

## The Difference between Collective and Individual Culture Based on Leadership, Communication and Interpersonal Relationship

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**Abstract:** The aim of this study is to understand the aspects which give influences to employee's working performance. Data was collected used questionnaire and interview with 45 subjects. Interview was conducted to 15 employees out of 121 employees working in one oil company in Jakarta, Indonesia. The result of this study showed that leader's individual or collectivist culture may give influences to employee's working behavior. Both, individual and collective culture, have their own pluses and minuses. Therefore, employees are expected to be able to adapt and taking positive sides from both cultures. Employees are also expected to have better and closer interpersonal relationship with their working colleagues. Also, lower interpersonal relationship between each departments may cause employee's performance become less maximum and make it more difficult for the organization to reach their goals and targets.

**Key words:** collective culture; individual culture; leadership; interpersonal relationship

**JEL code:** L290

### 1. Introduction

Right now, we are already entering the era of globalization. Globalization is a new era where changes happen faster in all aspects of life. This cause competitions between countries also grow more rapidly, especially in economic sectors, such as competitions to rule natural resources and markets and to sustain the already-available market.

According to Global Competitiveness Index (CGI)'s survey on 2012-2013, Indonesia's competitiveness had grown from ranking 50 to ranking 38 with overall score 4.53. But this score is still far below Switzerland with 5.67. For ASEAN level, Indonesia's competitiveness is still below Singapore, which stood in ranking 2, Malaysia in ranking 24, Brunei Darussalam in ranking 26, and Thailand in ranking 37 (Vivanews, 2013).

Human resources is one of organization's assets which cannot be replaceable by technology and play the main role in all organizational activities. Organizations may give unlimited facilities, but that will be useless without competent human resources' quality. Therefore, it is necessary for all organizations to provide their human resources with trainings to grow the employee's quality. Human, with all their skills and knowledge, may be able to use and take advantages of other resources to reach organization's goals and success.

Employee's performance may influence organization's success, in which, employees with low performance

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may cause damage or loss to organizations. It is very important for an organization to sustain and develop employee's performance. One factor that cause employee's performance leader's culture in organizations.

Cultural background is understood as a culture that construct personal characteristics, such as, way of thinking, feeling, behaviors. All of those characteristics may create concept, ideas, and certain attitudes that differentiate one individual from one culture to another individual from another culture. Supported by Hofstede and Hofstede's (2005) research which showed that manifestation from cultural background differences can be seen from symbols (language), role model, rituals (cultural activities) and values. From these 4 cultural manifestations, values become the most prominent factor that influence one's attitude in responding certain stimulus.

Individual's values may influence attitudes and behaviors all aspects in life. The influence of these personal values may also be seen in how a person behaves as an employee in a working context. Robbins (2001) stated that individual's cultural values may give different perspectives, values, attitudes and beliefs in each employee.

In the attempt to understand different values in organization, Hofstede and Hofstede (2005) conducted a research to employees in multinational companies from many countries with different cultures. The result of the research showed that there are 5 cultural values, which are, power distance, uncertainty avoidance, individualism-collectivism, masculinity, femininity, and long term-short term orientation. The cultural values may differ between countries.

As previously stated, cultural values may affect individual's behavior in workplace, including individualism-collectivism value. This value is assumed as being able to affect individual's behavior in organization. The employees working in the oil company in Jakarta come from different cultures, be it languages, cultures, races, and religions. Unfortunately, cultural differences between national leaders and expatriate leaders can be one aspect that cause low employee's performance. The leader's collective and individual cultures become main concern to develop employees' performance, by taking positive side from both cultures.

## **2. Literatures**

In Hofstede's (1984) research, it was stated that culture where individual grows and learns how to socialize can form certain mental program which may affect how one thinks, feels and behaves. There are 3 mental programs, such as:

### **(1) Universal Level**

Universal level is the most basic level in these sets of mental program. This level is understood by all cultures and everyone in all societies. The example of this level is expressive behavior, such as, laughing or crying.

### **(2) Collective Level**

Collective level is the second level in these sets of mental program. This level is adopted in groups, but not to all societies. The example of this level is language, attitudes towards parents, social interactions, social norms.

### **(3) Individual Level**

Individual level is the most unique of all. It reflects how one's personality developed under the influence of cultural and social power.

Differences between collective-individual dimensions come from the differences between social and economic development, and technology development in certain countries (Hofstede, 1991).

### The Difference Between Collective and Individual Culture Based on Leadership, Communication and Interpersonal Relationship

In a more complex culture, there will be more lifestyle choices. Therefore, it can be understood that in individualist culture, people tend to have more lifestyle choices compares to collectivist culture (Triandis, 2001).

The assets of one country is also aligned with individualist-collectivist continuum. Hofstede (1991) stated that there is a positive relation between country's assets with the people's individualist orientation. In developed countries, transportations, telecommunications, televisions and internet is widely available. This affects the lesser needs for people to interact with other people. People also think that they can live and work on their own without having to work with others. In this situation, values and norms do not develop as good as in collective cultures, where being passive is not a possible option.

Hofstede (1991) defined an individualist society as a society with looser interpersonal relationship between people. Everyone is expected to take care of themselves and their nuclear family. In an individualist society, an individual is independent from their group. They prioritize their personal goal above group's goal. Their behavior is based on attitude instead of social norms. When facing conflicts, individualist societies would prioritize justice and fairness, that it is common for them to take conflicts to courts (Triandis, 2004). For further detail of collectivist and individualist culture, can be seen in Table 1 below.

**Table 1 Differences between Collectivist and Individualist Culture**

No.	Aspects	Allocentrist (Collectivist)	Idiocentrist (Individualist)
1	Self Definition	Reflecting themselves on 30%-50% of social contents.	Reflecting themselves on approximately 0%-20% of social context.
2	Self Estimation	Based on togetherness instead of achievement.	Put achievement as a priority.
		Tend to maintain social stability.	Tend to dominate.
		Low self estimation, easily gets shy, tend to be affiliative, sensitive to social rejections.	
3	Ethnocentrism	Positive attitudes to group where one belongs and have negative attitudes towards other groups.	Have far emotional distance between one self and another.
		Helping other group members is a must.	Helping other group members is a choice.
		Lying is acceptable in order to save the group from shame and humiliations.	Having a self belief that one must define themselves (individualist characteristic will tend to be honest and more authentic).
4	Morality	Doing what is expected from group	Put fairness as a priority in resources' sharing.
		Put togetherness as a priority in resources' sharing.	
5	Communication	Put more attention to context than content.	Put more attention to "what is said" rather than to "how it is said".
		Put more attention to voice, body language, eye contact, and movement.	Put more attention on language using.

In countries with individualist culture, employees are expected to work in order to satisfy their passions and to develop and achieve their personal goals in their jobs. In this culture, it is very important for management to identify and employ people with similar goals and passions with organization. Recruitments are mostly done with selection interviews and personality testings. These procedures help management to make sure whether the employees will reach satisfaction and organization's goals at the same time (Hofstede, 1991).

Collectivist culture is defined as a social characteristic in which an individual is integrated to their environment since they were born. This cohesive environment will protect individual for their whole lifetime with obeying the environment's rules as the requirement (Hofstede, 1991). Societies are formed on related individuals who prioritizes group's goals, and behave as group's norms in communal forms (Triandis et al., 1995). During conflicts, the main focus will be on maintaining the relationship's stability. Conflict resolution is done through mediation conflict to avoid worsening relationship (Triandis, 2004).

Employees in collective oriented organizations will tend, not only to accept organization's goals and passions, but also to maintain loyalty and obedience to organizations. Employees' attitudes towards organizations will be based on "what I have to do" instead of on "what I want to do". Most of the times, employees are fired not because of bad performance, but because of loyalty, disrespecting leaders, and disobedience issues (Hofstede, 1991).

On Hofstede's (1991) research, Indonesia has the lowest individualist score, with overall score 14, compared with other Asian countries (23) and the rest of the world (43). Therefore, Indonesia is classified as a collective society, which is society with high commitments to group, be it family or other groups where individual belongs, including workplace. Loyalty in collective culture is everything. Loyalty is even put above rules and valid laws. Besides, society also put more attention to a strong interpersonal relationship between one another, and that everyone is responsible for other group members. According to Triandis (2004), not all individuals in collective society is an allocentrist individual, even though the majority of people in collectivist culture are allocentrist individuals. Therefore, it can be assumed that allocentrist character can also affect employees' working behavior in Indonesia.

### 3. Methodology and Model

#### (1) Area Limitation

This study is limited to one multinational oil company in Jakarta, Indonesia.

#### (2) Subject Limitation

Subjects for this study are permanent employees in one multinational oil company in Jakarta, Indonesia. Total employees working in the headquarter in Jakarta is very limited, with only 121 employees. Most of the employees work in the drilling sites.

#### (3) Data Collection

- Questionnaire

Questionnaires are given to subjects to find a wider mainframe of things that need to be developed, and also to measure employee's perceptions in organizations and in groups. Another aim of this questionnaire is to analyze relationships between variables that influence organization's management.

Questionnaire is constructed based on The Organizational System theory by Kast and Rosenzweig (Smither, Houston, & McIntire, 1996).



**Figure 1 The Organizational System**

- Interview

Interview is conducted to find deeper information from questionnaire's results. Interview is done individually to all levels, including staffs and managers.

(4) Data Analysis

- Content Analysis

Content analysis is done by analyzing qualitative data, such as questionnaire descriptive data and interview results. Before conducting this process, researcher was conducting a coding process from all subjects' interviews. This coding process was aimed to classify responses according to theoretical aspects. After coding process was done, researcher was doing data tabulation so that the information can answer the research question. From the tabulation column, we moved to quantitative responses to see which aspects have the most frequent responses in organizations.

- Statistic Analysis

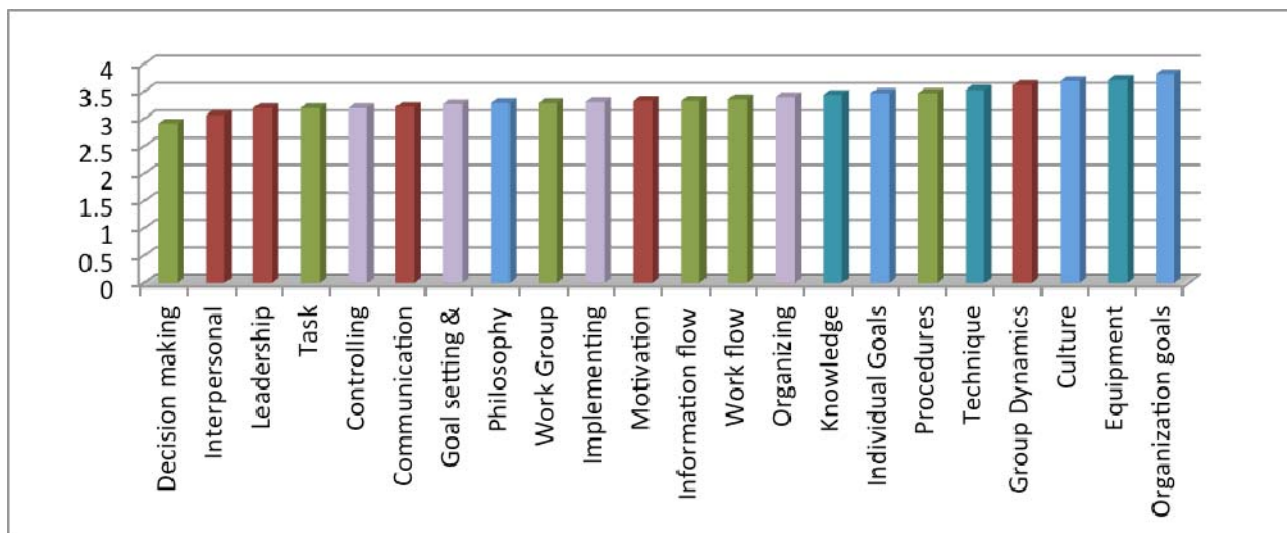
Statistic analysis is conducted by doing quantitative data analysis, such as analyzing questionnaire's data. In doing statistic analysis, researcher was using Microsoft Excel to find lower mean score and higher means score from all items and then researcher rated the aspects from low to high.

## 4. The Findings

(1) Questionnaire Results

The Organizational Questionnaire which was given to the respondents contents 22 items. Researcher gave 107 questionnaires and got 45 questionnaires back. The rest of the questionnaire was not given back to researcher by the respondents due to respondent's activities and loss of questionnaires.

Based on the questionnaire's result, it is shown that decision making and interpersonal relation aspects have highest scores which means that the effectivity of employees' performance is low. Employees find some obstacles in decision making process. This is caused by the influence of leader towards all decisions taken. Employees feels that every departments are only responsible for their own groups and create an individualist environment in each departments. This cause interpersonal relations between each departments become looser and less closer.



**Figure 2 Diagram of Item's Mean Result Left to Right**

## (2) Interview Results

Researcher did interviews to 15 respondents and got the result that psychosocial subsystem have highest score in leadership aspect. There are some diagnoses gotten from the interviews. Researcher cited some most important quotes from interview results.

- Leaders are not aware of their subordinates, can be seen from citation below :

“leadership has to take everything into account, all scopes in organizations. When you are a leader, you cannot just look at yourself and how you are going to develop yourself but never think of your subordinates. Your subordinates also need to be developed. Do not make your subordinates ended up developing themselves because the leader is too busy thinking about themselves” (S6, B456-462, H11)

Citation above showed that leaders tend to be individualist, in which leader believe that they have to define how they are going to develop themselves and they apply the same things to their subordinates.

- Leaders do not appreciate subordinates’ work, can be seen from citation below:

“some people feel dissatisfied, like they tried to work more but their works are not appreciated. Some feel some mismatches with leader’s personality and system.” (S7, B309-318, H9)

“some of my ex-colleagues which are now working in other companies know how it feels to be led by the previous boss. Previous boss had different style with our current boss, more like cowboy style. You need some leave, you go get some leave, I will approve your leave notes. Our current boss is more detail-oriented, even the smallest detail is taken seriously. The current boss also likes to comment about everything, about when we come to office and when we go home. Some feel more comfortable with the previous boss.” (S7, B327-364, H10)

Citations above showed that there are leaders from both cultures, in which leaders with collectivist culture tend to maintain relationship stability, so that when the subordinates need some annual leaves or going home early, leader did not make it difficult and approve it right away. Meanwhile, individualist leader focused on achievement and being the best, that leader took, even smallest details that may affect performance, into accounts.

- Collective leaders (S2, B260-275, H6)
- Not being a clear leader, can be seen from citation below:

“a successful leader is a clear leader. Subordinates will understand the order easily with a clear leader. Yeah, but some leaders here like to trick other people. Even some leaders think that giving details are none of his business. I just give the bottom line, you find out the rest yourself.” (S12, B465-469, H13)

Citation above showed that some individualist leaders think that helping group members is a choice for them. They already gave the bottom line of the job, but actually the subordinates still need more helps and guidance from the leader to achieve maximum results.

- Leaders are not sensitive to feedbacks, can be seen from citation below:

“yes, we can give feedback to our leaders, but when you are already in a high position, as a leader, then you tend not to listen to what your subordinates think about you and your leadership” (S7, B647,-653, H16)

“we also have some people who does not listen to feedbacks. They think they are seniors, so they do not have to listen to other’s opinions.” (S12, B500-503, H14)

- Leaders cannot motivate their subordinates, can be seen from citation below:

“we want to have a leader just like motivation trainers. How we work, how we have to behave with our works, we don’t have that kind of people here.” (S16, B232-229, H5-6)

From citations above, we can see the differences between leader’s collectivist and individualist culture may

affect employees' performance. We can find collectivist leaders in national (Indonesian) leaders and individualist leaders in expatriate leaders.

According to interview and questionnaire result's integration, researcher understood that highest score was found in leadership aspect (16.67%) communication aspect (15%), interpersonal relation aspect (13.33%), culture aspects (11.67%), task delegating and implementation aspect (10%), facilities aspect (5%), human resources, standard of competency, and standard of procedures aspects (3.33%), motivation, team work, information delivering and target achievement aspects (1.67%).

These results also supported leadership aspect as the main factor that may influence employees' performance. Anyway, the core problem of this research is leader's collectivist and individualist culture, which may affect employee's working behavior and cause inter-department interpersonal relations become loose and less close. Some employees came up with a solution to create some employee gathering outside of working hours in order to make closer relationship between employees. This solution can be seen from citation below:

"no, we do not have that kind of gathering now. We had it in previous time, like 3-4 times per year. But now, it is only like 1 times per year maximum. It was almost every month before." (S5, 332-340, H7)

"I really hope we can do some activities together. Fun activities to tighten up our relationship. Yes, we do have some gatherings, but it is just like eating out and talking and done. I would prefer we have some meaningful games to improve our relationship." (S7, B686-693, H17)

"no, we do not have it. Only this kind of green day. I don't know what is that." (S9, B821-823, H19).

Besides, researchers also find some gaps between seniors and juniors, and also between leaders and subordinates, can be seen from citation below:

"there are still some gaps between seniors and juniors. You can see it, every time we have gatherings, juniors only hang with juniors and vice versa. We are not totally blended in." (S7, B777-783, H19)

Cultural aspect is also another main focus of this research, considering culture is what makes people, in general, and leader, in specific, become and individualist or collectivist person. This thing can also cause looser inter department interpersonal relation. Data shown that leaders may have different cultures from one another, can be seen from citation below:

"I do feel big differences between Indonesian leaders and expatriate leaders. When it comes to expatriate leaders, they are more open. If I make a mistake, they will correct it right away. Sometimes in a hard way, but at least, I know what my mistakes are. Meanwhile, with Indonesian leaders, sometimes they do not tell me if I am mistaken. They just get quite shut and I do not know even if I made mistakes or not." (S1, B295-300, H6-7)

Besides, seniority is still something that is very prominent in this company, can be seen from citation below:

"yes, here we still have seniority." (S5, B121-131, H3)

"before, I was placed in finance department. Then I moved here, but my previous boss needed me to fill feedback form for him. Yes, I fill it the way it is. Those expatriates are rude, they do not even talk to us when they met us." (S12, 543-545, H15)

## **5. Summary and Conclusion**

According to diagnosis, researcher found leader's collectivist or individualist culture affect employee's working behavior, in which this is aligned with Triandis' (2004) research. Both, collectivist and individualist culture, have their own pluses and minuses, therefore employees are expected to adapt to those cultures and take the positive

side from each cultures. It is also recommended for employees to have closer interpersonal relation, because looser interpersonal relation may cause lesser employees' performance and make it harder to achieve organization's goals.

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