

CULTURE AND MANAGEMENT PHILOSOPHY PRACTICE IN NIGERIA

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ABSTRACT

Effective management of an organization or business requires a balance in the resolution of political, legal, economic and cultural issues. This study examined the influence of culture on management philosophy and practice in Nigeria. Survey research method and a theoretical framework based on Hofstede's model were adopted for this study. The population of the study comprise of all the employees and management of two selected companies in Nigeria. A sample size of three hundred and fifty respondents was purposively selected from the population of the study. The data generated were analyzed using descriptive statistics, correlation and multiple regressions. Results of the analyzed data show that, power distance, level of uncertainty avoidance, level of individualism and degree of masculinity influence management philosophy and practice in Nigeria. The study recommends that companies operating in Nigeria should take note of culture in managing their businesses as any negligence might cost them their expected business outcomes.

Keywords: Culture; management; Nigeria; organization; business

Introduction

Management has grown to one of the most important fields of study in the contemporary world. It has become an important concept in not only business circles but also in social, economic and political spheres. Management has also developed into a dominant and innovative influence on which today's society depends for substantial support and national growth (Cole, 2011). Conventionally, management can be defined as the act, practice and science of getting work done through people. Management cannot be effective without taking cognizance of the cultural environment. Culture exerts influence in businesses and in the management of organizations, under different forms. When

organizations intensify relationships with partners in other countries and establish themselves in other parts of the world, their business is subjected to an increased influence of the cultural component of the environment they find themselves, (Meyer, Bernardo and Jon, 2006). In business, it is of great importance to consider the political, legal and economic environment. Mayrhofer (2012) noted that, the socio-cultural environment is an even more important aspect. Successful fulfillment of political, legal and economic needs of an environment, without considering its cultural aspect can seriously affect a company's future. He further noted that, companies that want to be "a step ahead" of their competitors need to be aware of the importance of culture. Culture affects a large number of business activities, starting with a simple handshake – from the firm type of handshake in the USA to the gentle but frequently repeated type in the Middle East (Adler and Gundersen 2008). Some cultures are similar to one another, while some are completely different.

Statement of the Problem

Today's world is represented by a large interaction among companies localized in all parts of the planet and by an intense movement of people, merchandise and services. In this context, the cultural dimension is constituted, in a crescent form, in a strategic component in business management. Niki (2010) notes that cultural factors are one of the most frequent and difficult barriers to be overcome by anyone doing business in any environment. One of the biggest challenges faced by organizations is the cultural differences (Meyer, et al, 2006). Another is a successful adaptation of diverse cultures and their impact on daily operations. Such adaptation requires an understanding of culture, cultural diversity, views, stereotypes and values (Matijevic, et al, 2012).

Also, due to the existence of different cultures in the world, an understanding of the cultural imperative is critical for business management. If managers do not know the culture of a country with whom or in which they operate, business performance can be extremely negative. Nevertheless, recognizing the importance of cultural differences helps managers understand their partners and competitors and ultimately helps to improve their managerial skills (Cullen and Praveen, 2014). However, it is rather difficult to recognize a direct influence of culture on business. Cultural diversity is a part of reality, so ignoring it is unproductive and undesirable, therefore the focal interest of the study is to examine the influence of culture on management philosophy and practice in Nigeria.

Objective of the Study

The major objective of the study is to examine the influence of culture on management philosophy and practice in Nigeria. The specific objectives include:

1. To determine whether power distance influence management philosophy and practice in Nigeria.
2. To determine whether the level of uncertainty avoidance influence management philosophy and practice in Nigeria.
3. To ascertain whether the degree of individualism influence management philosophy and practice in Nigeria.
4. To investigate whether the degree of masculinity influence management philosophy and practice in Nigeria.

Research Questions

The following research questions were formulated to guide this study.

1. To what extent does power distance influence management philosophy and practice in Nigeria?
2. To what extent does the level of uncertainty avoidance influence management philosophy and practice in Nigeria?
3. To what degree does the level of individualism influence management philosophy and practice in Nigeria?
4. To what degree does the degree of masculinity influence management philosophy and practice in Nigeria?

Literature Review

Culture is the shared values and beliefs that enable its members understand their roles and norms of the organization (Hodgetts, Luthans and Doh, 2012). One of the most widely used definition of culture as proposed by Kluckhohn in (Matijevic et al, 2012) states that, "Culture consists of explicit and implicit patterns, and behaviours acquired and transmitted symbols, which form the characteristic achievement group of people, including embodiments in artifacts; essential core of culture consists of traditional ideas and especially their values added; system of culture on the one hand can be seen as a product of action, on the other hand, as conditional elements of future action."

Management philosophy refers to the culturally embedded assumptions managers hold in relation to human nature and human behaviour that inform their thinking and managerial practice (Armstrong, 2017). Regardless of whether managers are cognizant of the assumptions or not, they are influenced by the assumptions in their dealings with superiors, colleagues and subordinates (Dowling and Welch, 2014). These assumptions are inculcated in individuals through the socialization process and inform their perceptions and behaviours.

It is a universally accepted principle that man behaves according to his value systems. It is also a reality of life that the core values serve as a code of conduct which in turn serves as directions of how people are expected to behave, (Oghojafor, Idowu and George, 2012). After independence from the colonial master in 1960, Nigeria was plunged into ethnic strife and military dictatorship. However, this gave the country a rich culture and the ability to develop managerial ideas and practice towards nation building. The culture has given birth to various managerial philosophies including: Patrimonial management philosophy, Patronage philosophy, Indigenous Ecological philosophy, Balance management philosophy, Communal Management Practice, Acculturation Practice, (Fashoyin, 2005).

The Nigerian management philosophies reflect the core values of African culture. These core values include extended family, human relations orientation, co-prosperity or social mutual concern, respect for elders and tradition, consensus, competition and hero-worship, (Ifechukwu, 2010). The Nigerian management model indicates a managerial style that shows a high concern for people, production and a system where decision-making is by consensus. The model offers an explicit concept for structuring the character of participation within each phase in management decision-making. In Nigerian organizations, the importance of clan or ethnic interests over individual needs is

manifested in different ways. The distribution of scarce resources to clan and ethnic affiliates are natural responsibilities of management. With this paternalistic orientation, managers bestow favors, and expect and receive obeisance or reverence. This phenomenon offers a unique perspective on in-group collectivism and reflects a response to collective need rather than individual performance, (George, Kuye and Onokala, 2012).

The influence of culture on business management has attracted huge empirical attention in academic literature. Menezes (2014), studied the impact of culture in international business using multi-national businesses in India. Using a sample of 58 firms, he explored the impact of national culture on the performance of foreign businesses in India. Various factors of business influenced by national culture and the bearing of culture on the performance of foreign businesses in India were examined. The study found that, out of the eight individual specific factors of individual performance that are affected by the national culture of a country, individual participation has been the most affected factor. This means that individual participation of an employee at the workplace is the most importantly affected factor that is ruled by the national culture of a country. The study also found that among the factors of culture as proposed by Hofstede, uncertainty avoidance is the most important behavior pattern that is reflected among employees in the MNCs studied in Bangalore City.

The relationship between national cultural distance and the performance of multinationals in the Nigerian petroleum sector was examined in (Tega, 2012). The aim of this study was to examine if and how national cultural difference affects the performance of multinationals in the Nigerian petroleum sector. The result showed that, as cultural distance between home Countries and Nigeria increases, there was a negative impact on the performance of multinationals in the Nigerian petroleum sector. Although the results imply that cultural distances exist and can have a negative impact on the performance of multinationals, if properly managed, such negative impacts can be minimized and multinationals can be successful regardless of been present in a culturally distant home country.

Duc and Skitmore (2002), examined the impact of culture on international management in Project Communications in Singapore. This paper provides the results of an exploratory survey of construction industry managers in Singapore to isolate some of the common effects of national and organizational culture, together with the personal characteristics of managers, on the efficacy of project communication. By examination of significant correlation coefficients, the various types of influences were identified. The results of the research suggest that the managers' attitude and behaviors toward communication may be guided to a large extent by their level of competence. The study also provides evidence to suggest that the individuals' understanding of the communication process and its barriers, the way they behave with other individuals and expect to be treated, varies according to national cultures.

The mediating roles of capability complementarity in capacity cultural differences and capability transfer in cross- border acquisitions were examined in (Bjorkman, Gunter and Eero, 2007). The study adopted descriptive statistics in analyzing the data. They found that cultural differences can be both an asset and a liability. Cultural differences can be beneficial because they may enhance the combination potential but can also create obstacles to reaping integration benefits by exacerbating social integration problems and

diminishing the acquired and acquiring firm's capacity to absorb capabilities from the other party. Thus the execution of a well-designed integration process that enhances the organizations capacity to acquire and assimilate new capabilities, while minimizing interpersonal and intercultural friction is critical to capturing synergies.

Ivete and Roberto (2013), examined the cultural challenges of managing global project teams using Brazilian multinationals. The study aimed to determine how Brazilian multinationals manage project teams before the global cultural impact. The study also sought to understand in the light of cultural diversity, the process of managing global project teams in Brazilian multinationals in the context of high and low cultural distance. To achieve the objective of this study, qualitative data obtained from interviews with managers of six global projects were used. The data analysis method employed includes Individual analysis of each case; analysis of the cross-cases; literal replication and theoretical replication. The data presented indicate that there is still little concrete concern with the issue of multiculturalism. Although the project managers recognize intuitively that, the cultural characteristics of individuals can affect performance, they are still incipient and rare activities of planning and development of teams seeking to address the issue. Thus, intercultural knowledge is not internalized by the organization, depending on the experience of executives who are predisposed to work abroad.

This study adopted Hofstede's model as its theoretical framework. This model became useful for the study because they are highly valuable in research studies related to culture and international business management. Hofstede identified four major dimensions of culture in his framework: Individualism-collectivism, power distance, uncertainty avoidance, and masculinity-femininity. His study confirms that national culture has a great influence on the work values, (Hofstede 2001).

Materials and Methods

The research adopted the survey method. The population of the study comprised of all the employees of two selected companies in Nigeria. The companies include Unilever Nigeria Plc. and Nestle Nigeria Plc. Only the management and the employees of these companies were examined. The research employed judgmental sampling technique to choose the employees and management of the selected companies to get the desired target. Thus, a sample size of 350 respondents was chosen through purposive sampling. The instrument employed for data collection was questionnaire. The tools used in analyzing the data collected include simple percentages, descriptive statistics and correlation analysis. Descriptive statistics was used to analyze the individual characteristics of culture variables in relation to management philosophy and practice in Nigeria. The analysis of the individual characteristics of these variables is presented in table 1. Pearson correlation was employed to measure the strength and relationship between independent variables. Table 2 shows the summary of correlation coefficient. The study also employed Multiple Regression Analysis (MRA) method to determine the influence of culture on management philosophy and practice. The result of the multiple regression analysis is presented in the tables 3-5.

Results

The demographic features of the respondents such as gender, marital status, age bracket, educational qualification and working experience are presented and analyzed. The result are presented in the table below.

Table 1: Demographic Profile of the Respondents

Demographic Variables	Particulars	No. of Respondents	Percentage
Gender	Female	126	41
	Male	185	59
Marital Statuses	Single	124	40
	Married	166	53
	Separated/Divorced	21	7
Educational Qualification	OND/NCE	123	40
	B.Sc./HND	113	36
	MSC/MBA	62	20
	PhD and others	7	4
Age Bracket	20 - 30 years	42	14
	31 - 40 years	108	35
	41 - 50 years	128	41
	51 years and above	33	10

Source: Field Survey, 2018.

The table above shows the demographic profile of the employees of the sampled companies in Nigeria. A higher proportion of the respondents (59%) are male while 41% of the respondents are female. Table 1 also shows that 40% of the respondents are single, 53% are married while the remaining 7% of the respondents are either divorced or separated. Table 1 further shows that 40% of the respondents have either Ordinary National Diploma or National Certificate on Education as their educational qualification. 36% of the respondents agreed that they have either Bachelor of Science (B.Sc.) or Higher National Diploma (HND). 20% of the respondents were found to possess M.Sc./MBA while the remaining 4% of the respondents have PhD and others has their qualification. The table further revealed the age bracket of the respondents. The distribution shows that 14% of the respondents are between the age bracket of 20 to 30 years while 108 respondents representing 35% are within the age bracket of 31 - 40 years. On the same note, 41% of the respondents are within the age bracket of 41 - 50 years while the remaining respondents representing 10% are within the age bracket of 51 years and above.

DESCRIPTIVE ANALYSIS

This section presents the descriptive statistics on culture and management philosophy and practice in Nigeria. The aim of the analysis is to examine the performance of the culture variables in relation to management philosophy and practice in Nigeria. The analysis of the individual characteristics of these variables is presented in the table below:

Table 2 Descriptive Characteristics of the Variables

Variables	Mean	Standard Deviation
Management Philosophy and Practice	20.28	3.330
Power Distance	17.82	4.255
Uncertainty Avoidance	17.86	3.697
Degree of Individualism	18.27	4.109
Degree of Masculinity	18.78	4.264

Source: Author’s Compilation From SPSS Version 21.0

This table present the summary of statistics used in the analysis. It provides information about the mean and standard deviation of the variables used in the study. The mean value for management philosophy and practice is 20.28 while the standard deviation is 3.330. Power distance and Uncertainty avoidance recorded a mean value of 17.82 and 17.86 with a standard deviation of 4.255 and 4.697 respectively. Degree of individualism and degree of masculinity have mean value of 18.27 and 18.78with standard deviation of 4.109 and 4.264 respectively.

CORRELATION ANALYSIS

Pearson correlation was employed to measure the strength and relationship between independent variables. The Pearson correlation coefficient is a measure of the strength of a linear association between two variables and is denoted by r. Table .3 below shows the summary of correlation coefficient.

Table 3 Correlation Matrix

		MPP	PD	UA	DM	DI
Management Philosophy and Practice	Pearson Correlation	1	.141*	.049	.216**	.290**
	Sig. (2-tailed)		.013	.388	.000	.114
	N	311	311	311	311	311
Power Distance	Pearson Correlation	.141*	1	-.247**	-.049	.024
	Sig. (2-tailed)	.013		.000	.394	.672
	N	311	311	311	311	311
Uncertainty Avoidance	Pearson Correlation	.049	-.247**	1	-.020	-.075
	Sig. (2-tailed)	.388	.000		.728	.189
	N	311	311	311	311	311
Degree of Masculinity	Pearson Correlation	.216**	-.049	-.020	1	.075
	Sig. (2-tailed)	.000	.394	.728		.189
	N	311	311	311	311	311
Degree of Individuality	Pearson Correlation	.290**	.024	-.075	.075	1
	Sig. (2-tailed)	.114	.672	.189	.189	
	N	311	311	311	311	311

*. Correlation is significant at the 0.05 level (2-tailed).

** Correlation is significant at the 0.01 level (2-tailed).

Source: Author's Compilation From SPSS Version 21.0

The table above shows the extent of association between the dependent and independent variables used in the study. The correlation coefficient between power distance and management philosophy and practice in Nigeria shows the value of 0.141 which is statistically significant at 0.01 level of significance. This indicates that power distance has a positive moderate influence on management philosophy and practice in Nigeria. Uncertainty avoidance recorded a correlation coefficient of 0.49 with management philosophy and practice in Nigeria and this is statistically insignificant. This shows that shows that uncertainty avoidance has weak influence on management philosophy and practice in Nigeria

Furthermore, the correlation between degree of masculinity and management philosophy and practice in Nigeria recorded a correlation coefficient of 0.216 which is statistically significant at 0.05 level of significance. This indicates that degree of masculinity has a strong influence on management philosophy and practice in Nigeria. Also, degree of individuality recorded a correlation coefficient of -0.290 with management philosophy and practice in Nigeria. This shows that degree of individuality has a strong influence on management philosophy and practice in Nigeria

Multiple Regression Analysis

Multiple regression result was employed to test the influence of culture on management philosophy and practice in Nigeria. The result of the multiple regression analysis is presented in the tables below.

Table 4 Summary of the Regression Result

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.286 ^a	.682	.570	3.212	1.767

a. Predictors: (Constant), Degree of Masculinity, Uncertainty Avoidance, Degree of Individuality, Power Distance

b. Dependent Variable: Management Philosophy and Practice in Nigeria

Source: SPSS Version 21.0

Table 4 shows that R^2 which measures the strength of the effect of independent variable on the dependent variable have the value of 0.682. This implies that 68% of the variation in management philosophy and practice in Nigeria is explained by variations in degree of masculinity, uncertainty avoidance, degree of individuality, power distance. This is supported by adjusted R^2 of 0.570.

In order to check for autocorrelation in the model, Durbin-Watson statistics was employed. Durbin-Watson statistics of 1.767 in table 4.4 shows that the variables in the model are not auto correlated and that the model is reliable for predications.

Table 5: ANOVA Result

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	281.805	4	70.451	6.830	.000 ^b
	Residual	3156.413	306	10.315		
	Total	3438.219	310			

a. Dependent Variable: Management Philosophy and Practice

b. Predictors: (Constant), Degree of Masculinity, Uncertainty Avoidance, Degree of Individuality, Power Distance

Source: SPSS Version 21.0

The f-statistics value of 6.830 in table 4.5 with f-statistics probability of 0.000 shows that the independent variables has significant relationship with the dependent variable. This shows that degree of masculinity, uncertainty avoidance, degree of individuality, power distance can collectively explain the variations in management philosophy and practice in Nigeria.

Table 6 Coefficients of the Model

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	18.325	1.834		9.994	.000
	Power Distance	.118	.044	.151	2.660	.008
	Uncertainty Avoidance	.081	.051	.090	2.591	.013
	Degree of Individuality	.091	.046	.109	2.980	.041
	Degree of Masculinity	.174	.045	.215	3.908	.000

a. Dependent Variable: Management Philosophy and Practice

Source: SPSS Version 21.0

Table 6 shows the coefficient of the individual variables and their probability values. Power distance has regression coefficient of 0.118 with a probability value of 0.008. This implies that Power distance is has a significant influence on management philosophy and practice in Nigeria. Uncertainty avoidance has a regression coefficient of 0.081 with a probability value of 0.013 implying that the level of uncertainty avoidance influence management philosophy and practice in Nigeria

Furthermore, degree of individuality has a regression coefficient of 0.091 with a probability value of 0.041. This implies that the level of individualism influence management philosophy and practice in Nigeria. On a similar note, degree of masculinity

has a coefficient value of 0.174 and a probability value of 0.000. This shows that the degree of masculinity influence management philosophy and practice in Nigeria.

Discussion

This study examined influence of culture on management philosophy and practice in Nigeria using selected companies in Nigeria. Data were sourced from employees of two selected multinational companies. The study found that power distance, level of uncertainty avoidance, level of individualism and degree of masculinity influence management philosophy and practice in Nigeria. Business management is inseparable from the sphere of patterned cultural behaviors because culture is represented in terms of the pervasive and shared beliefs, norms, values, and symbols that guide the everyday life of different groups of people. Attention to culture in business management is critical to the entry and sustainability of organizations. Virtually every structure, function, and operation of any successful business is influenced by culture of the host community. Knowing and understanding the cultural differences are indispensable conditions for the success of business management.

Conclusion

Culture has significant influence on management philosophy and practice in Nigeria. Management of organizations should take note of culture in managing their businesses as any negligence might cost them their expected business outcomes. Also, employees of companies need to be trained in body language, strategies, temper control, international manners, customs and other aspects of culture. A better knowledge of culture will be helpful in understanding business and in realizing which management styles are most appropriate for a particular country or region. Thus, it is important that people who represent companies both within and abroad become aware of the cultural differences and of the possible influences of these differences in the success of their jobs.

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