russia. Especially in the beginning, I did not really feel that many people had initiative to do anything. “What are we do to improve things?” I was always one to come up with the ideas. “What would be better?” And this is what really deeply lies in Russian souls because of the history, that is something that really has to be worked with, I do not want to say it is not possible, but it is really something you need to bring out of the people, I was used to that approach, I think we improved a bit over the years, but, it was a tough one. And I know it was the same for my predecessors as well. Whereas in Denmark people are better self-managed, you play them the ball, and they will run with the ball. It is not the case in Russia.

Kristian also tried to explain this difference between Russian and Danish organizations:

But it is how you are brought up, it is how the history is developed. [In Denmark] you were taught in school to have a different opinion from the teacher. “What is your point of view?” You are taught in school about that. So it is a different approach to society and to teach the people to have their own independent opinion. It is a very different style, and it is different in Russia, especially in Russian companies, where people are going home crying, just because the boss was a jerk, and he had a bad mood, and of course, the employees had to suffer.

Kristian’s comments about Russian subordinates’ lack of initiative are supported by other academic findings, which help to explain this facet of PD in Russia. Kets De Vries (2000) claimed that under Communism, life was planned by the state from cradle to grave. This paternalism contributed to the inclination to wait for instructions to come from above. It failed

to teach people how to think for themselves, instead encouraging an orientation of passivity among "ordinary folks." Because people in lower-level positions felt helpless, they projected power onto those above them. Therefore, Russians tend to be more willing than many other cultures to accept unequal distribution of power in institutions and organizations (Kets De Vries, 2000).

Further, Beekun et al. (2003) noted that during the Communist regime, personal initiative was not only discouraged but often punished. According to the egalitarian principles of communism, no one was supposed to sink too low, nor was anyone to rise too high. People who strove to be better than others were seen as taking away the rightful share of others (Beekun et al.). The lack of initiative could be also explained by an attitude of Russians regarding knowledge sharing. Specifically, according to Michailova and Husted (2003), the high respect for hierarchy and formal power leads to two types of knowledge hoarding behavior. First, subordinates often intentionally stockpile their knowledge, anticipating that their superiors would not promote them if they demonstrate in public that they are more knowledgeable than their superiors. Michailova and Husted gave an example of a Russian middle manager who was not willing to demonstrate that he was more knowledgeable than his superior:

I need to be especially careful not to show off what I have learned at the last management course I have attended. It would be a bad situation for me if my boss feels threatened. I wouldn't be sent to another course or promoted. I could even lose my job (p. 63).

Many Russian managers tend to associate knowledge with formal, position-based power rather than to conceptualize it as a necessary organizational tool for making optimal managerial decisions (Michailova & Husted, 2003; Michailova & Hutchings, 2006; Muratbekova-Touron, 2002). Therefore, many of them do not expect initiative or creativity from their employees, nor do managers view employees as sources of ideas or valuable knowledge. It is interesting to note that when discussing SSR, many Russian job sites, such as *www.job77.ru*, refer to a well-known phrase from the Decree of the Russian Tsar Peter the First of December Ninth, 1709: "In the presence of the supervisor, the subordinate should look dashing and silly, so his knowledge does not confuse the authorities" (Kondaurov, 2010, para. 7). This idea is still echoed in today's SSR: Michailova and Husted (2003) cited a comment from a Russian General Manager (Director), who said:

I don't expect any ideas and solutions from my subordinates. I need information from them in order to command them. . . . All ideas are born in my head. Employees have no sufficient qualification to come up with new ideas and if they do, I suppress them. It is me who is paid for ideas. I am the only one. So, it's me to come up with new ideas (p. 63).

As the above quotation illustrates, the notion of personal responsibility is neither well developed nor highly valued among many Russian managers and employees, who place a very high importance on hierarchy and formal power, and for whom independence and initiative in the workplace is an alien concept (Michailova & Husted, 2003). Another explanation for hoarding knowledge as a typical behavior in the Russian context is the prevailing climate of suspicion and confidentiality:

This climate's deep roots extend far beyond the 70 years of socialist experience back to the sixteenth century: secret policy was represented not only by the KGB, but existed under Ivan the Terrible. In the Soviet system, it was practically forbidden for strangers to gather in groups and talk in public places. Although people knew each other on the job, a preferable behavior was to say as little as possible through carefully selected words (Michailova & Husted, 2003, p. 62).

The scholars also noted that before the collapse of the Soviet Union, people were scared that knowledge sharing could be misinterpreted by their communication partners. These misinterpretations could have a negative impact on the sender's future and the future of his or her network. Due to the fear that their messages could be used by the receivers for their own purposes, "Russian people are in general highly cautious about revealing detailed information" (Michailova & Husted, 2003, p. 63).

Power Distance in the Social System. Some participants in the study expressed real frustration when talking about some specific details of conducting daily business in Moscow. They mentioned specifically the security system/the police and the civic bureaucracy as the main factors contributing to difficulties they experienced during their stay in Russia.

Security/Traffic Police. The participants ranked interactions with police as one of the most stressful experiences they encountered; implying that during such interactions, the police often used their authority to extort money from those with less power. For example, Frederic shared that "police could sometimes be a little bit annoying, because they always stopped your car, when you are driving." Kristian also lamented, "If you are wrong doing in traffic, police will be swift to be there. Either your driving license [will be taken], or [you will give them] a small

fee through the window. It was petty thing.” Collin recalled an incident with the security system in the airport, “I did not like when you stopped in the airport. You will not believe it, but they went through all my luggage on the floor, these security people, they just wanted to get money out of me. You know if you want to get your plane, you should give them some money to be on time.” In addition, Paul complained about the following:

I think that the uncomfortable part is the police, security, checking system. You normally could get stopped at any point of time on the street, or in the car, or anywhere that you went, and they would ask to see your documents, and you need to present all your documents, and if there is something that let’s say “to dislike” to them, you will have all kinds of problems. So that was maybe the most uncomfortable part. You felt all the time that you never knew, “When I will get stopped?” “Will I get stopped [during the] next second?” Or, “I will not get stopped?” Or “Why will I stop?” Or something like that. That is a little bit uncomfortable.

However, Casper noted that the traffic police in Moscow seemed to use their power with drivers in a more legitimate way than did the police in other Russian cities where expatriates worked. As he recalled, “When I was stopped for a violation of traffic, it was always with a mutual sense of respect. I had to pay, and it was ok, they checked my papers and I paid. I felt that I was respected and they are just doing their job. There was not any conflict or any aggression. And I was wrong.”

The following literature can help to explain participants’ perceptions regarding the use or misuse of power by police or security authorities during their time in Russia. According to a new Kremlin report on corruption in 2012, traffic police were recognized as one of Russia’s

most corrupt institutions (OCCRP,¹¹ 2012). Additionally, Wilson, Kolennikova, Kosals, Ryvkina, and Simagin (2008) claimed that, “overall, police participation in personal payments in lieu of fines is the most frequent form of corruption” (p. 69), followed in rank order by personal protection payments from retailers, personal payments for document registration, sale of classified information, personal payments to divert or dismiss cases, bribes taken from the provision of personal ID and passport checks, and personal payment for guilt definition.

Further, the majority of Russian police officers in the Wilson et al. (2008) study reported that low wages were the primary cause of participation in additional economic activities. Therefore, “approximately 42 percent of the police officers’ monthly income was derived from ‘informal’ economic activities engaged in by Russian police officers” (Wilson et al., 2008, p. 70).

In contrast, “the [Danish] traffic police/police [are] seen as having quite high integrity,” noted Frederic. Both Frederic and Jacob underlined that Danish policemen are very law-abiding professionals and “they stick to the rules.” Jacob commented on this fact, “As Denmark is one of the least corrupted countries in the world, both ordinary police and traffic police is conducting their job from the law and they strictly comply with legislation.”

Frederic observed that normal citizens in Denmark have “a good feeling about the police” as they help where they can. Jacob also added that policemen enjoy quite a lot of respect among people:

Police staff is somebody you can ask for ordinary questions if you meet them in the street, typically for directions etc. There is a high degree a decentralizing of police on street level so people can meet their local police in their neighborhood.

¹¹ OCCRP stands for the Organized Crime and Corruption Reporting Project.

In a follow-up e-mail, Frederic noted that Danes associate police with nice and friendly people, “You might have seen the famous (in Denmark) poster with the Danish policeman helping a small duck family to cross the street. This picture is not fully as it is today – but to a certain extent it gives an impression.” He also added, “Of course there are a few cases where they are criticized – but they are few.” In his email correspondence, Frederic also made a comparison between Russian and Danish police based on his own experiences in Russia:

Here are some of the things that would not happen in DK:

- You are stopped in your car in the street by a policeman. You have done nothing wrong. The policeman agrees, but says: 'It is Friday and we need Money for the coffee box'
- You are driving in the street. 3 Russian cars speed in front of you and make hazardous moves. The police/GAI¹² does not stop them, but stops you and gives you a fine for not having a clean license plate.
- You are stopped in your car by a policeman. The policeman gives you a big fine for 'the missing plaster in your first aid box'. You argue for a while and then pays the policeman 10 USD just to get on your way.

You cannot say that goes for all policemen, but my impression is that there is not the biggest respect around the integrity of the police in Russia.

Participants' comments provided characteristics of Danish police/traffic police as one of the social systems illustrative of a SPD society: *decentralized* (low level of hierarchy), *people-oriented* (no big difference between authority and ordinary people), and *mostly informal* (informal style is preferable in communication).

¹² GAI: abbreviation for traffic police in Russia (Gosudarstvennaya Avto Inspektsiya/State Auto Inspection)

Civic Bureaucracy. A number of participants mentioned the complex “bureaucracy” they experienced in Russia as another difficult factor of their life and work in Russia. For instance, Kristian criticized this “endless bureaucracy”:

Paperwork and “spravka,”¹³ insane work, that makes no sense, but they were as they were. Just getting your residence permit, getting your working permit, all this paperwork you have to do every year, tests you have to do in the hospitals, fill in the forms, strange kind of diseases. Every time when you are coming back from the business trips, you have to register yourself again, with your apartment, and signing all these documents. Tax Inspection. Going there every year to represent the company and then they always find something that can stop your business in a little bit funny way, and you have to drive back to another side of the city and then come back another day. It was just such a hassle, constantly to fight against the system, just try to find faults, just to make your life miserable. I thought that was really stressful, and annoying, as it was not absolutely value adding.

Although some of the heavy paperwork might not make much sense to some members of cultures with a SPD, causing them to bristle, it is normal in Russia not to question procedures demanded by the government. Thus, if the state officials require filling out some forms or documents, they should be filled out and submitted according to the state regulations. Eric noted that, “most Russians, they do not want to change their attitude or behavior, even if they are told that something can be changed to something better.” Eric recalled an experience in

¹³ “Spravka” refers to the practice in Russian bureaucracy of certifying the status of one’s work, living, or other situations. Often the process of such confirmation is quite circular and complex, involving visits to many officials.

which he got so frustrated with the bureaucracy that he decided to flout it. Surprisingly, however, he found that the punishment for *not* following bureaucratic regulations was actually *less* painful than following the standards:

I found out that the finance department [of his company] used 50 percent of their time filling in the papers for the state office [state authorities], which when I said: "Please do not do it, let's pay the fine!" And suddenly we realized that nothing happened.

According to Yücel (1999), *bureaucracy* is the tool of power, an "effective" device to control and direct human effort and behavior. The degree of bureaucracy sets the boundaries for human action that regulates people's freedom. Bureaucracy tends towards centralization of power, where too much delegated power is to be avoided. Usually in a bureaucracy the organization of roles is hierarchical. This means that "every decision of any importance has to be ratified by someone higher up the chain" (Macfarlane, 2007, para. 24). Therefore, the obedience to the authority is one of the characteristics of a bureaucratic society, as it is believed that "they represent the past, the ancestral and customary wisdom" (Macfarlane, 2007, para. 4).

Grachev (2009) noted that respect for authority and the privileges of authority have a long history in Russian society. Prerevolutionary Russia, with serfdom, a weak middle class, and strong centralization of power in the hands of the state, lacked democratic traditions. In the Communist era, the Party's vertical hierarchy suppressed people's independent behavior by various means of control. The post-Communist wave of democratic reforms could potentially decrease vertical power over economic behavior and give society a higher level of economic freedom and competition (Grachev, 2009). However, as Petukhov (2007) noted, "the

democratic institutions that are supposed to serve as an alternative and a counterweight to the tyranny and omnipotence of the bureaucracy have not been able to develop in Russia as they should” (p. 25). Due to this fact, in the past years, the bureaucracy in Russia has built up not only its political power, but also its economic power, and, accordingly, it has strengthened its influence in all areas of the life of society (Petukhov, 2007).

In contrast, West (2011) claimed that Denmark was always considered a safe and transparent country in terms of business, and views its very low level of bureaucracy as a sign that it is one of the least corrupted countries in the world. He also noted that Denmark is one of the top choices in the world when it comes to foreign investments, given that it is very easy and fast to register a company: the procedures can be done online and may take a few hours at very low costs. There is no surprise that Denmark was chosen as the first location for investments by Forbes, while the World Bank’s “Ease of Doing Business” Report ranked Denmark second in Europe and sixth in the world. According to corruption watch-dog Transparency International’s “2010 Corruption Perceptions Index,” Denmark is perceived to be the least corrupt nation in the world (JANUS Corporate Solutions, n.d.).

Indulgence vs. Restraint in Russia and Denmark.

The issue of happiness has been a research subject of many scholars. Hofstede et al. (2010) found that happiness at the national level correlates to the perception of life control and attitude towards leisure. Hofstede et al. conceptualize life control as the opportunity to live one’s live the way one wants, “without social restrictions that curb one’s freedom of choice” (p. 281). Leisure is considered as a personal value. Hofstede et al. claim that happiness, life control,

and importance of leisure are strongly interrelated, and can be defined as a societal dimension, which they term “Indulgence versus Restraint” (IVR).

According to Hofstede et al. (2010), “*indulgence* stands for a tendency to allow relatively free gratification of basic and natural human desires related to enjoying life and having fun” (p. 281). In contrast, “*restraint*, reflects a conviction that such gratification needs to be curbed and regulated by strict social norms” (p. 281). Hofstede et al. also note that “societal restriction not only makes people less happy but also seems to foster various forms of negativism” (p. 289). Indulgence tends to prevail in South and North America, in Western Europe and in parts of Sub-Saharan Africa. The core characteristics of these societies are happiness, merrymaking with friends, spending, consumption and importance of leisure (Hofstede et al., 2010). In contrast, “Restraint-orientated societies are those countries where people enjoy their lives less and live under the pressure of a conservative society”(Tantekin, Laptali, & Korkmaz, 2011, p. 15). Restraint prevails in Eastern Europe, in Asia and in the Muslim world. Mediterranean Europe takes a middle position on this dimension (Hofstede, 2011). The main differences between Indulgent and Restrained societies are listed in Table 2.

Hofstede et al. (2010) measured this cross-cultural dimension in 93 countries, ranking countries on the scale from 1 (the highest rank) to 93 (the lowest rank). According to this scale, Denmark ranks 12-13, and Russia ranks 77-80. This means that in Denmark, there is a higher percentage of people, who on the whole, tend to feel happier, place a higher importance on leisure, have more extroverted personalities, more positive attitudes and higher levels of optimism. On the opposite pole, according to Hofstede et al. (2010), one’s actions could be restrained by various social norms and prohibitions and a feeling that enjoyment of leisurely

Table 2.

Indulgent and Restrained Societies: Main Differences (Hofstede et al., 2010; Hofstede, 2011).

Indulgent	Restrained
Higher importance of leisure	Lower importance of leisure
Higher percentage of people declaring themselves very happy	Lower percentage of people declaring themselves very happy
Smiling as a norm	Smiling as suspect
A perception of personal life control	A perception of helplessness: what happens to me is not my own doing
Freedom of speech is viewed as relatively important	Freedom of speech is not a primary concern
More likely to remember positive emotions	Less likely to remember positive emotions
Maintaining order in the nation is not given a high priority	Higher number of police officers per 100,000 Population
More extroverted personalities	More neurotic personalities
Positive attitude	Cynicism
Higher optimism	Higher pessimism

activities, spending, and other similar types of indulgence are less acceptable. Russia, having a low rank on the IVR scale, demonstrates that there is a lower percentage of very happy people, a tighter society, more neurotic personalities, and more pessimism. This cultural dimension is reflected in a higher level of seriousness in the society.

The (Lack of) Smiling. *When I was a little girl, two-three years old, I was taught that if I want to be a polite and nice person, I should say “Hello” when I meet people. I really wanted to be a nice and polite girl! I remember it was a sunny spring day. I put on my new dress and went for a walk with my aunt. The sun was shining, the birds were singing, the air was filled with flower and spring smells and life was simply great!*

I was very happy that day and when I saw strangers coming our way I kept saying “Hello,” “Hi” and smiled. My aunt was very surprised and told me in a very serious tone, “Please stop doing this. People will think that you are crazy.” I was really shocked as I wanted to be a polite and nice girl as I was taught. Until this moment with my aunt, I was not informed that it is not a cultural norm in Russia to say “Hello” and smile at strangers. She quickly taught me otherwise.

However, when my Grandmother shares her wisdom with us, her granddaughters, she always says, “Whatever you do, do it with a smile. Be nice to people and people will always be nice to you.” As these two stories about “smiling” illustrate, we Russians hold special knowledge about smiling, as a unique element in our communicative ritual. It is a tool that is used for particular people and in particular contexts.

As a small child, I did not understand that in a culture that Hofstede describes as “restrained,” smiles are not really given freely to everyone, especially to those whom we do not know or know for a short period of time. Although we Russians tend to be extraverted and open with our friends and families, we tend to be reserved in public, masking our feelings. Therefore, smiling is not an attribute of everyday communication in the streets or other public places with strangers in Russia.

A number of participants did not feel comfortable in Russia at the beginning of their stay, because of the lack of smiling faces in their everyday, more public, lives as they had been used to seeing in Denmark. They considered this to be surliness and a sign of rudeness. However, later they realized it is in the nature of Russians to be reserved with strangers. As soon as the Russians got closer to neighbors and colleagues, they realized that the Russians were very friendly and hospitable people.

Casper recalled his first impressions of Russia:

The environment was a little bit, not hostile, but a little bit foreign In the beginning I felt it was a little bit aggressive. I remember the first time I came to Russia. I landed in Sheremetyevo airport,¹⁴ terms of architecture and color, guards and soldiers, and the lack of smiles on people's faces, which I can see every day, which is normal, in Denmark, and I felt pressure, some kind of hostility, lack of friendliness from the environment.

Paul shared his perception of Russians, "To me, many Russians are rude. Basically.... people you do not work close to seem to be very rude in many situations, and that's a little bit stressful." Kristian noticed, "I think Russians are quite brutal people, especially the men, in terms of their communication, style, and their appearance." Eric also explained what he believed to be the rude behavior of some people, recalling, "In the very big cities some Russians are simply not polite. It can be in the traffic, it can be in the streets. You need to be a little bit of a tough guy, more tough than in other places."

Eric's comment expresses the opinion of participants about the difference between the behavior of Russians and people in other countries. Kristian shared his observations about

¹⁴ Sheremetyevo is an international airport in Moscow.

Russians, “Russians are a little bit more of a ‘big fist,’ a little bit more tough in the approach.” Paul commented on his experience of communication with Russians and people from other countries, “In many other countries, people are also of course private, and so on, and so on, but for example, if you go to the United States, you’ll find a totally different way of interacting with people, you try not to be rude, ha ha, to people if they come into the store, or if you meet them somewhere. The difference is quite stressful as Russian people seem to be rude in many situations.”

Kristian explained this phenomenon in terms of Russia’s ethnocentrism, caused by its isolation during the Cold War and Iron Curtain:

It is just how it is, because of the history in the past. Little the world means to Russia, because Russia is the world to Russians. I think it is the least international country I have ever been to. For Russians, Russia is just Russia, and Moscow is the greatest city in the world. For example, “We do not want to be the part of Facebook. We created our own Facebook.” Coming from Denmark, where we are just, come on, we are just a small drop in the ocean. We look very much into the world. Danes are very globally oriented, at least we have this mindset, looking outside, you know, thinking that there are so many things interesting. Russians have a very introverted view: “How we are and how we think.” Because it is also a huge country there, but it also struck me of how little international Russia is, how little it cares about where you are from.

Although Russians may seem to some to be very cold people, many participants acknowledged that after they got to know Russians better, they appeared to be very friendly and hospitable people. Eric noticed that in general, Russian “people were nice, very warm and

welcoming.” Jacob even considered Russians as more open people than Danes, “If I compare Russians’ and Danes’ culture and mentality, Danes are more European, a little bit closed, and it takes some time before we allow strangers to come into our life. The positive thing is that when you come to Russia, the people are much more open.”

Jacob continued, “When you know them [Russians], and they know who you are, they are much more open, you can faster come to their life, like friendship. Their attitude to life is much more positive and optimistic, than Danes.” Frederic recalled that he felt very comfortable in the local community because of “the warmth of the neighbors” and “absolute open assistance from all the [Russian] employees and colleagues in the company” at which he worked. Collin also commented that Russian colleagues were very supportive, “We had very good relationships in our company. It was a nice place to go to work. All of us, or most of us were happy to work. We had a very good attitude in our work life.”

A number of participants underlined that friendliness of Russian people is expressed in a high level of “hospitality” which, according to Casper, “does not exist in Denmark.” Frederic stated, “[In Russia] you are invited to eat with people, and they share everything they have. In Denmark, it takes a lot of time before you are invited to the home. And they [Russians] will show you the city even if they are very busy. There is much bigger hospitality than there is here in Denmark.”

Another aspect of friendliness and hospitality, which many participants noticed in Russian society, is the fact that local people are supportive to foreigners and help them to feel more comfortable in an unfamiliar environment. Casper remembered his experience as a foreigner:

Being a foreigner in Russia made things a little bit easier. When I came to the Aeroflot ticket office¹⁵ or a train system [to buy a ticket], as a foreigner, I always felt [peoples'] willingness to help. Sometimes I felt I got a little bit better treatment than many Russian colleagues, because I was a foreigner. I consider Russians to be hospitable people. Every time they tried to help. I sensed their wish to do their best as possible.

Casper shared that he did not know how to speak Russian well, but when he demonstrated respect to local people and tried to speak Russian, local people “put off” their severity masks and became very supportive and understanding: “Even with my poor-poor-poor [Russian] language ability, if I did an attempt, I met only good will everywhere, and people tried to help me to express myself in Russian.”

Although Russia ranks high on Hofstede’s restraint index, more understanding of cultural norms, social practices and historical background would help explain and probably shade this categorization. As the previous accounts suggest, one of the stereotypes about Russians is that they are considered to be rude and brusque (Nucifora, 1999). A lack of smiling faces in public life and in business could cause this perception about Russians. Indeed, as Hofstede et al. (2010) have noted, “a broad smile at a stranger does not work in Russia” (p. 294).

In Russia, it is also uncommon to smile when dealing with serious issues such as doing business. Smiling during business meetings could be considered as a sign of ignorance or distrust of partners' words. “I'm taking you seriously, you are important to me, so I don't smile” is the natural Russian approach to a smile (Vlasova, 2011). However, Krakovsky (2009) claimed

¹⁵ Aeroflot is a Russian aircraft company.

that despite a stereotype of rude people in public places, Russians like fun and enjoy life in private situations. Russians seem happier at family and private dinners, where they're drinking, singing, and telling various stories.

Russians demonstrate their friendliness not only with their families and friends. As Casper observed earlier, hospitality towards guests is an important element of Russian culture. (Master Russian, 2013). Russians display special generosity and goodwill to foreigners as guests from other cities and countries. In addition, most of Russians are open to the people who need their help. Since foreigners can be considered as “helpless guests” who have come to live in an unfamiliar environment, they get special hospitality and attention from Russians (Master Russian, 2013).

It is evident that in Russia there are certain restraints of communication emotions in public. This public-private behavior divide is reflected in a set of cultural rules about when to communicate one's feelings. Krakovsky (2009) noted, that “a Russian smiles only for good reason and only if the reason is apparent to those around him” (p. 20). It's not customary in Russia to smile while helping customers or when conducting serious business. In Russia, a smile is always informative: it is not a sign of a neutral politeness. “When a Russian smiles at you, he or she wants to say that he or she likes you sincerely or she or he is ready to communicate” (Vlasova, 2011). Krakovsky (2009) found that Russians are very good at controlling communication of their emotion. “They tend to either neutralize their emotional responses or mask one expression with another, especially with strangers or in public. Tamping down emotional displays reinforces the borders between friends and strangers” (Krakovsky, 2009, p. 20). One of the explanations why Russians prefer neutral expressions and masking their

emotions may be that brutal history, full of various wars, often political and economic changes, made Russians be more reserved in public (Krakovsky, 2009).

In contrast, Bean (2010) noted that Danes are smiling and friendly people, and they are far from the stereotypical association of a “brooding Hamlet.” According to the official website of Denmark, many non-Danes living in Denmark suggest that the Danes are open and welcoming (Denmark, n.d.a). I would confirm this statement, as I used to go to Denmark very often on business trips during my ten year employment with the Danish company. People are very polite and smiling, bus drivers are very respectful, and the service is quite customer-oriented.

Happiness as a Reflection of the Society. Despite the validity of the argument that the “unsmiling Russian” may be a public phenomenon, participants also observed that some of the Russian’s unsmiling natures were indeed due to underlying unhappiness. Paul tried to explain the lack of smiling faces and reserved behavior of Russians by the fact that many people are just not very happy because of social inequality in the society. He commented:

I think this rudeness and these social skills in the society [exist because] you can meet very-very rich people, and you can meet people who can just survive the day. I think that was some kind of a stereotype that I had, that there will be these large differences in the social scale between people. . . . In the other countries I do not find it so extraordinary as it is in Russia.

According to Casper, the fact that many people do not look that happy can also be explained by the fact that Russians are not satisfied with how things are going on in the society. He gave an example of “unofficial salaries” to support his view point:

When I started recruiting people, most applicants would ask whether the salary would be paid officially or unofficially. For me it was quite a surprising thing in the beginning because, the general assumption of a sustainable society in my mind is that you pay your taxes. If you do not pay taxes, you can expect nothing from the state. Later I understood why they asked this question. They did not get anything from the society. If historically and culturally society and government always screw you somehow, why do you not screw the government in a way to not pay your taxes? It is quite a natural response, I think.

OECD¹⁶ offers some criteria for *happiness* or *subjective well-being*: life satisfaction, the presence of positive experiences and feelings, and the absence of negative experiences and feelings. OECD uses these subjective measures to compare the quality of life across 36 countries. When Russians were asked to rate their general satisfaction with life on a scale from 0 to 10, they gave it a 5.6 grade, lower than the OECD average of 6.6 (OECD Better Life Index, 2012b).

According to Gudkov (2009), Russians' perception of reality cannot be called happy in general. One of the reasons for a low percentage of happy people could be lack of, or low level of, trust in social settings. Gudkov (2009) stated, "The sociocultural features of the Soviet

¹⁶ OECD stands for The Organization for Economic Co-operation and Development, which started in 1961. OECD has identified 11 dimensions as being essential to well-being, from health and education to local environment, personal security and overall satisfaction with life, as well as more traditional measures such as income. These 11 dimensions are explored and analyzed in detail in the "How's Life" report, the first attempt at an international level to present the best set of comparable and comprehensive well-being indicators. OECD introduced the "Your Better Life" Index updated in 2012, which profiles the 34 OECD member countries and key partners Brazil and Russia across the 11 topics of well-being (OECD Better Life Index, n.d.).

economy have turned into the firm belief that social order is unfair and morally suspect, because it was maintained by a state regime that was not under the people's control" (p. 65).

Another reason could be "disappointment with the performance of the authorities, dissatisfaction with their actions, while people remain dependent on them and alienated from them" (Gudkov, 2009, p. 65). Most people are not in a position to influence what the authorities are doing or not doing, and they have no control over them. According to Gudkov (2009), most Russians are helpless in dealings with their superiors at work, and even in dealings with their own local housing office. The fact that people do not feel they are able to make any change in their own country results in mass passiveness (Gudkov, 2009, pp. 60-61).

After the collapse of the Soviet Union in 1991, people lived through a transition period from planned economy to capitalism, which was full of economic instability and chaos. Even after the political and economic situation became more stable in the beginning of the 21st century, the gap between rich and poor people in Russia remained huge. According to Gorshkov and Tikhonova (2006), a person can be considered wealthy in Russia if their monthly income comes to a little more than 20,000 rubles [about US \$700]. Such a relatively low criterion for a rich person can be explained by the fact that half of the country's population has an average income of not more than 2,000 rubles or about US \$70. This level is ten times lower than the "wealth line" (Gorshkov & Tikhonova, 2006).

The inequality becomes more obvious taking into account that Moscow remains on top of Forbes' list of the cities with a concentration of the most billionaires for the third time in five years. In addition, since 2007, Moscow places at the top in the ratings of the most expensive

cities in the world based on the cost of living there¹⁷ (Greenburg, 2008). It is obvious Moscow's level of inequality is the greatest in Russia.

While Russia is considered as a country with a low level of happy people, due largely to economic instability and social equality, Denmark has been ranked as the happiest nation in the world in the first ever World Happiness Report, commissioned for the UN Conference on Happiness, held in April 2012. According to the report, among the most important factors contributing to life satisfaction are community trust, mental and physical health, and the quality of governance and rule of law—factors on which Denmark ranks high (Helliwell, Layard, & Sachs, 2012). Moreover, Weir and Johnson (2007) claim that Danes display a high level of trust in each other, and their government. For example, “vegetable stands run on the honor system, mothers leave babies unattended in strollers outside cafés, and most bicycles are left unlocked” (p. 2).

Ott (2011) noted that good governance “does not only produce a higher level of happiness, but also lowers inequality of happiness among citizens” (p. 3). Danes display high levels of respect to their royal monarchy, and they are proud of their queen (Denmark, n.d.b). According to Ott (2011), Denmark ranked 8.00 out of 10 on a scale of average happiness in 2006, which was the highest happiness index due to good governance among the 130 nations researched for the study.

¹⁷According to Forbes, consulting firm Mercer surveyed 253 cities across six continents and measured the relative cost of over 200 items in each place, including housing, transport, food, clothing, household goods and entertainment. The survey is used to help American government agencies and multinational companies determine living costs for their expatriate employees, who usually demand a relatively high quality of life (Greenburg, 2008).

According to the official website of Denmark, this is not the first time the Danes have been awarded this prestigious title (Denmark, n.d.a). Back in 1973, the European Commission decided to set up a “Eurobarometer” to find out about issues affecting its citizens. Since then, member states have been surveyed about well-being and happiness. Amazingly, Denmark has topped the table every year since 1973 (Denmark, n.d.a).

Attitude towards Leisure. Many participants were surprised that Russians have work as the first priority in their everyday lives. They noted that Russian employees are very dedicated and hardworking people who were ready to work after business hours to complete various projects or to keep the deadlines.

Eric remembered, “It was a surprise for me, when I was working hard, and the secretary was still sitting until eight o’clock in the evening. The secretary was still there and waiting when I would leave.” He explained his surprise as the difference in attitude towards leisure-work balance in Denmark and in Russia, “I come from the society when people go home after 5-6 o’clock. In Denmark you run away back to your family.” Paul added, “Danish colleagues are very family-oriented. They try to spend as less time as possible at work, and as much time as possible with [their families].”

Some explanations of Russians’ behavior regarding work can be found in academic literature. According to OECD data, Russians devote approximately 14.84 hours per day to leisure and personal care, including sleeping and eating, ranking 15 among 36 countries. People in the Russian Federation work 1981 hours a year, more than the OECD average of 1776 hours among 36 countries (OECD Better Life Index, 2012b). Russians highly value their free time and

recognize medical and social importance of leisure activities, but they still give the highest priority to work (Sedova, 2011).

One explanation of this phenomenon is that “very often people focus on success of their careers and financial prosperity, which is achieved at the expense of leisure time” (Sedova, 2011, p. 40). Another main reason is that the frequent experience of political and economic crisis has created some level of uncertainty and even fear of tomorrow. Russians are used to living in an unstable economic environment, and according to Sedova (2011), they experience “serious psychological stress having to do with being laid off, loss of earnings, feeling that [they are] not in demand” (p. 40). In addition, the relatively low standard of living most Russian families experience, and lack of financial savings, do not allow many people time to enjoy their leisure to its full extent. Thus, a large amount of free time is not wanted; it is not considered as a benefit, but as “a punishment or a threat to the overall material well-being of an individual and his/her family” (Sedova, 2011, p. 42).

Although work takes the most of Russians’ daily routine, according to Gudkov (2009), “for the absolute majority of the Russian population, work is primarily an unpleasant activity that is essential to putting bread on the table” (p. 79). In sum, many Russians consider work as “a necessary evil,” which could serve as an additional explanation of the low level of happiness among Russian people.

In contrast, Danes pay a special attention to their free time and high rank in work-life balance category among developed nations. According to OECD’s findings, “people in Denmark devote 69% of their day, or 16.1 hours, to personal care (eating, sleeping, etc.) and leisure (socializing with friends and family, hobbies, games, computer and television use, etc.) – more

than the OECD average of 14.9 hours” among 36 countries (OECD Better Life Index, 2012a). Danes enjoy a high degree of flexibility at work: they can schedule their working hours and many have an option of working from home. In addition, “The lunch break is often at a designated time each day, enabling colleagues to interact and eat together, thus getting away from their desks. There is a minimum 5 weeks’ paid holiday for all wage earners” (Denmark, n.d.c, para. 6-7).

Danes pay a special attention to the quality of their leisure time on personal and governmental levels. Most offices in Denmark are open until 4:00 p.m., after which the workplaces are empty, as Danes value their free time. People are involved in after-work activities with family and friends, such as sports and hobbies, or voluntary work. In general, Danes place a high priority on family life (Expat in Denmark, 2010). When I worked with Danish colleagues, I was surprised that they scheduled important business meetings based on their family events, for example, children’s birthdays.

According to Weir and Johnson (2007), ninety-two percent of Danes belong to some kind of social club, dancing, singing, even practicing laughing with other Danes: “Get a few people together who enjoy model train building, for example, and the government will pay for it. In Denmark, even friendship is subsidized” (Weir & Johnson, 2007, p. 2).

CHAPTER FIVE: DISCUSSION

Summary of Findings

The purpose of the present study was to interview Danish business expatriates who have worked, or are working currently, in Russia in order to identify cultural differences in Russian and Danish communication norms. Two cross-cultural dimensions influencing these differences were identified based on the interviews with Danish business expatriates: Power Distance (PD) and Indulgence vs. Restraint (IVR) (Hofstede, et al., 2010), [see Appendix A]. The present study also revealed the main cultural factors influencing these key differences between Russian and Danish cultures.

Power Distance. Russia presents a society with Large Power Distance (LPD) norms at both social and organizational levels. Participants' interviews revealed demonstrations of power by traffic police and endless paper work required by the authorities to control the overall population's activities. In business and organizational settings, the participants observed LPD in supervisor-subordinate relationships (SSR) in the workplace, in dominating authoritarian leadership and management styles, and in the subordinates' attitude towards their own workplace initiative.

Participants also communicated that delegation of responsibilities by managers to subordinates and development of solutions by subordinates are not very common in Russian companies. Rather, Russian subordinates are used to getting tasks from their supervisors and following clear instruction to implement them. In other words, their supervisors' solutions are correct by default. Another interesting finding was that "knowledge" is considered as a tool of power and subordinates are not supposed to demonstrate that they are more knowledgeable

than their superiors. Doing so can have a negative impact on SSR and/or on the subordinates' careers.

The present study also confirmed the previous scholars' observations that Denmark represents a country with a Small Power Distance (SPD). Thus, in social life there is no strict hierarchy. In the organizational settings in Denmark, an informal style in the workplace is preferable. There is not a big distance between subordinates and their managers. SSR are based on trust and respect. Micromanagement is not a main element of business routines. The main aspects of SSR in Danish companies are participation of the supervisors in decision-making processes and delegation of responsibilities, which encourage the staff to be creative and to take initiative.

Indulgence versus Restraint. Another prominent finding of this study is related to participants' observations about Russians' relatively low levels of happiness, and the cultural and historical conditions surrounding them. Using Hofstede et al's. (2010) Indulgence versus Restraint (IVR) as a starting point, the findings explained why Russians tend not to smile at strangers, why they often give the first priority to work, and why they seem to be less happy than many of their Danish counterparts, despite the fact that Russians love fun and highly value their time with family and friends.

Among the reasons discussed here, there are frequent changes in the Russian political and economic environment, which forces people to work hard, trying to secure their future and the future of their families "today" as they do not know what will happen tomorrow. Thus, work plays a very important role in many Russians' daily routines. However, in general, many Russians do not enjoy the environment in their workplace, which could be one of the reasons

why there is a relatively low level of happiness among Russian people. Additionally, the study revealed that inequality, as well as an overall feeling of helplessness, also may explain Russians' lack of happiness in society, where there is a huge gap between poor and wealthy people. Importantly, however, the study also revealed that a smile plays a special role in the communication process in Russia. Russians have a unique attitude towards smiling. It is not common to smile at strangers or during business meetings, because smiling is an element of informal communication among people, friends and families.

Lack of smiling is one of the reasons why Russians are considered to be rude. However, this stereotype is not always confirmed when one gets to know Russians better or if one needs help. In private settings (in a company with close colleagues, friends, and families) Russians are very friendly and fun-loving people. One of the components of their friendliness is hospitality. Therefore, foreigners as guests to Russian society get a special supportive treatment from Russian people.

The situation is somewhat different in Denmark. The participants of the study came from a society where people highly value work-life balance and give the first priority to their free time. Healthy time distribution between business and private/family life, a well-developed social welfare system, offering various benefits to the citizens, and overall trust among the society's members contribute to the high percentage of happy people in the country. Denmark ranks as the happiest country in the world where high levels of living and security in social life are reflected in smiling faces in everyday life. Therefore, smiling to customers and strangers is a cultural norm in Denmark.

Although the results of the present study are consistent with the findings of the

previous researchers in terms of the main characteristics of cross-cultural dimensions – PD and IVR – the present study revealed that their criteria are not as strict as the models would imply. For example, although Danish managers came from the society where the working day ends at 4:00 pm, many participants of the study often stayed late in their offices or worked during weekends in order to complete various projects. Conversely, even though Russians often give first priority to work, they love having fun and spending time with families, friends and their colleagues after working hours.

The present research helped to explain some communication norms and social practices in Russian society and helped shade some stereotypes. One of the most important communication norms is that Russians prefer masking their emotions in public. However, many Russians are very open, friendly and hospitable in private life. The results of the study helped to explain why Russians are stereotyped as rude people and why that perception is not always accurate. The understanding of these specifics in interaction may help to establish effective tools for communication: lack of smiling does not necessarily mean that people are rude. It can mean a host of things, as evidenced in this study.

Implications

The study revealed some substantial cultural differences between Russia and Denmark at both social and business levels. These findings have important implications for human resource (HR) personnel at multinational companies (MNCs), who are sending employees to Russia. The results of the present research can be helpful for potential and current expatriates as well.

Selection Processes for Expatriate Managers. One implication of this study for Western managers doing business in Russia is that leadership behaviors, which they may have used successfully in their own country, can be ineffective or even have a negative impact in another country, and adjustments need to be made (Ardichivili, 2001). Eric commented on the importance of understanding different approaches to effective and successful business communication, “If you want just copy and paste from the country you come from, then you will have a big problem. You have to be open, high degree of emphasis. And then from this build something new then.” Therefore, the business expatriates should have certain skills in order to be open to new managerial knowledge and flexible to adjust to business practices in a host country.

Tsai-Jung, Shu-Cheng and Lawler (2005) noted that a well-designed selection system for expatriates is critical to the success of global assignments. An effective expatriate selection system should be based on the identification of appropriate selection criteria, including, for example, personality traits in relation to the host-country culture (Tsai-Jung et al., 2005; Wang, 2008), a person’s prior international experience (Tsai-Jung et al., 2005; Puck, Kittler, & Wright, 2008), and language competence (Puck et al., 2008). In addition, HR managers of the multinational companies should understand the specifics of business culture in the host country and develop selection criteria based on this knowledge.

Despite the historical and cultural research, HR managers and expatriates should also understand that culture changes quickly. Russian management style is often stereotyped as militaristic and authoritarian. The findings of the present study confirmed this fact, as many participants were selected to go to Russia based on a well-known stereotype of a Russian

manager: a military-type commander using a controlling management style. Although historically this type of leadership has been successful in Russia, managers of MNCs should keep in mind that Russia is going through a period of transformation from a Soviet planned economy to new capitalistic relationships. Accordingly, classic authoritarian management styles are not homogeneous in Russia anymore.

Writing over a decade ago, Kets De Vries (2000) defined two main categories of managers in Russia: the old generation (Soviet-era type managers) and the new generation (entrepreneurs). Butler and Purchase (2008) and McCarthy et al. (2010) provided several examples of new generation managers, who became successful in Russia because of their non-authoritarian, participative style of leadership and blend of Eastern and Western practices. In addition, the scholars found that some local employees express their willingness to work with democratic and open-style managers, which creates a less stressful and healthy environment (McCarthy et al., 2010). Most Russians appreciate the new freedoms they have acquired and do not want to return to managerial practices accepted in the former USSR, despite the fact that the desire for strong leadership continues to influence organizational life in Russia (Kets De Vries, 2000).

While findings of the present study demonstrate that Russians' image of an effective managerial style remains largely based on their perception of the traditional Russian leadership style, the new generation of managers, utilizing democratic traditions and Western business approaches, are becoming popular and successful. Therefore, selection criteria for the business expatriates should reflect the development in Russian society and desire of Russians to go to the new step in the business and economic development.

Training for Business Expatriates. After the selection of the expatriates, MNCs, in conjunction with offices in the host countries, should develop and conduct training programs for these employees. The importance of understanding local norms of communication was very well explained by Casper. He shared that one of the important characteristics of his assistant in Russia would be knowledge of Russian cultural norms and social practices. To the question, “What criteria would you use to employ a person to assist you in Russia,” he answered, “Native Russian, because culture matters. Culture and history are very important.” He added that cross-cultural training would be very helpful before departure to Russia as it would help “to prevent failure.”

Many participants shared that they either had no training before they went to Russia or that training was very poor. They emphasized the importance of cross-cultural training. Based on his experience, Paul commented, “Training is very important the period before and after the departure.” Casper even remarked on the usefulness of Hofstede’s taxonomy of cultural patterns as a training tool, noting that it should be explained with stories and examples. “Training should include all Hofstede’s factors that make differences: masculinity and femininity, individualism versus collectivism, desire to avoid risk or take risk, and power distance.” Some participants commented that such training should include experiences of business expatriates who are working/have worked in Russia, including examples and case studies of doing business in Russia.

Vijaya and Tiwari (2010) found that “more sophisticated knowledge and training in intercultural communication skills and multicultural team building are important” (pp. 22-23) for business expatriates. Importantly, Wang (2008) argues that such training should start as

soon as selection has been made, and that it should involve three stages: pre-departure training, training during the assignment, and preparation for repatriation. Jenkins and Mockatis (2010) emphasize the particular importance of pre-departure for expatriates, given that it reduces uncertainty about their work role and provides more specific information about the host country than expatriates typically can find on their own.

While developing training programs, MNCs should consider the length of expatriates' assignments, the nature of their jobs, and the degree of interaction with the host country. Based on these data, MNCs should offer different levels of cross-cultural training to expatriates. Well-developed cross-cultural trainings can help expatriates adjust effectively to a new environment. They will enhance their understanding of the local culture and thereby help them to develop appropriate behaviors and communication strategies for dealing with local cultural norms and practices (Wang, 2008).

Training for Local Employees. One of the key findings of the present study is that subordinates in Danish and Russian companies have different perceptions of their supervisors and SSR, for example, delegation of responsibilities or demonstration of initiative in the workplace. A number of scholars (Kets De Vries, 2000; Michailova & Husted, 2003; Puffer & McCarthy, 2011), as well as some participants of the study, underlined the fact that Russian employees are very intelligent people, but they are not often willing or are afraid to demonstrate their knowledge. This observation was corroborated in the literature and traced to some historical and cultural factors. According to some participants and my own experience of cooperation with Danish expatriates, open dialog with the local staff about the knowledge

sharing among the members of the organization would help to create a productive and effective environment in the workplace.

Eric communicated the importance of open communication about the expectations from the subordinates. He gave an example of a situation, when in the beginning of his experience in Russia he could not understand why Russian subordinates always agreed with all his proposals and decisions. He expected that his decisions would be discussed by all the team members. Instead, his Russian colleagues accepted his suggestions without question. It took Eric several months to realize that it was common in Russian business practice to agree with a supervisor no matter what he does. When Eric communicated his expectations to his subordinates, the situation changed, which helped to establish a more egalitarian and productive working environment.

In addition to the open dialog, business expatriates should also initiate brainstorming and team building activities among Russian employees. According to my experience as a Russian employee in a Danish company, these activities would demonstrate to local staff the importance of each member of the team in achieving the company's overall goals. Moreover, business expatriates should recognize that "there is no tradition of management education in Russia" (Kets De Vries, 2000, p. 74). Russian executives and managers' administrative training historically has been directed toward running a centrally planned economy. These people need to be given the tools of "how things should be done" under new capitalist conditions. Business expatriates should initiate training for local employees, focusing on business behavior in a market economy, utilizing people-orientation strategies (Kets De Vries, 2000). As a caveat however, business expatriates must also recognize that such cultural changes are likely to occur

slowly and that organizational members may need time to adapt new management strategies, which are fraught with norms and values that are, in many cases, quite the opposite of what they have learned throughout their lives.

Strengths

One of the strengths of the present study is the methodology that I used. Specifically, I had a unique opportunity to conduct in-depth interviews with business expatriates who worked in Russia for at least two years. Many of them worked in Russia for more than four years. Due to the fact that I found participants through my professional network, I believe that we shared a high level of trust. Thus, they were able to share their own experiences about their time in Russia openly. During our interviews, which each lasted 45-90 minutes, I tried to create a very friendly environment. I believe this environment provided favorable conditions and enough time for the participants to recall and evaluate their experience in detail. In some of the cases, Skype interviews allowed me to observe participants' non-verbal communication, which provided me much more information about their attitude and emotional affect than hearing only their voices could have done.

Another strength of the study is that the findings enhanced Hofstede et al's research on cross-cultural communication. Although this taxonomy remains one of the most often used and well-studied in the fields of education, business, communication, and psychology (Call, 2010; Fowler, 1999; Oudenhoven, Mechelse, & Dreu, 1998; Signorini, Wiesemes, & Murphy, 2009; Wardrope, 2005), most studies employing this work use highly quantitative methodologies (Garcia, Posthuma, & Roehling, 2009; Gevorgyan, 2010; Koeman, 2007; Steenkamp & Geyskens, 2012; Williams & Zinkin, 2008), which include little from the perspectives of the participants.

Thus, this study enhances previous research because it provides in-depth stories of participants vis-à-vis two specific areas of Hofstede et al's., (2010) work: PD and IVR. These are just the sort of "in situ" examples that participants of the study emphasized as vital for expatriates entering ambiguous cultural situations.

Next, although Russia plays an important role in the global economy and attracts many foreign investors, there are few data available about the specifics of communication norms in Russia. The present study begins to fill this gap by helping business expatriates to understand some of the rules and traditions of the local communication process, reducing their level of uncertainty during their stay in Russia, and hopefully increasing their opportunities for a successful experience. The study could be also useful for a developing Russian economy as it helps Russian companies who plan to host business expatriates better understand the cultural patterns of foreign expatriates. By helping to ensure more positive outcomes for these expatriates, Russian businesses may also realize more positive outcomes.

Limitations

The study has a number of limitations, which can be addressed through further inquiry. First, as with most qualitative studies, I have exchanged breadth for depth as I conducted interviews with only eight participants. Although the small sample yielded rich results, I am sure a larger sample would provide a broader picture of the cross-cultural issues described in the study. More participants would possibly give more evidence and examples of PD and IVR characteristics in Denmark and Russia, which would help to explain these cross-cultural dimensions with more depth and with more nuances.

Next, the project presents only Danish managers' viewpoints of cross-cultural communication in business and everyday life. It would be interesting to compare their observations with those of their Russian subordinates and colleagues. In addition, experiences of the expatriates in the study range from 1990-2009. Although these experiences represent a fairly recent time frame, due to the rapid change of economic and social development in Russia, it would be interesting to conduct research among business expatriates who have been living and working in Russia during last few years in order to get more accurate data about the current situation in Russia.

Additionally, the short time frame for the project did not allow me to conduct follow-up interviews to analyze the identified cultural differences and dimensions in even further depth. Finally, although Skype technology enabled the interviews to occur, up close, face-to-face interviews would have allowed for energy exchange between the communicators, which would probably help to understand participants' communicative styles better. As Irvine (2011) noted, "The lack of face-to-face contact is said to restrict the development of rapport and a 'natural' encounter. The absence of visual cues is also considered to affect the depth of meaning that can be conveyed" (p. 203).

Finally, even though I felt I had built considerable trust with the participants, the fact that I am a Russian citizen may have had a certain "chilling effect" on some participants. In other words, some participants may have been reticent to be completely honest about particular aspects of their experience for fear of offending or upsetting me.

Directions for Further Research

First, future researchers could analyze the identified cross-cultural dimensions - PD and IVR - from the viewpoint of Russian employees managed by Danish business expatriates. This analysis would provide culturally authentic explanations of Russians' organizational behavior, perhaps confirming and/or refuting explanations provided by previous scholars. Additionally, perspectives from cultural insiders might reveal cultural dimensions untapped by the Danish expatriates.

Second, further inquiry could be directed toward researching Danish expatriates working in Russia for the last 2-3 years in order to obtain more current information about cross-cultural challenges in Russia. These data could be compared to the findings of the present study in order to evaluate the current dynamics of cross-cultural communication between Danish expatriates and their Russian colleagues. In addition, the experience of business expatriates working in Moscow could be compared with those who work in other cities of Russia. The participants of the study worked mostly in Moscow, but Moscow's culture differs from that of many other cities within Russia. Thus, expanded sets of studies would provide a more fine-grained approach to the studies of "how business is done" in Russia.

In addition, the results of the present study demonstrated some links between analyzed cross-cultural dimensions, PD and IVR. For example, some characteristics of a restrained society, "lack of smiling" and "helplessness," were also revealed as attributes of a LPD culture. Similarly, a high percentage of happy people, a characteristic of an Indulgent society, were also revealed as a main component of SPD cultures. Therefore, it would be interesting to analyze

links between large power distance and restrained societies and connections between characteristics of small power distance and indulgent societies.

Finally, besides PD and IVR, the interviews revealed other cross cultural dimensions and themes, such as “Communication skills required for successful adaptation,” “Stereotyping,” and “Boring Denmark vs. Dynamic Russia.” Those theses could be recommended for further evaluation through a cross-cultural communication theory lens.

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Appendix A

Main Differences of Danish and Russian Societies

			RUSSIA	DENMARK
Power Distance	Social Life	<i>Police</i>	Sometimes use its power to earn extra money	Follow legislation strictly
		<i>Civic Bureaucracy</i>	A lot of paper work required from authorities	Easy and simple processes
	Business	<i>Supervisor-Subordinate Relationships</i>	<ul style="list-style-type: none"> - Boss oriented - Control - Clear tasks 	<ul style="list-style-type: none"> - No big difference between supervisors and subordinates - Delegation of responsibilities - Trust
		<i>Supervisors: Management Style</i>	<ul style="list-style-type: none"> - Authoritarian - Controlling - Open - Balanced - King-like - Manage knowledge 	<ul style="list-style-type: none"> - Democratic, consultative - Open - Encourage initiative
		<i>Subordinates</i>	<ul style="list-style-type: none"> - Lack of initiative 	<ul style="list-style-type: none"> - Share their opinions/knowledge - Participate in decision making processes
Indulgence vs Restraint	<i>Smiling</i>	<ul style="list-style-type: none"> - Smiling at strangers or during business meetings (public life) is not a cultural norm - Smiling at friends and family members (private life) is an element of communication 	<ul style="list-style-type: none"> - Smiling is a norm of communication in private life and in public - Smiling at customers and strangers is an act of politeness 	
	<i>Happiness</i>	A low level of overall happiness	A high level of overall happiness	
	<i>Leisure</i>	<ul style="list-style-type: none"> - Work is the first priority - However, people love fun and spending quality free time 	<ul style="list-style-type: none"> - Healthy life-work balance - Quality free time and spending time with families is very important element of the culture 	

Appendix B

Participant Interview Consent Form in English

INFORMED CONSENT FORM

Study Title: Experiences of Danish Business Expatriates in Russia: Cross-Cultural Communication Study

Study Purpose and Rationale

The purpose of this research project is to better understand how Danish business expatriates experience (ed) their life in Russia. Findings from this research may result in recommendations to Russian companies about how to better satisfy the needs of business expatriates. Foreign business expatriates can use the findings of this study to feel more comfortable in an unfamiliar environment, Russia.

Inclusion/Exclusion Criteria

To be eligible to participate in this study, you must be a current/ former Danish business expatriate who worked in Russia at least one year. The age range of the participants: 35-65.

Participation Procedures and Duration

For this project, you will be asked a series of broad questions regarding your experience thus far as a business expatriate in Russia. The interview will be conducted via Skype or phone calls. Our conversation will take between 45 and 90 minutes.

Audio Recording

For purposes of accuracy, with your permission, the interview will be audio-recorded. Any names used on the audio recording will be changed to pseudonyms once the recording has been transcribed. The audio files will be kept on the investigator's personal laptop, protected by passwords.

Data Confidentiality

All data will be maintained as confidential, known only to the members of the research team. No identifying information such as names will appear in any publication or presentation of the data.

Storage of Data

The audio recordings, their transcripts, and other types of notes will be stored on the investigator's personal laptop, protected by passwords. If paper copies of the data are made, they will be stored in the investigator's home, in a locked drawer to which only she has access. Once data have been analyzed, all audio recordings and transcripts will be destroyed. Only members of the research team will have access to the data. The data will be kept for eight years.

Risks or Discomforts

The only anticipated risk from participating in this study is that, due to the personal nature of some of the questions/topics we will discuss in this interview, you may experience negative emotions (such as homesickness or anxiety). You may choose not to answer any question that makes you uncomfortable and you may withdraw from the study at any time.

Who to Contact Should You Experience Any Negative Effects from Participating in this Study

Should you experience any negative emotions, please contact the nearest local counseling services available.

Benefits

By participating in this study, you may benefit from reflecting on how you are experiencing or have experienced life as a business expatriate in Russia. You will also be given the chance to voice any concerns or suggestions you may have regarding Russian local companies' treatment of expatriates' needs.

Voluntary Participation

Your participation in this study is completely voluntary and you are free to withdraw your permission at any time for any reason without penalty or prejudice from the investigator. Please feel free to ask any questions of the investigator before signing this form and at any time during the study.

IRB Contact Information

For questions about your rights as a research subject, please contact Director, Office of Research Integrity, Ball State University, Muncie, IN 47306, (765) 285-5070, irb@bsu.edu.

Study Title: Experience of Danish Business Expatriates in Russia: Cross-Cultural Study

Consent

I, _____, agree to participate in this research project titled, "Experience of Danish Business Expatriates in Russia: Key Factors of Success." I have had the study explained to me and my questions have been answered to my satisfaction. I have read the description of this project and give my consent to participate. I understand that I will receive a copy of this informed consent form to keep for future reference. To the best of my knowledge, I meet the inclusion/exclusion criteria for participation (described on the previous page) in this study.

Participant's Signature

Date

Researcher Contact Information

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Appendix C: Participant Interview Consent Form in Danish

SAMTYKKE FORM

Projektets title: Erfaring af Dansk forretningspersonaler boende i Rusland: Vigtige faktorer for success

Projektets formål og rationale: Formålet med denne undersøgelse er at bedre forståelsen af hvordan dansk forretningspersonale oplever bosættelsen i Rusland. Undersøgelsen vil muligvis resultere i nye retningslinjer, hvilke russiske firmaer kan anvende til at bedre imødekomme forretningspersonale's behov. Udenlansk forretningspersonale kan bruge resultaterne til at opleve sig mere tilpas i fjerne omgivelser, Rusland.

Inklusion/Exklusion kriterier: For at kunne deltage i undersøgelsen er krav om at du har været arbejdende i Rusland minimum et år. Deltagernes aldersgruppe: 35-65.

Deltagelse procedure og varighed: I denne undersøgelse bliver du spurgt ind til dine erfaringer af at være en forretningsperson i Rusland. Interviewet vil blive udført via Skype or telefonopkalde. Vores samtaler vil vare mellem 45-90 minutter.

Audio optagelser: For nøjagtighedens skyld, med dit samtykke, vil interviewene blive optaget. Synonymer vil blive anvendt i transkriptionerne. Audiofilerne bliver gemt på forskerens egen computer, hvilken er låst med password.

Data fortrolighed: Al data vil blive gemt som fortroligt, og vil kun være tilgængeligt af forskeren. Ingen navne eller øvrige personelle oplysninger vil være i publikationer eller presentationer af dataen.

Data opbevaring: Audiooptagelserne, transkriptionerne, og andre typer af noter vil blive opbevaret i forskerens egen computer, hvilken er låst med password. Hvis der laves papirkopier af dataen, disse vil blive opbevaret i forskerens hjem, i låst skuffe, hvilken hun kun har adgang til. Når data er blevet analyseret, al audiooptagelser og transkriptioner vil blive destrueret. Kun medlemmer af forskningsholdet vil have adgang til dataen. Dataen bliver gemt for otte år.

Risiko og ubehag: Den eneste forudigelig risiko ved at deltage i denne undersøgelse er at du kan muligvis opleve negative følelser (såsom hjemve eller angst) da spørgsmålerne/temaerne er af personlig nature. Du kan selvfølgelig vælge ikke at svare på spørgsmål som du oplever ubehagelige, og du kan tilbagekalde din deltagelse når som helst.

Hvem skal du kontakte hvis du får en negative oplevelse grundet i din deltagelse i undersøgelsen: Hvis du oplever negative følelser, så bedes du at contacte den nærmeste lokale psykiater klinik du har mulighed for.

Fordelene: Ved at deltage i denne undersøgelse, det er mulighed for at du kommer til at reflektere om din oplevelse ved at have været eller at være forretningsperson i Rusland. Du vil også få muligheden for

at udtale dig om bekymringer eller forslage du muligvis har vedrørende Russiske behandling af personalets behov.

Frivillig deltagelse: Din deltagelse er frivillig og du kan tilbagekalde din godkendelse når som helst uden grund og uden straf eller fordomme fra forskerens side. Du må gerne stille forskeren spørgsmål inden du underskriver din godkendelse, og når som helst i forskningsprocessen.

IRB kontakt information:

Pga. dine rettigheder som et forsknings subject, kan du kontakte efterfølgende: Direktør, Office of Research Integrity, Ball State University, Muncie, IN 47306, (765) 285-5070, irb@bsu.edu

Projektets title: Erfaring af Dansk forretningspersonaler boende i Rusland: Vigtige faktorer for succes

Samtykke/godkendelse

Jeg _____ godkender min deltagelse i dette forskningsprojekt; "Erfaring af Dansk forretningspersonaler boende i Rusland: Vigtige faktorer for succes." Jeg er blevet forklaret og oplyst om projektets formål og mine spørgsmål er blevet svaret til min tilfredshed. Jeg har læst projektets beskrivelse og giver godkendelse for min deltagelse. Jeg forstår at jeg vil modtage et kopi af dette informerende dokument for fremtids referense. Efter min umiddelbare viden, passer jeg inklusion/exklusion kriterierne (se forrige side) for deltagelse i dette project.

Participant's Signature

Dato

Forsker Kontaktinformation

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Appendix D

Recruitment E-mail to Participants

Dear [Name],

I have received your contacts from [Name].

Currently, I am a Graduate Student in Communication Studies at Ball State University in the US.

At the moment I am doing a study about the experiences of expatriates in Russia as a way to help future expatriates learn from those with previous experience. I would highly appreciate if you will agree to participate in my study and to share your experience in Russia. We can conduct interview over SKYPE if it is convenient for you. It will take approximately one hour.

As a matter of course, I will be recording the interview (for the sake of accuracy), but your identities will be confidential, of course. Only I will hear your voice. The timeline for the interviews will be approximately late fall/early winter. Please let me know if you are willing to participate in the interview.

Looking forward to hearing from you soon.

Elena Chudnovskaya

Appendix E

Participants Initial Questionnaire

1. Where are you from?
2. Could you please tell me about your academic background?
3. Why did you decide to go to Russia?
4. How long have you been to Russia?
5. What is your position?
6. Could you describe your position/ area of responsibilities/ number of employees you supervise?
7. Do you find any difficulties supervising Russians? /What did you find interesting while supervising Russians?
8. How does business/ management style in Russia differ from your home country? Any examples?
9. What are the specific benefits of working in Russia?
10. How proficient are you in Russian?
11. What is the most interesting/ exciting part of your job in Russia? Any examples?
12. What is the most stressful part of your job in Russia? Any examples?
13. How do you spend your spare time?
14. What do you usually do on weekends? On vacations?
15. What do you miss about your home country?
16. Do you meet people from your own country in Moscow? How often?
17. Do you have much contact with Russians besides your work?
18. What helps you to feel comfortable in the local community? Any examples?
19. What makes you feel less comfortable in Russia? Any examples?
20. How often do you communicate to your family and friends in your home country?
21. Tell me specifically, how does life in Russia differ from in your home country? Any examples?
22. If your friend or family member is going to come to Russia to work, what would you recommend him/her to do to feel comfortable in Russia?