Chapter 17

Cross-Cultural Management of the European Textile and Clothing Industries: Application of Hofstede’s Cultural Dimensions

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ABSTRACT

The European textile and clothing industries are among the best examples for global level business. The communication between people with different customs and cultures, which occupy different levels of the hierarchy in any company, requires cross-cultural competence and management abilities. The aim of the present chapter is to apply Hofstede’s model and its national cultural dimensions to show its applicability in the cross-cultural management of the European textile and clothing industries. Hofstede’s cultural dimensions could be a very important starting point for the managers at all levels of the companies’ organizations as they give important knowledge of organizational responsibilities, job satisfaction, the interrelationship between workers and managers, communication style, leaderships and possible conflicts.

INTRODUCTION

The European textile and clothing industries are facing many challenges in the context of the globalization in production and marketing. The appearance of new players in the field of production of clothing and textiles in the 1990s from Central and Eastern Europe, together with the relocation of the production from the “old” European economies (the 15 Members of the European Union or EU-15) to Central and Eastern European countries, Mediterranean countries, and Asia brought the need for new approaches in management and communication.
The globalization has affected the European textile and clothing sector in different manners:

- The textile production sector in Europe has shifted to more design-intensive textiles in all fields of the textile manufacturing (yarns, woven fabrics, knitted fabrics and textile accessories); simultaneously, it has been oriented towards the production and research in the field of the technical textiles (Smith, Pickles, Begg, Roukova, & Buček, 2005).

- The clothing industry has also changed substantially: it shifted to production and product chain management, design-intensive activities, marketing, retailing and handling of small runs, niche market clothing; labor-intensive activities were a subject of outsourcing from Western Europe to other countries; production of clothing under CMT (cut, making and trim) conditions became frequent.

- The traditional textile and clothing production was relocated or outsourced to many former socialist countries in Central and Eastern Europe and North Africa; this affects the nowadays map of clothing and textile companies in Europe, though the relocation and outsourcing processes are not as intensive as in the 1990s and 2000s.

The textile and clothing production was relocated or outsourced to China, India, and the Far East. Obviously, the European textile and clothing industries are among the best examples for global level business. The communication between people with different customs and cultures, which occupy different levels of the hierarchy in any company (regardless its size), requires cross-cultural competence and management abilities. The success of the communication and business activities in these sectors can only be based on the respect of the local cultural traditions and peculiarities, together with continuous development and refinement of common practices, approaches and methods for the relationship between the cultures.

Cross-cultural management is a new approach to management that aims to spread knowledge about cultural differences and give solutions to different stakeholders for more efficient international activities. The most important cross-cultural skills and abilities can be summarized as showing respect, not to judge, accepting the reality of one’s knowledge and perception, expressing and understanding, flexibility, allowing anyone to talk and answer in discussions, tolerating uncertainty (Colovic, 2012).

The need to understand cultural difference and deal with them has provoked intensive research which started in the middle of the 1900s. The works of Parsons and Shils (1951) and Kluckhohn and Strodtbeck (1961) were among the first studies to build general theories about the variation in the values of societies and countries. Since that time several approaches have been offered and attempts have been made to classify the cultures so as to establish a practical scheme to deal with them.

It was the cross-cultural model of Hofstede (1991) that proposed a new paradigm in the research in social sciences. A set of four cultural dimensions was developed, based on a large survey at IBM Corporation in many countries all over the world. Despite being criticized, Hofstede’s model of national cultures was used in hundreds of studies in the field of management, marketing, international business, education, etc. Later, Hofstede added two additional dimensions for classification of the national cultures.

The aim of the present chapter is to apply Hofstede’s model and its national cultural dimensions to show its applicability in the cross-cultural management of the European textile and clothing industries. Hofstede’s cultural dimensions could be a very important starting point for the managers at all levels of the companies’ organizations as they give important knowledge of the organizational responsibilities, leaderships, job satisfaction, the interrelationship between workers and managers, communication style, and possible conflicts.