The Crossvergence Perspective:
Reflections and Projections

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Abstract

In this retrospective, I chronicle the development of the crossvergence theory of values evolution, which states: it is the dynamic interaction of the socio-cultural influences with the business ideology influences that provides the driving force to precipitate the development of new and unique values systems in societies. Crossvergence theory was introduced in our 1993 *JIBS* paper and was the focus of our 1997 Decade Award paper, as well as a series of subsequent papers. Thus, I discuss the purpose and findings for six papers that have contributed to our present level of knowledge concerning crossvergence theory. I conclude my comments with a discussion of the relevance of longitudinal and multi-level research, measures found to be useful, and methodologies to consider, as well as identifying research topics in need of exploration.

The term "crossvergence" was coined by Ralston and colleagues in our 1993 *JIBS* article, "Differences in Managerial values: A study of U.S., Hong Kong and PRC managers" (Ralston, Gustafson, Terpstra & Cheung, 1993). In this article, we presented crossvergence as a synergistic perspective of values formation and evolution that addressed the seemingly incomplete explanations of the previously proposed convergence and divergence perspectives (Andrews & Chompusri, 2005; Kelley, MacNab & Worthley, 2006; Ralston, Pounder, Lo Wong, Egri & Stauffer, 2006). Crossvergence theory contributes to our understanding of values change and evolution by illuminating the important ways in which socio-cultural and business ideology influences precipitate the nature and degree of values evolution. To develop these points, the remainder of this discussion is comprised of three sections. First, I will define key terms. Next, I will trace the development of the crossvergence concept by drawing from the findings of six empirical studies of which I was an author, starting with our 1993 *JIBS* paper, and of course including our 1997 *JIBS* article that was selected as the 2007 AIB Decade Award winner. I will conclude with some ideas of where I think we might want to head in the cross-cultural values and behavior research area.

DEFINITIONS

To understand values evolution from a cross-cultural context, I believe that we need to consider both the influences (i.e., predictor variables) on individual-level values and the theoretical frameworks that describe the process of values evolution. Thus, I will begin with an overview of the predictor influences, followed by a discussion of the theories of values evolution.

Influences on Values Formation and Evolution

In most international management textbooks one can find a description of influences on individual-level values formation/evolution similar to the one depicted in Figure 1(A), which I describe as the Traditional Perspective. These are comprised of four categories of macro-level influences: socio-cultural, economic, political and technological. Socio-cultural influences include those related to the culture and history of the society in which an individual spent his/her formative years. Economic influences encompass the economic system, the economic well-being (e.g., gross national income per capita) and the economic growth of a society. Political influences encompass the political system, the legal system and the integrity (e.g., corruption level) of a society. Technological influences include the level of technological sophistication and the rate of technological change in a society. It has long been noted in the literature that all of these influences affect individual-level values. Nonetheless, the debate continues regarding which of these is the driving force that most profoundly shapes individual-level values.

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The individual-level values research stream, which I have pursued cross-culturally with my colleagues for the past two decades, indicates that these macro-level influences may be logically clustered utilizing a time-orientation. That is, we can group them based on how long it takes a particular type of influence to have an impact on individual-level values. Further, the time that it takes for an influence to have an impact on individual-level values appears to be directly related to the time that it takes for the influence itself to change. When we talk of socio-cultural influences (societal values), we tend to measure the time period for change in terms of generations and centuries. Conversely, when we talk of economic influence and political influence, the timeframe of change can be years or decades, especially in emerging and

transitioning economies. Technological change can occur even more rapidly. These last three influences—economic, political and technological—share a common time horizon that is considerable shorter than the time horizon for socio-cultural change. Additionally, all three of these influences are closely related to business activity in a society, whereas the socio-cultural influences are more closely related to a society's core social values. In support of this conclusion, an assessment of hard-data predictor variables for the economic, political and technological influences shows them to be relatively to highly correlated. Thus, we have clustered these three influences, as shown in Figure 1(B), under the heading of the Business Ideology influences. Our research has also shown that the socio-cultural and business ideology influences may be in conflict with one another, and that the potential for this conflict is especially likely in emerging and transitioning economies (Ralston, Pounder, Lo, Wong, Egri & Stauffer, 2006).

Theories of Values Evolution

Convergence. One of the original theories of values formation, convergence, argues that technological influence is the catalyst that motivates individuals to develop a values system that is consistent with the technology of their society, regardless of the socio-cultural influences. Convergence advocates subscribe to the view that a given technology will shape both educational demands and business structures such that they will generate values that are "common" to the given technology. This theory states that as societies industrialize, they will adopt the technologies of the existing industrialized societies, and in turn they will adopt their values (Webber, 1969). Given the time period of the development of the convergence concept, this perspective also implies a convergence to Western capitalism.

Divergence. The second of the original theories of values formation, divergence takes the opposite view as that proposed by convergence. Its advocates argue that socio-cultural influence is the driving force that will cause individuals from a society to retain the specific values system of the societal culture through time, regardless of other possible influences, such as technological, economic and political change (Webber, 1969).

Crossvergence. The most recently developed theory, crossvergence advocates that the combination of socio-cultural influences and business ideology influences is the driving force that precipitates the development of new and unique values systems among individuals in a society due to the dynamic interaction of these influences (Ralston, Gustafson, Cheung & Terpstra, 1993). The crossvergence perspective has evolved over the past 15 years, as I shall explain in more detail in subsequent discussion.

REFLECTIONS ON THE EVOLUTION OF THE CROSSVERGENCE PERSPECTIVE

Before discussing the six studies that shaped my thinking regarding values formation and evolution, generally, and crossvergence, specifically, I will describe the motivation underlying the development of each study. As such, in my discussion, I will focus on what we were trying to accomplish in these studies, rather than on the details of them, which are documented in print.

In the first study, the 1993 *Journal of International Business Studies* article, we defined the crossvergence concept (Ralston et al., 1993). In this study, we sought to empirically test an observed situation that did not appear to be explained by existing theory. In the second study, published in 1996 in *JIBS*, we investigated the impact that outside (primarily Western) societies have had on the various regions of China to assess whether the more open regions had a more crossvergent perspective than the more closed regions (Ralston, Yu, Wang, Terpstra & He, 1996). The third, fourth, and fifth studies more rigorously define the crossvergence process by

investigating the three primary aspects of the business ideology influences, as previously described and as also discussed in our 2006 *Management and Organization Review* article (Ralston et al., 2006). It should be noted that these three studies were exploratory in nature. We did not use hard data, macro-level predictor variables. Instead, at that stage of development, we based our arguments on logic, underlying assumptions, and/or historical facts to identify the situational differences (e.g., capitalist vs. socialist), because, at that point, we were trying to determine whether these variables appeared to be relevant. More recently, we have moved to using hard-data predictor variables in our research projects.

Specifically, in Study 3, we investigated the impact of economic systems and societal culture (Ralston et al., 1997); in Study 4, the political situation and societal culture (Ralston et al., 1999); and, in Study 5, technology and generation (Egri & Ralston, 2004). Study 6, which replicated the 1993 *JIBS* study twelve years later, was designed to longitudinally investigate the values evolution phenomenon (Ralston et al., 2006). This study, in particular, has produced what I consider to be truly interesting and eye-opening results.

Study 1 — China, Hong Kong and U.S. (*JIBS, 1993*)

In this study of China, Hong Kong and the U.S., the crossvergence concept was first introduced, with Hong Kong as the focal point. Hong Kong was the focus because of its combined Chinese socio-cultural influence and Western business ideology influence due to British rule and commerce with the West[1]. In Table 1, I present data that summarize the findings of this study to demonstrate that on four of the eight values dimensions, crossvergence is the favored explanation for the Hong Kong outcome, with two of the four Eastern-developed

measures and two of the four Western-developed measures supporting crossvergence as the best

explanation of values evolution.

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Insert Table 1 about here

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However, the motivation for this paper is an important back story as it not only inspired this

particular piece of work, but also my future research stream as well. I was born and raised in the

U.S. In 1989, I took a visiting faculty position in Hong Kong, and it did not take me long to

realize that Hong Kong was not the U.S. During my stay, I had opportunities to visit Mainland

China, and, in my opinion, neither was Hong Kong the same as Mainland China of the late

1980s. When I thought of Hong Kong in terms of the convergence and divergence theories,

neither of these theories seemed to provide a reasonable explanation of what I perceived I was

observing in this society. I saw Hong Kong as possessing some of the attitudes and behaviors of

a Western, Anglo, capitalistic society that I knew reasonably well. But I also observed, what

appeared to me, as a Westerner, to be other attitudes and behaviors that were much more related

to what I had observed in China. My observations presented an empirical question that could be

tested, which is what we did, and which is what resulted in the crossvergence perspective being

developed as an alternative to the existing convergence and divergence theories.

Study 2 — Six Regions of China (*JIM, 1996*)

In this follow-up to the 1993 study, we sought to determine whether crossvergence, as we

had defined it, would apply at the regional level. We chose to study the six regions of China

because it was an intriguing situation, as the people of these regions had been fairly segregated

from one another. They also had experienced different levels of contact/influence from outside

China, particularly from the West. Our hypothesis was that the crossvergence effect would be

more pronounced in regions where people engaged in more interaction with the outside world. We postulated that the more cosmopolitan Chinese would more intensely embrace the individualistic values associated with Western capitalistic countries than would their parochial counterparts. Table 2 shows that individuals in cosmopolitan regions scored highest on the individualism dimensions, whereas individuals in the most parochial regions scored the lowest. With the support found for crossvergence in these two studies, we continued our research to better understand the underlying causes of the crossvergence effect.

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Study 3 — China, Japan, Russia and the U.S. (*JIBS, 1997)*

With this study, we began the process of more rigorously defining the crossvergence concept. Although studies 1 and 2 indicated that crossvergence was a relevant theory for explaining values evolution using different instrument measures, the findings were limited in that both studies were centered upon Chinese societies. In this study, we expanded the breadth of our international coverage to include four countries: China, Japan, Russia, and the U.S. These countries were strategically selected to fill the cells of a two-by-two matrix of socio-cultural and economic ideology influences, as depicted in Figure 2. We used the Schwartz Values Survey, with a similar focus on the individualism—collectivism construct as we used in Study 2. Included with our assessment of the overall individualism—collectivism continuum, were assessments of the openness-to-change—conservation continuum and the self-enhancement—self-transcendence continuum. These may be viewed as the two component continua of the overall individualism—collectivism construct.

We found crossvergence support for overall individualism—collectivism continuum and for openness-to-change—conservation continuum. The self-enhancement—self-transcendence continuum showed a divergence finding, with the Western cultures, Russia and the U.S., scoring higher. Additionally, we found that the overall individualism—collectivism continuum indicated that the socio-cultural influence was the dominant one, but that for the openness-to-change—conservation continuum, the contribution of both the socio-cultural and the economic ideology influences while important, were not significantly different. Thus, the findings from this study, as reported in Table 3, strongly reinforce the broader-based validity of crossvergence as a theory of values evolution.

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Insert Table 3 and Figure 2 about here

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More importantly, this study provided empirical support for the theoretical assertion made by Harry Triandis that individualism and collectivism should be separate dimensions (Triandis, 1995). As shown in Table 3, for the overall individualism—collectivism continuum, Russia scored higher than Japan, which supports the culture-dominant hypothesis of this study. Nonetheless, when we decomposed the individualism—collectivism continuum into a low to high individualism continuum and a low to high collectivism continuum, we found that there was no significant difference between these two countries on the individualism continuum, but that there was a significance difference on the collectivism continuum, with Japan scoring higher than Russia. Thus, reporting that culture was dominant for the individualism—collectivism continuum, while not wrong, missed the nuance of what was really causing the effect, which in this instance was the level of collectivism. Our subsequent studies that have focused on Vietnam (Ralston et al., 1999a), China (Ralston et al., 1999b), Cuba (Ralston, 2007), and the Middle East

(Riddle, Ralston, Melahi, Butt & Dalig, 2007), also found that, while individualism and collectivism are to some degree correlated, the results for these dimensions are sufficiently different to clearly warrant considering them to be separate dimensions. Combining individualism and collectivism into a single dimension results in a loss of the unique contribution that each of these dimensions provides. Further, our multi-country work, currently in progress, continues to support the separate two-dimension perspective.

Study 4 — Two Regions of Vietnam (*JIBS, 1999a*)

Continuing with the investigation of the potential impact of macro, non-culture influences, we designed a study examining the content of political differences within a single society, Vietnam. While this study included data on China and the U.S., as well as the two regions of Vietnam, I will focus this discussion on the findings for the North and South regions of Vietnam. Vietnam's political development over the past several decades has been fascinating. Initially, the French presence dominated the country. This was followed by the American presence in the South, until the withdrawal in 1975, which concluded the American-Vietnam war. The reunification of Vietnam in 1975 resulted in the people and businesses of the northern and southern regions being treated substantially differently. To the winner goes the spoils, and for the allegiance to the winning side of the war, the businesses in the North were rewarded with, relatively-speaking, more freedom and flexibility. Conversely, those in the South were subjected to a harsh re-education program, close scrutiny and little latitude in behavior.

This history inspired us to ask the question: Was the period of the American presence or the subsequent period of reunification more influential? Many of the participants in our study experienced the formative years of their youth during the war period. Thus, it is reasonable to postulate that the American presence in the South had some impact. However, our subjects also

experienced the more recent political experience of reunification, and this experience differed

substantially depending on whether they were from the South (more harsh treatment) or the

North (more favorable treatment). The findings, as reported in Table 4, illustrate that of the three

individualism-based dimensions, for overall individualism and self-enhancement, the northern

Vietnamese scored higher than their southern counterparts. This suggests that the more recent,

short-term reunification influence (more harsh treatment) had the more significant impact, which

also implies that political influence should be thought of as a recent, short-time-period effect.

Additionally, no differences were identified for the three collectivism-focused dimensions,

reinforcing the existence of separate individualism and collectivism dimensions.

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Insert Table 4 about here

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The findings of this study show that, in traditionally collectivistic societies, collectivistic

values did not change in the short-term, but that the individualistic ones did. Moreover, we have

found similar trends in current research endeavors, including studies of Cuba (Ralston, 2007) and

the Middle East (Riddle et al., 2007). From these findings, one might postulate that the business

ideology influences have more impact on individualistic values, while the socio-cultural

influences have more impact on collectivistic values. Logic would seem to support this

postulation. Business ideology influences are the ones that more directly affect business issues

and are the one that can change more rapidly. Conversely, socio-cultural influences are the ones

that are more fundamental to the society's core and are the ones than evolve much more slowly.

Therefore, as developing (emerging and transitioning) societies experience economic, political

and technological change in their shift to a more capitalistic business orientation, it seems

reasonable to expect that the business-related values would change more quickly than the core

social values. Since capitalism is related to individualistic values, a change toward individualism would also seem to be expected. Likewise, as the literature has shown, most developing economies tend to have a collectivistic orientation. Therefore, it additionally would be logical to expect that these collectivistic core values would be slower to change. The result is that developing societies, as they transition to become capitalistic economies, will develop forms of capitalism that are unique to their societies based on the crossvergence of the specific business ideology and socio-cultural influences in each society. Obviously, this postulation, if correct, would have important implications for understanding work behaviors in many developing societies.

Study 5 — Chinese and American Generations *(Organization Science, 2004)*

In this study of Chinese and American generations, we explore the possibility that technology, specifically the internet, might play a role in shaping the country differences, with the current Chinese and American generations being more similar than their older counterparts. Our findings provided only minimal support for this deduction. In retrospect, we probably did not have a young enough group, especially in China, to thoroughly test for the internet (technology) effect. Thus, this may be an opportunity for a future study. Nonetheless, the findings are interesting and I chose to briefly discuss a segment of them because to this point my discussion has focused solely on the importance of macro-level predictors—socio-cultural influences and business ideology influences—on individual-level values. In this study, as shown in Table 5, we found that a micro-level predictor, generation cohort (age), is also important for understanding the values evolution process. Table 5, presents data selected from the study to exemplify this point. It shows that for openness-to-change, conservation and self-enhancement— three of the four Schwartz Values Survey dimensions—significant effects were found between

the younger and older generations, but not between these two diverse countries. These findings are also consistent with a previous *JIBS* study of ours, in which we looked only at Chinese generations (Ralston, Egri, Stewart, Terpstra & Yu, 1999). A point that I will comment on further when looking at future research directions, is that these studies, when taken in concert with one another, provide evidence of the importance of using multi-level (e.g., macro and micro) predictors of values formation/evolution. The emergence of hierarchical linear modeling methodologies, has made this approach more feasible in recent years.

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Study 6 — A Longitudinal Assessment of China Hong Kong and the U.S. (*MOR, 2006*)

The final study brings us full-circle to Study 1. Study 6 is a longitudinal assessment of values evolution that included the data from the 1993 *JIBS* article (Study 1) as time period 1 data for this 2006 *Management and Organization Review* study. The time period 1 data were collected in 1989. We replicated that data collection twelve years later in 2001. Data from this study, which are presented in Table 6, show that the crossvergence explanation of values evolution was supported longitudinally for five of the eight dimensions.

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Insert Table 6 about here

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However, the findings of this study that were truly eye-opening for me are illustrated in Figure 3. In this figure, I have plotted the trend lines for two of the study dimensions, locus of control and Confucian dynamism. Looking at locus of control first, we see that the U.S. has remained stable over this twelve-year period. China has also remained reasonably stable, but Hong Kong's locus of control score has increased substantially, which means developing a more

external orientation. Had we done a study of only China and the U.S., our conclusion would have been divergence. Had we done a study of only China and Hong Kong, our conclusion would have been convergence. And, had we done a study of only Hong Kong and the U.S., where the findings show the managerial values of these two societies becoming significantly more different over time even though their business people cooperatively worked together, our conclusion would have been that to the best of our knowledge there is no cross-cultural theory of values evolution that explains this deviating trend.

With regard to the Confucian dynamism trend lines, we see somewhat similar directions for these trends as those for locus of control, with one important exception. The China and Hong Kong trend lines intersect, and by the end of this twelve-year period appear to be heading in opposite directions. Collecting a third time period of data would be necessary to confirm this apparent trend. However, the fact remains that the findings for the Hong Kong – U.S. relationship (locus of control) and the Hong Kong – China relationship (Confucian work dynamism) are real, and these relationships are not addressed by theory that currently exists in the cross-cultural literature!

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Insert Figure 3 about here

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In summary, we have found empirical support for the crossvergence perspective across diverse societies, using different measurement instruments, and employing both cross-sectional and longitudinal designs. Further, our current research with large multi-country samples continues to find crossvergence to be the favored explanation for values evolution, as has the recent research of others (Andrews & Chompusri, 2005; Kelley, MacNab & Worthley, 2006). Thus, crossvergence provides a more encompassing and finely grained theory that is more

reflective of the empirical evidence. The cumulative findings not only provide substantial support for crossvergence theory, but also provide direction for future refinement of the theory.

PROJECTIONS ON DIRECTIONS FOR CROSS-CULTURAL VALUES RESEARCH

This previous work raises exciting possibilities for the future of cross-cultural values research. In this section, I first focus my comments on how we might refine and redefine crossvergence theory, based on the knowledge gained from past research. Second, I will comment on research design issues and topics that I believe are important to consider, if we are to enhance the quality of cross-cultural research in general.

Refining the Definition of Crossvergence

My colleagues and I had originally proposed crossvergence theory as an alternative or additional way to discuss values formation and evolution. However, a question that can now be raised is: What implications do the empirical findings from 15 years of research present for the conceptualization of crossvergence theory, as well as for those of convergence and divergence theories? These findings seem to call into question the functionality of the classical definitions of convergence and divergence, which appear to address a very small portion of the empirically determined reality. Moreover, it appears that crossvergence is a theory that encompasses both the classic convergence and divergence concepts. As shown in Figure 4, crossvergence might be viewed as a typology consisting of three categories of relationships, where each category consists of a set of similar—but not identical—relationships. These three categories can be described as: conforming-crossvergence, static-crossvergence and deviating-crossvergence. Perhaps most in need of definitional discussion is the longitudinally deviating-crossvergence values phenomenon, because of the dearth of previous consideration. Specifically, what causes values differences between societies (cultural distance – Shenkar, 2001), to increase over time?

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Insert Figure 4 about here

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Implications of the deviating-crossvergence findings. First, we should note that longitudinal deviating values are not consistent with the classical definition of divergence. The divergence perspective argues that socio-cultural influences, rather than the business ideology influences, would constitute the driving force in the creation of a values system. Divergence, furthermore, is a cultural stasis in which a society maintains its societal values system over an extended period of the time—at least a generation. Thus, the implication is that any cross-cultural distance or differences that are found between societies in a longitudinal comparison would be maintained over time. The socio-culturally driven divergence definition also implies that change would *not* occur due to business ideology influences. However, when values between societies become more different over time—especially over a relatively short time-period, such as our twelve-year study (Ralston et al., 2006)—it is clear that a change in business ideology must have occurred. Therefore, at least in part, business ideology influences would be the cause of the individual-level values change. Consequently, this is not a situation that can be defined as divergence.

Equally clearly, this deviation-of-values phenomenon cannot be described as convergence. Convergence advocates that there are business ideology influences, primarily technology, causing values change, yet the observed direction of the change across societies—away from one another—is exactly opposite to the prediction of convergence. This also indicates that convergence (i.e., values becoming the same) and divergence (i.e., values remaining consistently

different) are not the polar points on the values continuum, as we initially proposed (Ralston et al., 1993).

Likewise, our original definition of crossvergence did not address longitudinally deviating values (Ralston et al., 1993). However, the crossvergence definition is sufficiently robust to accommodate such a phenomenon in that it provides for the synergistic interaction of business ideology and socio-cultural influences to "form a unique values system" (Ralston et al. 1997, p. 138). Based on the insights gleaned from our research, particularly from our longitudinal investigation (Ralston et al., 2006), I believe that the definition of crossvergence can encompass the tri-faceted typology identified in Figure 4, which I will now discuss in more detail.

Descriptions and definitions of the three categories of crossvergence. First, conforming-crossvergence, is the situation where individual-level values differences across groups (e.g., societies, regions, generations) would decrease over time. Conforming-crossvergence is illustrated by the Hong Kong-China findings for locus of control in Figure 3. The classical definition of convergence would be a specific case of the conforming-crossvergence group, as illustrated in Figure 4-A.

Next, static-crossvergence exists when the situation where values across groups may change over time, but where the values difference relationship between groups remains unchanged. Static-crossvergence is illustrated by the China-U.S. findings for locus of control in Figure 3. The classical definition of divergence would be a specific case of the static-crossvergence group, as illustrated in Figure 4-B. For classical divergence, neither the values nor the relationships changes over time.

Finally, we can define deviating-crossvergence as the situation where values differences across groups would increase over time. This implies that the individual-level values in one

group must change, but does not preclude the possibility that change in values may occur in both groups being compared. Further, deviating-crossvergence consists of two sub-types, intersecting and non-intersecting. These two, while having unique relationship patterns, ultimately result in the same phenomenon, the values in the groups evolving to become less alike over time. The non-intersecting form is perhaps the less complex of the two types. Over time, the values differences across groups simply become greater. This type of relationship is exemplified in Figure 3 by the Hong Kong-U.S. relationship for Confucian dynamism and is identified in Table 4-C. The intersecting type, as implied in the name, identifies an intersection or crossover-relationship between groups. Over time, the group that was higher on a value becomes lower on that value than the other group. Thus, with the intersecting type of deviating-crossvergence, there is a temporal, short-term conforming effect that occurs during the process prior to the emergence of the deviating effect. This type of relationship is exemplified, in Figure 3, by the Hong Kong-China relationship for Confucian dynamism and is identified in Table 4-C.

A practical implication of this definitional refinement is that the questions for values evolution become: What kind of *crossvergence* has occurred? And, how substantial a role do the socio-cultural influences and the business ideology influences play in value formation and evolution? Based on the findings of these studies, which show values being impacted by both socio-cultural and business ideology influences, the likelihood of the occurrence of pure classically defined convergence or divergence appears to be minimal in a longitudinal analysis. Thus, as proposed, it may be more reasonable to think of these concepts as special cases of conforming- and static-crossvergence, respectively; and to view conforming-, static- and deviating-crossvergence as constructs that much more fully capture the range of possibilities of values evolution across groups. Consequently, in multi-group comparisons (e.g., societies), these

categories may be used to describe the relationships found between two groups, and in turn, to categorize the relationship similarities and differences found across all groups of a multi-group analysis.

Where Do We Go from Here?

I would like to share with you some of my ideas concerning future research direction. These ideas are based on the direction that our *University Fellow International Research Consortium* (UFIRC) research group is presently taking (*http://ufirc.ou.edu*). My hope is that these ideas will also encourage others to undertake more ground-breaking research that will assist us in better understanding the aspects of behavior within and across societies.

Three concepts of importance—longitudinal, longitudinal, longitudinal. Borrowing the well-known "location-location-location" idea from my real estate friends, I want to emphasize the future of values research lies in longitudinal, longitudinal, longitudinal research. The important differences that I have observed between our own cross-sectional studies and our recent longitudinal study demonstrate that the longitudinal "video" provides a much more complete picture than the cross-sectional "snap-shot" perspective. Having said this, I do not plan to stop conducting cross-sectional studies, nor do I denigrate, in any manner, their importance. I merely would like to re-emphasize, as others before me have, that there is a dearth of longitudinal research in this area, and to note that our empirical investigations indicate that longitudinally oriented studies truly assist in better understanding the rapidly evolving world in which we live.

Integrating the "M & M & M" predictors. From the articles that I have discussed, as well as those written by others, I believe that a case can be made for the importance of integrating some combination of macro-, meso- and micro-level predictors in the same study. From our

current work in progress, in which we are using hard data predictors, I am thoroughly convinced

that this argument can be made. To be fair, I am hardly the first person to raise this point. I know

that we can go back at least to the mid-1970s when Negandhi (1975) admonished that the

literature was sorely missing studies that integrated the micro and macro levels of analysis. What

I might add is that, based on the recent work by our UFIRC group, we have identified a set of

macro-predictor variables that fit the three categories of business ideology influences: economic

(e.g., GNI per capita), political (e.g., polity) and technological (e.g., technology index). We have

found that these various business ideology predictors hold together as a group. That is, they are

correlated with one another, unfortunately sometimes to the point where they are too highly

correlated to use in the same study. However, this correlation does reinforce the validity of the

business ideology influence concept. For the socio-cultural influences, our research has shown

that the measures developed by Inglehart (1997) and Trompenaars and Hampden-Turner (1998)

are far superior to the much maligned Hofstede dimensions (see, McSweeney, 2002), which

nonetheless have continued to be used fairly extensively. At the meso-level, we have found the

organizational culture measure developed by Cameron and Quinn (1999) to be meaningful

(Ralston, Terpstra-Tong, Terpstra, Wang, & Egri, 2006), and it is proving to be cross-culturally

robust in our multi-country work in progress. At the micro-level, we have found the Schwartz

Value Survey dimensions constructed for the individual level (Schwartz, 1992) to be cross-

culturally meaningful and robust. As an aside, I cannot say the same for the more recently

developed societal-level Schwartz dimensions (Sagiv & Schwartz, 2000), which we have found

to have internal consistency issues. In sum, I identify these measures simply as examples of

where our research group has found success, not to prescribe to others how they should design

their studies.

Assessing the socio-cultural and business ideology influences. Understanding the predictors of individual-level values and behavior may be most relevant for those of us engaged in the investigation of behavioral research. However, I think the relevance of this issue may also transcend into other areas of international business research, especially for those researchers considering a multi-level approach. Thus, in the context of these influence categories, I propose three research questions, which I believe need more in depth consideration.

1. HOW does each type of influence, or sub-set influence, contribute to the values evolution process? (*degree*)

2. WHEN does each type of influence, or sub-set influence, impact the values evolution process? (*timeframe*)

3. WHY does each type of influence, or sub-set influence, play a role in the values evolution process? (*theory*)

To this point, I believe that the cross-cultural research literature has been reasonably thorough in answering the "what" question, regarding comparisons between societies on a variety of dimensions. However, I think that we now need to be equally thorough in digging beneath the surface to understand the how, when and why of the values evolution process. Developing studies to focus on these questions should help us better understand *why* we are finding *what* we have found. In this regard, coming back to my second point of integrating the 3-M predictors, I believe that incorporating multi-level predictors in the same study will assist us in this process. Concurrently, the use of longitudinally designed studies will provide us with a more insightful interpretation of the phenomena that we have been observing over the past few decades of values research.

As a final thought, while the cross-cultural study of work values and behavior has been recognized as an important topic for the past several decades, it has never been more important

than it is today and will continue to be in the future. The number of developing countries,

consisting of those that are economically emerging and others that are political transforming, has

increased significantly over the past few decades, resulting in a dramatic acceleration in

globalization. Economically, the home-market saturation in developed countries has encouraged

many MNCs to become increasingly involved with these developing countries, as these MNCs

seek lower-cost production venues and new market opportunities. Somewhat ironically, the

MNCs have been both a catalyst for value evolution and those most affected by the nature and

degree of this values change.

In addition to this recent economic motivation for globalization and the associated need to

understand values evolution, political change has also contributed substantially to globalization

and values evolution. The number of previously isolated communist and former-communist

countries that are now transitioning to more democratic, as well as market-driven, economies has

added substantially to the list of developing countries. The growth in the number of developing

countries becomes exponentially more important when we consider the impact that several of

these countries (e.g., Brazil, China, India and Russia) have, and will continue to have, on the

global economy.

The good news for the cross-cultural researcher is that there truly are a multitude of relevant

research issues in need of investigation. Some of the issues that I see as being among the most

relevant ones include the following. The Middle East region and the Islamic world, which to date

have received very little attention in the International Management literature, are very important

to investigate and to understand better, given the growing economic and political importance of

this region and its religious ideologies. The BRIC (Brazil, Russia, India, and China) economic

cluster and the CEE (Central and Eastern Europe) economic cluster provide other comparative

analyses of potential research interest, given the rapid expansion of these economies, their inter-relatedness, and the growing importance of their contributions to the world economy. At the regional sub-culture level, the countries of Brazil, Indonesia and Russia, as well as the former Yugoslavia appear to be some of the sites that would be interesting to consider, given the geographic and/or ethnic diversity within these societies.

Further, at the within-society level, a much more thorough exploration of demographic—particularly, age and gender—differences is imperative, given that we have seen differences in age and gender being found in both the single-country and cross-cultural literatures. The locations for these types of exploration might be most interesting in the historically more traditional cultures that are showing varying degrees of interest in transitioning (e.g., China, Colombia, Hungary, and Saudi Arabia). These societies appear to have heightened age and gender differences, which may be due to the interaction, sometimes conflict, of the socio-cultural and business ideology influences. In these societies, it also appears that the older generations and the female gender retain the traditional values of their society longer than do their counterparts. The appearance of these relationships is, of course, subject to empirical scrutiny. Thus, within-society(ies) gender-by-age cohort studies should be particularly interesting.

In conclusion, let me reiterate that these ideas are simply that—ideas. They are provided as food-for-thought. They are not purported to be an all-inclusive list of important cross-cultural research issues. Accordingly, I see a multitude of worthwhile and interesting, albeit challenging, areas awaiting investigation by International Management researchers. Moreover, I am optimistic that, collectively, we will tackle these challenges in order to explore the fascinating research opportunities that await us using more sophisticated research designs and evaluation techniques.

Notes

1   The "influence-type" terminology that I am using to describe this study was developed many
     years after the writing of this study.

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Table 1

Results of the Eastern and Western Measures of Values [a]

Measures	Group Relationships	Hypothesis Supported
Western-developed		
Machiavellianism ***	(Hong Kong & China) > U.S.	Divergence
Locus Of Control ***	China > Hong Kong > U.S.	**Crossvergence**
Intolerance Of Ambiguity ***	China > Hong Kong > U.S.	**Crossvergence**
Dogmatism ***	(Hong Kong & China) > U.S.	Divergence
Eastern-developed		
Confucian Work Dynamism * {*Long-Term Orientation*}	China > Hong Kong > U.S.	**Crossvergence**
Human-Heartedness *** {*Masculinity - Femininity*}	U.S. > Hong Kong > China	**Crossvergence**
Integration*** {*Power Distance*}	(U.S. & Hong Kong) > China	Convergence
Moral Discipline N/S {*Individualism - Collectivism*}	Hong Kong, U.S., China	{*Undeterminable*}

* $p < .05$; *** $p < .001$.

[a] Ralston, D.A., Gustafson, D.J., Cheung, F. & Terpstra, R.H. 1993. Differences in managerial values: A study of U.S., Hong Kong and PRC managers*. Journal of International Business Studies*, 24, 249-275.

Table 2

Results for the Six Regions of China Comparisons [b]

Dimension	Region Groupings
Individualism — Collectivism	
Overall *	Group 1 > Group 2 > Group 3
Openness-to-Change — Conservation *	Group 1 > Group 2 > Group 3
Self-Enhancement — Self-Transcendence *	(Group 1 & Group 2) > Group 3
Confucianism [N/S]	

where,   Group 1 = Guangzhou and Shanghai
           Group 2 = Beijing and Dalian
           Group 3 = Chengdu and Lanzhou

* $p < .05$.

[b] Ralston, D.A. Yu, K.C., Wang, X., Terpstra, R.H. & He, W. 1996. The cosmopolitan Chinese manager: Findings of a study on managerial values across the six regions of China. *Journal of International Management*, 2, 79-109.

Table 3

Results of the Values of the Schwartz Values Survey [c]

Continua	Countries	Group Relationships	Hypothesis Supported
Individualism - Collectivism***	U.S. Russia Japan China	US > Russia > Japan > China	**Crossvergence** (*Culture Dominant*)
Openness-to-Change - Conservation***	U.S. Russia Japan China	US > (Russia & Japan) > China	**Crossvergence** (*Neither Dominant*)
Self-Enhancement - Self-Transcendence***	U.S. Russia Japan China	(US & Russia) > (Japan & China)	Divergence

*** p < .001.

[c] Ralston, D.A., Holt, D.A., Terpstra, R.H., & Yu, K.C. 1997. The impact of national culture and economic ideology on managerial work values: A study of the United States, Russia, Japan, and China. *Journal of International Business Studies*, 28, 177-208.

Table 4

A Comparison of North and South Vietnamese [d]

Dimensions	Group Relationships
INDIVIDUALISM	
Overall***	North Vietnam **>** South Vietnam
Openness- to-Change	North Vietnam ~ South Vietnam
Self-Enhancement***	North Vietnam **>** South Vietnam
COLLECTIVISM	
Overall	North Vietnam ~ South Vietnam
Conservation	North Vietnam ~ South Vietnam
Self-Transcendence	North Vietnam ~ South Vietnam

*** $p < .001$.

North Vietnam — Hanoi

South Vietnam — Ho Chi Minh City (Saigon)

[d] Ralston, D. A., Nguyen V.T. & Napier, N.K. 1999. A comparative study of the work values of North and South Vietnamese managers. *Journal of International Business Studies*, 30, 655-672.

Table 5

**A Comparison of Chinese and American Younger and Older Generations
on Schwartz Values Survey Dimensions** [e]

Dimensions	Chinese and American Generations Comparisons
Openness-to-Change	(Social Reform, Gen X) > (Republican, Silent Gen.) *YOUNGER > OLDER*
Conservation	(Republican, Silent Gen.) > (Social Reform, Gen X) *OLDER > YOUNGER*
Self-Enhancement	[Gen X > Social Reform] > (Republican, Silent Gen.) *YOUNGER > OLDER*
Self-Transcendence	(Republican, Silent Gen., Gen X) > Social Reform

<u>CHINESE</u>		<u>AMERICAN</u>	
Social Reform	1971-75	Generation X	1960-75
Republican Era	1930-50	Silent Generation	1925-45

[e] Egri, C.P. & Ralston, D.A. 2004. Generation cohorts and personal values: A comparison of China and the U.S. *Organization Science*, 15, 210-220.
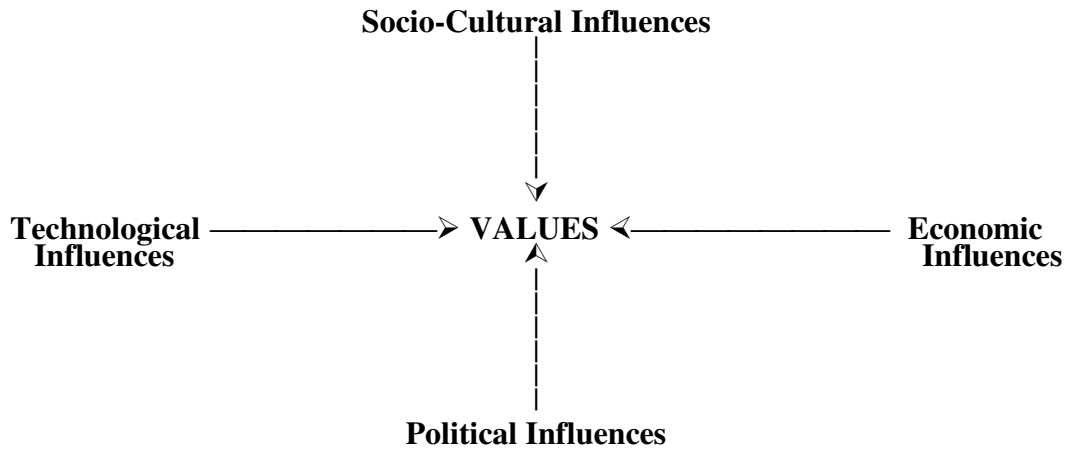
Table 6

The Findings on Longitudinal Change for China, Hong Kong and the U.S. [f]

Values Dimensions	1989	2001	Hypothesis Supported
Integration {*Power Distance*}	(US, HK) > China (Convergence)	US = HK = China (**n.s.**)	Convergence
Human-heartedness {*Masc - Fem*}	US > HK > China (**Crossvergence**)	(US, HK) > China	**Crossvergence**
Machiavellianism	(HK, China) > U.S. (Divergence)	(HK, China) > US	Divergence
Locus of control	China > HK > US (**Crossvergence**)	(China, HK) > US	**Crossvergence**
Confucian work dynamism	China > HK > US (**Crossvergence**)	(HK, Ch) > US	**Crossvergence**
Moral discipline {*Indiv - Collect*}	HK = US = China (N/S.)	(HK, China) > US	**Crossvergence**
Intolerance of ambiguity	China > HK > US (**Crossvergence**)	(HK, China) > US	**Crossvergence**
Dogmatism	(HK, China) > U.S. (Divergence)	(China, HK) > US	Divergence

[f] Ralston, D.A., Pounder, J., Lo, C.W.H., Wong, Y.Y., Egri, C.P. & Stauffer, J. 2006. Stability and Change in Managerial Work Values: A longitudinal study of China, Hong Kong and the U.S.A. *Management and Organization Review*, 2, 67-94.

Figure 1

A Description of the Factors that Influence Values

A. **TRADITIONAL PERSPECTIVE**

Socio-Cultural Influences

Technological ——————————▷ **VALUES** ◁—————————— **Economic**
Influences   **Influences**

Political Influences

- -

B. **TIME-CHANGE CLUSTERS PERSPECTIVE**

Socio-Cultural Influences

VALUES

Business Ideology Influences

- **Economic**
- **Political**
- **Technological**

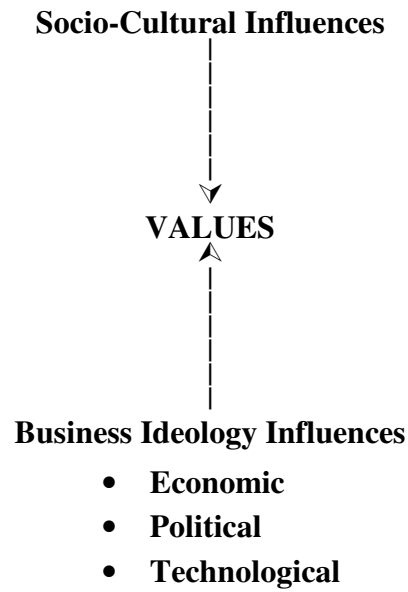**Figure 2**

A Two-by-Two Matrix of Socio-Cultural and Economic Ideology Influences [c]
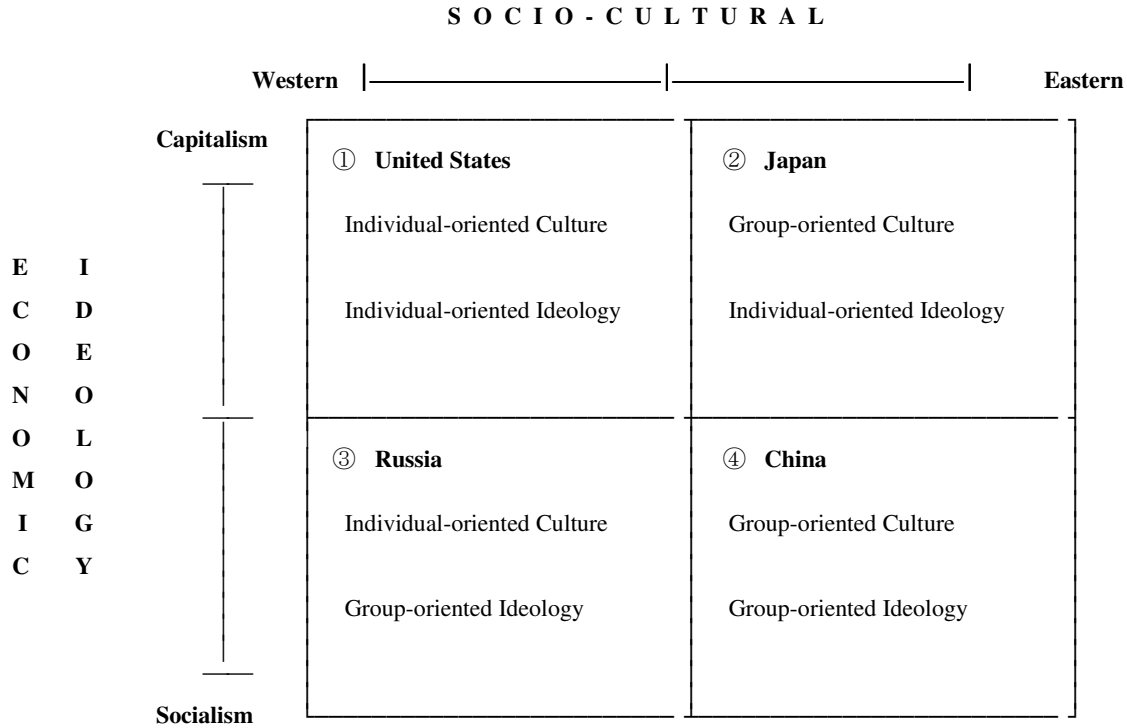
SOCIO-CULTURAL

	Western		Eastern

	Capitalism	
E I **C D** **O E** **O** **N O** **O L** **M O** **I G** **C Y**	① **United States** Individual-oriented Culture Individual-oriented Ideology	② **Japan** Group-oriented Culture Individual-oriented Ideology
	③ **Russia** Individual-oriented Culture Group-oriented Ideology	④ **China** Group-oriented Culture Group-oriented Ideology
	Socialism	

[c] Ralston, D.A., Holt, D.A., Terpstra, R.H., & Yu, K.C. 1997. The impact of national culture and economic ideology on managerial work values: A study of the United States, Russia, Japan, and China. *Journal of International Business Studies*, 28, 177-208.

Figure 3

**Examples of Longitudinal Trends in Values Evolution** [f]

Locus of Control

13.5
12.5
11.5
10.5
9.5
8.5
7.5

1989   2001

Confucian Work Dynamism

5.6
5.4
5.2
5
4.8
4.6
4.4
4.2

1989   2001
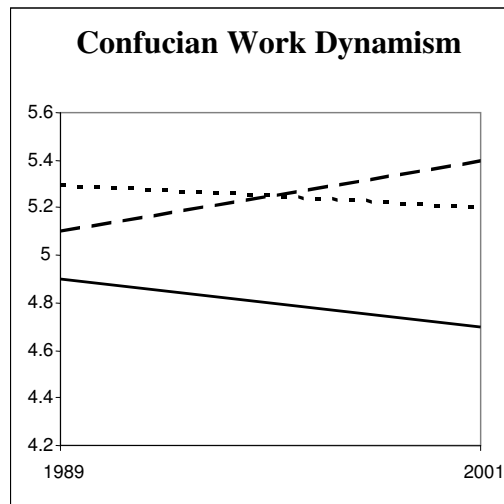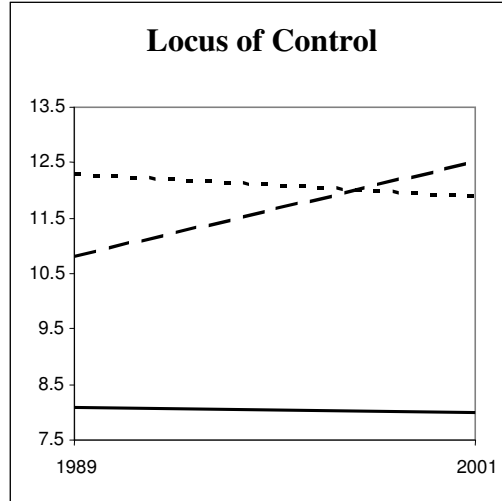
Key: U.S.   ——————
      Hong Kong   — — — — — — —
      China   - - - - - - - - - -

[f] Ralston, D.A., Pounder, J., Lo, C.W.H., Wong, Y.Y., Egri, C.P. & Stauffer, J. 2006. Stability and Change in Managerial Work Values: A longitudinal study of China, Hong Kong and the U.S.A. *Management and Organization Review*, 2, 67-94.
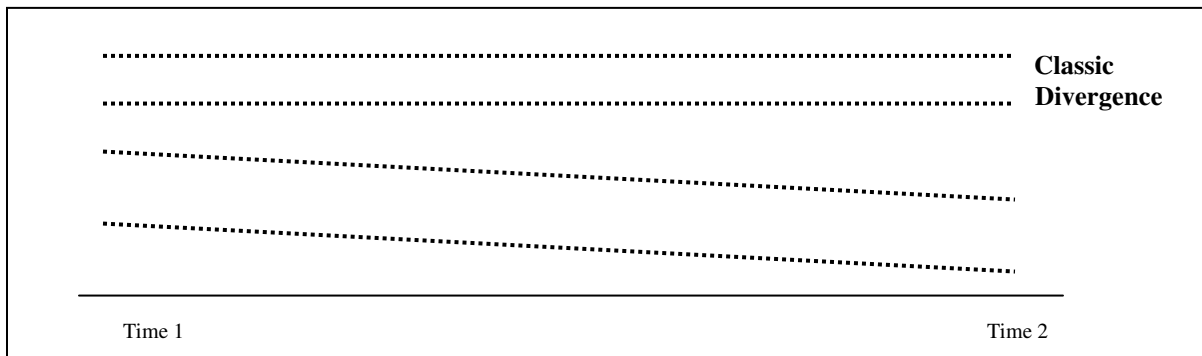
Figure 4

A Typology of Crossvergence Using a Longitudinal Perspective

A. **Conforming – Crossvergence**
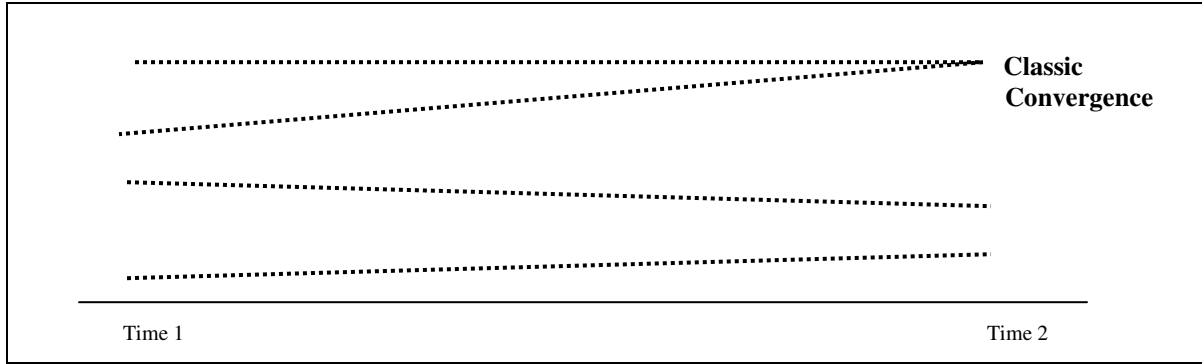
B. **Static – Crossvergence**

C. **Deviating – Crossvergence**