MENTAL DETERMINANTS OF SOCIAL GROUPS AND INFLUENCE OF NATIONAL CULTURAL STRATA ON BUSINESS

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Abstract- In recent years much more attention is attached to use of the results of formalized cross-cultural analysis, conducted on the mental determinants of different social (mostly, ethnic) groups, in international business practice. Our study highlights nethodological problems of ethnometric analysis, which concern mental determinants. The results are presented of mentality research on the example of the regions of Georgia – Imereti and Kakheti – and the potentials are used on use of ethbometric measures in business.

Key words- cross-cultural study, ethnometry, national mentality, ethnic sign, individualism, measures, business.

I. INTRODUCTION

In the end of XIX century ethnology was more abstract philosophy than a positive study of the life reality. In XX century, study of ethnic unities at the level of their qualitative description (with enlisting of domineering characteristic traits in any culture) appeared to be insufficient. On the basis of processing the data of studies conducted in that period, it became possible to calculate the numerical indexes, which makes possible to numerically determine how great the difference is between the nations according to the ethnic sign.

From mid-XX century the abstract philosophical conclusions on differences between the cultures of different countries were already supported and checked by the data of the mass study of stereotypes and values. Since that time we can talk about ethnometry – a new direction of studies, which focuses its attention on the analysis of mental determinants of different ethnic groups on the basis of use of formalized (mathematical) methods.

II. USE OF ETHNOMETRIC METHODS IN THE STUDY OF NATIONAL MENTALITY

Most mportant component in the analysis of national mentality is unification of criteria for description of mental determinants. Search for such criteria is possible in two ways: a starting point for the first is theoretical discussion, i.e. it is built on qualitative studies. Second is based on the data of mass interviews. Whatever way is chosen, we should take into consideration that in both cases a necessary element for substantiation of the conclusions is use of a method of cross-cultural comparison (multi-cultural approach).

The greatest and most large-scale study of culturological indicators, which is built on revealing the quantitative determinants, is connected with the work of famous scientist G. Hofstede [1, 2]. In the schientist's study the choice of empiric indicators was pre-determined and initially it did not aim at search for culturl universalias, but the data collected later on the basis of comparison, the differences existing between different countries were revealed. Based on the results of the conducted study indicators were outlined, which can be used to describe and characterize the systems of values domineering among representatives of different countries and ethnic groups. Among them are: (PDI – Power Distance); (UAI – Uncertainty Avoidance); (IDV – Individualism); (MAS – Masculinity) and finally, Confucian Dynamism (CDI – Confucian dynamism).

G. Hofstede conducted his study in several stages. The questionnaires he used first belonged to 1967-1969 and 1971-1973 [1]. The methods used in these studies experienced considerable changes further on. Thus, indicator of individualism initially was calculated on the basis of the questions "how much important". Among them was, for example, the question "how much important for you is to have such work, which will leave you enough time for private or family life". A respondent was suggested a five-point scale to evaluate those 14 sides of life, which were connected with "work purpose". After the factoral analysis was conducted the following 6 empiric indicators were selected for IDV indicator (see Table 1).

Table 1 Empiric Indexes of Indicator„ Individualism"

determinants	Factoral loading[1]
1. Aspiration to search of time for his own self or his own family	(0,86)
2. Value of freedom (possibility to search for the way to independently conduct work)	(0,49)
3. Negative attitude to routine work "aspiration for such work, which gives a feeling of achievement, victory)	(0,46)
4. Returns from work	(-0.63)
5. Aspiration for comfort at work	(-0,69)
6. Value of study (aspiration for improvement of qualification)	(-0,82)

The author explained positive and negative values of factoral loading in the following way. In Hofstede's opinion.The first three speak for human independence on the organization where he works ("private life separately, work separately"), and last three, on the contrary, stress human dependence on organization ("work and private life are united"). IDV index changes from 0 to 100 and it is received from transforming the value of individualism factor (from -2 to +2) by the following formula:
IDV = 50 + 25*X, where X – this is factor value.

Analogous procedures were conducted for indicator of "masculinity" (MAS). The formula for calculation of remaining two (PDI and UAI) indicators is based on average values.
In result of using this methodology, initially, from 40 studied countries, according to dimension, each four received numerical evaluations in the interval from 0 to 100. Despite the fact that the countries were on the positions from 0 to 100, theoretical frames of values of PDI and UAI ondicators were much wider. Due to difficulty in calculation of IDV and MAS indicators, in the later version of the questionnairy [3] G. Hofstede introduced important changes.

In addition to above-described worksheets one more form of the worksheet exists (the most popular by the given moment), which is named as "Value Survey Module 1994" (VSM 94). VSM worksheet was formed in the Institute for Research on Intercultural Cooperation – IRIC. From 1980 one of its founders was G. Hofstede. Before VSM 94 other versions of this worksheet also existed – VSM 80 (some simplified variant of the worksheet used in questioning conducted by the IBM corporation). VSM 81, VSM 82. These worksheets differed both by the number of questions and their meaning. The material, obtained through them became the basis for elaboration of VSM 94 [4].

Along with recognition of G. Hofstede's merits, the scientists mentioned about defects in the system of indicators suggested by him. Main argument here is suspicious operationalism of the indicators. Thus, in some works [5, pp 423-475; pp 127-150] differences in empirical indicators selected for each index were

mentioned. It is stressed in them that these determinants, according to which the indexes are built, mostly reflect G. Hofstede's advantages. Another defect of G. Hofstede's system is connected with representativeness of selection used by him.

Despite this, those also who recognize all negative features of the instrumentarium created by G. Hofstede, as a rule, do not deny existence of cultural universalias, even more, intensively use G/ Hofstede's experience. In result, some scientists suggest new approaches in direction of operationalization of indicators presented by G. Hofstede.
Two other large-scale studies, which carry cross-cultural character, went just this way: GLOBE (director R. Hose) [7, pp 171-233; pp503-520;] and WVS (director R. Engelhart) [10, pp 19-51; 9, p. 12].

The study program GLOBAL – Global leadership and organizational behavior effectivenemss was elaborated by R. Hose and starting from 1993 it is a cross-cultural project, within the franes of which the representatives of 62 countries were interviewed. Main idea of the project was in study of interrelations between national, organizational culture and organizational leadership.

Within the project WVS (World Values Survey) were studied cultural traditions, as the factor of political and economic behavior formation. Within the franmes of the present project about 65 states were studied. On the whole, the results of GLOBE and WVS studies correlate with the data received by G. Hofstede.

III. USE OF ETHNOMETRIC METHODS IN STUDY OF CROSSCULTURAL DETERMINANTS IN GEORGIA

The scientists from Georgia not only participate in the international cross-cultural processes, but also conduct original studies based on the western approaches and conceptions. Use of the methodology of G. Hofstede is of the greatest importance. It should be stressed that the studies conducted according to G. Hofstede's methodology were based on different questionnaires (later we come from the first variant of G. Hofstede's questionnaire, because the conceptual basis of the sudy is put in it, also just this variant is more available for the Georgian rsearchers by the book (Hofstede G. Culture's Consequences: Intern Differences in Work-Related Values. On other studies qualitative description of each indicator is used and on its basis methodology of constructing one's own scale. As an example we can cite the work [11].

Namely, the indicator of "Avoidance of Indefiniteness" with G. Hofstede is built based on three indicators: prientation to rules, orientation to permanent work place and stress.

1. "Orientation to rules" was measured by five-point scale ("fully agree" or "fully disagree") and proceeds from the discussion: "The company rules should never be violated, even when an employee considers this is in the interests of the company".
2. "Permanent work place" was measured by the supposed answers to the following question: "how long are you going to work in this company?" Supposed answers were as

follows: 1) mostly two years; 2) from two to five years; 3) more than five years; 4) until retire to pension.

3. To measure "stress" the respondents stressed the question – "how often do you feel nervousness and tension at work?" The answers were grouped from 1 ("often have such a feeling") up to five points ("never experience it").

Some changes were brought into this operationalization by scientist A. Iaumov [11]. He based this indicator already on five features: (benefit of work procedures standardization, importance of rules and provisons in work, importance of instructions on work, expectation for exact observance of instructions, and detalization of instructions connected with work). A. Naumov took only one indicator of G, Hofstede – orientation to rules – for the basis of operationalization. This indicator is probably the key one in the given index, but not the only one at least. On the other part, by choosing only one key indicator, A. Naumov directed his study from general cultural problems to the analysis of business and management culture.

In the studies conducted in Georgia in 2014 we followed the same way. As purpose of our studies was to receive complete indicators on the population, we took for the basis such a questionnaire, which involved information not only on the values of work activity.

For comparison let's discuss the same indicator as in the previous case.

The respondents were suggested a list of alternative discussions: "wished to live where…" (see Table 2) and expression of agreement with it. If a respondent fully agreed with the discussion, which was on the left, then he should circle the figure "1", if he agreed with the discussion on the right, he should circle the figure "5". If he faced difficulty to agree unconditionally with both proofs, then he should circle "2" or "4" depending on which approach was more acceptable for him. Finally, if both ideas were equally acceptable for him, he should circle the figure "3".

Table 2 Fragment of the questionnaire to measure "Avoidance of Indefiniteness"

Wished to live where… *1 – full agreement with left assertion, 5 – full agreement with right assertion, 2 and 4 – preference to any, 3 – equal agreement with them)*		
Children in families are taught to treat indefinite and pre-unforseen situation as a normal event of everyday life	1 2 3 4 5	Children are taught in families to avoid indefinite and pre0unforseen situations, to strive for clarity in relations
Man should not always carry with him the documents (passport, certificate, etc)	1 2 3 4 5	Man should always carry with him the documents (passport, certificate, etc)
Despite possibilities of failures and problems in the collective, they welcome readiness to risk	1 2 3 4 5	in the collective they welcome preservation of stability, avoidance of risk
In the collective they positively behave to those, whose ideas and behavior do not coincide with the ideas and behavior of majority	1 2 3 4 5	It is accepted in the collective that ideas and behavior of all the members should be agreed
Exists quite a small number of rules, which should be obeyed	1 2 3 4 5	Exist numerous tules, which should be obeyed
Regular increase in salary is more important than to preserve work	1 2 3 4 5	To preserve work is more important than regular increase of salary

Index of "Avoidence of Indefiniteness" is calculated as total points on all the questions, which later will be brought to the kind, comparison of which could be possible with the data of G. Hofstede (analogous to the procedure, used by the Net herlander scientist). It is easily noticeable that in the left column of Table 2 expressions of rules of life are grouped; during which people patiently behave to indefiniteness, difference in opinions, and in the right column all the expressions and risks of different ideas are inacceptable for them. In result, is received quantitative evaluation of the respondent to the values of avoidance of indefiniteness (0-25 points – weak avoidance of indefiniteness, 75-100 points – strong avoidane of indefiniteness).

In our case, the following determinants were used – indefiniteness, as the norm of life, readiness for risk, ability to stand different ideas, demand for detailed laws and rules, formalization of life. The first three determinants belong to the indicator "stress", and the last two – to "orientation to rules". Two indicators were taken into consideration from three suggested by G, Hofstede. At the same time the indicator "stress" is considered indirectly.

Comparison of Cross-Cultural Mentality in Georgia. In 2014-2015 the population of two central regions of Georgia – Kartli and Imereti – were interviewed. The number of respondents was 557 and 545 respectively; three-step methodology was used. At the first step, selection of the regions was ongoing within the borders of three natural-geographical zones (north, center, and south), which are located on the territory of the regions. At the second step, selection of different populated areas inside the regions was conducted. At the third, selected interview was held according to sex and age with preservation of composition of the population. The data obtained (42% in Kartli and Imereti residents, 38% - urban population, 20% - rural population) was then corrected according to the indicator "employment".

The data received turned to be close to one another by importance (see Table 3), which witnesses comparative unity of the mental space in the central part of Georgia.

At the same time, some differentiation is also noticed: as we supposed, Kartli region located close to Tbilisi, the capital of Georgia differs by a high level of individualism and less distance of power. It seems that the closer we are to the center, the stronger the elements of western culture are revealed. The effect of water spread acts: the "drop" of European value priorities spreads from the capital enclave all over the country, and is felt more strongly in the central regions and loses force in the periphery.

Table 3 Meanings of Hofstede's indicators for Kartli and Imereti regions (2014 – 2015)

indicator	Kartli		Imereti
	2014	2015	2015
PDI	46,3	46,2	47,5
IDV	53,6	51,7	45,0
MAS	44,5	40,8	46,0
UAI	-	52,1	-
CDI (LTO)	-	48,9	-

Use of Hofstede's indicators for the analysis of social group conflicts. Ethnometric approach gives one more interesting possibility – to outline the so-called conflicting groups.We should suppose that the groups, which differ strongest from the main mass of the population by their value indicators, in inadequate (conflicting) situation, with more probability, reveal deviant (inacceptable for other cultures) forms of behavior. From this viewpoint we'll discuss the results of interviews conducted in 2014 in the regions of Kartli and Imereti according to the social groups (Table 4).

Firstly, study of Kartli and Imereti regions conducted in 2014 enables us to make a conclusion that a group of entrepreneurs is stronger outlined by all three indicators – it occupies the first place according to IDV and MAS indicators, third and second – by PDI

indicator. These results characterize the business sphere, in case the conflicting situation arises, as the most potentially explosive and less predictable. At the same time, attention should be focused on "comparatively larger distance of power"., which points to the oriental signs in the sphere of Georgian entrepreneurship.

Table 4 Hofstede's indicators according to Kartli and Imereti regions for different professional groups (study of 2014)

Social groups	PDI		IDV		MAS	
	Kartli	Imereti	Kartli	Imereti	Kartli	Imereti
entrepreneurs	47,7	47,9	54	63,1	54,3	52,3
workers	46,9	46,8	48,3	50,4	48,2	46,3
students	37,9	40,4	52,6	53,8	47,8	46,4
military servicemen	44,7	43,9	46,1	52,3	48,2	43,7
pensioners	53,3	53,1	40,0	46,7	44	38,6
state municipal employees	47,4	47,1	43,6	53,8	42,6	38,6
engineering-technical personnel	46,6	46,4	43,8	52,5	43,6	45,7
humanitarian intellectuals	43,7	40,4	43,5	52	43	40,9

Another interesting conclusion is received in the process of analyzing such a group, which maximum differs with value orientations from the entrepreneurs. To measure the distance between the target groups and to determine degree of their likeness, we used Euclid distance square (dist).

With its mental indicators, claim for the role of entrepreneirs' opposite group can have:
In case of Kartli, pensioners (dist = 16, 4), humanitarian intellectuals (dist = 13, 1), engineering-technical personnel (dist = 12, 1), also, state and municipal employees (dist = 11, 1).

In case of Imereti – pensioners (dist = 22, 6), humanitarian intellectuals (dist = 16, 2) and state and municipal personnel (dist = 12, 7).

The result of study witnesses a very little role of pensioners, humanitarian intellectuals, state and municipal personnel in the social life, passive social position of intellectuals, inacceptability of a new style of life by pensioners, and dichotomy "business-power" demands special attention

Conflict between entrepreneurs and officials is long fixed by scientists and researchers. If we take into consideration that the historically established relations of entrepreneurs and officials in the post-Soviet Georgia already brought these two groups to apprehension of a special social group with its own interests, then contradictions between entrepreneurs and officials acquire special importance.

To prove the hypotheses presented by us, we consider necessary further deepening of studies. First of all, attention should be concentrated on different cross-cultural researches used by the scientists, specification, expansion and deepening of methodics. In addition to deepening of the methodological base, expansion of empiric database is required. Ethnometric studies should embrace peripheral regions of Georgia. Practically, all the studies conducted up to the present day concerned the central – European regions, and the peripheries still remain "incognito territory". One of the tasks of scientific study should be compilation of Georgia's ethnometric map (like geographic), which will show us the "relief" of the mentality of the Georgia's population and will outline potentially "volcanic' districts. To observe the dynamics of ethnometric indicators and to determine the place of Georgia on the world map of management, it is expedient to conduct annual monitoring of studied regions of our country.

CONCLUSION

The study we conducted highlights methodological problems of formalized ethnometric analysis, which concern the indicators of mental analysis in different social (first of all ethnic) groups. It presents methodological problems of ethnometric analysis and discusses the potentials for use of ethnometric measures. The results reeived from study of mentality are cited on the example of regions of Georgia – Imereti and Kakheti. In result of the analysis different approaches were revealed of various social groups to business and the need for their consideration.

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