

A Work Project, presented as part of the requirements for the Award of a Master's degree in Management from the Nova School of Business and Economics

This individual thesis is part of a group thesis addressing the following overarching research question:

How are the Characteristics of Corporate Culture Manifested in Organizations that Exhibit Scalability?

Marlo Alexander Frings (58025)

How are the characteristics of Uncertainty Avoidance manifested in organizations that exhibit scalability?

Work project carried out under the supervision of:

Aman Asija

Date of Defense:

08/01/2025

Abstract

The study uses Hofstede's Cultural Dimension Theory to investigate how its dimensions affect an organization's capacity for successful development. Qualitative data was collected through interviews with 35 firms in scaling stages to assess various cultural dimensions within those firms. The results indicate that top-level employees believe mostly in mixed approaches and not a strictly black-or-white way of thinking. The selection of the Hofstede framework disregards other prominent cultural frameworks, which may ultimately provide valuable findings in future studies. This study is the first qualitative assessment that investigates specific cultural characteristics while exhibiting scalability, adding important information to organizational culture approaches.

Keywords

Hofstede, Organizational Culture, Scalability, Power Distance, Uncertainty Avoidance, Individualism – Collectivism, Masculinity – Femininity, Long Term – Short Term Orientation, Indulgence - Restraint

This work used infrastructure and resources funded by Fundação para a Ciência e a Tecnologia (UID/ECO/00124/2013, UID/ECO/00124/2019 and Social Sciences DataLab, Project 22209), POR Lisboa (LISBOA-01-0145-FEDER-007722 and Social Sciences DataLab, Project 22209) and POR Norte (Social Sciences DataLab, Project 22209).

Table of Contents

ABSTRACT	1
KEYWORDS	1
1. INTRODUCTION	4
2. LITERATURE REVIEW	4
2.1. SCALING, SCALE-UPS AND SCALABILITY	4
2.1.1. Scalability	5
2.2. ORGANIZATIONAL CULTURE	6
2.2.1. Culture	6
2.2.2. Culture as a Social Phenomenon	6
2.2.3. Corporate Culture	7
2.2.4. Elements and Characteristics of Corporate Culture	7
2.2.5. Typologies of Organizational Culture	8
2.2.6. Hofstede's Cultural Dimensions	8
2.2.7. Corporate Culture and Scalability	9
3. METHODOLOGY	10
4. CHARACTERISTICS OF CORPORATE CULTURE MANIFESTED IN ORGANIZATIONS THAT EXHIBIT SCALABILITY	11
4.1. UNCERTAINTY AVOIDANCE	12
4.1.1. Introduction	12
4.1.2. Literature Review	13
4.1.3. Analysis	17
4.1.4. Proposition Development	21
5. DISCUSSION	22
5.1. INTRODUCTION	22
5.2. SUPPORTING THE EXISTING LITERATURE	23
5.3. CHALLENGING THE EXISTING LITERATURE	23
5.4. EXTENDING THE EXISTING LITERATURE	24
5.5. MANAGERIAL IMPLICATIONS	24
6. LIMITATIONS AND FUTURE RESEARCH	24
6.1. QUALITATIVE RESEARCH	25
6.2. RESEARCH DESIGN	25
6.3. HOFSTEDE FRAMEWORK	25
6.4. NEW TRENDS IN THE CORPORATE SETTING	26
7. CONCLUSION	26
8. REFERENCES	I
9. APPENDIX	XVII
9.1. APPENDIX 1: LITERATURE REVIEW ABOUT SCALING AND SCALE-UPS	XVII

9.2.	APPENDIX 2: MODEL OF CORPORATE CULTURE BY SCHEIN (1985).....	XIX
9.3.	APPENDIX 3: MODEL OF CORPORATE CULTURE BY HATCH (1993)	XIX
9.4.	APPENDIX 4: MODEL OF CORPORATE CULTURE BY ROUSSAU (1990).....	XX
9.5.	APPENDIX 5: MODEL OF CORPORATE CULTURE BY HERMANN (1970).....	XXI
9.6.	APPENDIX 6: MODEL OF TYPOLOGIES OF ORGANIZATIONAL CULTURE BY DEAL AND KENNEDY (1982).....	XXI
9.7.	APPENDIX 7: HOFSTEDE’S CULTURAL DIMENSION MODEL	XXII
9.8.	APPENDIX 8: INTERVIEW QUESTIONS (ENGLISH VERSION).....	XXII
9.9.	APPENDIX 9: GENERAL OVERVIEW OF INTERVIEWS CONDUCTED.....	XXV
9.10.	APPENDIX 10: CHARACTERISTICS OF POWER DISTANCE MANIFESTED IN ORGANIZATIONS THAT EXHIBIT SCALABILITY	XXVII
9.11.	APPENDIX 11: CHARACTERISTICS OF INDIVIDUALISM VS. COLLECTIVISM MANIFESTED IN ORGANIZATIONS THAT EXHIBIT SCALABILITY	XL
9.12.	APPENDIX 12: CHARACTERISTICS OF MASCULINITY VS. FEMININITY MANIFESTED IN ORGANIZATIONS THAT EXHIBIT SCALABILITY	LII
	<i>Analysis: General Analysis</i>	<i>LVII</i>
9.13.	APPENDIX 13: CHARACTERISTICS OF LONG-TERM VS. SHORT-TERM ORIENTATION MANIFESTED IN ORGANIZATIONS THAT EXHIBIT SCALABILITY	LXVI
9.14.	APPENDIX 14: CHARACTERISTICS OF INDULGENCE VS. RESTRAINT MANIFESTED IN ORGANIZATIONS THAT EXHIBIT SCALABILITY	LXXVI
9.15.	APPENDIX 15: DISCUSSION OF HOFSTEDE’S REMAINING DIMENSIONS, POWER DISTANCE, INDIVIDUALISM VS. COLLECTIVISM, MASCULINITY VS. FEMININITY, LONG-TERM VS. SHORT-TERM ORIENTATION AND INDULGENCE VS. RESTRAINT	LXXXVIII

1. Introduction

When a company begins to scale, its operations, structure, and strategy undergo significant changes. Corporate culture plays a pivotal role in navigating these challenges by fostering cohesion, resilience, and adaptability during growth (Schein 2010; Groysberg et al. 2018). Scaling organizations must align their cultural frameworks with strategic goals to maintain internal stability and respond effectively to external pressures (Cameron and Quinn 2011; Gibson and Birkinshaw 2001).

Corporate culture has evolved from a peripheral focus to a critical component in organizational studies, now seen as both a stable foundation and a flexible framework adaptable to globalization, technological advancements, and societal expectations (Martin 2002). Successful companies like Spotify, Netflix, and Airbnb highlight how cultural adaptability, transparency, and innovation drive scalability (Kniberg and Ivarsson 2012; Hastings and Meyer 2020).

Using Hofstede's Cultural Dimension Theory, this thesis investigates how corporate culture enables scalability, focusing specifically on Uncertainty Avoidance while including findings on the remaining five dimensions in the appendix. It concludes with managerial implications, limitations, and recommendations, contributing to a deeper understanding of how culture supports scalable growth.

2. Literature Review

2.1. Scaling, Scale-Ups and Scalability

Scaling, scale-ups, and scalability are central topics in modern entrepreneurship and business management. However, these three terms are often used interchangeably without clear distinction nor understanding of their actual meanings. Here, specifically scaling and scalability are frequently perceived as synonymous by many readers. The following section provides a

distinct understanding of the term scalability and its definition for this thesis, while further information about scaling and scale-ups are to be found in the appendix (Appendix 1).

2.1.1. Scalability

Scalability refers to a firm's ability to manage growth efficiently, often influenced by corporate culture and technological infrastructure. Hallowell (2001) first defined scalability in e-commerce as serving additional customers at minimal incremental cost. Zhao et al. (2013) expanded this, highlighting scalability as lowering costs while increasing customer reach through technology and centralized facilities. Coviello et al. (2024) associate scalability with increasing outputs and reducing costs, incorporating economies of scale, while Stampfl et al. (2013) describe it as growing revenues faster than costs.

Scalability is increasingly viewed as a capability tied to organizational culture. Adaptable cultures foster scalability through creativity, while structured cultures achieve it via efficiency (Nielsen and Lund 2018; Juntunen et al. 2018). Coviello et al. (2024) emphasize digital technology's role in enabling rapid, low-cost expansion compared to human capital, but few definitions address internal organizational changes. This gap highlights the importance of both cultural and technological factors in achieving scalability.

Lastly, Coviello et al. (2024) state their definition as “an ordinary organizational capability developed by managing and achieving coherence among a firm’s technological architecture, organizational architecture, and business model.” (p. 16). This thesis views scalability as such. As presented, the scaling process requires a lot of change. With growth, many different factors inside organizations are changing, including processes, hierarchy levels, planning, leadership and many more. All of these are part of the term “organizational culture” which the author will analyze in the following chapter.

2.2. Organizational Culture

Corporate culture, also known as organizational culture, is fundamental to any firm. For businesses aiming to scale, adjusting their culture to meet new challenges is essential (Coulson-Thomas 1995). Researchers have provided numerous definitions, reflecting the diverse understanding of the term. Culture, often described as a "fuzzy" concept, encompasses shared values, customs, beliefs, and assumptions shaping group behaviors and expectations (Causadias 2020; Kumar 2016; Spencer-Oatey 2021).

2.2.1. Culture

Culture is influenced by factors such as geography, traditions, values, and history, manifesting in domains like language, behavior, and work ethics. While some cultures resist change, others adapt to external influences (Coulson-Thomas 1995). Hofstede likens culture to "collective mental programming" formed during childhood, shaping behaviors, thoughts, and emotions (Hofstede et al. 2010).

2.2.2. Culture as a Social Phenomenon

Culture operates on multiple levels: national, organizational, occupational, and gender. While national culture provides the context, organizational culture reflects shared practices within companies, and occupational culture incorporates professional norms (Kawar 2012). Due to globalization, distinctions between national and organizational cultures are increasingly blurred, positioning organizations as macro-cultures (Gallivan and Srite 2005). Culture, as noted by Triandis and Suh (2002), acts as society's memory, preserving effective practices across generations.

The P-Model of culture (Causadias 2020) highlights three core elements: people (social interactions and demographics), places (cultural settings), and practices (community

engagement and daily rituals). These elements are interdependent, making culture a dynamic and evolving construct.

2.2.3. Corporate Culture

Corporate culture transcends national boundaries and focuses on internal behaviors and values, often serving as a foundation for organizational dynamics (Ojo 2010; Hofstede 2001). Schein (2004) describes corporate culture as the "way of life" within an organization, encompassing punctuality, task completion, communication practices, and management-worker relations. Kumar (2016) emphasizes its role as a combination of ethics, values, and trust, forming the foundation for management systems and behaviors.

2.2.4. Elements and Characteristics of Corporate Culture

Culture is multi-layered, as illustrated by Schein's model (1985), which includes artifacts (visible elements), values (principles shared within the organization), and underlying assumptions (deeply ingrained beliefs) (Appendix 2). Hatch (1993) expanded this model by introducing symbols and the processes linking cultural elements (Appendix 3). Similarly, Rousseau's model (1990) provides a five-layered perspective, distinguishing between visible artifacts and hidden assumptions (Appendix 4) (Ghinea and Bratianu 2012).

Other frameworks, such as Herman's Iceberg Model (1970), emphasize the distinction between formal, visible aspects of culture and informal, hidden ones like values and attitudes. Ultimately, key characteristics include behavioral regularities, norms, dominant values, philosophy, rules, and organizational climate, which together shape interactions and performance (Appendix 5). (Hodgetts and Luthans 2003).

By examining these cultural elements across a variety of organizations and scholars containing numerous definitions, different types of cultures can be identified.

2.2.5. Typologies of Organizational Culture

Deal and Kennedy (1982) identify four distinct types of organizational culture, each reflecting unique characteristics and priorities. The Tough-Guy Culture emphasizes risk-taking and individualism, with a focus on quick feedback to drive high-pressure performance. The Work Hard – Play Hard Culture fosters high energy and teamwork, creating an environment where immediate feedback motivates collective success. In contrast, the Bet-Your-Company Culture prioritizes long-term planning and high-stakes decisions, where outcomes may take years to materialize. Finally, the Process Culture is characterized by a strong emphasis on precision and technical excellence, with meticulous attention to detail (Appendix 6).

Cameron and Quinn (2011) propose an alternative typology that underscores different organizational dynamics. Their framework highlights four cultural types: Collaborative (Clan) Culture, which values a friendly and team-oriented environment; Create (Adhocracy) Culture, which prioritizes innovation, adaptability, and risk-taking; Control (Hierarchy) Culture, which is structured and process-driven; and Compete (Market) Culture, which focuses on results, productivity, and external positioning. Together, these typologies illustrate the diverse ways culture shapes organizational strategies and priorities.

The numerous elements of corporate culture mentioned before are playing an important role in representing different corporate typologies. However, while the two just mentioned typologies are worth mentioning, they are less frequently used, thus valued by scholars if compared to Hofstede's cultural dimension model.

2.2.6. Hofstede's Cultural Dimensions

Hofstede's framework (Appendix 7) provides a structured and systematic approach to understanding how societal values influence workplace behaviors and organizational practices.

Based on an extensive study of IBM employees across 50 countries, the framework identifies six key cultural dimensions. The first, Power Distance, reflects the degree to which hierarchical inequality is accepted within a society. The second dimension, Individualism versus Collectivism, contrasts the emphasis on personal autonomy with the prioritization of group cohesion. Masculinity versus Femininity examines the balance between competition and assertiveness on one hand and collaboration and empathy on the other. Uncertainty Avoidance gauges a society's tolerance for ambiguity and risk, while Long-term versus Short-term Orientation distinguishes between a focus on future planning and sustainability versus immediate results. Lastly, Indulgence versus Restraint explores the extent to which societies permit gratification and personal freedom versus enforcing strict norms and self-control (Hofstede et al. 2010).

Hofstede's model is widely used for practical applications, such as designing strategies that align with specific cultural contexts. However, it has faced criticism for oversimplifying the complexities of culture and overlooking intra-cultural diversity (McSweeney 2002). Despite these limitations, the framework remains highly relevant and continues to be validated by studies such as the World Values Survey, which underscores its enduring significance in cross-cultural analysis (Beugelsdijk et al. 2015).

2.2.7. Corporate Culture and Scalability

Corporate culture significantly impacts scalability by fostering productivity, innovation, and cohesion (Amah and Daminabo-Weje 2013). Strong cultures serve as control systems, aligning goals and motivating employees. Kotter and Heskett (1990) demonstrate that firms with robust cultures outperform those without. Elements like empowerment, decisiveness, and teamwork are crucial for scalability, making culture a source of sustainable competitive advantage

(McShane and Glinow 2005). Building on insights, corporate culture is defined in this paper as follows:

Organizational culture is a set of values, symbols, and rituals, shared by the members of a specific firm, which describes the way things are done in an organization in order to solve both internal management problems and those related to customers, suppliers and the environment (Claver et al. 2001).

3. Methodology

This study employs a semi-structured, cross-sectional interview approach and a qualitative re-examination of existing literature to reveal characteristics of corporate culture that enable scalability. A qualitative approach was chosen for its flexibility in exploring, capturing, and elaborating on respondent insights, offering a deeper understanding than quantitative methods (Saunders et al. 2019). This method is particularly effective in investigating underexplored topics, such as corporate culture in scaling organizations (Hatch 2011).

Semi-structured interviews were conducted with 37 participants, including managers, founders, executives, and two academics, to gather contextual insights into their experiences with scaling. Purposive sampling ensured participants had the requisite expertise, selecting individuals based on their direct involvement in scaling processes and organizational tenure (Patton 2002). Participants were recruited through educational, personal, and business networks, such as student associations (e.g., SCOPE Maastricht) and LinkedIn, ensuring diversity and relevance in the sample.

Interviews were conducted via Microsoft Teams, leveraging its transcription functionality for reliability and ethical compliance. Verbal and automated consent were obtained to ensure

transparency, confidentiality, and candid responses (King & Brooks 2017). Recorded interviews allowed researchers to focus on discussions rather than note-taking, enhancing data richness (Bryman and Bell 2018). Anonymity was maintained throughout the research process (Kang & Hwang 2023).

The interview protocol explored Hofstede's cultural dimensions within scaling organizations, addressing decision-making, communication, and hierarchy. Initial questions assessed participants' roles, industries, and scaling experiences to validate their fit for the study. Subsequent questions (Appendix 8) examined cultural dimensions individually, minimizing bias and error. Findings were systematically organized in a table (Appendix 9) to identify patterns, connections, and conclusions.

Thematic analysis was employed to identify, analyze, and report data patterns (Braun & Clarke 2008). Transcripts were examined, and cultural tendencies were categorized according to Hofstede's dimensions. As this individual thesis focuses specifically on Uncertainty Avoidance, each of the remaining individual papers further analyzed the transcripts to gain detailed insights into their specific dimensions and thus cultural inclinations (Appendices 10 to 14). The qualitative approach, particularly suited to exploring "how" and "why" questions in organizational research, enabled the authors to investigate diverse organizational contexts while maintaining consistency in interview formats (Hammersley 2010; Galletta 2013).

4. Characteristics of Corporate Culture Manifested in Organizations that Exhibit Scalability

The following chapter will examine the dimension of Uncertainty Avoidance and how its characteristics are manifested in organizations during scaling. Hereby the author will analyze

the dimension and its existing literature as well as the findings from the conducted interviews. Since every dimension manifests differently, the remaining five dimensions and how their characteristics are manifested in organizations during scaling are to be found in (Appendices 10 to 14). Finally, the author provides several propositions based on findings derived from the conducted interviews.

4.1. Uncertainty Avoidance

4.1.1. Introduction

Cultural backgrounds with their associated norms, values, and beliefs, interact within a complex system along the economic framework. Therefore, culture can be interpreted as an organization's strategic instrument, potentially moderating economic outcomes in an indirect and direct way (Kostis 2021). Alongside this context, a company's culture may significantly contribute to its scalability.

Within a free-market economy, including its market dynamics, scalability requires that a company's services and products stand out from its competition (Djock 2024). Therefore, delivering value to customers is of the utmost importance. Innovation is one fundamental element and an indispensable business process in order to foster productivity, quality, profitability and employee and customer satisfaction, among others. Thus, innovation yields a crucial aspect for scalability in its various forms (Djock 2024). However, innovation inherently involves uncertainty and thus risk. This makes its successful integration dependent on an organization's tolerance of uncertainty (Pisano 2024).

The cultural dimensions framework of Hofstede introduces "Uncertainty Avoidance" (UA) as a critical lens for understanding how both, individuals as well as organizations approach ambiguous situations, unpredictability and risk (Yi 2021). Many scholars extensively explore UA's impact on national cultures, hereby focusing predominantly on individual behaviors or market-specific phenomena, like online shopping or international marketing (Lim et al. 2004;

De Mooij and Hofstede 2002). However, UA's role within corporate cultures, particularly UA's manifestation in scalable organizations, remains underexplored.

This gap is compelling as it is essential to scale for startups and scale-ups operating in rapidly changing environments, especially as here, innovation yields a cornerstone. By understanding how UA characteristics are manifested in organizations owning the capability of scaling, this paper provides valuable insights to foster innovation and adaptability, thus laying the foundation for organizations to achieve scalability. By addressing this gap, the research question of this paper is the following: *How are the characteristics of **Uncertainty Avoidance** manifested in organizations that exhibit scalability?*

By focusing on the organizational level rather than national culture, this research contributes to existing literature. It examines how traits of UA impact corporate dynamics. Hereby the focus is particularly on startups, scale-ups or the particular scaling phase of an established company, thus organizations that are uniquely positioned to provide insights into the capability to scale – i.e., scalability. Providing a combination of both, an existing literature review as well as a qualitative analysis of self-conducted interviews, this study aims to shed light on UA-related characteristics, that either support or may hinder scalability in organizations.

4.1.2. Literature Review

One of the most influential frameworks for analyzing culture in business contexts is Geert Hofstede's work on cultural dimensions. During his research, Hofstede identified six dimensions mentioned above (p.11), all of which support to study of various cultural aspects related to business practices (Escandon-Barbosa et al. 2021). Among the dimensions, Uncertainty Avoidance stands out, as it is relevant to understand risk tolerance as well as adaptability within organizational environments. Although UA has been extensively studied at the national level, its application at the firm level remains underexplored.

Uncertainty Avoidance at the Firm Level

Looking at the firm level, it becomes clear that UA significantly influences organizational culture by impacting decision-making processes and innovation outcomes. Whereas national culture shapes individual values from birth, corporate culture within an organization emerges as a shared set of norms and behaviors which is often independent of employee's national cultural backgrounds (Chen et al. 2017; Jie et al. 2020). Firms that are experiencing high-UA typically adopt the following: Structured processes, clear guidelines, as well as risk-averse strategies to minimize uncertainty. On the other hand, firms operating in low-UA environments are rather demonstrating a greater openness to experimentation, flexibility, and innovation (Yi 2021). Escandon-Barbosa et al. (2021) for example, found that firms in environments that are high in Uncertainty Avoidance are generally less likely to engage in innovation. This is because there is inherent risk and uncertainty associated with such activities.

Moreover, Uncertainty Avoidance illustrates a direct impact on organizational outcomes, as it influences employee performance. As highlighted by Jie et al. (2020), employees in high-UA firms often experience stress in ambiguous situations. This leads to an extended focus on stability and predictability. The extension in turn is very likely to stifle creativity as well as adaptability. Conversely, firms exhibiting low-UA encourage risk-taking behaviors, therefore fostering innovation and scalability.

Cultural Elements Associated with Uncertainty Avoidance

Uncertainty Avoidance is closely related to specific cultural elements such as risk tolerance, adaptability, and perceptions of ambiguity, among others. Whereas high-UA cultures reflect broader societal values of conformity and predictability by prioritizing stability in forms of formal rules and structured hierarchies, low-UA cultures view uncertainty rather as an

opportunity than a threat. This view leads to a larger willingness and openness to accept change and feel less stressed in ambiguous situations (Yi 2021).

Looking at the organizational level, these cultural traits of UA are manifested in many different ways. For instance, firms that are operating in high-UA environments often are more resistant to disruptive innovations, as their preference leads to established practices and predictable outcomes (Chen et al. 2017). Firms operating in low-UA contexts on the other hand often implement agile processes, therefore applying “failing fast” strategies to quickly adapt to changing market conditions. This reflects a proactive approach towards uncertainty (Yi 2021; Escandon-Barbosa et al. 2021).

Research also suggests that corporate culture can transcend national cultural norms, meaning firms having diverse teams often adopt hybrid cultural traits. In turn, they are balancing high-UA tendencies with low-UA strategies to navigate uncertainty effectively. This adaptability becomes evident in startups and scale-ups, because their need for innovation often overrides traditional behaviors which are likely to be risk-averse (Escandon-Barbosa et al. 2021).

Linking UA and Its Cultural Elements with Scalability

Scalability, which is an “organizational capability developed by managing and achieving coherence among a firm’s technological architecture, organizational architecture, and business model” (Coviello et al. 2024, p.16), is closely influenced by how the organization addresses uncertainty. Studies, including those by Chen et al. (2017) and Jie et al. (2020), highlight that companies with lower levels of UA tend to excel in growth. The reasoning comes down to the fact that low-UA firms are fostering cultures that value adaptability, quick decision-making, and iterative learning processes.

Further scholars demonstrated, for instance, that firms operating in low-UA environments achieve higher levels of corporate sustainability, as corporate sustainability is an essential

component of scalability (Escandon-Barbosa et al. 2021). In contrast, organizations with high-UA tendencies may struggle to scale effectively because their focus on stability and avoiding risk can hinder their responsiveness to evolving market conditions (Yi 2021; Neuliep and Ryan 1998).

Scaling a business also requires striking a balance between innovation and operational efficiency. Cultural elements such as openness, flexibility, and a willingness to take on calculated risks are valued by firms with low-UA. These elements are contributing to this balance by enabling them to adapt to increasing complexity and demand. However, high-UA firms, while being potentially more stable, may find themselves in difficulty to achieve scalability due to their resistance to change and innovation (Chen et al. 2017).

Contradictions in Existing Literature

While the cultural dimensions of Hofstede are widely supported and used, some scholars question the validity (Kirkman et al. 2006), usefulness, and generalizability of these dimensions (McSweeney 2002). After replication (Merritt 2000; Minkov and Hofstede 2014) and reconceptualization studies, some scholars even recommended not to use UA. However, this was the case solely for international marketing decisions (Messner 2016). Ringov and Zollo (2007) found UA to have no significant impact in corporate performance, while Ayoun and Moreo (2007) found only minimal influence of UA on business strategy development. These contradictory findings raise questions, as low UA is mainly seen as essential to foster innovation and, thus corporate performance (Jie et al. 2020; Chen et al. 2017; Escandon-Barbosa et al. 2021; Neuliep and Ryan 1998; Yi 2021).

Despite the doubts, scholars largely agree to the fact that intercultural conflicts often arise due to differences in value orientations (Gunkel et al. 2016). Moreover, Hofstede's cultural

dimensions remain a leading approach for studies on national culture's influence on companies (Escandon-Barbosa et al. 2021).

Addressing the Gap

Despite the existing extensive research on UA at the national level, studies focusing on how UA manifests at the firm level and its impact on scalability remain lacking. This paper therefore aims to address this gap by exploring UA's specific characteristics in organizations that scale. This research is seeking to provide a better understanding of how cultural elements influence organizational dynamics and scalability by examining UA within corporate cultures.

4.1.3. Analysis

The following analysis focuses on the research question: *How are the characteristics of Uncertainty Avoidance manifested in organizations that exhibit scalability?*

This specific question tries to elaborate on how the characteristics of Uncertainty Avoidance manifest in organizations which are exhibiting the capability to scale. By exploring how organizations are responding and managing uncertainty, this research uncovers if specific UA-related traits are found in firms owning the ability to scale. Thus, this paper further investigates whether organizations with characteristics of low UA – marked by a larger tolerance for ambiguity and change – are demonstrating a higher rate of adaptability, thus scalability in comparison to organizations with high-UA characteristics, that tend to prioritize predictable outcomes and stability.

Overview of Results

The study included a varying group of companies. It includes start-ups, scale-ups, as well as established firms that have – recently or previously – undergone a scaling process. The study's participants mainly included founders, CEOs, senior managers as well as early-stage employees – generally speaking, individuals owning direct knowledge of the associated scaling process as

well as its corporate culture's characteristics. In order to ensure a broad perspective, companies from various industries with according representation across genders were selected on purpose.

As most interviewed companies and interviewees are based in Germany, the interviews were primarily conducted in German. With the help of multiple channels, the candidates were approached. Part of these channels are among others: personal networks i.e., family, friends, colleagues, former employers, and friends-of-friends; alumni connections i.e., SCOPE, a student association from Maastricht University, as well as LinkedIn for cold outreach. Due to these methods, approximately 50 potential candidates were reached out to which ultimately resulted in 37 interviews.

Presentation of Individual Results

To assess companies' levels of risk tolerance and innovation, interviewees were asked questions such as: "Can you recall a time when an innovative or unconventional idea was proposed?" and "How did people react, and was the idea embraced or met with resistance?" (Bryman and Bell 2018). These questions aimed to reveal each company's cultural stance on risk-taking and innovation, related to Hofstede's dimension of Uncertainty Avoidance. While Hofstede's framework provides a quantifiable model, some scholars argue that cultural dimension scores may change over time, potentially limiting their validity (Escandon-Barbosa et al. 2021).

To avoid biases, no uniform scale was applied, and responses were qualitative. These responses illuminated whether companies were flexible or resistant to innovation. Examples from the interviews highlight varied attitudes: "I expect my team to contribute unconventional ideas"; "Economic factors are always considered when evaluating ideas"; and "Mistakes are viewed as learning opportunities." Other responses revealed a cautious approach, where small-scale testing was used to minimize risks, while some described a radical mindset, treating uncertainty

as an opportunity. One CEO noted, “The team saw a novel emissions monitoring challenge as a learning opportunity, and the risk paid off by providing real value to our customers.”

Many interviewees also emphasized flexibility and openness, with examples such as: “Creative Fridays allow employees to experiment and develop radical ideas,” and “We focus on why ideas could work, rather than why they might fail.” These responses highlight how corporate culture shapes risk management and innovation, often balancing openness and caution depending on industry priorities and context.

Comment on the Data

Taking the previous literature review into consideration, in some cases these findings align with research expectations regarding UA, but on first sight they deviate in others. The following illustrates potential anomalies with explanations why ultimately, they should not be considered as anomalies.

A notable anomaly was a company founded in 2017. The company quickly scaled to 80 employees but is now, according to the manager, highly risk averse. This shift is attributed to older, long-tenured employees who resist changing established practices. Furthermore, the organization got acquired by a private equity fund recently. The company is now operating with structures, processes, and goals that contrast with its previously risk-tolerant culture as they had to adapt to the acquiring organization.

Another example is a large-scale scale-up with 500 employees. Here, the Head of Business Development described the company as highly risk averse. It is worth mentioning that this company operates in the aviation industry. Thus, aligning with the industry’s inherent focus on safety, where security is paramount. However, there is openness to innovation in non-safety-related areas, such as cost reduction.

A board member of an organization that contains 700 employees described the firm as risk-averse, and therefore having high UA. This is due to the organization's nature by being a financial services provider containing strict regulatory requirements and substantial assets under management. Displaying a balance sheet totaling 6.3 billion euros, the company is prioritizing stability over dynamism in implementing innovative practices. This reflects the conservative nature of the financial industry.

Lastly, a municipal energy provider with around 300 employees also displayed high UA. Given its responsibility in energy supply and its nationwide customer base, the company avoids high-risk decisions to mitigate the risk of significant losses.

Data Analysis

The primary analysis indicates the interviewee responses, thus the companies into high-UA and low-UA groups. Here, the data reveals that 8 out of 35 organizations exhibited high-UA characteristics. This accounts for approximately 22.8%. On the other hand, 27 out of 35 organizations displayed low-UA traits, totaling 77.2%.

The secondary analysis illustrates common approaches to innovation among low-UA companies. Here, several shared approaches to handling innovative or unconventional proposals emerged, including an open culture that encourages new ideas; Expectation for employees to suggest improvements; Quick implementation of new processes; Agile and adaptable teams; Strong willingness to innovate; Economic considerations in implementation; Decisions based on rational thinking; Maintaining a long list of product ideas, which are regularly reviewed and prioritized; Calculated risk is considered the "right" risk; "Fail fast" approach to quickly implementing promising ideas; Leadership-driven commitment to innovation; Implementing suggestions to boost employee motivation.

These trends suggest that low-UA organizations prioritize agility, openness, and calculated risk. Elements that are fostering an environment conducive to scalability. In contrast, high-UA organizations generally maintain a cautious approach. This is often due to industry-specific risks or long-established practices, which may limit their future scalability.

4.1.4. Proposition Development

The analysis of the author's research, together with insights from existing literature, underlines Uncertainty Avoidance's significant role in influencing organizational scalability. By addressing the identified gap and focusing on the organizational perspective, specifically on corporate rather than national culture, this research derives the following two propositions:

Proposition 1: *Corporate cultures exhibiting low-UA are more likely to achieve scalability, as their inherent openness to risk-taking and innovation allows so.*

The analysis demonstrates that low-UA organizations foster environments, in which adaptability, iterative learning, and quick decision-making are prioritized. These characteristics enable organizations to navigate uncertainty effectively and respond dynamically to market changes, thus aligning directly with the requirements of scalability.

Proposition one is built on the premise that innovation and risk tolerance are essential and crucial for scalability. Existing studies confirm that low-UA cultures encourage behaviors supporting outcomes like embracing ambiguity as well as implementing agile processes. On the other hand, as high-UA firm environments exhibit risk-averse tendencies that are hindering adaptability, these organizations are limiting their ability to scale in dynamic environments (Chen et al. 2017; Yi 2021).

Proposition 2: *The manifestation of UA characteristics within corporate cultures varies across certain industries as well as different stages of organizational growth. Therefore, it influences scalability differently.*

Whereas in highly regulated industries like aviation or financial services, where stability and compliance are prioritized over innovation, high-UA traits may be advantageous, maturing firms operating in different industries transitioning from scaling to sustaining operations may as well shift their corporate culture characteristics towards high-UA. Thus, reflecting a strategic shift towards risk mitigation and long-term stability.

This proposition is supported by the data analysis above, as it reveals industry-specific and contextual variations in UA's impact on scalability. So are firms operating in high-risk industries demonstrating cautious approaches to innovation, therefore, balancing risk tolerance with operational stability. These findings align with already existing literature which suggests that UA's influence indeed is context-dependent (Escandon-Barbosa et al. 2021; Jie et al. 2020).

This research underscores the multifaceted role of UA in organizational scalability by exploring these propositions. Moreover, it provides a nuanced understanding of how cultural elements shape corporate outcomes within different context.

5. Discussion

5.1. Introduction

Corporate culture plays a crucial role in how organizations navigate growth and adapt to challenges during scaling. The scaling stage, characterized by rapid growth and increasing complexity, demands changes to leadership styles, decision-making processes, and internal structures. Hofstede's framework of cultural dimensions offers a foundational tool to understand these dynamics, but its traditional application often overlooks the external pressures and transformations specific to the scaling process. The introduction of this thesis emphasized how modern workplace dynamics, such as globalization, remote work, and greater emphasis on work-life balance, add layers of complexity to cultural adaptation during scaling. These

evolving dynamics necessitate a deeper understanding of the interplay between cultural dimensions and scalability, which this thesis addresses by exploring how the characteristics of corporate culture manifest in scalable organizations. The discussion is divided into four parts: findings that support existing literature, findings that challenge it, insights that extend the literature, and practical managerial implications. While the consequent findings about Uncertainty Avoidance are explained in the following section, findings about the remaining dimensions can be found in the appendix (Appendix 15).

5.2. Supporting the Existing Literature

The findings from the interviews validate many principles of Hofstede's cultural dimensions and their relevance to understanding the relationship between corporate culture and scalability. Across different industries and organizations, dimensions such as Power Distance, Uncertainty Avoidance, Individualism versus Collectivism, Masculinity versus Femininity, Long-term versus Short-term Orientation, and Indulgence versus Restraint emerged as key cultural elements influencing organizational strategies and growth.

Uncertainty Avoidance was shown to manifest differently across industries. In low Uncertainty Avoidance environments, organizations emphasized flexibility and a "fail-fast" mentality, fostering innovation and adaptability. On the other hand, high Uncertainty Avoidance was more prevalent in regulated industries such as aerospace and energy, where stability and risk mitigation were prioritized over experimentation.

5.3. Challenging the Existing Literature

While many findings aligned with existing theories, the research also highlighted significant divergences that challenge the universality of Hofstede's framework. For instance, the dimension of Uncertainty Avoidance revealed complexities in view of clear strategies. Several

companies adopted hybrid strategies, such as small-scale testing of initiatives, which combined the flexibility of low Uncertainty Avoidance with the caution of high Uncertainty Avoidance. These findings underscore the dynamic nature of this dimension, as organizations often adjust their risk tolerance based on market dynamics and strategic goals.

5.4. Extending the Existing Literature

The findings from the interviews not only supported or challenged existing literature but also revealed areas where the literature could be extended to address the evolving dynamics of corporate culture and scalability. The dimension of Uncertainty Avoidance was extended by demonstrating unconventional practices, such as fostering a risk-tolerant culture through initiatives like “Creative Fridays,” which encourage experimentation and adaptability.

5.5. Managerial Implications

The observations from this study emphasize the importance of a strong and adaptive corporate culture during scaling. Managers must understand and navigate the balance between the characteristics of cultural dimensions to create a resilient and growth-oriented organizational culture. For example, agile decision-making and initiatives like “Creative Fridays” can enhance adaptability in less regulated industries, while more structured approaches may be necessary for sectors requiring high compliance.

By implementing these strategies, managers can build adaptable and resilient cultures that support sustained growth and the complexities of scalability.

6. Limitations and Future Research

This study has several limitations related to its methodological approach and the application of Hofstede’s cultural framework. These constraints also highlight themes for future research,

which can extend the understanding of cultural dimensions in scalability. The following sections connect these limitations to recommendations for future studies.

6.1. Qualitative Research

The reliance on qualitative methods introduces inherent subjectivity and limits statistical validation, reducing the generalizability of findings (Atieno 2009). Relying solely on interviews may neglect insights from other data sources, while participants' varying interpretations of semi-structured questions might influence responses. Future research could integrate a mixed-methods approach, combining surveys with interviews to enhance robustness and allow for a deeper analysis of corporate culture. Additionally, researchers' interpretations may introduce biases, underscoring the need for diversified methodologies to validate findings objectively.

6.2. Research Design

This study's focus on German firms introduces a cultural bias, limiting applicability to non-German or global contexts. Expanding the sample to include diverse cultural environments would provide broader insights. Interviews with management-level employees may omit perspectives from other organizational levels, suggesting future studies incorporate employees across hierarchies to explore subcultures. The one-time snapshot approach limits understanding of cultural evolution; longitudinal studies could track changes over time, especially during significant events like the COVID-19 pandemic. Furthermore, standardized interview settings could mitigate potential biases from varying environments, while addressing social desirability bias remains a critical challenge.

6.3. Hofstede Framework

The two-dimensional nature of Hofstede's framework restricts its ability to capture nuanced cultural aspects, suggesting value in exploring alternative models like the competing values framework (Quinn and Rohrbaugh 1981). Future studies could adapt Hofstede's dimensions to account for hybrid approaches and context-specific variations. Longitudinal research on dimensions such as Masculinity-Femininity and Uncertainty Avoidance during mergers or transformations could reveal cultural dynamics over time. Exploring the interplay of Long-term versus Short-term Orientation in scaling strategies would further enrich understanding of balancing immediate needs with long-term goals.

6.4. New Trends in the Corporate Setting

Emerging trends, such as remote and hybrid work models, necessitate a reassessment of how cultural dimensions manifest in digital and geographically distributed environments. Future research could investigate how organizations balance autonomy, feedback, and cultural cohesion in diverse teams. Additionally, integrating corporate social responsibility into cultural studies could provide insights into sustainable practices and their alignment with cultural dimensions.

7. Conclusion

This paper highlights the critical role of corporate culture and its dimensions in fostering scalability. It emphasizes that scalability is not achieved through a single cultural approach but through a dynamic interplay of traits, balancing opposing poles to meet specific organizational and industry contexts. Hybrid strategies, such as blending short-term agility with long-term vision or integrating individual autonomy with team cohesion, emerged as key practices among scalable organizations. Leadership plays a pivotal role in shaping these adaptive cultures, driving innovation and resilience—essential elements for scalability.

Each cultural dimension uniquely influences scalability. High Power Distance fosters centralized decision-making but may hinder collaboration, whereas low Power Distance promotes adaptability (Appendix 10). Low Uncertainty Avoidance drives innovation and risk tolerance, while high Uncertainty Avoidance safeguards stability in regulated sectors. A balance between Individualism and Collectivism enhances both autonomy and cohesion (Appendix 11), while Femininity's empathy complements Masculinity's goal orientation (Appendix 12). Effective scalability also requires balancing long-term planning with short-term responsiveness (Appendix 13) and a tendency toward indulgence to boost morale and creativity without undermining accountability (Appendix 14).

In answering the research question, this paper concludes that organizations exhibiting scalability adopt flexible, context-dependent cultural practices, demonstrating the importance of balancing cultural dimensions dynamically.

8. References

The following reference list encompasses all sources cited in this individual thesis, along with references from the original group thesis, portions of which are included in the appendix.

- Alipour, Ali, and Attila Yaprak.** 2022. *Indulgence and Risk-Taking Behavior of Firms: Direct and Interactive Influences*. Journal of International Management 28 (2): 100945. <https://doi.org/10.1016/j.intman.2022.100945>.
- Altaf, Amal.** 2011. *The Impact of Organizational Culture on Organizational Effectiveness: Implication of Hofstede Cultural Model as Organizational Effectiveness Model*. The International Journal of Interdisciplinary Social Sciences Annual Review 6 (1): 161–74. <https://doi.org/10.18848/1833-1882/cgp/v06i01/51996>.
- Amah, E., and Daminabo-Weje, M.** 2013. *Corporate Culture: A Tool for Control and Effectiveness in Organizations*. International Institute for Science, Technology and Education (IISTE), Research on Humanities and Social Sciences: Vol. Vol.3 (Issue No.15, pp. 42–43) [Journal-article]. <https://core.ac.uk/download/pdf/234673642.pdf>
- Appelbaum, Steven H., Lynda Audet, and Joanne C. Miller.** 2003. *Gender and Leadership? Leadership and Gender? A Journey through the Landscape of Theories*. Leadership and Organization Development Journal 24 (1): 43–51. <https://doi.org/10.1108/01437730310457320>.
- Arikan, C. L., and Enginoğlu, D.** 2016. *How elements of corporate culture affect overall firm performance*. International Journal of Business Management and Economic Research (IJBMER), 7(3), 680-689.
- Atieno, O.** 2009. *An analysis of the strengths and limitation of qualitative and quantitative research paradigms*. Problems of Education in the 21st Century, 13, 13- 18.
- Avolio, Bruce J., Fred O. Walumbwa, and Todd J. Weber.** 2008. *Leadership: Current Theories, Research, and Future Directions*. Annual Review of Psychology 60 (1): 421–49. <https://doi.org/10.1146/annurev.psych.60.110707.163621>.
- Ayoun, B. M., and Moreo, P. J.** 2007. *The influence of the cultural dimension of uncertainty avoidance on business strategy development: A cross-national study of hotel managers*. International Journal of Hospitality Management, 27(1), 65–75. <https://doi.org/10.1016/j.ijhm.2007.07.008>
- Barsade, S. G., and Gibson, D. E.** 2007. *Why Does Affect Matter in Organizations?* Academy of Management Perspectives 21 (1): 36–59. <https://doi.org/10.5465/amp.2007.24286163>.
- Barsoux, J. L., and P. Lawrence.** 1990. *What is Management?* SpringerLink. Last modified 1990. https://link.springer.com/chapter/10.1007/978-1-349-21047-3_1.
- Basabe, N., and Ros, M.** 2005. *Cultural Dimensions and Social Behavior Correlates: Individualism-Collectivism and Power Distance*. CiteSeerX. <https://citeseerx.ist.psu.edu/document?repid=rep1&type=pdf&doi=5e4921b650bf7fbbd7a6476e082afcfd150a4ddb>.

- Beugelsdijk, S., Kostova, T., Kunst, V. E., Spadafora, E., and Van Essen, M.** 2017. *Cultural Distance and Firm Internationalization: A Meta-Analytical Review and Theoretical Implications*. Journal of Management 44 (1): 89–130. <https://doi.org/10.1177/0149206317729027>.
- Beugelsdijk, S., and Welzel, C.** 2018. *Dimensions and Dynamics of National Culture: Synthesizing Hofstede with Inglehart*. Journal of Cross-Cultural Psychology 49 (10): 1469–1505. <https://doi.org/10.1177/0022022118798505>.
- Bick, Alexander, Adam Blandin, and Karel Mertens.** 2020. "Work from Home Before and After the COVID-19 Outbreak." *Federal Reserve Bank of Dallas Working Paper No. 2017*. <https://www.dallasfed.org/-/media/documents/research/papers/2020/wp2017r2.pdf>
- Boston Consulting Group.** 2021. Human-Centered Leadership as the Future of Leadership. *Boston Consulting Group*. Retrieved from <https://www.bcg.com/>.
- Botero, I. C., and L. V. Dyne.** 2009. *Employee Voice Behavior: Interactive Effects of LMX and Power Distance in the United States and Colombia*. Sage Journals. Last modified June 3, 2009. <https://journals.sagepub.com/doi/abs/10.1177/0893318909335415>.
- Braun, V., and V. Clarke.** 2008. *Using thematic analysis in psychology*. Taylor & Francis. Last modified 2008. <https://www.tandfonline.com/doi/abs/10.1191/1478088706QP063OA>.
- Brockner, J., G. Ackerman, J. Greenberg, M. J. Gelfand, and A. M. Franscoco.** 2001. *Culture and Procedural Justice: The Influence of Power Distance on Reactions to Voice*. ScienceDirect. Last modified July 2001. <https://www.sciencedirect.com/science/article/abs/pii/S0022103100914513>.
- Bruneel, Johan, Ann Gaeremynck, and Stephan Weemaes.** 2022. *Outside Board Members and Strategic Orientation of New Ventures in the Startup Phase*. Strategic Entrepreneurship Journal 16 (4): 801–25. <https://doi.org/10.1002/sej.1440>.
- Bryman, A., and Bell, E.** 2018. *Business research methods* (5th ed.). Oxford University Press.
- Büge, M., and Ozcan, P.** 2021. *Platform scaling, fast and slow*. MIT Sloan Management Review, 62(3), 40-46.
- Bunch, K. J.** 2007. *Training failure as a consequence of organizational culture*. Human Resource Development Review, 6(2), 142–163. <https://doi.org/10.1177/1534484307299273>
- Calori, R., and Sarnin, P.** 1991. *Corporate culture and economic performance: A French study*. Organization studies, 12(1), 049-74.
- Cameron, K. and Quinn, R.** 2011. *Diagnosing and Changing Organizational Culture: Based on the Competing Values Framework*, Revised Edition | Wiley. Wiley.Com. <https://www.wiley.com/enus/Diagnosing+and+Changing+Organizational+Culture%3A+Based+on+the+Competing+Values+Framework%2C+Revised+Edition-p-9781118047057>
- Carucci, Ron.** 2016. *Midsized Companies Shouldn't Confuse Growth with Scaling*. Harvard Business Review. <https://hbr.org/2016/07/midsized-companies-shouldnt-confuse-growth-with-scaling>.

- Catanzaro, Diane, Heather Moore, and Timothy R. Marshall.** 2010. *The Impact of Organizational Culture on Attraction and Recruitment of Job Applicants*. Journal of Business and Psychology 25 (4): 649–62. <https://doi.org/10.1007/s10869-010-9179-0>.
- Causadias, J. M.** 2020. *What is culture? Systems of people, places, and practices*. Applied Developmental Science 24 (4): 310–322. <https://doi.org/10.1080/10888691.2020.1789360>.
- Chatman, Jennifer A., and Angela Choi.** 2022. *Measuring Organizational Culture: Converging on Definitions and Approaches to Advance the Paradigm*. Elgar Online. Edward Elgar Publishing. <https://www.elgaronline.com/edcollchap/edcoll/9781788976251/9781788976251.00014.xml>.
- Chen, Y., Podolski, E. J., and Veeraraghavan, M.** 2017. *National culture and corporate innovation*. Pacific-Basin Finance Journal, 43, 173–187. <https://doi.org/10.1016/j.pacfin.2017.04.006>
- Choi, I., Nisbett, R. E., and Ara Norenzayan.** 1998. *Causal Attribution across Cultures: Variation and Universality*. Psychological Bulletin.
- Choi, Kyeong-Seop.** 2019. *National Culture and Rand D Investments*. European Journal of Finance. 26 (6): 500–531. <https://doi.org/10.1080/1351847x.2019.1697324>.
- Choudary, Sangeet Paul.** 2015. *Platform Scale: How an Emerging Business Model Helps Startups Build Large Empires with Minimum Investment*. Platform Thinking Labs. https://www.bigjump.com.au/wp-content/uploads/2018/01/Platform-Scale-First-3-Chapters_2.pdf
- Chou-Kang, C., C. P. Lin, Y. H. Tsai, and S. F.** 2017 The. *Enhancing Knowledge Sharing in High-tech Firms: The Moderating Role of Collectivism and Power Distance*. Discover Journals, Books & Case Studies | Emerald Insight. Last modified November 6, 2017. <https://www.emerald.com/insight/content/doi/10.1108/ccsm-03-2017-0034/full/html>.
- Choy, L.** 2014. *The strengths and weaknesses of research methodology: comparison and complimentary between qualitative and quantitative approaches*. IOSR Journal of Humanities and Social Science, 19(4), 99-104.
- Cian, L., and Cervai, S.** 2014. *Under the reputation umbrella: An integrative and multidisciplinary review for corporate image, projected image, construed image, organizational identity, and organizational culture*. Corporate Communications: An International Journal, 19(19), 182-199.
- Claver, Enrique, Juan Llopis, Reyes González, and José Gasco.** 2001. *The Performance of Information Systems through Organizational Culture*. Information Technology & People 14 (3): 247–260. <https://doi.org/10.1108/09593840110402149>.
- Clearly Cultural.** n.d. *Power Distance Index [Graph Depicting a Power Distance Index]*. Clearly Cultural. <https://clearlycultural.com/geert-hofstede-cultural-dimensions/power-distance-index/>.
- Connell, J., Lynch, C., and Waring, P.** 2001. *Constraints, compromises and choice: Comparing three qualitative research studies*. The Qualitative Report, 6(4), 1-15.

- Cooper, C. R., and Denner, J.** 1998. *Theories Linking Culture And Psychology: universal and Community-Specific processes*. Annual Review of Psychology, 49(1), 559–584. <https://doi.org/10.1146/annurev.psych.49.1.559>
- Coulson-Thomas, C.** 1995. *Corporate Culture*. Strategic Public Relations, 248–275. London: Macmillan Press.
- Coviello, Nicole, Erkko Autio, Satish Nambisan, Holger Patzelt, and Llewellyn D.W. Thomas.** 2024. *Organizational Scaling, Scalability, and Scale-up: Definitional Harmonization and a Research Agenda*. Journal of Business Venturing 39 (5): 106419. <https://doi.org/10.1016/j.jbusvent.2024.106419>.
- Daniels, Michael A., and Gary J. Greguras.** 2014. *Exploring the Nature of Power Distance: Implications for Micro- and Macro-Level Theories, Processes, and Outcomes*. SAGE Journals. <https://journals.sagepub.com/doi/abs/10.1177/0149206314527131>.
- Dauber, D., Fink, G., and Yolles, M.** 2012. *A configuration model of organizational culture*. SAGE Open, 2(1), 215824401244148. <https://doi.org/10.1177/2158244012441482>
- De Mooij, M., and Hofstede, G.** 2002. *Convergence and divergence in consumer behavior: implications for international retailing*. Journal of Retailing, 78(1), 61–69. [https://doi.org/10.1016/s0022-4359\(01\)00067-7](https://doi.org/10.1016/s0022-4359(01)00067-7)
- Deal, T. E., and Kennedy, A. A.** 1982. Corporate cultures. Wesley. http://www.mindtools.com/pages/article/newSTR_86.htm
- Dianiska, R. E., Swanner, J. K., Brimbil, L., and Meissner, C. A.** 2021. *Conceptual priming and context reinstatement: a test of direct and indirect interview techniques*. Law and Human Behavior, 1-5.
- Diener, E., and Diener, M.** 1995. *Cross-cultural correlates of life satisfaction and self-esteem*. Journal of Personality and Social Psychology, 68, 653–663
- Dierdorff, E. C., Bell, S. T., and Belohlav, J. A.** 2011. *The power of “we”: Effects of psychological collectivism on team performance over time*. Journal of applied psychology, 96(2), 247.
- Djock, E.** 2024. *Features to Scale Innovation for Sustainable Business Growth*. ITONICS. <https://www.itonics-innovation.com/blog/features-to-scale-innovation>
- Dumitrașcu, Iulia, and Dănuț Dumitru Dumitrașcu.** 2016. *How Culture and Motivation Interact in an International Virtual Project Team*. International Conference Knowledge-Based Organization 22 (2): 425–31. <https://doi.org/10.1515/kbo-2016-0073>.
- Eagly, Alice, Leire Gartzia, and Linda Carli.** 2013. *Female Advantage*. Oxford University Press eBooks. <https://doi.org/10.1093/oxfordhb/9780199658213.013.005>.
- Erez, M., and Somech, A.** 1996. *Is group productivity loss the rule or the exception? Effects of culture and group-based motivation*. Academy of Management Journal, 39, 1513–1537.
- Eringa, Klaas, Lisa Caudron, Klaas Rieck, Fang Xie, and Thilo Gerhardt.** 2016. *How Relevant Are Hofstede’s Dimensions for Inter-Cultural Studies? A Replication of Hofstede’s Research among Current International Business Students*. African Journals Online. <https://www.ajol.info/index.php/rhm/article/view/141948>.

- Escandon-Barbosa, D., Salas-Paramo, J., and Rialp-Criado, J.** 2021. Hofstede's Cultural Dimensions as a Moderator of the Relationship between Ambidextrous Learning and Corporate Sustainability in Born Global Firms. *Sustainability*, 13(13), 7344. <https://doi.org/10.3390/su13137344>
- Eylon, Dafna, and Kevin Y. Au.** 1999. *Exploring Empowerment Cross-Cultural Differences along the Power Distance Dimension*. ScienceDirect. <https://www.sciencedirect.com/science/article/pii/S0147176799000024>.
- Flammer, C., and Bansal, P.** 2015. Does Long-Term Orientation Create Value? Evidence from a Regression Discontinuity. *Academy of Management Proceedings*, 2015, 14785–14785. <https://doi.org/10.5465/AMBPP.2015.14785abstract>
- Fondas, N., and Denison, D. R.** 1991. *Corporate culture and organizational effectiveness*. *Academy of Management Review*, 16(1), 203. <https://doi.org/10.2307/258613>
- Gallego-Álvarez, Isabel, and María Consuelo Pucheta-Martínez.** 2020. *Hofstede's Cultural Dimensions and Rand D Intensity as an Innovation Strategy: A View from Different Institutional Contexts*. *Eurasian Economic Review* 11 (2): 191–220. <https://doi.org/10.1007/s40821-020-00168-4>.
- Galletta, Anne.** 2013 *Mastering the Semi-Structured Interview and Beyond: From Research Design to Analysis and Publication*. New York: NYU Press, 2013.
- Gallivan, M., and Srite, M.** 2005. *Information technology and culture: Identifying fragmentary and holistic perspectives of culture*. *Information and Organization*, 15(4), 295–338. <https://doi.org/10.1016/j.infoandorg.2005.02.005>
- Garicano, Luis, and Luis Rayo.** 2016. *Why Organizations Fail: Models and Cases*. *Journal of Economic Literature*, 54 (1): 137–92.
- Gartzia, Leire, and Marloes Van Engen.** 2012. *Are (Male) Leaders 'Feminine' Enough?* *Gender in Management an International Journal* 27 (5): 296–314. <https://doi.org/10.1108/17542411211252624>.
- Gibson, Cristina, and Birkinshaw, Julian** 2001. *The Antecedents, Consequences, and Mediating Role of Organizational Ambidexterity* on JSTOR. n.d. *Www.Jstor.Org*. <https://www.jstor.org/stable/20159573>.
- Gherardi, Silvia, and Barbara Poggio.** 2001. *Creating and Recreating Gender Order in Organizations*. *Journal of World Business* 36 (3): 245–59. [https://doi.org/10.1016/s1090-9516\(01\)00054-2](https://doi.org/10.1016/s1090-9516(01)00054-2).
- Ghinea, V. M., and Bratianu, C.** 2012. *Organizational culture modelling*. *Management and Marketing Challenges for the Knowledge Society*, 7. https://www.researchgate.net/publication/237137961_Organizational_culture_modeling
- Gibson, C. B., and J. Birkinshaw.** 2001 *CONTEXTUAL DETERMINANTS OF ORGANIZATIONAL AMBIDEXTERITY*. USC Center for Effective Organizations. Last modified 2001. https://ceo.usc.edu/wp-content/uploads/2002/02/2002_06-t02_6-Contextual_Determinants_of_Org_Ambidexterity.pdf.
- Giustiziero, Gianluigi, Tobias Kretschmer, Deepak Somaya, and Brian Wu.** 2023. *Hyperspecialization and Hyperscaling: A Resource-based Theory of the Digital Firm*. *Strategic Management Journal* 44 (6): 1391–1424. <https://doi.org/10.1002/smj.3365>.

- Gong, Zheng, Laura Van Swol, Zhiyan Xu, Kai Yin, Na Zhang, Faisal Gulzar Gilal, and Xinyi Li.** 2019. *High-Power Distance Is Not Always Bad: Ethical Leadership Results in Feedback Seeking*. PMC. <https://pmc.ncbi.nlm.nih.gov/articles/PMC6781884/>.
- Gorodnichenko, Y., and Roland, G.** 2011. *Individualism, innovation, and long-run growth*. Proceedings of the National Academy of Sciences, 108(4), 21316-21319.
- Gorodnichenko, Y., and Roland, G.** 2012. *Understanding the individualism-collectivism cleavage and its effects: Lessons from cultural psychology*. Institutions and comparative economic development, 213-236.
- Gouveia, V. V., and Ros, M.** 2000. *Hofstede and Schwartzs models for classifying individualism at the cultural level: their relation to macro-social and macro-economic variables*. Psicothema, 12(Su1), 25–33.
- Greer, Lindred L., Bart De Jong, Margriet Schouten, and Jason E. Dannals.** 2018. *Why and When Hierarchy Impacts Team Effectiveness: A Meta-Analytic Integration*. ResearchGate. https://www.researchgate.net/publication/322703266_Why_and_When_Hierarchy_Impacts_Team_Effectiveness_A_Meta-Analytic_Integration.
- Groysberg, B., Lee, J., Price, J., and Cheng, J. Y.-J.** 2018. *The Leader's Guide to Corporate Culture*. Harvard Business Review. <https://hbr.org/2018/01/the-leaders-guide-to-corporate-culture>.
- Griffith, David A., and Gaia Rubera.** 2013. *A Cross-Cultural Investigation of New Product Strategies for Technological and Design Innovations*. Journal of International Marketing 22 (1): 5–20. <https://doi.org/10.1509/jim.13.0082>.
- Gu, Manli, John Horng Li Tan, Muslim Amin, Md Imtiaz Mostafiz, and Ken Kyid Yeoh.** 2022. *Revisiting the Moderating Role of Culture between Job Characteristics and Job Satisfaction: A Multilevel Analysis of 33 Countries*. Employee Relations: The International Journal 44 (1): 70–93. <https://doi.org/10.1108/er-03-2020-0099>.
- Gudykunst, W. B., and Ting-Toomey, S.** 1988. *Culture and affective communication*. American behavioral scientist, 31(3), 384-400.
- Gundlach, M., Zivnuska, S., and Stoner J.** 2006. *Understanding the relationship between individualism-collectivism and team performance through an integration of social identity theory and the social relations model*. Human Relations, 59, 1603-1632.
- Gunkel, M., Schlaegel, C., and Taras, V.** 2016. *Cultural values, emotional intelligence, and conflict handling styles: A global study*. Journal of World Business, 51(4), 568–585. <https://doi.org/10.1016/j.jwb.2016.02.001>.
- Gupta, Deepika R., Rajaram Veliyath, and Rejie George.** 2018. *Influence of National Culture on IPO Activity*. Journal of Business Research 90 (May): 226–46. <https://doi.org/10.1016/j.jbusres.2018.04.023>.
- Gupta, V., I. C. MacMillan, and G. Surie.** 2004 "Entrepreneurial leadership: developing and measuring a cross-cultural construct." ScienceDirect. Last modified March 2004. <https://www.sciencedirect.com/science/article/abs/pii/S0883902603000405>.
- Hagen-Zanker, Jessica.** 2008. *Why Do People Migrate? A Review of the Theoretical Literature*. Maastricht Graduate School of Governance. https://papers.ssrn.com/sol3/papers.cfm?abstract_id=1105657.

- Hall, E. T.** 1976. *Beyond culture*, New York:Anchor Press – Doubleday.
- Hallowell, Roger.** 2001. 'Scalability': *The Paradox of Human Resources in E-commerce*. International Journal of Service Industry Management 12 (1): 34–43. <https://doi.org/10.1108/09564230110694820>.
- Hammersley, M.** 2010 *The Relevance of Qualitative Research*. Taylor & Francis. Last modified August 19, 2010. <https://www.tandfonline.com/doi/abs/10.1080/713688545>.
- Harzing, Anne-Wil, and Geert Hofstede.** 1996. *Planned Change in Organizations: The Influence of National Culture*. In *Cross-Cultural Analysis of Organizations*, edited by P. Bamberger and M. Erez, 297–340. *Research in the Sociology of Organizations*, vol. 14. Greenwich, CT: JAI Press.
https://www.researchgate.net/publication/282577802_Planned_Change_in_Organizations_The_Influence_of_National_Culture.
- Hanifzadeh, Faezeh, Kambiz Talebi, and Vahid Jafari-Sadeghi.** 2024. *Scalability of Startups: The Impact of Entrepreneurial Teams*. Journal of Global Entrepreneurship Research 14 (1). <https://doi.org/10.1007/s40497-024-00383-7>.
- Hatch, Mary Jo.** 2011. *Organization: A very Short Introduction*. Oxford University Press
https://books.google.de/books?hl=en&lr=&id=7B-2Oex2x08C&oi=fnd&pg=PP1&dq=hatch+2011&ots=tSuGOvQciO&sig=Wbk97wsiBFtc5_yLxNhWQrWLDN8&redir_esc=y#v=onepage&q=hatch%202011&f=false.
- Hastings, Reed, and Erin Meyer.** 2020. *No Rules Rules: Netflix and the Culture of Reinvention*. New York: Penguin Press. <https://admiredleadership.com/resource/no-rules-rules-leadership/>
- Hayes, Adam, Rebecca Kelly, and Victor Velasquez.** 2024. *Scalability: What a Scalable Company Is, and Examples*. Investopedia.
<https://www.investopedia.com/terms/s/scalability.asp>.
- Herget, Julian.** 2023. *Challenges to Corporate Culture: Today and Tomorrow*. SpringerLink.
https://link.springer.com/chapter/10.1007/978-3-662-65327-2_14.
- Hodgetts, Richard M., and Fred Luthans.** 2003. *International Management: culture, strategy, and behaviour*. New York, McGraw-Hill/Irwin, Fifth Edition.
- Hofstede, G.** 1980. *Culture's consequences: International differences in work-related values*. Sage.
- Hofstede, Geert.** 1984. *Cultural Dimensions in Management and Planning*. Asia Pacific Journal of Management 1 (2): 81–99. <https://doi.org/10.1007/bf01733682>.
- Hofstede, Geert.** 1985. *The Interaction between National and Organizational Value Systems*. Journal of Management Studies. <https://onlinelibrary.wiley.com/doi/10.1111/j.1467-6486.1985.tb00001>.
- Hofstede, G., and Bond, M. H.** 1988. The Confucius connection: From cultural roots to economic growth. *Organizational Dynamics*, 16(4), 5–21. [https://doi.org/10.1016/0090-2616\(88\)90009-5](https://doi.org/10.1016/0090-2616(88)90009-5).
- Hofstede, G.** 2001. Culture's Consequences: Comparing Values, Behaviors, Institutions and Organizations Across Nations. In *Behaviour Research and Therapy—BEHAV RES THER* (Vol. 41). [https://doi.org/10.1016/S0005-7967\(02\)00184-5](https://doi.org/10.1016/S0005-7967(02)00184-5).

- Hofstede, G., Hofstede, G. J. and Minkov, M.** 2010. *Cultures and Organizations: Software of the Mind (Rev. 3 rd ed.)*. New York: McGraw-Hill.
- Hofstede, Geert.** 2011. *Dimensionalizing Cultures: The Hofstede Model in Context*. Online Readings in Psychology and Culture 2 (1). <https://doi.org/10.9707/2307-0919.1014>.
- House, Robert J., Paul J. Hanges, Mansour Javidan, Peter W. Dorfman, and Vipin Gupta.** 2004 *Culture, Leadership, and Organizations: The GLOBE Study of 62 Societies*. Thousand Oaks: SAGE Publications, 2004.
- Huang, Jimmy, Ola Henfridsson, Martin J. Liu, and Sue Newell.** 2017. *Growing on Steroids: Rapidly Scaling the User Base of Digital Ventures Through Digital Innovaton*. MIS Quarterly 41, no. 1. 301–14. <https://www.jstor.org/stable/26629649>.
- Hunt, Vivian, Dennis Layton, and Sara Prince.** 2015. "Diversity Matters." *McKinsey & Company*. https://www.mckinsey.com/~media/mckinsey/business%20functions/organization/our%20insights/why%20diversity%20matters/diversity%20matters.pdf?utm_source=chatgpt.com.
- Inglehart, Ronald, and Wayne E. Baker.** 2000. *Modernization, Cultural Change, and the Persistence of Traditional Values*. *American Sociological Review* 65 (1): 19–51. <https://doi.org/10.1177/000312240006500103>.
- Isenberg, Daniel.** 2012. *Focus Entrepreneurship Policy on Scale-Up, Not Start-Up*. Harvard Business Review. <https://hbr.org/2012/11/focus-entrepreneurship-policy>.
- Jie, I. L. C., Djubair, R. A., and Harun, M. Z. M.** 2020. *Impact of organizational culture on employees' performance: A study in multinational corporations in Sarawak*. *International Journal of Business and Technopreneurship*, 10(2), 133-152.
- Jones, M. L.** 2007. *Hofstede - Culturally Questionable?* Oxford Business and Economics Conference; UK: Oxford; https://brainmass.com/file/306606/Hostede_CulturallyQuestionable.pdf.
- Juntunen, M., P. Ahonkangas, and H. Nguyen.** 2018. "Business Model Scalability in the Cloud Business Context." *Journals.aau.dk*. Last modified August 1, 2018. <https://journals.aau.dk/index.php/JOBM/article/view/2396>.
- Kang, E., and H. J. Hwang.** 2023. "The Importance of Anonymity and Confidentiality for Conducting Survey Research." *Journal of Research and Publication Ethics*. Last modified February 28, 2023. https://www.researchgate.net/profile/Eungoo-Kang/publication/370048267_The_Importance_of_Anonymity_and_Confidentiality_for_Conducting_Survey_Research/links/643aecc92eca706c8b5f9dc9/The-Importance-of-Anonymity-and-Confidentiality-for-Conducting-Survey-Research.pdf
- Kark, Ronit.** 2004. *The Transformational Leader: Who Is (s)He? A Feminist Perspective*. *Journal of Organizational Change Management* 17 (2): 160–76. <https://doi.org/10.1108/09534810410530593>.
- Kawar, T. I.** 2012. *Cross-cultural differences in management*. *International Journal of Business and Social Science*. https://ijbssnet.com/journals/Vol_3_No_6_Special_Issue_March_2012/13.pdf
- Kim, S. and Yu, K.** 2004. *Corporate culture and organizational performance*. *Journal of Managerial Psychology*, 19(4), 340-359.

- King, N & Brooks, J.** 2017. *Template Analysis for Business and Management Students*. London: Sage.
- Kirkman, B. L., Lowe, K. B., and Gibson, C. B.** 2006. *A quarter century of Culture's Consequences: a review of empirical research incorporating Hofstede's cultural values framework*. *Journal of International Business Studies*, 37(3), 285–320. <https://doi.org/10.1057/palgrave.jibs.8400202>
- Kirkman, B. L., J. L. Farh, Z. X. Cheng, and K. B. Lowe.** 2009 *Individual Power Distance Orientation and Follower Reactions to Transformational Leaders: A Cross-Level, Cross-Cultural Examination*. *Academy of Management Journal*. Last modified August 1, 2009. <https://journals.aom.org/doi/abs/10.5465/amj.2009.43669971>.
- Knafo, Ariel, and Lilach Sagiv.** 2004. *Values and Work Environment: Mapping 32 Occupations*. *European Journal of Psychology of Education* 19 (3): 255–73. <https://doi.org/10.1007/bf03173223>.
- Kniberg, Henrik, and Anders Ivarsson.** 2012. *Scaling Agile @ Spotify with Tribes, Squads, Chapters & Guilds*. *Crisp's Blog*. <https://blog.crisp.se/wp-content/uploads/2012/11/SpotifyScaling.pdf>
- Koenig, Anne M., Alice H. Eagly, Abigail A. Mitchell, and Tiina Ristikari.** 2011. *Are Leader Stereotypes Masculine? A Meta-Analysis of Three Research Paradigms*. *Psychological Bulletin* 137 (4): 616–42. <https://doi.org/10.1037/a0023557>.
- Kolvereid, L., and E. Isaksen.** 2006. *New business start-up and subsequent entry into self-employment*. ScienceDirect. Last modified November 6, 2006. <https://www.sciencedirect.com/science/article/abs/pii/S0883902605000686>.
- Kohler, Thomas.** 2018. *How to Scale Crowdsourcing Platforms*. *California Management Review* 60 (2): 98–121. <https://doi.org/10.1177/0008125617738261>.
- Kopric, Ivan.** 1999. *Organizational Culture in the Public Administration*. *Croat. Pub. Admin.* 1 (1999): 97.
- Kostis, P. C.** 2021. *Culture, innovation, and economic development*. *Journal of Innovation and Entrepreneurship*, 10(1). <https://doi.org/10.1186/s13731-021-00163-7>
- Kotter, J. P., and Heskett, J. L.** 1990. *Corporate culture and performance*. <https://www.hbs.edu/faculty/Pages/item.aspx?num=139>
- Krippendorff, Klaus.** 2018. *Content Analysis: An Introduction to Its Methodology*, 4th ed. Thousand Oaks: SAGE Publications.
- Krosnick, J. A.** 1999. *Maximizing Questionnaire Quality*. Stanford University. Last modified 1999. <https://web.stanford.edu/dept/communication/faculty/krosnick/docs/1999/1999%20Maximizing%20questionnaire%20quality.pdf>.
- Kumar, N.** 2008. *Organizational culture as a root of performance improvement*. *Contemporary Management Research*, 4(1).
- Kumar, A., K.** 2016. *Redefined and Importance of Organizational Culture*. *Global Journal of Management and Business Research*. https://globaljournals.org/GJMBR_Volume16/3-Redefined-and-Importance.pdf

- Kuratko, Donald F., Harrison L. Holt, and Emily Neubert.** 2019. *Blitzscaling: The Good, the Bad, and the Ugly*. Business Horizons 63 (1): 109–19. <https://doi.org/10.1016/j.bushor.2019.10.002>.
- Laverty, K. J.** 1996. *Economic ‘Short-Termism’: The Debate, the Unresolved Issues, and the Implications for Management Practice and Research*. The Academy of Management Review, 21(3), 825–860. <https://doi.org/10.2307/259003>
- Lakshman, M., Leena Sinha, M. Biswas, M. Charles, and N. K. Aora.** 2000. *Quantitative Vs Qualitative Research Methods*. SpringerLink. Last modified 2000. <https://link.springer.com/article/10.1007/bf02820690>.
- Li, G., Y. Cai, H. Liu, and G. Zheng.** 2024. *Seeking for better performance: a synergy effect of algorithmic and leader management transparency on employee knowledge seeking behaviour and performance in China*. November 11, 2024. <https://www.tandfonline.com/doi/abs/10.1080/13602381.2024.2418548>.
- Li, J., N. Matouschek, and M. Powell.** 2017. *Power Dynamics in Organizations*. American Economic Association. Last modified February 2017. <https://www.aeaweb.org/articles?id=10.1257/mic.20150138>.
- Liang, S.** 2022. *How to Understand US Cultural Differences Impacting Your Business: Hofstede’s 6-D Model*. Markentry USA. <https://www.markentryusa.com/en/how-to-understand-us-cultural-differences-impacting-your-business-hofstedes-6-d-model/>.
- Liker, J.** 2004. The 14 principles of the Toyota way: An executive summary of the culture behind TPS. The Toyota Way: 14 Management Principles from the World’s Greatest Manufacture, 35–41.
- Lim, K. H., Leung, K., Sia, C. L., and Lee, M. K.** 2004. *Is eCommerce boundary-less? Effects of individualism–collectivism and uncertainty avoidance on Internet shopping*. Journal of International Business Studies, 35(6), 545–559. <https://doi.org/10.1057/palgrave.jibs.8400104>
- Lu, J., L. Ren, C. Zhang, and D. Rong.** 2020. *Modified Carroll’s pyramid of corporate social responsibility to enhance organizational performance of SMEs industry*. ScienceDirect. Last modified October 20, 2020. <https://www.sciencedirect.com/science/article/abs/pii/S0959652620325038>.
- Lukács, E., Lovin, D., and Stefan, R.** 2020. *Empirical Study Regarding Long-Term Versus Short-Term Orientation In Romania*. International Management Conference. <https://doi.org/10.24818/IMC/2020/04.18>
- Madlock, P. E.** 2012. *The Influence of Power Distance and Communication on Mexican Workers*. Sage Journals Home. Last modified March 8, 2012. <https://journals.sagepub.com/doi/abs/10.1177/0021943612436973>.
- Madu, B. C.** 2012. *Organization culture as driver of competitive advantage*. Journal of academic and business ethics, 5, 1.
- Macaulay, M.** 1996. *Asking to ask: The strategic function of indirect requests for information in interviews*. Pragmatics. Quarterly Publication of the International Pragmatics Association (IPrA), 6(4), 491–509.

- Maiyaki, A. A.** 2013. *Moderating Effect of Individualism/Collectivism on the Association between Service Quality, Corporate Reputation, Perceived Value and Consumer Behavioural Intention*. Journal of Distribution Science, 11(7), 39–45.
- Marcus, J., and Le, H.** 2013. *Interactive effects of levels of individualism–collectivism on cooperation: A meta-analysis*. Journal of Organizational Behavior, 34(6), 813-834.
- Markus, H. R., and Kitayama, S.** 1991. *Culture and the self: Implications for cognition, emotion, and motivation*. Psychological Review, 20, 568– 579.
- Mascarenhas, S., Prada, R., Paiva, A., and Hofstede, G. J.** 2013. *Social Importance Dynamics: A model for Culturally-Adaptive Agents*.
- McAtavey, J., and Nikolovska, I.** 2010. *Team collectivist culture: A remedy for creating team effectiveness*. Human Resource Development Quarterly, 21(3), 307-316.
<https://doi.org/10.1002/hrdq.20039>
- McGregor, Douglas.** 1960. *The Human Side of Enterprise*. New York: McGraw-Hill.
<https://psycnet.apa.org/record/1961-04124-000>
- McShane, S. L., and Glinow, M. A.** 2005. *Organizational Behaviour: Emerging Realities for Workplace Revolution*. In New York: McGraw-Hill, International Edition.
https://www.researchgate.net/publication/31745761_Organizational_Behavior_Emerging_Realities_for_the_Workplace_Revolution
- McSweeney, B.** 2002. *Hofstede's Model of National Cultural Differences and their Consequences: A Triumph of Faith - a Failure of Analysis*. Human Relations, 55(1), 89–118. <https://doi.org/10.1177/0018726702551004>
- McSweeney, B.** 2009. "Dynamic Diversity: Variety and Variation Within Countries." *Organization Studies* 30 (9): 933–957. <https://doi.org/10.1177/0170840609338980>.
- Martin, Joanne.** 2002. *Organizational Culture: Mapping the Terrain*. Thousand Oaks, CA: Sage Publications.
https://www.researchgate.net/publication/225638434_Organizational_Culture_Mapping_the_Terrain_by_Joanne_Martin
- Merritt, A.** 2000. *Culture in the cockpit*. Journal of Cross-Cultural Psychology, 31(3), 283–301. <https://doi.org/10.1177/0022022100031003001>
- Messner, W.** 2016. *The Misconstruction of Hofstede's Uncertainty Avoidance Dimension: The Fallacy of Ecological Operation without Construct Validity at the Individual Level*. Journal of Global Marketing, 29(5), 298–313.
<https://doi.org/10.1080/08911762.2016.1203470>
- Meyer, K., and Peng, M.** 2015. *Theoretical foundations of emerging economy business research*. Journal of International Business Studies, 47.
<https://doi.org/10.1057/jibs.2015.34>
- Mills, J., and Clark, M. S.** 1982. Exchange and communal thinking. In L. Wheeler (ed.). Review of personality and social psychology. 3. 121-144.
- Minkov, M., and Hofstede, G.** 2014. *A replication of Hofstede's uncertainty avoidance dimension across nationally representative samples from Europe*. International Journal

- of Cross Cultural Management, 14(2), 161–171.
<https://doi.org/10.1177/1470595814521600>
- Molenaar, Keith, Heather Brown, S. Caile, and R. Smith.** 2002. *Corporate Culture: A Study of Firms with Outstanding Construction Safety*. CiteSeerX.
<https://citeseerx.ist.psu.edu/document?repid=rep1&type=pdf&doi=f3a04726dc0e1d9b5fef6f22758b20d6d61501d6>.
- Molenaar, D., and F. Remco.** 2024 *Relating violations of measurement invariance to group differences in response times*. APA PsycNet. Last modified 2024.
<https://psycnet.apa.org/record/2024-70352-001>.
- Monaghan, Sinéad, Esther Tippmann, and Nicole Coviello.** 2020. *Born Digitals: Thoughts on Their Internationalization and a Research Agenda*. Journal of International Business Studies 51 (1): 11–22. <https://doi.org/10.1057/s41267-019-00290-0>.
- Morris, M., Davis, D. and Allen, J.** 1994. *Fostering Corporate Entrepreneurship: Cross-Cultural Comparisons of the Importance of Individualism Versus Collectivism*. J Int Bus Stud 25, 65–89.
- Nentwich, J.C. and Kelan, E.K.** 2014. *Towards a Topology of ‘Doing Gender’*. Gender, Work and Organization, 21: 121-134. <https://doi.org/10.1111/gwao.12025>
- Neuliep, J. W., and Ryan, D. J.** 1998. *The influence of intercultural communication apprehension and socio-communicative orientation on uncertainty reduction during initial cross-cultural interaction*. Communication Quarterly, 46(1), 88–99.
<https://doi.org/10.1080/01463379809370086>
- Nielsen, B. B.** 2004. *The Role of Trust in Collaborative Relationships: A Multi-Dimensional Approach*. M N Gement, 7(3), 239.
- Nielsen, C., and Lund, M.** 2018. *Building scalable business models*. MIT Sloan Management Review.
- O’Neill, Olivia A., and Charles A. O’Reilly.** 2009. *Careers as Tournaments: The Impact of Sex and Gendered Organizational Culture Preferences on MBAs’ Income Attainment*. Journal of Organizational Behavior 31 (6): 856–76. <https://doi.org/10.1002/job.641>.
- O’Neill, T. A., McLarnon, M. J. W., Xiu, L., and Law, S. J.** 2015. *Core self-evaluations, perceptions of group potency, and job performance: The moderating role of individualism and collectivism cultural profiles*. Journal of Occupational and Organizational Psychology, 89(3), 447–473.
- OECD.** 2007. *Eurostat-OECD Manual on Business Demography Statistics*. 2007 edition. Luxembourg: Office for Official Publications of the European Communities. Retrieved from: <https://ec.europa.eu/eurostat/documents/3859598/5901585/KS-RA-07-010-EN.PDF.pdf>
- Ojo, O.** 2010. *Organisational Culture and Corporate Performance: Empirical Evidence from Nigeria*. Journal of Business Systems Governance and Ethics 5 (2).
<https://doi.org/10.15209/jbsge.v5i2.180>.
- Organizational Psychology Degrees.** 2022. *Power Distance: Definition and Examples*.
<https://www.organizationalpsychologydegrees.com/faq/what-is-power-distance/>.

- Oyserman, D., and Markus, H. R.** 1993. *The sociocultural self*. In J. Suls (Ed.), *The self in social perspective*. Hillsdale, NJ: Erlbaum. 187–220
- Oyserman, Daphna, Heather M. Coon, and Markus Kemmelmeier.** 2002. Rethinking individualism and collectivism: evaluation of theoretical assumptions and meta-analyses. *Psychological bulletin*, 128(1), 3.
- Pendergraft, Garrett.** 2021. *The Rise and Fall of WeWork* SAGE Business Cases. <https://philarchive.org/archive/PENTRA-3>
- Peterson, R. M., Clay Dibrell, C., and Pett, T. L.** 2002. *Long- vs. short-term performance perspectives of Western European, Japanese, and U.S. countries: Where do they lie?* *Journal of World Business*, 37(4), 245–255. [https://doi.org/10.1016/S1090-9516\(02\)00091-3](https://doi.org/10.1016/S1090-9516(02)00091-3)
- Pisano, G. P.** 2024. *Innovation isn't all fun and games — creativity needs discipline*. Harvard Business Review. <https://hbr.org/2019/01/the-hard-truth-about-innovative-cultures>
- Plakhotnik, M. S.** 2008. *Geocentric corporate organizational culture and employee national identity*. FIU Digital Commons. <https://digitalcommons.fiu.edu/sferc/2008/2008/11/>
- Podsakoff, P., S. B. MacKenzie, and L. Y. Jeon.** 2003 "Common method biases in behavioral research: A critical review of the literature and recommended remedies." APA PsycNet. Last modified 2003. <https://psycnet.apa.org/record/2003-08045-010>.
- Powell, Gary N.** 2012. *Six Ways of Seeing the Elephant: The Intersection of Sex, Gender, and Leadership*. *Gender in Management an International Journal* 27 (2): 119–41. <https://doi.org/10.1108/17542411211214167>.
- Quinn, R., and Rohrbaugh, J.** 1981. *A competing values approach to organizational effectiveness*. *Public productivity review*: 122-140.
- Radu, C.** 2023. *Fostering a Positive Workplace Culture: Impacts on Performance and Agility*. ResearchGate. https://www.researchgate.net/publication/375844277_Fostering_a_Positive_Workplace_Culture_Impacts_on_Performance_and_Agility.
- Rashid, Z. A., Sambasivan, M., and Johari, J.** 2003. *The influence of corporate culture and organisational commitment on performance*. *Journal of management development*, 22(8), 708-728.
- Reffkin, R.** 2019. *How to build a great team*. LinkedIn. <https://www.linkedin.com/pulse/how-build-great-team-robert-reffkin/>
- Rhee, M., Alexandra, V. and Powell, K.S.** 2020. *Individualism-collectivism cultural differences in performance feedback theory*. *Cross Cultural and Strategic Management*, 27 (3), 343-364.
- Roberson, Quinetta M.** 2019. *Diversity in the Workplace: A Review, Synthesis, and Future Research Agenda*. *Annual Review of Organizational Psychology and Organizational Behavior* 6 (1): 69–88. <https://doi.org/10.1146/annurev-orgpsych-012218-015243>.
- Ronald, I., and Baker, W.** 2000. *Modernization, Cultural Change, and the Persistence of Traditional Values*. *American Sociological Review*, 65, 19–51. <https://doi.org/10.2307/2657288>

- Ringov, D., and Zollo, M.** 2007. *The impact of national culture on corporate social performance*. Corporate Governance, 7(4), 476–485.
<https://doi.org/10.1108/14720700710820551>
- Saunders, M., P. Lewis, A. Bristow, and A. Thornhill.** 2019. *Understanding research philosophy and approaches to theory development*. 122-161.
https://www.researchgate.net/publication/330760964_Research_Methods_for_Business_Students_Chapter_4_Understanding_research_philosophy_and_approaches_to_theory_development.
- Schein, E.** 1985. *Organizational Culture and Leadership: A Dynamic View*. San Francisco: Jossey-Bass Publishers.
https://www.researchgate.net/publication/303188862_Schein_Edgar_H_1985_Organizational_Culture_and_Leadership_San_Francisco_Jossey-Bass_Publishers
- Schein, E.** 2001. *Organizational culture and leadership*, in Shafritz, J. and Ott, J.S. (Eds), *Classics of Organization Theory*, Harcourt College Publishers, Fort Worth, TX, pp. 373-374.
- Schein, E.** 2010. *Organizational Culture and Leadership*. 4th ed.
<https://www.scribd.com/document/265733163/Edgar-Schein-Organizational-Culture-and-Leadership-4th-Edition>
- Schermerhorn, J. R., R. N. Osborn, M. Uhl-Bien, and J. G. Hunt.** 2011 *Organizational Behavior*, 12th ed. John Wiley & Sons Inc., 2011
- Schroth, Holly.** 2019. *Are You Ready for Gen Z in the Workplace?* California Management Review 61 (3): 5–18. <https://doi.org/10.1177/0008125619841006>.
- Schwartz, S. H.** 1990. *Individualism-collectivism: Critique and proposed refinements*. Journal of Cross-Cultural Psychology, 21, 139-157.
- Shahzad, F., Adeel Luqman, R. A., Khan, A. R., and Shabbir, L.** 2012. *Impact of Organizational Culture on Organizational Performance: An Overview*. Interdisciplinary Journal of Contemporary Research in Business, 3.
https://www.researchgate.net/publication/328027871_Impact_of_Organizational_Culture_on_Organizational_Performance_An_Overview
- Sivadas, E., Bruvold, N. T., and Nelson, M. R.** 2007. *A reduced version of the horizontal and vertical individualism and collectivism scale: A four-country assessment*. Journal of Business Research, 61(3), 201–210
- Spencer-Oatey, H.** 2021. *What is Culture? A Compilation of Quotations for the Intercultural Field*. Global People Core Concept. ResearchGate.
<https://doi.org/10.13140/RG.2.2.29603.37925>.
- Stampfl, Georg, Reinhard Prügl, and Vincent Osterloh.** 2013. *An Explorative Model of Business Model Scalability*. International Journal of Product Development 18 (3/4): 226. <https://doi.org/10.1504/ijpd.2013.055014>.
- Štok, Z. M., Markič, M., Bertoneclj, A., and Meško, M.** 2010. *Elements of organizational culture leading to business excellence*. Journal of Economics and Business.
https://www.researchgate.net/publication/228413132_Elements_of_organizational_culture_leading_to_business_excellence

- Strengers, J., Mutsaers, L., and Van Rossum, L.** 2022. *The organizational culture of scale-ups and performance*. Journal of Organizational Change Management, 35(8), 115-130. <https://doi.org/10.1108/JOCM-09-2021-0268>
- Sullivan, Tim.** 2016. *Blitzscaling*. Harvard Business Review. <https://hbr.org/2016/04/blitzscaling>.
- Syed, H., and Malik, A. N.** 2014. *Comparative study of effect of culture on technology adoption in Pakistan and USA*. The Business and Management Review, 5(1), 42.
- Taras, V., Steel, P., and Kirkman, B.** 2012. *Improving National Cultural Indices Using a Longitudinal Meta-Analysis of Hofstede's Dimensions*. Journal of World Business - J WORLD BUS, 47. <https://doi.org/10.1016/j.jwb.2011.05.001>
- Triandis, H. C.** 1995. *Individualism and collectivism*. Westview Press.
- Triandis, H. C.** 2001. *Individualism-collectivism and personality*. Journal of personality, 69(6), 907-92.
- Triandis, H. C., and Suh, E. M.** 2002. *Cultural influences on personality*. Annual Review of Psychology, 53(1), 133–160. <https://doi.org/10.1146/annurev.psych.53.100901.135200>
- Tsui, Anne S., Zhi-Xue Zhang, Hui Wang, Katherine R. Xin, and Joshua B. Wu.** 2006. *Unpacking the Relationship between CEO Leadership Behavior and Organizational Culture*. The Leadership Quarterly 17 (2): 113-37. <https://doi.org/10.1016/j.leaqua.2005.12.001>.
- Tung, Rosalie L., and Alain Verbeke.** 2010. *Beyond Hofstede and GLOBE: Improving the Quality of Cross-Cultural Research*. Journal of International Business Studies 41 (8): 1259–1274. <https://doi.org/10.1057/jibs.2010.41>.
- Twenge, Jean M.** 2010. *A Review of the Empirical Evidence on Generational Differences in Work Attitudes*. Journal of Business and Psychology 25 (2): 201–210. <https://link.springer.com/article/10.1007/s10869-010-9165-6>
- Vadde, Akhil.** 2018. *Scale and Form; or, What Was Global Modernism?* Modernism/Modernity Print+. <https://www.modernismmodernity.org/forums/posts/scalability>.
- Van Engen, M. L.** 2001. *Gender and leadership: A contextual perspective*. Tilburg University. Retrieved from <https://pure.uvt.nl/ws/portalfiles/portal/451067/88029.pdf>
- Venaik, S., Zhu, Y., and Brewer, P.** 2013. *Looking into the future: Hofstede long term orientation versus GLOBE future orientation*. Cross Cultural Management: An International Journal, 20, 361–385. <https://doi.org/10.1108/CCM-02-2012-0014>
- Vizmonte, E. J., and Ligot, D.** 2024. *Analyzing the Relationship Between Cultural Dimensions and Educational Performance using Hofstede model and PISA Data*. <https://doi.org/10.13140/RG.2.2.12350.25927>
- Voronov, M., and Singer, J. A.** 2002. *The myth of individualism-collectivism: A critical review*. The Journal of social psychology, 142(4), 461-480.
- Wagner, J. A., III, Humphrey, S. E., Meyer, C. J., and Hollenbeck, J. R.** 2011. *Individualism–collectivism and team member performance: Another look*. Journal of Organizational Behavior, 33, 946-963.

- Warrillow, John.** 2011. *Built to Sell: Creating a Business That Can Thrive without You*. Penguin.
- Wang, H., and B. Huan.** 2018 "The Positive Effect of Authoritarian Leadership on Employee Performance: The Moderating Role of Power Distance." *Frontiers*. Last modified March 23, 2018. <https://www.frontiersin.org/journals/psychology/articles/10.3389/fpsyg.2018.00357/full>.
- Wang, Yaopeng, Hisham Farag, and Wasim Ahmad.** 2021. *Corporate Culture and Innovation: A Tale from an Emerging Market*. *British Journal of Management* 32 (4): 1121–1140. <https://onlinelibrary.wiley.com/doi/10.1111/1467-8551.12478>
- Wiklund, J., and Shepherd, D.** 2003. *Knowledge-Based Resources, Entrepreneurial Orientation, and the Performance of Small and Medium-Sized Business*. *Strategic Management Journal*, 24, 1307–1314. <https://doi.org/10.1002/smj.360>
- Wu, P. C., and S. Chaturvedi.** 2024 "The Role of Procedural Justice and Power Distance in the Relationship Between High Performance Work Systems and Employee Attitudes: A Multilevel Perspective." *Sage*. Accessed December 10, 2024. <https://journals.sagepub.com/doi/abs/10.1177/0149206308331097>.
- Yi, J.** 2021. *Revisiting Hofstede's Uncertainty-Avoidance Dimension: A Cross-Cultural comparison of organizational employees in four countries*. *Journal of Intercultural Communication*, 21(1), 46–61. <https://doi.org/10.36923/jicc.v21i1.5>
- Yin, Hongbiao, Wenlan Huang, and Qianqian Lee.** 2020. *Work Environment Characteristics and Teacher Well-Being: The Mediation of Emotion Regulation Strategies*. *International Journal of Environmental Research and Public Health* 17 (2): 471. <https://www.mdpi.com/1660-4601/17/2/471>
- Zahra, Shaker A., H. J. Sapienza, and Per Davidsson.** 2006. *Entrepreneurship and Dynamic Capabilities: A Review, Model, and Research Agenda*. *Journal of Management Studies* 43 (4): 917–33. <https://doi.org/10.1111/j.1467-6486.2006.00616.x>.
- Zajko, Marian.** 2017. *Challenges of Scaling-up Process for Start-Ups*. *Balkan Region Conference on Engineering and Business Education* 2 (1): 62–70. <https://doi.org/10.1515/cplbu-2017-0009>.
- Zhang, Y., and T. M. Begley.** 2011 "Power distance and its moderating impact on empowerment and team participation." *Taylor & Francis*. Last modified September 15, 2011. <https://www.tandfonline.com/doi/abs/10.1080/09585192.2011.560877>.
- Zhao, Y. Lisa, Michael Song, and Gregory L. Storm.** 2013. *Founding Team Capabilities and New Venture Performance: The Mediating Role of Strategic Positional Advantages*. *Entrepreneurship Theory and Practice* 37 (4): 789–814. <https://doi.org/10.1111/j.1540-6520.2012.00513.x>.

9. Appendix

9.1. Appendix 1: Literature Review about Scaling and Scale-Ups

Scaling

Carucci (2016) describes scaling as “adding revenue at a much greater rate than cost”, which underscores the financial ramifications that scaling entails. In contrast to ‘classic scaling’, Kuratko et al. (2020) and Büge and Ozcan (2021) further differentiate the term ‘blitzscaling’, which is described as a strategy emphasizing rapid organizational expansion and values speed over efficiency. This is particularly present in technology-intensive markets (Sullivan 2016).

The work of Huang et al. (2017) posits that digital innovation is a pivotal factor in scaling, enabling ventures to significantly increase their user base while minimizing the need for proportional increases in infrastructure investment. Additionally, the paper also terms scaling as a process that emphasizes growth. Compatibly, Coviello et al. (2024) identify a clear pattern by addressing eight main attributes to define scaling: *1) Returns to scale; 2) Growth; 3) Internal elements (e.g. organizational culture); 4) Investing to grow; 5) Global markets; 6) Business model; 7) Replication Strategy; and 8) Persistence over time.*

With their research, Coviello et al. (2024) prove that most of the analyzed definitions do not distinguish between scaling and growth, which leads to a misperception that scaling is simply growth. Many of the definitions refer to growth as being quick or exponential. Yet, concerning organizational culture, the authors note that most definitions characterize scaling as a comprehensive organizational endeavor which requires significant transformation across an entire firm. Henceforth, research implies that the organizational cultural dimensions presented by Hofstede (2011) may have a significant impact on the scaling process. All six dimensions: *1) Power Distance, 2) Uncertainty Avoidance, 3) Individualism vs. Collectivism, 4) Masculinity*

vs. Femininity, 5) Long-term vs. Short-term Orientation, and 6) Indulgence vs. Restraint may shape how organizations approach the transformation required during scaling.

To conclude, after examining relevant research, this paper applies the definition of Coviello et al. (2024), who define scaling as “an organizational process whereby managers transform the internal organization and leverage digital resources to rapidly expand a firm’s outputs without a corresponding ex-ante increase in inputs.” (p.14).

Scale-Up

Compared to literature concerning the process of scaling, research regarding scale-ups is rather recent. Kohler (2018) identifies a scale-up as a corporation in a phase characterized by high growth and a validated business model. This aligns with most definitions that view scale-ups as a type of firm (Coviello et al. 2024). Bruneel et al. (2022) also stress the necessity to add a validated business model to the growth aspect. Therefore, this thesis applies Kohler’s (2018) definition for scale-ups.

Some definitions examined draw back on OECD (2007) metrics for high growth firms, such as the criteria of an “average annualized growth in revenue or employees exceeding 20% over a three-year period”. However, the former views this approach as critical since OECD’s definition is intended for measuring high growth in general, not specifically scale-ups. Moreover, such benchmarks fail to account for unique characteristics on a firm-by-firm or sector-specific basis. In general, most studies define a scale-up as a type of firm in a specific stage of organizational development with the assumption that the firm’s development is a linear process.

Next to scale-ups, other firm types include start-ups and established firms. Start-ups are newly created organizations in the very early stages of development, focusing on testing and validating

their business model (Kolvereid and Isaksen 2006). Established firms, on the other hand, are mature companies with a strong presence in the market, clear organizational structures, and reliable revenue streams. In this thesis, terms such as firm, company, corporation, or organization are used interchangeably to refer to these different types of businesses.

9.2. Appendix 2: Model of Corporate Culture by Schein (1985)

Schein (2004) argues that culture can be analyzed at three different levels. Here the term “level” refers to the degree to which a cultural phenomenon is visible to the observer. The proposed levels include artifacts, values, and underlying assumptions and progress from visible to tacit or invisible. To understand culture, its complex patterns combined with its interrelated layers must be decoded (Štok et al. 2010). Schein’s model, being one of the most cited frameworks in organizational culture studies, serves as a tool for abstraction and complexity reduction. The model suggests a hierarchy in which visible behaviors influence and are influenced by rules, standards, and prohibitions which are seen as unobservable assumptions (Dauber et al. 2012).

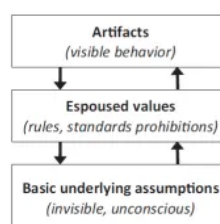


Figure 1: Organizational culture model by Schein (1985)

9.3. Appendix 3: Model of Corporate Culture by Hatch (1993)

By introducing a fourth domain – symbols – and defining the processes linking each element of the organizational culture construct, Hatch (1993) extends Schein’s model. The extension

allows for a better understanding of interdependencies within the model. Through the model, Hatch identifies two possible pathways for how observable behaviors emerge from underlying assumptions. Firstly, through “manifestation” into values and subsequent “realization” into artifacts. Secondly, through “interpretation” into symbols and subsequent “symbolization” into artifacts. Nevertheless, it remains unclear under which conditions these transformations occur. Similarly, the factors determining whether assumptions become “manifested” and “realized” or “interpreted” and “symbolized” remain unclear (Dauber et al. 2012).

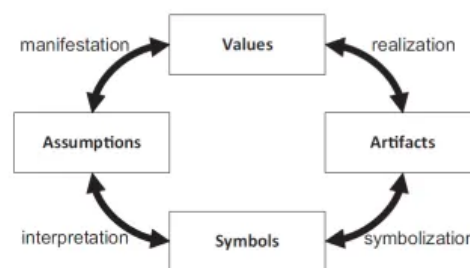


Figure 2: Organizational culture model by Hatch (1993) (retr. from: Dauber et al. 2012).

9.4. Appendix 4: Model of Corporate Culture by Roussau (1990)

Rousseau (1990) takes the organizational culture model one step further by offering a five-layered model instead of a three- or four-layered model. Rousseau’s (1990) model is structured as concentric rings in which he emphasizes the distinction between visible outer layers, such as artifacts, and hidden inner layers, such as fundamental assumptions (Ghinea and Bratianu 2012). The first layer is artifacts, containing observable manifestations of culture. The following layer addresses patterns of behavior. Here, cultural norms are formed by established behaviors. Thirdly, behavioral norms incorporate implicit rules which lead to guiding actions. Furthermore, the fourth ring is values. Values display core principles shared within the organization and lastly fundamental assumptions which are seen as deeply ingrained beliefs forming the basis of cultural identity (Bunch 2007).

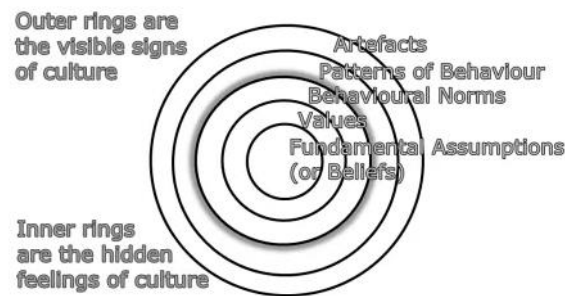


Figure 3: Rousseau's model of organizational culture (retr. from: Ghinea, Bratianu 2012).

9.5. Appendix 5: Model of Corporate Culture by Hermann (1970)

Another perspective is provided by Herman's Iceberg Model (1970). It distinguishes between visible, formal aspects of an organization (e.g., systems, structures, policies) and hidden, informal aspects, such as attitudes, beliefs and values (Ghinea and Bratianu 2012).

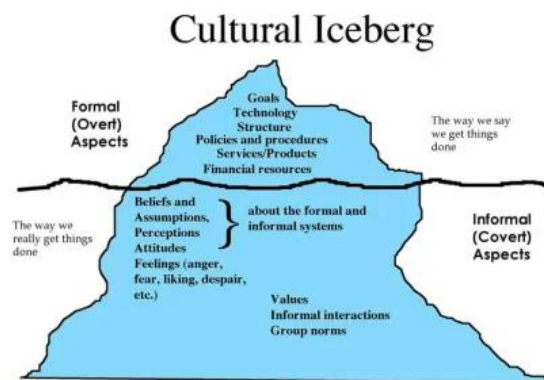


Figure 4: Herman's Iceberg Model. (retr. from: Ghinea, Bratianu 2012).

9.6. Appendix 6: Model of Typologies of Organizational Culture by Deal and Kennedy (1982)

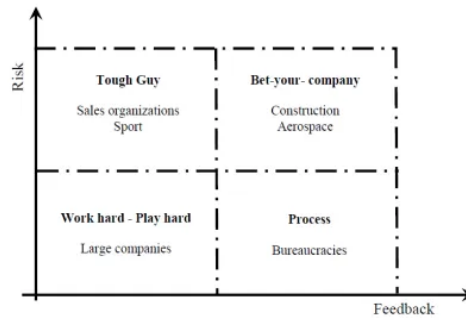


Figure 5: Organizational Culture Model by Deal and Kennedy (Deal and Kennedy 1982).

9.7. Appendix 7: Hofstede's Cultural Dimension Model



Figure 6: Hofstede's Culture Dimension (Vizmonte and Ligot 2024)

9.8. Appendix 8: Interview Questions (English Version)

-- Interview Questions Master Thesis 2024 --

How are the characteristics of corporate culture manifested in organizations that exhibit scalability?

1. (Agreement for the interview)

Thank you for helping me with my master's thesis at NOVA School of Business and Economics.

I would like to ask you questions about your organizational culture. There are no right or wrong answers. I want to record the interview, but I will keep your answers confidential: Only my professor, and four classmates I will conduct the master thesis with, and I will have access to your information. I will de-identify your answers such that you will be referred to in my assignment only by your position and company industry. Your answers will be used only for master thesis purposes and will not be shared publicly. Do you consent to participate in the research? (yes/no)

Should you have any questions regarding the purpose or intent of this research you may contact my professor, Aman Asija, at aman.asija@novasbe.pt.

2. (Introduction)

- Industry, Size of the company, Position of Interviewee

3. Scalability

- To what extent did your company expand / scale up in the past ? (Spatial change, higher revenue etc.) When did scaling occur?

4. Power Distance

- When senior leaders make decisions, how transparent are they about their reasoning with lower-level employees? Can you recall a time when their decision-making process was explained in detail?

5. Uncertainty Avoidance (Risk and Attitude)

- Can you recall a time when an innovative or unconventional idea was proposed? How are proposals typically handled here? How did people react, and was it embraced or met with resistance?

6. Individualism vs. Collectivism (Processes, Consistency and Teams)

- When performance reviews are conducted, how are team contributions weighed against individual achievements? What model or process is used for feedback (360, etc.)

7. Masculinity vs. Femininity (Work-life balance, etc.)

- When conflicts arise in the workplace, are they typically resolved by focusing on results and objectives, or is there an emphasis on understanding, collaboration, and maintaining relationships? What do you use to maintain personal growth, work-life experience?

8. Long-term vs. Short-term Orientation (Cultural add / cultural fit)

- When setting goals or making decisions, how far into the future does the organization typically plan? Are most initiatives focused on immediate outcomes, or is there a clear focus on long-term sustainability and growth? Could you potentially name a few goals?

9. Indulgence vs Restraint

- How does the company approach balancing work with personal enjoyment, like allowing flexible breaks or organizing fun activities? Are there clear boundaries, or is there room for spontaneity and enjoyment? Do you offer work benefits and how often are they used?

9.9. Appendix 9: General Overview of Interviews Conducted

Company	Industry of the Organization	Position of Interviewee	Scalability Scenario	Power Distance	Uncertainty Avoidance	Individualism vs. Collectivism	Masculinity vs. Femininity	Long-Term vs. Short-Term	Indulgence vs. Restraint
Company 1	IT	Founder & CEO	Employees triples over 9 years, revenue doubled	Low Power Distance	Low Uncertainty Avoidance	Individualistic	Masculine	Long-Term Oriented	Indulgent
Company 2	IT	Founder & CEO	Scaled from 2 to over 100 employees in 4 years	Low Power Distance	Low Uncertainty Avoidance	Individualistic	Feminine	Long-Term Oriented	Restrained
Company 3	Real estate - Property/rental management	Founder & managing director	Organic growth; Bootstrapped; Managing 30 apartments after 2 yrs --> double the size in 2024 from 20 to 40	Low Power Distance	Low Uncertainty Avoidance	Collectivist	Feminine	Short-Term Oriented	Indulgent
Company 4	Hospitality & Consulting - Hotel management	Founder & CEO	Demand grew 4 to 5 times within 1 yr; caused business expansion	Low Power Distance	Low Uncertainty Avoidance	Collectivist	Feminine	Short-Term Oriented	Indulgent
Company 5	Staffing - Personnel services	Team Leader; Management	Organic Growth; 5 employees added in two yrs	Low Power Distance	High Uncertainty Avoidance	Individualistic	Masculine	Short-Term Oriented	Indulgent
Company 6	Retail - Sustainable sports products	Founder & Sole Shareholder	Increase of one to three manufacturing sites	High Power Distance	Low Uncertainty Avoidance	Individualistic	Feminine	Short-Term Oriented	Indulgent
Company 7	Heating & Plumbing	CEO & Owner	Acquisition of companies. From 1 to 15 companies	High Power Distance	Low Uncertainty Avoidance	Collectivist	Masculine	Short-Term Oriented	Indulgent
Company 8	Manufacturing - Prothesis	CEO & Owner	Sustainable growth but also buying start-ups to increase knowledge	Low Power Distance	Low Uncertainty Avoidance	Collectivist	Feminine	Long-Term Oriented	Indulgent
Company 9	B2B-SaaS Productivity Space	Co-Founder	1) More Users, 2) more revenue, 5% week over week annual revenue growth for the last 2 years. 3) More processed data - as more users (from 10 hours meetings notes per week to 5,000)	Low Power Distance	Low Uncertainty Avoidance	Collectivist	Feminine	Short-Term Oriented	Indulgent
Company 10	Consulting - Innovation & Product Development	Senior Venture Architect	The company experienced particularly strong growth through the establishment of a venture building unit, which led to a 75% increase in revenue.	High Power Distance	High Uncertainty Avoidance	Individualistic	Feminine	Short-Term Oriented	Indulgent
Company 11	Finance - Venture Building	Investment Manager	Recently scaled from 15 - 20 subsidiaries	Low Power Distance	Low Uncertainty Avoidance	Individualistic	Feminine	Short-Term Oriented	Indulgent
Company 12	B2B SaaS E-Commerce	Co-Founder	Scaled after funding round in 2023 and breakeven in 2024	Low Power Distance	Low Uncertainty Avoidance	Collectivist	Feminine	Long-Term Oriented	Indulgent

Company 13	Consulting - Tech & Legal & Taxes	CEO & Owner	Fusion with another firm and scaled monetary and personnel wise	Low Power Distance	Low Uncertainty Avoidance	Individualistic	Feminine	Long-Term Oriented	Indulgent
Company 14	Pharma	CEO	Increased from 5 to 60 employees and one store to 3 stores	High Power Distance	Low Uncertainty Avoidance	Individualistic	Feminine	Long-Term Oriented	Restrained
Company 15	Oil & Gas	Owner	Scaled from one gas station to 23 branches	High Power Distance	Low Uncertainty Avoidance	Individualistic	Masculine	Long-Term Oriented	Indulgent
Company 16	Aviation eVTOL	Head of Business Development	Increased from 150 to 700 employees and multiple new offices across the world within 2-3 years	Low Power Distance	High Uncertainty Avoidance	Collectivist	Feminine	Long-Term Oriented	Indulgent
Company 17	Consulting	Co-Founder	Scaled business processes and customer base as well as orders within 1 year	Low Power Distance	Low Uncertainty Avoidance	Individualistic	Feminine	Long-Term Oriented	Indulgent
Company 18	Heating & Plumbing	Founder & CEO	From 3 to 34 employees and multiple locations	High Power Distance	Low Uncertainty Avoidance	Collectivist	Feminine	Long-Term Oriented	Restrained
Company 19	Vehicle repairation	CEO	From 1 to 3 locations	Low Power Distance	Low Uncertainty Avoidance	Individualistic	Feminine	Short-Term Oriented	Restrained
Company 20	Maritime	Managing Director	Within 2 years to 4 Location with strong growth in customers and employees as well as revenue doubling revenue every quarter	Low Power Distance	Low Uncertainty Avoidance	Collectivist	Feminine	Long-Term Oriented	Indulgent
Company 21	Health	CSO - Chief Service Officer	Increased from 2500 to over 110 000 employees globally	High Power Distance	Low Uncertainty Avoidance	Collectivist	Feminine	Short-Term Oriented	Indulgent
Company 22	Energy	CEO	More than 10 new firms within holding	Low Power Distance	Low Uncertainty Avoidance	Individualistic	Feminine	Long-Term Oriented	Indulgent
Company 23	Machinery	CEO	From 3 to 30 employees	Low Power Distance	Low Uncertainty Avoidance	Individualistic	Masculine	Short-Term Oriented	Indulgent
Company 24	Education - Tutoring/Learning support	CFO & Founder	From 50 users to 1.000+ users; 500 active per month; from five students to 8 full time employees + 6 working students & board	Low Power Distance	Low Uncertainty Avoidance	Collectivist	Feminine	Long-Term Oriented	Indulgent
Company 25	Banking	CEO	From 2.2 billion to 6.4 billion. Merged 5 times in the last 8 years	High Power Distance	High Uncertainty Avoidance	Individualistic	Feminine	Long-Term Oriented	Indulgent
Company 26	IT - Chemistry	CEO & Founder	From 3 to 35 employees and multiple locations	Low Power Distance	Low Uncertainty Avoidance	Collectivist	Feminine	Long-Term Oriented	Restrained
Company 27	E-commerce - Automotive sector	Advisor of CEO; First Employee	Over 400 employees; \$150 mio. annual rev; Expansion into US market	Low Power Distance	Low Uncertainty Avoidance	Individualistic	Masculine	Short-Term Oriented	Indulgent

Company 28	Energy	CEO	Doubled revenue in the past 20 years.	High Power Distance	High Uncertainty Avoidance	Individualistic	Masculine	Long-Term Oriented	Indulgent
Company 29	IT - Renewable energy	Sales Manager / First Employee	From 50 to 500 customers in 2023; Rev increase from 300k to 2.7m	High Power Distance	High Uncertainty Avoidance	Individualistic	Masculine	Short-Term Oriented	Restrained
Company 30	Consulting	Head of Munich Office	Scaled through a 3.5x increase in staff; 2.5x increase in rev	Low Power Distance	High Uncertainty Avoidance	Collectivist	Masculine	Long-Term Oriented	Indulgent
Company 31	Fintech - Automobile	Founders Associate	From 8 to 160 employees. From Garage to 3 floors of offices. From 0 to 22 million in Fundraising	High Power Distance	Low Uncertainty Avoidance	Individualistic	Feminine	Short-Term Oriented	Indulgent
Company 32	Infrastructure - Vehicle Charging	First employee	Increase from 0 - 17 employees	High Power Distance	Low Uncertainty Avoidance	Individualistic	Masculine	Short-Term Oriented	Indulgent
Company 33	Tele-communication	Head of Organizations Since 16.5 YRS	From 5 to nearly 300 employees in the past 15 years	Low Power Distance	Low Uncertainty Avoidance	Collectivist	Feminine	Long-Term Oriented	Indulgent
Company 34	Beverage	CEO & 2nd Generation Owner	From one to 30 employees	Low Power Distance	Low Uncertainty Avoidance	Collectivist	Masculine	Short-Term Oriented	Indulgent
Company 35	Sports & Entertainment	Managing Director	Quadrupled revenue	Low Power Distance	High Uncertainty Avoidance	Collectivist	Feminine	Short-Term Oriented	Indulgent

Transcripts of the Interviews on Request

9.10. Appendix 10: Characteristics of Power Distance Manifested in Organizations that Exhibit Scalability

Introduction

In an increasingly globalized world and growing international competition, staying ahead and scaling one's business is crucial to survive and excel. As previously mentioned, scalability is described as an "organizational capability developed by managing and achieving coherence among a firm's technological architecture, organizational architecture, and business model" (Coviello et al. 2024, p.16). Furthermore, this process aims to accustom a growing demand in such a sustainable way that the governing principles and abilities of the system within a firm are not neglected (Vadde 2018). Even though scaling a company depends on varying factors,

creating a firm culture in which employees are eager to work has become more essential since work has shifted from manual to more intellectual labor. In theoretical professions with a decreased need for hands-on involvement, team spirit and the need for collaboration have become more important (Chatman and Choi 2022).

As described in his work, the term corporate culture (CC) refers to the various beliefs and certain customs and practices that are shared and continued by the workers of a firm or institution (Schermerhorn et al. 2011). Since CC can include varying effects, the underlying principle of the following paper is based on Geert Hofstede's framework of cultural dimensions as they cover a broad range from different cultural angles. According to Geert Hofstede, it is a collective phenomenon that is always in motion and constantly (further) developed by those involved (Hofstede 2011). Originally, the model was applied to national cultural differences, which highlights the importance of looking closer at the organizational level to illustrate the effects on companies.

A key concept of the original dimension refers to the distribution of decision-making authority and is defined as Power Distance (PD). This dimension refers to the "extent to which the less powerful members of institutions and organizations (...) expect and accept that power is distributed unequally" (Hofstede et al. 2010). Since PD and hierarchy influence workplace interactions, decision-making, and overall employee morale, it can affect a firm's potential to grow (Greer et al. 2018). Companies that have established high PD are accustomed to hierarchical leadership styles, where decisions and task guidelines are provided from above, and overall, the work environment is fairly structured and formal (Barsoux & Lawrence 1990). On the other hand, firms that practice a low PD prefer a more autonomous leadership and are more comfortable with relatively equal power distribution (Matouschek et al. 2017).

Since globalization leads to more international teams, it is crucial to understand how cultural differences, specifically power dynamics, impact growth potential (Liang 2022). Therefore, the main research question of this report is to define: *How are the characteristics of **Power Distance** manifested in organizations that exhibit scalability?*

Even though a few hints exist on possible associations or relationships between PD and scalability, it should be noted that there is still a lack in the given search results. Hence, further research may be required to come up with stronger links. This aims to propose new fields, which should be looked at.

To address the research question, this report will conduct a comparative analysis of interviews conducted with organizations with varying levels of Power Distance and which characteristics are manifest in those organizations.

Literature Review: Power Distance

Hofstede's ideas and framework on PD were based on his large-scale study of IBM workers during the 1960s and 1970s. The work on cultural differences looked at people from 70 countries and allowed to compare the differences in power dynamics between cultures (Hofstede 2001).

Hofstede's analysis of PD came up with three main parts that comprise the dimension and are still applicable today. Firstly, it talks about the general "Acceptance of hierarchy," which refers to people's acceptance of their position within an organization. Additionally, depending on the height of PD, authority is questioned differently (Hofstede 2001). Secondly, the "Centralization of Decision-Making" describes to what extent the management styles are participative and encourage employee involvement. The higher the layers of management are, the more centralized a top-down decision process might be (House et al. 2004). Lastly, the various styles of communication are an essential part of PD. Depending on the PD, subordinates are less or

more inclined to express their disagreement with superiors. Furthermore, the level of PD dictates the amount of direct communication between superiors and their subordinates (Minkov and Hofstede 2014). It is crucial to specifically understand the different positive and negative effects varying PD can have on organizations and their employees.

Power Distance and its Cultural Characteristics

PD can have several different effects on the culture of a firm. The given literature is often very critical of high PD organizations since it restricts individual freedom, which is often associated with a good workplace in the Western hemisphere (Gupta et al. 2004). However, several scholars highlight the importance of an increased amount of PD and its positive effects (Wang & Guan 2018; Brockner et al. 2001).

High PD is often found in centralized organizations that adhere to rigid hierarchies. This allows for more defined organizational roles and clearer communication (Wang & Guan 2018). Nevertheless, communication with superiors is negatively connected to organizations with an increased PD. To add, the amount of communication was smaller in high PD environments (Madlock 2012). In these environments, employees may be more satisfied with decision-making processes that do not involve their input. This simplifies their tasks since workers have clearer expectations of what they must do and, therefore, an increased acceptance of hierarchical structures (Brockner et al. 2001).

In addition, Wang & Guan (2018) suggest that employees in high PD organizations are more likely to accept decisions made by superiors without questioning their authority. This idea is supported by stricter communication channels with a clear top-down approach, leading to quicker key decisions (Madlock 2012) since it requires less time for debate and discussion within the team (Daniels and Greguras 2014). This gives organizations the potential for quicker implementation of strategies and changes, allowing them a potential competitive advantage in

high-pressure and short reaction time surroundings (Daniels and Greguras 2014). These scholars illustrate that ultimately, leaders favor having the power of decision (Madlock 2012).

Chou-Kang et al. (2017) suggest that high Power Distance countries create firms that are more aware and engaged regarding corporate social responsibility (CSR) engagement (2016). Concerning setting an example for their employees, Wu & Chaturvedi (2018) discovered that ethical leadership by high-level leaders and CEOs can have a stronger positive impact on CSR than in other surroundings. These results were previously validated in another study in 2016, that concluded that high PD organizations can potentially enhance CSR performance when leaders prioritize ethical and socially responsible practices, as their influence is more pronounced in such cultural contexts (Lu et al. 2020). These results illustrate that organizations that scale may evolve their cultural characteristics depending on the level of PD (Wu & Chaturvedi 2018).

Conversely, low PD often correlates with increased organizational innovation and adaptability since open communication encourages creativity and problem-solving skills (Madock 2012). This fact is also supported by Li et al. (2024), who found that lower PD orientation leads to more employee help-seeking behavior. These results can be explained through a study conducted by Madlock in 2012, which identified fear of authority as a mediating factor. The findings highlight the importance of considering cultural values in understanding workplace behaviors. The lower amount of hierarchy encourages employees to engage in voice behaviors, which means speaking up with new ideas (Botero and Dyne 2009). For businesses hoping to scale, these qualities are essential as they enable quick reactions to a shift in the market (Madlock 2012).

Overall, Eylon and Au (1999) found that a low PD is positively correlated with higher job satisfaction and engagement. This was also shown in 2009 by a study, which illustrated a higher

focus on employee development and empowerment for lower PD organizations (Khatri 2009). The paper further concluded that more open communication between hierarchical levels existed and that employees focused less emphasis on status symbols. Higher empowerment, also shown by Zhang and Begley (2011), resulted in more people challenging their superiors. This, in return, leads to an increased willingness to share ideas and opinions within teams and enhance innovation (Kirkman et al. 2009). The facts mentioned above are essential elements that help businesses grow more efficiently (Eylon and Au 1999).

Relevance of this Paper

The current research demonstrates that PD is often applied cross-culturally, but the weaknesses of PD suggest such a level of analysis may overlook other factors at the individual organizational level (Eylon and Au 1999). A better definition and comprehension of how and where power exists in organizations today are made possible by the idea of PD. Compared to traditional paradigms that view PD as a single metric, these are more varied and dynamic, narrowing the gap on the effects of PD (Gong et al. 2019). Since the original dimensions were published decades ago, the data could be regarded as outdated (Molenaar et al. 2024). Today's world, shaped by economic advancement, globalization, technology, and social media, is vastly different from the one in which Hofstede conducted his studies four decades ago. This shift affects how cultures perceive and interact with power structures, potentially altering the relevance of original PD findings.

The study seeks to explain how PD settings can improve employee empowerment and promote a creative culture by examining the connection between PD and scalability. Scalability, which demands businesses to continue functioning efficiently and effectively even as their operations expand, is a critical element of organizational success (Hallowell 2001). The link between cultural traits and scalability becomes increasingly important as firms experience accelerated

development and global market expansion (Gibson and Birkinshaw 2001). This study examines how cultural qualities are seen in scalable businesses, providing valuable insights into the factors that either support or hinder an organization's ability to grow appropriately. It allows for an increased awareness of the role that characteristics of PD play within firms.

Moreover, a more detailed understanding of this cultural dimension in mainstream business contexts, the paper intends to shed light on how PD characteristics appear in organizations that have scaled. This study adds to the body of research that indicates PD may have an impact on innovation and organizational performance (Daniels and Greguras 2014; Eylon and Au 1999; Gong et al. 2019). To address these gaps, this paper will look at the following: *How are the characteristics of **Power Distance** manifested in organizations that exhibit scalability?*

Analysis

The paper focuses on the various traits of PD and which parts of PD are found within scaled companies. Moreover, it aims to find out whether there are similar traits in all firms. The analysis is based on Hofstede's definition of PD, which measures the degree to which less powerful members of a firm or organization accept and expect unequal power distribution (Hofstede et al. 2010).

The analysis focuses on the key areas derived from Hofstede's work on PD: Acceptance of hierarchy, centralization of decision-making, and communication styles (Hofstede 2001; House et al. 2004). The interviewees are founders, C-level executives, and long-standing employees who were part of the scaling process of the company. The interviewees needed to be able to talk about the development, vision, and key decisions to receive a variety of answers, not restricted to one specific kind of company. For this reason, there were no limitations on the industry of the interviewed firms, which led in return to receive a broader understanding of the different characteristics of PD found within firms.

The Aim of the Qualitative Research

The goal was to understand the role Power Distance plays in the interviewed firms, the level of hierarchy, and the decision-making process within the organizations. Therefore, the interviewees were asked, “*How do decisions typically get made in your organization?*” and “*Do people at different levels of the hierarchy have a say?*” (House et al. 2004). These questions allowed us to understand the variance of PD a company applies to its employees. The qualitative answers allowed us to follow the beliefs and structures more in depth, as Escandon-Barbosa et al. noted in 2021 since quantified scores will not be able to provide as much contextual understanding. Additionally, the qualitative answers were used as a measure to prevent response biases, as Podsakoff et al. pointed out in 2003, and to eliminate the possibility of central tendency biases. This represents the tendency of respondents to agree with statements regardless of their content (Krosnick 1999). Since qualitative questions encourage for detailed answers, respondents are compelled to think more critically and provide detailed answers. Further, answers for specific scenarios and reasons can reduce the influence someone might feel to answer with a socially desirable response (Podsakoff et al. 2003). The responses of the firms vary about PD, categorizing them into three groups.

Levels of PD

The analysis of interview data reveals a spectrum of Power Distance manifestations across different organizations, ranging from low to high PD environments. Firms that depicted lower PD and fewer levels of hierarchy highlighted their focus on teamwork. The following quotes give a clear indication of their key topics:

Collaborative Decision-Making: An IT company with 30 employees emphasized the importance of involving colleagues in decision-making. The interviewee stated, "It is important to me to always involve colleagues because I believe that it is a strength in the team when you

also take other facets into account. I always ask the question; how do you see it?"

Team-Based Decision-Making: A small IT start-up (10 employees) reported a highly transparent and inclusive approach: "Our philosophy is that everything in the company is public and can be challenged. This is important for speed, flexibility, agility, and avoiding bias." "Our philosophy is that everything in the company is public and can be challenged. This is important for speed, flexibility, agility, and avoiding bias." (IT start-up / SaaS, 10 employees). These statements highlight that firms see lower PD as an advantage to staying reactive. It fits with Botero & Dyne (2009) findings that lower Power Distance encourages employee voice behaviors and participation.

Even though the dimensions focus on opposites, most of the respondents favored a mixed approach, which suggests that organizations are adapting their Power Distance strategies based on their size, industry, and specific decision-making contexts. These approaches were favored, since the founders and CEOs valued their employees' input, but knew that they ultimately had to decide by themselves. The statements below allow to better understand, which advantages a mixed approach can bear:

Selective Involvement: A property management company with 15 employees noted, "It is important to us that for decisions that affect everyone, everyone has a say. Of course, there are certain decisions where I, you and the other managing director, put the two of us together."

Departmental Involvement: A larger crafts business (600 employees) emphasized, "It is actually more important to take the department heads with us, who can facilitate understanding with the other employees." "Sometimes decisions are even made by the team itself. But when it comes to the direction of the decisions, the management makes a decision, and it is then announced." (IT consultancy).

A few firms exhibited certain traits, which resemble high PD characteristics. They favor structure and order, which can be seen in a few of the following quotes:

Centralized Decision-Making: A tax consultancy firm noted, "When it comes to the direction of the decisions, the management makes a decision, and it is then announced. Nevertheless, the team is involved beforehand, but the decision-making authority ultimately rests with the management."

Hierarchical Structure: A large clinic (100,000+ employees) reported a top-down approach: "Well, that is actually from the top, certain goals were set and then broken down for each level, how can you do that for the different areas?" "Nevertheless, we of course did not let the final decision be taken away from us." (IT company, 100+ employees). These examples illustrate some scholar's ideas, among others Madock (2021) observation that high Power Distance can lead to more centralized decision-making.

The quotes illustrate the practices across different organizations, from highly collaborative and flat structures to more hierarchical decision-making processes, with many companies adopting a mixed approach depending on the situation or as they grow.

The interview data can be regarded as a selective sample, which illustrates how PD moderates the relationship between corporate culture and scalability. Analyzing the interviews it became apparent that in smaller organizations, lower Power Distance facilitates agility and innovation, as seen in the IT startup where "everything in the company is public and can be challenged.". This promotes a flexible environment conducive to rapid scaling. Contrary to larger organizations, such as medical providers with over 100,000 employees, higher Power Distance structures may streamline decision-making but could inhibit creativity and responsiveness to market changes.

Data Analysis

The study interviewed 37 companies from various industries and firms to examine PD and the other Hofstede dimensions, as well as two expert interviews. A key finding from the analysis is that Power Distance can evolve within an organization. This is exemplified by a case study of a wine distributor with 30 employees, where the managing director described a development from high to low PD as they gained experience. The director stated, "I realized that far-reaching decisions from day-to-day business or even strategic decisions can be made much better if you involve employees in the decision-making process who you think can contribute a certain amount of effort.". This suggests that organizations may need to adapt their PD approach as they grow or face new challenges, potentially impacting their ability to scale.

Organizations with low PD typically demonstrated more open communication, increased employee involvement in decision-making, and flatter hierarchical structures. In contrast, high Power Distance organizations showed more centralized decision-making and clearer hierarchical structures.

One professor at the NOVA School of Business and Economics, Constança Casquinho, stated that there is no universal solution and degree of PD that scaled firms exhibit. In her opinion as a professional consultant, it depended on the timing, the team composition, and the industry a firm operated within. She added that even though each degree of PD bears its benefits, she would ultimately advise firms on a mixed approach since extremes are rarely a good choice for firms.

The analysis suggested variations in Power Distance across different industries and company sizes. Smaller companies tended to exhibit lower Power Distance, while larger organizations often showed higher Power Distance characteristics. This was reflected in their decision-making processes and communication styles. Exemptions, like the firm mentioned above, indicate that changes can also go in the other direction, pointing to the crucial role leading

personnel have. This analysis provides insights into how Power Distance manifests across various organizations and its implications for decision-making and organizational culture.

From the interviews, it is evident that traits of PD were found within firms that exhibit scalability. Within the firms interviewed that exhibited high PD environments decision-making tends to be centralized, reducing employee input, and leading to decreased employee engagement. For instance, one interviewee from an IT company mentioned, "Of course, there are always decisions to be made... which are certainly not always super-transparent" (IT company with 30 employees). Conversely, low PD cultures encourage open communication and employee involvement, fostering a more scalable environment. Another participant noted, "It's important to me to always involve my colleagues... I always ask the question; how do you see it?" (Craft business with 600 employees). This approach enhances problem-solving and adaptability, which is crucial for scalability. In multicultural teams, managing power dynamics effectively was highlighted as essential for leveraging diverse perspectives and driving scalable growth across global markets (Aviation industry - 500 employees).

Proposition Development

Looking at previous research, ideas from academia, and the identified gap concerning the firm perspective on scaling a company, this paper proposed several potential connections to investigate further.

While high PD can lead to quicker implementation of strategies (Daniels & Greguras 2014), it may also stifle innovation and creativity necessary for sustainable growth, which might be relevant for creative firms and organizations that need to adapt quickly. Further, high PD environments may discourage employee voice behaviors (Botero & Dyne 2009), potentially limiting the diverse ideas necessary for scaling. Taking these factors into consideration, it should be investigated whether:

Proposition 1: *High Power Distance can inhibit scalability*

Several interviewees emphasized the value of open communication and decentralized decision-making for scalability, which gives credibility to proposition 1. This supports the idea that firms that scaled could illustrate more characteristics of lower PD in their firms.

Taking the individual aspects of PD into consideration, high PD organizations tend to have more centralized decision-making processes, which may slow down adaptation to rapid changes required for scaling (Madock 2012).

Firms that depict a lower amount of PD seem to correlate with increased innovation and adaptability (Chen et al. 2021), which are crucial for scaling businesses. Even though the sample holds little expressive power, it should be noted that the results are supported by research and various scholars. An interviewee from a craft business with 600 employees mentioned, "Accordingly, it is also important to us that decisions are made in such a way that everyone has a say." This statement directly links to the proposition, showing how Power Distance can influence the decision-making process by including more voices, potentially affecting both speed and transparency in scaling organizations. Therefore, it should be considered whether:

Proposition 2: *Firms' ability to scale can be shaped by certain traits, specifically the pace and openness of their decision-making process.*

As the interviews and literature indicated, lower PD encourages employee help-seeking behavior (Li et al. 2015) and voice behaviors (Botero et al. 2009), potentially leading to more efficient problem-solving during scaling. On top of this, lower PD environments tend to have higher job satisfaction and engagement (Eylon and Au 1999), which can contribute to retaining talent during rapid growth phases.

An interviewee from an IT Start-up stated: "Our philosophy is that everything in the company is public and can be challenged. This is important for speed, flexibility, agility, and avoiding

bias. It helps ensure we don't develop products that miss the market's needs." This quote directly illustrates how a low Power Distance environment empowers employees to challenge ideas, leading to increased innovation and adaptability.

As a participant from a tax consultancy pointed out, "The team itself makes some decisions. Management decides on the course of decisions and then makes the announcement." This highlights how, even if management still has some influence, empowerment in decision-making may boost innovation and responsiveness, two qualities that are crucial for scaling. For this reason, it should be investigated if:

Proposition 3: Lower Power Distance surroundings can lead to higher levels of employee empowerment, enhancing the organization's capacity to innovate and scale.

Nonetheless, for all propositions proposed, managers must understand how PD characteristics influence a company's ability to scale.

9.11. Appendix 11: Characteristics of Individualism vs. Collectivism Manifested in Organizations that Exhibit Scalability

Introduction

"The greatest gift you can give your team: clarity, communication, and pulling people together around a shared mission." – Anne Sweeny, as cited in Reffkin (2019, p.1).

Anne Sweeny, former chair and president at The Walt Disney Co., captures the important role of team collaboration and communication in organizational success. As businesses strive to seize scalability, as defined in this study, the significance of corporate culture becomes increasingly apparent and with regards to performance, its attributes are proven to be an important source by many scholars (e.g. Rashid et al. 2003; Calori and Sarnin 1991). Accordingly, cultural environments can range from national cultures to societal principles and,

ultimately, to distinct corporate settings (Morris, Davis and Allen 1994). Here, corporate culture, as the foundational framework for social interaction, governs both internal dynamics and external reputation (Cian and Cervai 2014; Morris et al. 1994). This framework is built on interpersonal relationships, clarity, and collaboration (Triandis 2001). Hence, it shapes how organizations perform and evolve, particularly when navigating growth mechanisms such as scalability.

Prior research has hence established that interpersonal relationships, trust, and collaboration are central notions of corporate culture (Mascarenhas et al. 2013; Nielsen 2004). This hidden corporate foundation dictates how employees and agents treat each other from a relationship point of view (Mascarenhas et al. 2013). Correspondingly, if trust is established within a common culture, it allows for information to be spread beyond so-called in-groups, such as project teams (Voronov and Singer 2002), and allows corporations to perform efficiently. Here, cultural dimensions such as Individualism-Collectivism, as developed by Hofstede in 1980, have been identified as pivotal when examining societal, organizational and group contexts (Triandis 2001). However, while studies have explored the role of these dimensions at a national or societal level, few address their evolving relevance in corporate environments, especially concerning scalability directly (Morris et al. 1994). Yet, exploring this gap is essential for understanding how these cultural dimensions, particularly Individualism-Collectivism, truly manifest in organizations exhibiting scalability. By linking Individualism-Collectivism to scalability, this paper explicitly contributes to the under-researched intersection of organizational culture and capabilities to scale within organizations (Morris et al. 1994).

This section of the thesis focuses on understanding this distinct research gap. As Schein (2001) describes, the analysis of an organization's culture necessitates including the interaction between its members. This notion is further highlighted by the argument of Triandis (2001), which relates that "the Individualism vs. Collectivism syndrome appears to be the most

significant when examining cultures” (p. 908). The following analysis is grounded in the qualitative assessment of organizational environments, and the applied methodology aims to capture how companies structure their collaborative settings as well as priorities, based on which one may identify common implementation of Individualism-Collectivism in organizations exhibiting scalability.

Literature Review

Individualism vs Collectivism, a dimension deeply rooted in cultural interpretations of relationships, is one of the most used with regards to general marketing, social science and national literature (Sivadas et al. 2007; Gudykunst and Ting-Toomey 1988). Yet, it also holds significance with regards to related mechanisms of scalability such as performance (e.g. Wagner et al. 2012) and growth (e.g. Gorodnichenko and Roland 2011). Geerd Hofstede formalized and structured the dimension in his framework in the 1970s, which Gouveia and Ros (2000) describe as “an assessment of the emotional independence and autonomy of the person” (p.26). This review defines both Individualism and Collectivism, demonstrates the development of the dimension, and lays out its existing relationships with scalability related mechanisms such as performance.

Individualism and its Role in Scalability-Related Mechanisms

Individualistic cultures are focused on the personal self, where individuals are mostly independent and hence act in their own interest as well as based on their own viewpoints (Triandis 2001). The ties between group members are loose, suggesting that employees prefer to act in their own interest rather than the group (Maiyaki 2013; Hofstede 1994). Also, group communication can be described as low context (Maiyaki 2013), implying that people are rather isolated and disjointed (Hall 1976). Origins can be traced back to early philosophies, in which individual-focused principles emerged in western societies, and collectivist approaches in

eastern civilizations (Triandis 1995). Later, it became evident that when examining the economic development of countries, there is a shift towards Individualism in more advanced economies (Beugelsdijk and Welzel 2018). To understand implications of this national setting for organizations, one must comprehend the importance of incentives for individual accomplishments and related performance. Here, monetary and social status rewards lead to increased levels of innovation, national economic performance and higher long-term growth prospects for individualistic cultures (Gorodnichenko and Roland 2011).

This explains that there is a clear sense of self-sufficiency and consequently no close alignment between group goals and individual goals for individualistic corporate cultures. Open expression of feelings is also valued as part of personal satisfaction (Diener and Diener 1995; Markus and Kitayama, 1991), which clarifies why the separate nature of personalities, combined with distinct personal feelings and opinions, clearly symbolizes Individualism in companies (Oysermann and Markus 1993; Oysermann et al. 2002). Correspondingly, some scholars also stress the clear focus on the individual itself (Choi et al. 1999; Oysermann et al. 2002). This emphasis on personal achievement and independence may foster innovation and experiential success (Gorodnichenko and Roland 2012), potentially supplementing scalability. Yet, other scholars argue that a lack of a common culture, which might be the case with individualistic members, hinders collaborative efforts and knowledge sharing that are crucial for sustained organizational performance (Kumar 2008). To summarize, individualistic cultures display direct competition, autonomy, personal rewards and recognition (Gundlach et al. 2006). They are also closely aligned with adhocracy culture, which in scale-ups is recognized to be positively correlated to performance (Cameron and Quinn 2011; Strengers et al. 2022).

Collectivism and its Role in Scalability-Related Mechanisms

On the contrary, collectivistic cultures and employees are characterized by clear interdependencies, which are reflected in a shared attitude towards a common group goal (Triandis 2001; Mills and Clark 1982). As Oyserman et al. (2002) rationalize, the foundation of Collectivism lies in the supposition that teams commonly necessitate its agents. In these social constructs, the individual makes up only a minor share of the overarching group, hence making the in-group the significant variable of analysis and highlighting the differentiation compared to Individualism. The importance for scalability-related instruments is shown by McAtavey and Nikolovska (2010), who argue that collectivist organizations aid in the development of effective teams, thus increasing performance and productivity within such. Voronov and Singer (2002) further expound on the element with the assessment that for collectivistic individuals, relationships are considered as very secure and implemented with a long-term perspective. Henceforth, conflict is avoided and if addressed, it does not destroy relationships due to the strong objective to prioritize loyalty, harmony, mistake tolerance and commitment to the group (Triandis 2001).

As collectivist agents focus on belonging to their respective in-groups (Mayaki 2013; Voronov and Singer 2002), trust as well as expectations are reduced when being in contact with outsiders (Voronov and Singer 2002). Essentially, team performance in organizations is regarded as a product of collective work and inter-personal associations (Hofstede 1980; Triandis 1990; Gundlach et al. 2006). Accordingly, Marcus and Le (2013) find that “collectivists, collectivistic organizations, or collectivistic societies are more cooperative or perform better than individualists, individualistic organizations, or individualistic societies.” (p. 823). Gundlach et al. (2006) add that compared to collectivistic cultures, individualistic organizations will have their team practices weakened due to a lack of alignment among team members in the long-term, while outputs are also reduced in the short term. Some studies have even come to a general

conclusion that Collectivism leads to a higher individual output for shared team tasks (e.g. Erez and Somech 1996; Gundlach et al. 2006).

Nevertheless, scholars argue to distinguish between team affiliation and reliance when addressing collectivistic organizational cultures in scale-ups. Precisely, team affiliation displays a positive correlation with team performance. Conversely, reliance exhibits a negative relationship with team performance. Nevertheless, common goal priority seems to be a strong indicator of final performance (Dierdorff et al. 2011). Since individualistic and collectivistic members clearly display different characteristics, this supports O'Neill et al. (2015) in expressing the potential for mutual exclusivity of Individualism-Collectivism with regards to organizations performance. However, Collectivism also presents significant overlap with clan culture, which similarly to adhocracy culture is positively related to corporate performance (Cameron and Quinn 2011; Strengers et al. 2022). Consequently, existing literature offers contradicting findings concerning the mutual exclusivity of both poles in Hofstede's framework and emphasizes the need for this paper's qualitative investigation as well as novel propositions.

Revisiting Hofstede's Mutual Exclusivity and the Context of Scalability

Hofstede's two-dimensional approach regarding Individualism-Collectivism has indeed garnered critique over time. Most prominently, Schwartz (1990) evaluates the obligation to structure cultural principles to either Individualism or Collectivism negatively because both individual and collective personal values can be met by certain organizational cultures as well as individuals. Sivadas et al. (2007) further developed the Individualism-Collectivism element, as they argue for a multifaceted concept to provide additional distinction. Their approach adds horizontal and vertical facets to both Individualism and collectivism, supporting some of the

previously analyzed literature by stating that within Individualism-collectivism, there can be substantial variance.

To encapsulate, scholars have contradicting findings concerning Individualism-Collectivism and its effects on scalability related mechanisms on the national, and more importantly organizational level. While some mention that Individualism and Collectivism are mutually exclusive within corporations, others imply compatibility or a lack of clear exclusivity between the two. While critiqued, this paper's application of Hofstede's model at the organizational level leverages the extensive comparability across studies (Kirkman et al. 2006). Significantly, the framework is particularly under-researched in the context of scalability, with existing literature only focusing on performance and growth (e.g., Wagner et al. 2012; Gorodnichenko and Roland 2011). This paper therefore applies the Individualism-Collectivism dimension without modifications, views organizations as a group-level construct and addresses the research gap regarding its association with scalability.

Analysis

This section analyses the results of 37 interviews with regards to the research question "*How are the characteristics of **Individualism-Collectivism** manifested in organizations that exhibit scalability?*". For the examination of this specific element of Hofstede's framework, the questions asked to interviewees are: "When performance reviews are conducted, how are team contributions weighed against individual achievements?" and "What model or process is used for feedback?". These questions are selected because feedback processes are used to ultimately assess the importance of collaborative practices of a corporation's culture. Here, feedback, its structure and delivery are valuable as they reflect cultural tendencies (Rhee et al. 2020). The aim of the question is to gather direct examples of cultural implementation, from which one can derive a company's Individualism-Collectivism preference. This chosen indirect interview

techniques is reinforced to have a positive function in interview formulation and interviewee information disclosure by multiple scholars (e.g. Macaulay 1996; Dianiska et al. 2021).

The interviews with organizations exhibiting scalability and additional expert conversations conducted provide valuable insights into the balance between individual and team contributions. Here, answers, described processes and thus perspectives regarding the dimension of Individualism-Collectivism are remarkably manifold, supporting the diverse findings of previous literature. After assessing individual responses, it is evident that most interviewees validate their responses and organizational choices through multiple central causes, such as the industry of the firm, personal job responsibilities, department within a firm and company size. Still, comparisons between the individual answers can be drawn on topics such as team vs individual recognition, explicit feedback processes and the implementation of the dimension's facets in a respective culture.

How Organizations Shape Rewards and Recognition

With regards to the ability and willingness to balance individual and team recognition, firms implement vastly different approaches. Several companies aim to highlight the collective strength of the team and its contributions, as shown by one company representative: "If we had positive success, then we celebrated as a team". One interviewee elaborates by stating that the individualistic approach of "highlighting individual performances may be embarrassing and have negative consequences". Further, one firm mentioned that employees need to understand that sustainable performance can only be gained through the collective. That explains why an aviation startup implements a collective-focused "DNA-Award", which is granted to company-internal teams. Consistently, one company in the resource supply field states that employees get "variable pay bonuses based on company EBIT", where performance and scalability are the result of a collectivistic process and effort. Similarly, another company assesses performance

based on entire branches, indicating a strong focus on team results. One firm's managing director encapsulates this opposition to individualistic approaches, testifying "I am strictly against it because I want the team to view itself as a team, and I don't want individual people chasing awards". These findings clearly indicate that several organizations apply collectivist cultural characteristics to exhibit scalability.

However, individual approaches, while disliked by some interviewees, are still widely used. Some implement distinct awards such as "employee of the month" to highlight personal performances to supplement scalability related mechanisms, as stated in individualistic literature. This approach is supported in another firm, as "individual performance goals must be met to be recommended into a promotion board". This is also stated by one examinee, citing that individual performance is the key to feedback and appraisals: "Relevant for the personal feedback is [...] incremental sales volume". These findings are in clear accordance with individualistic cultural characteristics, where "people derive pride from their own accomplishments" (Morris et al. 1994, p. 67).

Yet, in some instances, companies are required to establish models in which work processes as well as performance reviews are solely based on the role or department. Here, IT and sales departments are heavily skewed towards individualistic tendencies, with one firm stating that for these units work processes and appraisals are 90% individual. This demonstrates that the focus on team compared to individual considerations to exhibit scalability is very diverse and ultimately dependent on an organization's environment.

How Organizations Shape Feedback Processes

Next, feedback processes and structures may indicate a company's stance on Individualism-collectivism. Here, inconsistencies in the answers commence with an emphasis on structured or informal feedback, or a lack of any strategy at all. In a consulting firm, quarterly and semi-

annual reviews are conducted to review progress and provide structured individual career development opportunities. Another firm mentions weekly one-on-one meetings as a controlled approach. While these approaches are individualistic, other businesses' representatives discuss collectivistic forms of informal feedback, which in their minds may facilitate collaboration, clearness and therefore scalability. One company "expects" feedback between employees, while other businesses want "a lot of feedback during workdays". Appropriately, one executive argues for teams "in which there is open discussion about everything". These discoveries indicate that the collectivist process of in-group feedback shapes scalability to some extent. However, both approaches highlight the need for transparency in a company's culture and practices to maintain team integrity, which is supported by many interviewed companies. They thus support the considered literature of scale-ups, in which the common group goal is of high importance, which is not necessarily dependent on either individualistic or collectivistic cultural characteristics.

Some companies implement a clear 360-degree feedback structure, too. This form of feedback incorporates reflections of all managers, employees, and other peers, providing a comprehensive evaluation of performance. While this may be beneficial in some organizations demonstrating scalability, one company quickly diverted from the concept due to unfamiliarity and uncomfortable feelings of employees with the system, stating that feedback among employees is a "revolution in the mind". This underlines the differences in corporate settings, implying that in some industries employees simply don't accept innovation regarding work procedures. Other interviewees, however, specifically state the positive effects and importance of reciprocal feedback to the management team. For some scaled firms, this form of feedback is equally as important. One firm argues that "employees are encouraged to give regular feedback to their leaders", while another states "managers need to be evaluated just as much as the teams that they are leading".

Additionally, some interviewees such as start-up founders mention that they have no structured feedback methods at all, while one leader cited giving structured feedback as a personal “weakness”. Lastly, a financial service provider specifically adds that performance reviews and bonuses are in very strict accordance with regulations, implying that the financial industry itself limits the firm to proactively shape its cultural processes. This again displays the diverse nature of Individualism-collectivism, respective environments of organizations exhibiting scalability and implies the inability to derive a clear common pattern towards either pole of Hofstede’s framework.

How Individualism-Collectivism is Structured in Organizations Exhibiting Scalability

Truly, the trend in many organizations interviewed is essentially to implement a combination of both individualistic and collectivistic facets to possess scalability. Answers reflect this through both direct quotes and indirect findings. A logistics company explicitly states that “a mixture” of both poles is important, which is supported by a firm stating that “ultimately, success is not only attributable to an individual, but also all employees who worked on the task together”. A company in the energy sector accordingly implements both team and individual goals in performance reviews. An alternative combination is shown by an IT firm, which mentions that individual ideas make their way from the bottom up, implying flexible and yet collective problem-solving processes. Another approach reveals to highlight collective group contributions while subtly acknowledging individual performances in private conversations. To underline the importance of balancing both Individualism and Collectivism to exhibit scalability, one sports company leader ultimately states that “the team performance is the main thing, yet of course for the team to perform I need every individual to perform at 100% or more as well”.

The conducted expert conversations provide additional support to the combination of Individualism-collectivism. Dalila Almeida, a professional in the field of human resources, mentions that “as a business, you are always talking about teams, teams, teamwork, team building, strong teams, [...] but then, at the end of the day, you are assessing individuals.”. She also supports firms embracing the continuous feedback model, while questioning individualistic evaluation processes that create “uncomfortable” situations for both employees and leaders. Constança Casquinho, a professor at the NOVA school of business and economics and professional consultant, states that hybrid work models are a modern example to provide a constructive combination between individualistic and collectivistic work processes. While supporting individualistic workflows herself, she agrees that the collectivistic process of working together builds the identity ultimately driving culture. Effectively, professionals in the field view a combination of individualistic and collectivistic measures as a fitting approach to enable scalability, too.

Proposition Development

Based on the existing literature with regards to Individualism-Collectivism and the varying interview findings of this paper, one is not able to identify a clear pattern towards one pole of the dimension within the businesses presenting scalability. On the contrary, the common denominator among results is the fusion of both poles, as well as the dependence on overarching characteristics such as industry, size and departments. Therefore, this paper suggests that neither the Individualism nor Collectivism pole is unanimously regarded as superior. The propositions with regards to scalability relate with the findings of Wagner et al. in 2012, which reveal that a combination is associated with higher member levels of performance yet challenge the general assumption of mutual exclusivity inaugurated by Hofstede. It may essentially provide evidence for scholars arguing for clearer distinction within the dimension (e.g. Schwarz 1990, Triandis 1995, Sivadas et al. 2007).

Proposition 1: The existence of characteristics of both poles of Individualism-Collectivism in one corporate setting is not mutually exclusive.

Proposition 2: The interplay of Individualism and Collectivism within corporate cultures exhibiting scalability suggests an inverted U-shaped dynamic, yet its balance is ultimately dependent on firm-specific characteristics.

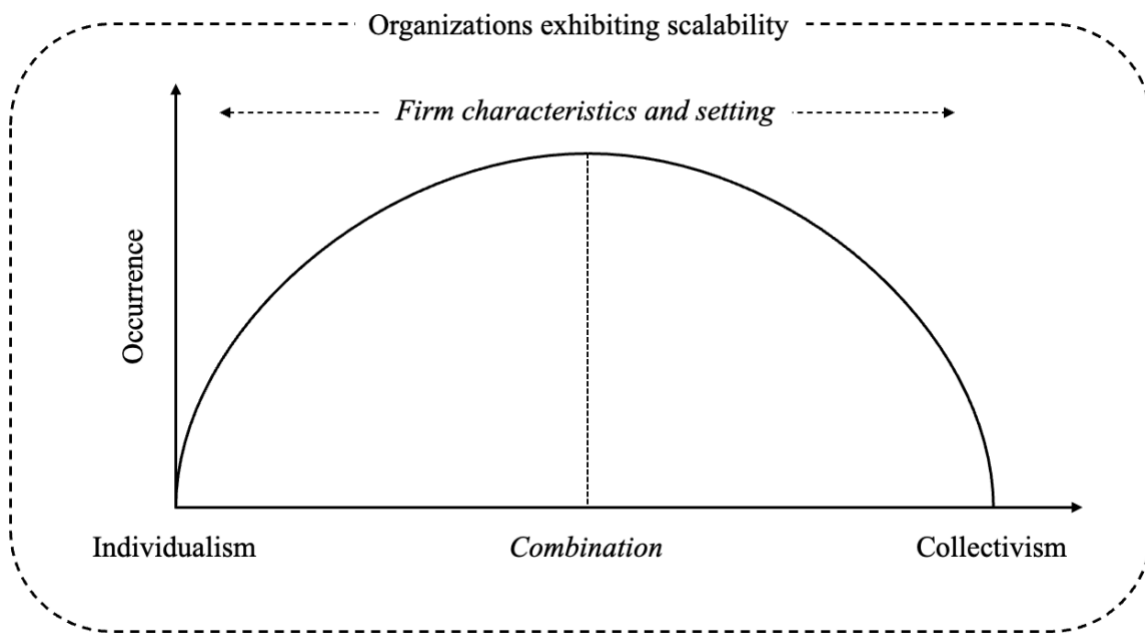


Figure 7: Proposed dynamic of Individualism-Collectivism in organizations exhibiting scalability

9.12. Appendix 12: Characteristics of Masculinity vs. Femininity Manifested in Organizations that Exhibit Scalability

Introduction

As already discussed in the chapter on Hofstede's dimension (Chapter 2.2.6.), he originally published four different dimensions regarding culture. One of these four was Masculinity vs Femininity. Regarding this dimension, Hofstede distinguishes between masculine traits like authority, assertiveness, performance and success, and feminine traits like personal relationships, quality of life, service and welfare (Hofstede 1984, Jones 2007). This dimension

can also be applied to organizational culture. Organizational culture has multiple definitions as previously analyzed in Chapter 2.2, however, most of them share a similar core which says that it is defined by the implicit norms, shared behaviors, values and beliefs by the members of the organization (e.g. Plakhotnik 2008, Kumar 2016).

When first entering an organization, it is common to observe a prevailing atmosphere that conveys a distinctly masculine or feminine character. Like the societal culture, a masculine organizational culture emphasizes competitiveness and achievement orientation. Organizations with feminine traits value more feelings, empathy and employee involvement (Arikan and Enginoğlu 2016). These traits are manifested in the company and play a crucial role in shaping business growth and adaptability in a competitive landscape (e.g. Jie et al. 2020, Hanifzadeh et al. 2024). These characteristics affect many different aspects of the organizational culture like recruiting-process, leadership, decision-making or employee engagement (e.g. Appelbaum et al. 2003, Avolio et al. 2008, Cantanzaro et al. 2010, Gartzia and van Engen 2012).

All areas shape a company's ability to scale effectively (Coviello et al. 2024, Schein 2010, Hanifzadeh et al. 2024) which is why exploring this dimension is increasingly relevant to find organizational balance between competitiveness and empathy while scaling. Scalability was already previously defined in Chapter 2.1.3. but mainly focuses on the growth of an organization regarding demand, reach, sales etc. without decreasing its economic performance. With the existing gap between this dimension in organizational culture and scalability, the research question for the following paper is: *How are the characteristics of **Masculinity** vs. **Femininity** manifested in organizations that exhibit scalability?*

Exploring more insights would help in understanding which approach creates the best approach to organizational growth and expansion.

This paper explores the manifested characteristics of Masculinity vs. Femininity within organizational cultures that exhibit scalability while examining the existing literature and data from 37 interviews (see Chapter 3). It connects the theoretical literature review and real-world practices to explore how masculine and feminine traits manifest in leadership styles, conflict resolution and employee growth, while always linking it to the firms scaling stage.

The study contributes to the deeper understanding of Hofstede's Masculinity vs. Femininity dimension and its characteristics during the scaling stage of businesses. It highlights the importance of blending competitive and empathetic traits in leadership and culture. This paper lays the groundwork for further investigation regarding the influence of this dimension on the scaling phase and sustainable growth of an organization.

Literature Review

Since organizational values and times are changing, it is understandable that the literature regarding masculine and feminine traits in companies varies as well. One thing that does influence the organizational culture values more than most other factors is the leadership style. Schein (2010) documents the importance of the top leader's role on organizational culture while other authors link it specifically to scalability (Hanifzadeh et al. 2024). This shows their influence during the scaling stage. According to Madu (2012) leaders achieve success by being consistent regarding their priorities, values and beliefs which they send and ask to be established. Tsui et al. (2005) mention the substantive role which sustains the dependency of organizational culture on the leader's vision and ability to (re)shape it compared to the symbolic role which also enables the people inside the organizations to develop their own.

Therefore, when looking at the Masculinity vs. Femininity dimension one must always consider the leadership style and values. Gartzia and van Engen (2012) argue that in general, the most effective leaders combine both stereotypically gender traits rather than focusing on one specific

trait. This is supported by Avolio et al. (2008) who analyze the development of leadership and its effectiveness with a shift towards more people-oriented behaviors like expressing emotions or attending to their individual needs. This research can be linked to more female characteristics (Kark 2004). Male leadership qualities rely more on ambition or dominance which seem more traditional and hierarchical than female traits (Koenig et al. 2011).

Many different researchers look at leadership styles, their values and how they affect the overall performance or effectiveness of companies. Some argue that the impact of one specific gender dimension is not fundamental enough. Altaf (2011) argues that masculine values help more achievement and profits while Femininity is more flexible and innovative which he sees as more appropriate in today's time. Gallego-Álvarez et al. (2020) have a different opinion. They think that Masculinity has a positive influence on innovation since the people in those cultures are more self-assured and ready to face challenges combined with initiative and assertiveness causing them to take a more innovative approach. Innovation is indispensable in the scaling stage as described before in Chapter 4.2.

Jie et al. (2020) find a positive connection between Masculinity and employees' performance in cooperations. They point out that workers with masculine values see the workplace as a focal point where suffering illness or feeling uncomfortable are not common reasons for being absent. Thus, in combination with their unwavering commitment they achieve a more satisfactory performance which can lead to success in the scaling stage. Jie et al. (2020) even recommend "a healthy and positive masculine culture" (p. 148) for multinational companies. This kind of culture can cause female employees to act completely different than their common associated values. Based on Gherardi and Barbara (2001) many women feel that they must create distance from their feminine identity and the traits like empathy or compassion.

While it may seem that a masculine organizational culture might be beneficial regarding goal achievement and organizational effectiveness there are also several papers explaining the benefits of female traits. Before the person joins a company, applicants are generally more inclined toward organizations they view as aligning closely with their personal values and personality trait (Knafo and Lilach 2004). Cantanzaro et al. (2010) analyze that in order to attract a larger pool of qualified applicants the corporation should emphasize a supportive organizational culture. During their study the authors find that both male and female applicants expressed a stronger intent to pursue the job opportunity of the company with a supportive culture – even if that meant less salary. During the scaling stage every company needs the best possible workers since success and growth are essential to be sustainable in a dynamic market (Coviello et al. 2024).

In their paper Appelbaum et al. (2003) argue that women's leadership styles are more effective regarding team-based structures since employees feel more connected to communicative and empathetic leaders. Organizations must understand that showing affect like displaying warmth or expressing agreement is fundamental to the quality and outcomes of organizational processes in modern businesses (Gartzia and van Engen 2012; Barsade and Gibson 2007). During the scaling stage, this becomes more critical as fostering trust and collaboration helps maintain cohesion with growing teams and ensures alignment across expanding workforce (Zhao et al. 2013). Since those are female traits Eagly et al. (2012) see a trend towards the feminization of management. This can be supported by a recent study of the Boston Consulting Group (2021).

In a quantitative survey across 4 countries with over 4,000 participants, Boston Consulting Group (2021) finds out that the focus on leadership moves strongly towards 'heart qualities' which inspire and empower the employees. The top qualities include consideration and empathy which are both female traits (Arikan and Enginoğlu 2016). Especially after the COVID-19 crisis employees request more emotional connection and displayed consideration from their

leadership. Boston Consulting Group (2021) defines the ideal leader with 5 qualities: Consideration, Empathy, Listening, Team Development and Self-reflection. All of these can be seen as rather feminine than masculine. Even in times of crisis, when people often seek strong, directive leaders, empathy ranks as the second most valued quality. Prioritizing staff well-being was seen as essential, with "consideration" closely following as the third most important attribute (Boston Consulting Group 2021). Empathetic leadership fosters a work environment that promotes employee engagement, productivity, and a willingness to go the extra mile. Particularly during in times of crisis where the scaling process might be endangered, female traits are more asked for.

This study supports the findings of Koenig et al. (2011), which indicate that the perceived importance of masculine traits in leader stereotypes is diminishing for effective leadership. Gartzia and van Engen (2012) also suggest that based on their conclusion organizations and especially male leaders should adapt female traits to increase their effectiveness. This becomes important since many organizations are male-dominated fields where despite the suggestive literature female traits are avoided (Powell 2012). However, van Engen (2001) already argues in the early 2000s that male leaders with female characteristics and values benefit from more satisfied subordinates.

Building on the insights gathered in the literature review, the following analysis delves into the data gathered from the conducted interviews. By connecting the theory to real-world examples, the authors can analyze whether the interviewed companies align with the presented literature.

Analysis: General Analysis

With the analysis of this dimension, the authors take a closer look at the research question: *How are the characteristics of Masculinity vs Femininity manifested in organizations that exhibit scalability?*

Overall, 37 firm and expert interviews were conducted and analyzed. For the analysis chapter, the authors examine quotes from all the interviews to the interview question: *1) When conflicts arise in the workplace, are they typically resolved by focusing on results and objectives, or is there an emphasis on understanding, collaboration, and maintaining relationships? What do you use to maintain 2) work-life experience, 3) personal growth?*

For all three components of the question, the authors analyze the provided responses in relation to the existing literature and their alignment with the research question.

Results-Oriented vs. Relationship-Centered Approach

As the literature states feminine traits in leadership and organizational culture focus more on empathy and employee involvement while masculine traits prefer competitiveness and achievement (Arikan and Enginoğlu 2016). During the analysis several organizational leaders really display characteristics of the masculine or feminine side. One CEO says: *“The human element is paramount, and value is placed on maintaining relationships. Since the team has been stable for many years and there is little fluctuation (...) cohesion and cooperation are particularly cultivated”*.

It illustrates the organization’s work environment where the focus is on the human element and relational harmony. The quote demonstrates the leader’s thoughts that for his company to grow and stay successful the team has to remain stable and cohesive with little fluctuation over competitive achievement or aggressive goal setting. With this relationship-focused model the CEO promotes employee retention, sustaining productivity and reducing costs which all align with scalability.

Another CEO agrees with that kind of leadership and showed a particularly strong empathy approach: *“Our rule is to lead with understanding and not judgments. Instead of convincing*

someone by force, we focus on understanding their perspective: ‘Why do you hold that opinion?’”.

One can see that the person prioritizes open dialogue with the comprehension that every one of his employees is individual and that harmony achieves more success than authority or coercion. Leading with understanding rather than judgement can make the employees feel valued and increase their motivation as well as drive their productivity.

An older CEO with extensive work and leadership experience shares something that was particularly strong for this dimension. Before founding his own company, he worked in the hotel as well as the consulting industry which are both known to be very competitive and demanding. Therefore, he quotes: *“I had so many personal negative experiences during that time about what it means when you run a company that is 99% number oriented. Everyone's health suffers as a result, that I naturally wanted to do a lot of things differently”.*

The speaker's negative personal experiences underscore potential downsides which is why he shifted to a strong, empathetic leadership style while keeping his team motivated and focused on the necessary numbers. He develops a balanced organizational structure that prioritizes key metrics while fostering employee satisfaction, a critical component during the scaling stage.

To present that there are also other approaches to leadership, one CEO explains his corporate culture in the software industry: *“The focus is basically 100% on the numbers (...) the bottom line is that you are expected to put many things aside (...) The focus is on actually investing around 110% of your available capacities here.”.*

This illustrates the emphasis almost exclusively on quantitative outcomes as well as high performance and prioritization of work demands. It is a clear contrast to the previous displayed female values and aligns with the concept of masculine culture. Encouraging employees to prioritize work over other aspects can optimize resource allocation and rapid scaling in the short

term. However, this approach may increase the risk of employee burnout, potentially undermining long-term growth and organizational sustainability.

The last interesting quote comes from a senior manager in the consulting industry. Without the knowledge regarding the industry, one might assume a more feminine culture in this corporation: *“There are certain things when you have deadlines with the client that you can't get around and that you can't discuss. Yesterday we all sat there for a long time and one of them is a bit under the weather, so we just told him two hours beforehand: ‘Please you're no longer working efficiently. What you're producing is no longer as good as it would be if you were to lie down for five hours and then carry on tomorrow.’”*.

Knowing that the time the employee was sent to bed was around midnight shows that some employers think of themselves as empathetic, even though the industry and work environment in general do not leave room for empathy on the normal basis. As seen in the previous quote this may help scalability in the short term while it can negatively affect growth in the long term.

In general, apart from the presented quotes, most interviewees agree that the urge for empathy is rising and that they cannot achieve the expected outcomes by only focusing on numbers and goals. Some mention that in specific conflict situations they hire external coaches to treat the situation with more understanding since they do not feel capable of handling it by themselves. Overall, many make it clear that success is achieved by cooperation rather than individual competition. They still expect their employees to respect the working agreements for which they were hired and are being paid. This approach creates an environment where teamwork and mutual understanding drive productivity and innovation which leads to scalability.

Approaches to Work-Life Experiences

This part of the question is also analyzed partly in the Indulgent vs. Restraint dimension (Chapter 4.6.). However, regarding less materialistic work-life help from the company but more understanding of work-life situations, a few quotes can be examined in this chapter.

One founder of a company shows strong understanding for one specific employee group in the organization: *“The colleagues with children, we simply realize that as an employer you have to be very flexible so that people don't just drop out, so if the kids are sick or if there is emergency care in the kindergarten, then we find a flexible solution.”*

This quote illustrates that the company prioritizes flexibility regarding employees with children since they require a higher need of support from their employer than others. This interviewee is not the only one to mention specific considerations for individuals with personal caregiving responsibilities, as another emphasizes that certain groups, such as mothers, require tailored accommodations to manage their private duties. Even though addressing employee needs may seem resource-intensive, it mitigates performance-related challenges such as high turnover or absenteeism. Building a resilient workforce with flexible practices improves retention, productivity and morale as well as enhancing the company's reputation. All of these are crucial for scalability particularly productivity and good reputation, as the scaling phase often involves exponential workforce growth (Coviello et al. 2024).

Interestingly there is an organization which is identified as more masculine since it is very results driven and sales number focused. On the other hand, they understand what they are asking from their employees, which is why they offer daily psychological support at the office which is accessible to every employee and paid for by the company. In addition, psychological support is not only related to work matters but private topics as well. Particularly during the scaling stage, when the workload is exponentially growing, this can be seen as very helpful. This example shows that many companies cannot be described as only masculine or feminine

since often some values align with either one side. Firms that offer psychological support in a results-driven environment mitigate the risks of high stress and burnout, trying to ensure positive performance through a balanced approach.

On the other hand, the previously mentioned company which requires 110% from their employees can also be quoted in this chapter since the interviewee makes it clear what the organization asks of him: *“I think I am a fitting example. I drove yesterday 6 hours in my condition. (...) You are expected to put aside your personal health or obligations”*.

The interviewee is still in recovery from the flu but is required to fulfill his obligations and go on a multiple-day business trip. That can be analyzed as very masculine behavior once again with less focus on the person and their well-being. This “all-in” mentality can drive immediate results and aligns with short-term performance goals which is critical in highly competitive industries. While this approach may yield immediate results, it risks long-term damage and decreased productivity.

Apart from the examples almost all companies offer employee-friendly things like flexible working hours, home office option or other company benefits which create a supportive environment that fosters productivity, engagement and loyalty.

Personal Growth Approaches

Lastly, the authors identify different methods on how employers and managers offer personal growth to their employees. Overall, almost all the interviewed people argue for some potential of personal growth inside a company based on professional and personal opportunities.

One statement that stands out the most came from a manager in the IT industry with around 100 employees: *“I realized early on that you can’t put employees into a template, which means that the further development of employees is a highly individual matter”*.

The quote reflects an understanding that personal growth cannot be standardized and that it is the employer's responsibility to develop and support the unique needs and strengths of each employee. That shows a company culture that accommodates individual differences rather than imposing rigid standards. Individualized development plans empower employees to hone their strengths, aligning their skill sets with organizational goals. This targeted approach enhances the overall workforce capabilities, driving efficiency and innovation which are all crucial aspects during the scaling stage as described in Chapter 2.1.

Another interviewee realizes that personal growth should not only be an experience for fully employed workers but trainees as well: *"I explained to the trainees that I would meet with them every 3 months, then we would be alone and could discuss what bothered them and what they would like to see"*.

This approach shows the previously mentioned feminine trait of empathy and attentiveness to individual needs. This is not a common approach for a company with over 300 employees. That way he can create a loyal and skilled talent pool prepared to contribute to the organization's success in the future.

One founder also mentions that the company offers specific training for managers to improve on the social and intrapersonal skills to move the company more towards a company with a leadership that emphasizes feminine values. Apart from that a few companies mention "Mentor Programs" to facilitate the entry of new employees, as well as giving experience and advice to other workers who might not even work in their department. Cross-departmental mentorship facilitates the exchange of knowledge, ideas, and best practices, which can significantly improve problem-solving capabilities and overall organizational performance. This could be essential during the scaling stage, since the workforce is growing and processes become more complex. With a mentor program the organization can hinder the challenges.

This chapter explores the impact of the “Masculinity vs. Femininity” dimension on organizational performance as well as scalability. Overall, solely masculine approaches prioritize immediate performance which can drive short-term gains. Thus, it poses risks such as burnout and employee dissatisfaction which could damage the organization in the long run. In contrast feminine traits foster a supportive environment which encourages loyalty and sustainable productivity. This may lead to increased intrinsic motivation and productivity. The value of flexibility is underscored in addressing employee needs. The chapter demonstrates that the most successful organizations and leaders blend masculine with feminine traits in order to create a balanced organizational culture during the scaling stage. This aligns with the ongoing trend and findings from the literature review. Hence, almost no company agrees to strictly masculine values, but the authors rather have to read between the lines that some companies are still led with mainly masculine traits that are reflected under the staff as well.

The upcoming chapter builds on these findings to formulate specific propositions that delve deeper into the complex interplay between cultural dimensions and organizational performance while exhibiting scalability.

Proposition Development

The literature review shows that the masculine and feminine values and traits of a company are usually influenced by the leaders of a company (Schein 2010, Madu 2012). Gartzia and van Engen (2012) also mention that the most effective leaders combine both stereotypically gender traits which aligns with our analysis of the conducted interviews. As mentioned before, the most common approach regarding conflicts between result and people orientation is a deep understanding of the people’s problems and empathy regarding their talking points without losing focus of the set goals. This can be best seen in the particular leadership approach of the manager who previously worked in consulting and the hotel industry and wanted to improve

the bad working conditions and leaderships styles that he experienced. As Avolio et al. (2008) discover the shift towards more people-oriented behaviors, the authors of this thesis can align this with the conducted interviews. The quote regarding the little fluctuation and emphasis on cohesion shows that this manager sees this people-oriented approach for the success of a company as necessary. Based on the findings from the interviewees as well as the factual trends from the literature, these observations lead to the following proposition:

Proposition 1: *The role of feminine leadership traits is necessary for organizations to exhibit scalability.*

Since the chosen companies reflect a mix between start-ups, scale-ups and established firms it is fair to say that some traits might change over time within an organizational culture. Even though Koenig et al. (2011) describes the diminishing effect of effective leadership with masculine traits, the authors of this thesis find that a few of the interviewed companies also thrive on the sole focus on numbers and goals. Several interviewees mention their clear prioritization of these points over the human workers they are hiring. However, with the existing literature in mind it is unsure if these organizations can continue their focused approach without increasing fluctuation in their company as well as burnout rates. With growing success and sizes, the characteristics and needs of employees are shifting away from the young, success driven culture. The employees might start families, or the company could face a crisis. During such times, as highlighted in the interviews as well as the literature (Boston Consulting Group 2021), empathy becomes more important than results. Therefore, the authors present another proposition:

Proposition 2: *For long term success organizations must shift from solely masculine approaches to combined approaches with both gender traits and strong focus on feminine traits.*

One can expect that the first proposition is applicable to all kinds of firms and industries. The second proposition has to be revised with the same companies constantly over a longer period of time to see if the masculine approach also pays off when being a well-established firm.

9.13. Appendix 13: Characteristics of Long-term vs. Short-term Orientation Manifested in Organizations that Exhibit Scalability

Introduction

Scalability can be defined as "an ordinary organizational capability developed by managing and achieving coherence among a firm's technological architecture, organizational architecture, and business model." (Coviello 2024, p. With any organization continuing to scale up, scalability becomes an important factor in considering how organizations can continue to maintain efficiency and innovation while adapting to market requirements without sacrificing their long-term goals. While scaling often depends on operational competencies and market conditions, the underlying corporate culture within an organization is at the very foundation of how organizations pursue growth and address their challenges. In a study from Claver et al (2001), corporate culture is defined as "a set of values, symbols and rituals, shared by the members of a specific firm, which describes the way things are done in an organization in order to solve both internal management problems and those related to customers, suppliers and environment".

Within corporate culture, there is one dimension that has been fairly researched: Long-term vs. Short-term Orientation. This was introduced in Hofstede's later work after collaboration with Michael Bond through the Chinese Value Survey (Hofstede and Bond 1988). This orientation essentially deals with how societies weigh future rewards against immediate gains. Long-term Orientation is common in East Asia; for example, China and Japan stress perseverance over quick returns, thrift over material success, and long-term planning over short-term gains.

Conversely, a Short-term Orientation, common in Western countries like the United States emphasizes tradition, quick gratification, and achieving fast results (Hofstede et al. 2010).

Although Hofstede's original work focused essentially on national cultures, his cultural dimensions have been adopted in an organizational context to explain better how internal aspects of culture influence a corporations' strategic alignment (Kirkman et al. 2006). In business terms, companies with Long-term Orientations typically make investments for sustainable growth, Rand D and long-term capital investments, while often trying to innovate and adapt to sustain their competitiveness over time. Such companies acknowledge that sustained success necessitates ongoing adaptation and strategic vision (Meyer and Peng 2015).

Conversely, companies that prioritize short-term objectives are inclined to emphasize immediate financial benefits, which may facilitate strong growth in the near term; however, this approach can result in challenges related to scalability in the future, attributed to a lack of comprehensive long-term planning. The focus on fast returns could make them very vulnerable to fluctuations in the market, thereby complicating their ability to respond effectively to enduring challenges (Lavery 1996).

While existing literature primarily connects Hofstede's dimensions to national and corporate-level issues, it notably overlooks how the characteristics of the Long-term vs. Short-term Orientation dimension manifest in companies with scaling capabilities. The present research tries to fill this gap by exploring how a business time orientation-a Long-term or Short-term one- should be characterized in order to have the capabilities to scale. Thus, the key research question would be: *How are the characteristics of **Long-term vs. Short-term Orientation** manifested in organizations that exhibit scalability?*

We will explore how time orientation within companies affects their growth trajectory, aiming to provide insights into how it shapes a company's ability to thrive in an increasingly complex global market.

Literature Review

Long-term vs. Short-term Orientation on National Level

Geert Hofstede's framework of Long-term vs. Short-term Orientation was based on his landmark study concerning cultural dimensions that aimed at explaining how different cultures emphasize certain time-related behaviors. The work initially conducted among IBM employees across more than 50 countries eventually yielded six cultural dimensions; one of these includes Long-term vs. Short-term Orientation (Hofstede 2001). This dimension differentiates cultures that emphasize future rewards and long-term approaches from those that stress tradition, social obligations, and short-term results (Hofstede and Bond 1988).

Hofstede's analysis on Long-term Orientation at the national level offers deep insights into how cultural values impact large national policy settings and governance structures. Countries with a Long-term Orientation, such as those in East Asia, are more concerned with future planning, savings, and strategic investments that essentially drive their economic growth and development; Venaik et al. 2013 confirm this assertion. As such, these countries would set policies that help them achieve innovative edge, infrastructural development, and long-term national prosperity. For instance, the goal of China towards sustained industrial development has been one of the main reasons for its unprecedented economic growth over the last few decades (Peterson et al. 2002; Ronald and Baker 2000).

In contrast, there are Short-term-Oriented countries, like the United States and the United Kingdom, which rely on short-term financial returns and short-term policies that help in enhancing short-run economic growth. Studies have indicated that these countries have often

relied on quarterly profits, consumer spending, and social hierarchies as the major precedents of time (Hofstede 2001; Lukács et al. 2020). The outcome has been a lesser investment in infrastructure, education, and Rand D of which all are strong building blocks of long-term economic stability (Ronald and Baker 2000).

A number of studies in national-level Long-term vs. Short-term Orientation indicate considerable variations in savings rates, investment behavior, and economic policies. Long-term-oriented societies tend to save more and invest in long-term growth strategies whereas Short-term-Oriented societies would be more likely to spend and consume for the sake of immediacy and short-term economic gains (Venaik et al. 2013).

Long-term vs. Short-term Orientation in Corporate Context

Long-term and Short-term Orientation significantly impact organizational behavior in how they pursue strategic planning, innovation, and decision-making activities. Since such investments provide sustainable competitive advantages, firms that pursue Long-term Orientation will invest in research and development, employee training, and sustainable business practices (Meyer and Peng 2015). One example of a long-term strategy is the approach of Kaizen implemented at Toyota which lays a great emphasis on continuous improvement in the long-term thus helping retain its position among the world leaders (Liker 2004). The focus on Long-term Orientation, therefore, is not only beneficial for large companies like Toyota but also contributes a great deal to the success of SMEs. Wiklund and Shepherd (2003) explain in their study that SMEs with Long-term Orientation are most likely to engage in proactive strategic planning and, thus, raise their chance of scalability with long-term success, proof of the applicability of Long-term Orientation across organization size.

In contrast, Short-term-Oriented organizations put the main emphasis on immediate gains and may concentrate their efforts on quarterly income and short-term benefits, often at the expense

of long-term growth. Lavery, in 1996, observed that short-term-driven firms underinvest in areas crucial for long-term success, such as innovation and people development, thus constraining scalability and long-term competitiveness.

Lavery's opinions are in agreement with the results of modern studies that prove companies focused on short-run outcomes can, indeed, grow fast but mostly fail to sustain it due to inadequate investment in crucial business spheres. A lack of such long-term capital investment prevents these firms from their further effective expansion in competitive markets. Taras et al. (2012) further stress that business entities with a Short-term Orientation also tend to face difficulties in sustaining innovation processes, since the focus on quick returns impedes investment in long-term research and technological advancement.

However, the difference between Long-term and Short-term Orientations manifests the most in the way in which firms approach innovation. Those firms that have a Long-term Orientation tend to foster innovative environments, mostly due to continuous investments in research and development and gradual improvements (Venaik et.al. 2013). Flammer and Bansal (2015) further support this by showing that firms with long-term managerial behavior consistently perform better financially over the medium term. Their research highlights that sustained investments in innovation and R&D, typical of Long-term Orientation, lead to more stable financial outcomes. This provides strong evidence that Long-term Orientation helps companies not only to innovate but also to maintain financial stability.

Research Gap

Although there has been extensive research conducted on Long-term vs. Short-term Orientation at both national and corporate levels, there is still a significant gap in the literature on how characteristics of Long-term vs. Short-term Orientation are rooted in an organization's ability to scale. The existing studies so far have researched cultural and strategic implications of Long-

term vs. Short-term Orientation broadly, giving only little attention to scalability in the business context.

The gaps are interesting, as scalability entails sustained success within competitive markets, forcing companies to adapt and grow themselves without compromising the foundational elements. Groysberg et al. (2018) highlighted, that scaling an organization comes along with undergoing substantial changes in operations, structure, and strategy, with corporate culture being a critical and unexplored factor. However, these processes often disrupt established norms and values, in which it becomes challenging to balance cultural stability and the pressure of scaling (Schein 2010; Cameron and Quinn 2011).

These challenges underscore that it is necessary to investigate the defining characteristics of corporate culture – more specifically how the dimension Long-term vs. Short-term Orientation manifests in companies with scalability capabilities.

Analysis

Introduction to the Analysis

This analysis will examine the role of Long-term vs. Short-term Orientation in shaping organizational culture during the process of scaling. The aim will be to uncover how specific characteristics of this dimension contribute to the ability to navigate the challenges faced with scalability. In order to perform this, the analysis is divided into three focused sections.

First, the overall summary of the interview results gives a general understanding of the sample and basic trends across the data. Afterwards, these findings are analyzed against the research question for relevance to our understanding of how time orientation is characterized within the capability of scalability. It then discusses the findings in the light of the existing literature, showing the consistencies or divergences that reinforce the study's significance.

Overall Statement of the Analysis and Results

The sample size for the interviews was 37 with founders, CEOs, senior managers, and experts in industries such as technology, finance, and manufacturing. These interviewees shared their experience in scaling processes from steady, organic growth to rapid expansion. The sample comprises both genders and is focused on German-based companies with the language of the interviews being German. Most interviewees were approached through professional networks or platforms like LinkedIn, creating an informal and personal atmosphere for discussions.

Among these, the responses revealed an almost equal distribution between Long-term and Short-term Orientation, having a comparable number of companies favoring each approach. This balanced distribution provides a unique opportunity to examine how each approach links to scalability in different contexts. Rather than favoring one clear orientation, the findings suggest that both orientations may play specific roles in scaling, depending on company circumstances and strategic needs.

In-depth Analysis of Time Orientation and Scalability

The companies interviewed show distinct orientations in their approach to growth. Some focus on long-term strategies that prioritize sustainability and stability, while others adopt short-term objectives aimed at quick adaptation and immediate returns. This difference in orientation often reflects each organization's strategic priorities, independent of industry or size.

Long-term Oriented Companies

Throughout the interviews, long-term-oriented businesses frequently mentioned laying a solid basis for long-term success. This strategy entails forming strategic alliances, making educated decisions, and emphasizing steady and informed expansion. For example, a software technology business exhibited a strong commitment to long-term growth by focusing on partnerships that were consistent with its strategy. "Our focus has been on partnerships that

support our long-term goals, ensuring that growth is sustainable rather than immediate," a company executive said. This method demonstrates how the corporation prioritizes connections that promote stability over quick rewards.

Similarly, a renewable energy business emphasized the significance of linking new initiatives with long-term sustainability objectives. "We've been focusing on building a foundation first (...) quick wins don't align with our long-term vision," the chief executive officer commented. This approach represents the company's commitment to create long-term value and impact, with a focus on durability and expansion over fast market entrance. It shows how long-term-oriented businesses incorporate stability into their strategies by emphasizing basic connections and aligning with key ideals. They tend to avoid rushing into new ventures, instead focusing on creating structures that will endure.

Another company in the aerospace sector mentioned this perspective by emphasizing the significance of investing in a robust staff and technological infrastructure to allow incremental development. One of the senior business development managers stated, "We prioritized stability in our team and tech stack over aggressive growth to ensure future readiness." This enables them to expand at a sustainable rate, with an eye on long-term profitability.

Similarly, an educational nonprofit prioritized steady expansion by utilizing grant funds to build basic infrastructure. According to a co-founder, grant money enabled the company to establish a solid foundation first and avoid rapid growth without a clear structure and vision. This resource-conscious strategy demonstrates a commitment to a steady, mission-driven growth model that prioritizes long-term goals over quick and unstructured expansion.

At last, in the consulting sector, one company emphasized the necessity of developing client relationships that reflects their basic principles. The CEO said, "We want clients who understand our vision and value our approach; it's about long-term collaboration rather than just

filling orders." This emphasis on identifying clients that share their beliefs demonstrates their commitment to consistent, sustainable growth through partnerships that reinforce the company's vision.

In summary, long-term companies seem to be driven by stability and a focus on lasting relationships, often taking gradual steps to build resilient foundations. Their emphasis on alignment with core values and strategic partnerships sets them up for success, where growth is achieved steadily and sustainably.

Short-Term Oriented Companies

On the other hand, Short-term-Oriented companies prioritize flexibility, rapid responses, and immediate returns, often making decisions based on current market demands and resource availability. One example of this orientation is seen in a real estate management firm that scales incrementally based on monthly cash flow. "We add properties as resources allow (...) growth depends on monthly revenue," the founder explained, indicating a reliance on immediate income to drive expansion rather than a structured, long-term plan.

Similarly, a hospitality company reacted fast to meet an increase in demand. According to the founder, "When demand grew, we had to scale fast to keep up.". This agility helps the corporation to respond to short-term market needs successfully, but it lacks the long-term stability and planning that some other organizations have.

These examples reveal how Short-term-Oriented companies focus on capturing immediate opportunities and adapting quickly to market changes. Their approach is pragmatic and responsive, allowing them to capitalize on current conditions, even if this may limit their long-term strategic planning.

Another short-term example comes from a recruitment company that emphasized the need for rapid decision-making to stay competitive. "Decisions are made quickly to meet client

demand,” shared a team lead. This agile approach demonstrates how responsiveness and speed are essential to their success, with a focus on short-term client needs rather than structured, long-term growth.

Similarly, a sportswear company adjusts production based on immediate demand, choosing not to engage in extensive planning. The founder remarked, “We produce as demand dictates (...) there’s no need to over-plan.” This flexibility enables the company to adapt quickly to shifting market demands, allowing them to capitalize on immediate sales opportunities without a heavy focus on future planning.

Lastly, a mobility company that initially expanded rapidly into new markets shifted to prioritize profitability in its core market due to recent economic conditions. A manager stated, “We grew fast, but now we’re focusing on profit here at home.”. This pivot reflects their short-term focus on immediate profitability, a flexible response to external economic pressures that underscores a readiness to adjust strategies based on present conditions.

This analysis highlights two distinct growth orientations: long-term-focused companies prioritize stability and strategic partnerships, while short-term-focused companies emphasize flexibility and rapid response to capture immediate opportunities. The choice between these orientations often depends on a company’s business model and industry dynamics. Companies in fast-moving markets may benefit from a short-term approach, while those with complex, high-investment products may lean toward long-term strategies. However, it can be noticed that companies’ time orientation naturally evolves as shifting market dynamics and strategic goals require them to adjust their approach over time.

Proposition Development

The results show that there is no uniform direction of the organizations to being solely Long-term or Short-term in their strategic orientation; rather, it changes with the elements of business

models, industry fluctuations, and existing market conditions. Even if an organization has a lean towards one particular orientation, it is not absolute but changes with the contextual factors and is not a pre-set decision.

However, regardless of the orientation, the findings indicate that each company establishes some form of time-based strategy (either Short-term or Long-term) suited to its unique operational needs and external pressures. This suggests that orientation is not an inherent characteristic but rather a flexible approach that evolves with changing business and market dynamics. Based on these insights, the following propositions is presented:

***Proposition 1:** Scalable organizations balance Long-term and Short-term Orientations, adapting to external pressures and growth phases, highlighting that scalability relies on cultural adaptability rather than a fixed time focus.*

***Proposition 2:** Scalability in organizations requires an alignment of time orientation with industry-specific demands, where Long-term Orientation supports stability in high-investment sectors, and Short-term Orientation facilitates agility in fast-paced industries.*

9.14. Appendix 14: Characteristics of Indulgence vs. Restraint Manifested in Organizations that Exhibit Scalability

Introduction

After Hofstede published his initial four dimensions in 1980, he later introduces two more. The newest dimension that he found in 2011 is “Indulgence vs Restraint” (Hofstede 2011). Compared to the other five dimensions it covers a topic that is more known from literature under “happiness research” (Hofstede 2011, p. 15). Cultures characterized as indulgent prioritize hedonism, emphasizing free expression, leisure, and a positive outlook. The people are more actively involved in sports and have a higher percentage of declaring themselves very

happy. In contrast, Restraint cultures enforce strict social norms, valuing self-discipline and control over gratification. Individuals in these societies tend to believe that what happens to them is not shaped by their actions (Hofstede 2011). Hofstede et al. (2010) emphasize that this dimension specifically relates to the enjoyment of life and the pursuit of fun, rather than the gratification of human desires in a broader sense. Regarding organizational culture, which focuses on shared values, norms, beliefs and behaviors in organizations (see Chapter 2.2.), this cultural dimension influences workplace behaviors, employee morale, and corporate practices. Corporations with high Indulgence stress opportunity-seeking and creativity, while high Restraint cultures prefer discipline and authority (Beugelsdijk and Welzel 2018).

Hofstede's sixth dimension offers a unique perspective on workplace behaviors and how corporations implement employee satisfaction into their corporate practices. This dimension is becoming increasingly important for organizations seeking to boost job and overall organizational performance by enhancing job satisfaction through self-expression, enjoyment, and innovation. While the earlier dimensions are well studied, Indulgence vs. Restraint remains underexplored in organizational context. Several authors mention that it has yet to receive more attention to completely understand its relevance organizational cultural context (Alipour and Yaprak 2022; Beugelsdijk et al. 2017; Gu et al. 2022). Research suggests its influence on risk-taking (Alipour and Yaprak 2022), innovation (Choi 2019) and job satisfaction (Gu et al. 2022), however, there is little evidence on its role regarding the organizational scalability which the authors have defined in Chapter 2.1.3. Understanding what the defining characteristics of this dimension are during the scaling stage could reveal new ways to foster creativity and growth. That is why the paper addresses the following research question: *How are the characteristics of Indulgence vs. Restraint manifested in organizations that exhibit scalability?*

The following chapter aligns with Gu et al. (2022) approach to draw inferences from the core values of indulgent national cultures, which prioritize pleasure, enjoyment, and freedom due to

the limited empirical evidence of the association with organizational culture. This paper investigates the characteristics of Indulgence vs. Restraint as part of organizational culture during the scaling stage of corporations while examining the existing literature and data from 37 interviews (see Chapter 3). With the findings from academic insights and real-world examples the authors explore how indulgent and Restraint organizational cultures balance enjoyment and work while exhibiting scalability.

With this study the authors shed light on the defining practical characteristics of this dimension within organizational cultures that exhibit scalability and how these characteristics are defined. It highlights how indulgent practices influence creativity, satisfaction and growth. With the help of these modern insights, managers could develop strategies to align their organizational culture with the workforce needs.

Literature Review

As previously mentioned, there are not many papers that focus on this dimension in the organizational culture context which is why the authors firstly draw inferences from the core values of indulgent national cultures and link it to organizational culture. As stated above this dimension comes more from the “happiness research” (Hofstede 2011 p. 15). Therefore, it is understandable that during their approach to regroup Hofstede’s dimensions in combination with Inglehart’s dynamic concept (Inglehart and Wayne 2000), the authors Beugelsdijk and Welzel (2018) include all the characteristics of the Indulgence vs. Restraint dimension into their new dimension “Duty – Joy”. During their cross-cultural studies, they find a clear shift over time in the direction from Duty to Joy (Figure 8).

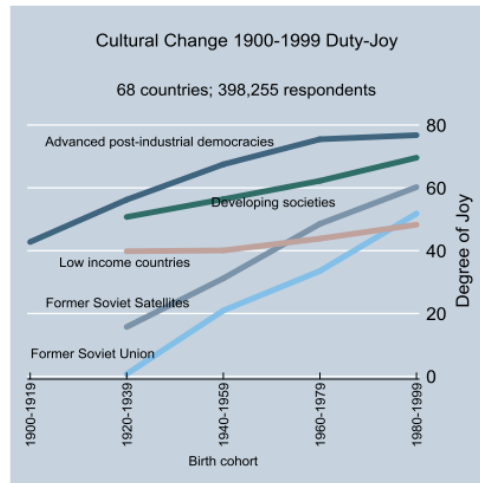


Figure 8: Cultural change Duty – Joy (Beugelsdijk and Welzel 2018, p. 1491)

They discover several important characteristics of indulgent or Restraint societies. More indulgent societies find imagination an important child quality. In the context of organizational culture, this could be reflected in the support of creativity and open mind thinking in the workplace. Especially during the scaling stage, this could foster innovation and adaptability, enabling the organization to pivot and grow in dynamic markets (Djock 2024). On the other hand, people who are more identified as restrained often value hard work as an important quality. This approach could lead more to stable and consistent scalability by ensuring reliability.

Gu et al. (2022) claim that indulgent employees remain in their positions for personal fulfillment and engagement rather than solely for a paycheck or job title while Restraint cultures prefer certainty and conformity (Dumitraşcu and Dumitraşcu 2016). Gu et al. (2022) argue that the interest-level of the job greatly enhances job satisfaction for people from indulgent cultures. They care more about their work activity than their job safety in the near future while in Restraint cultures by definition excitement and pleasure at work are less likely to be a significant contributor to job satisfaction (Gu et al. 2022). The urge for personal fulfillment requires organizations to design roles and processes that emphasize meaningful work and

flexibility to keep the employees motivated to work on growing the company. In contrast the need for certainty and conformity calls for efficiency, steady growth and organizational systems with clear roles and predictable outcomes.

One of the few studies that investigates this dimension and its impact in the business context, particularly on the risk-taking behaviors of businesses, is Alipour and Yaprak (2022). They discover that indulgent organizations support more risk-taking behavior due to fewer rules, norms, and procedures. With less emphasis on strict protocols, these organizations can pivot quickly, an essential trait for scalability in dynamic environments (Jie et al. 2020). Garicano and Rayo (2016) contend that highly restrained companies are often characterized by rigidity and resistance to change which can negatively impact firms' engagement in innovation and willingness to take risks and could be less conducive to scaling. They further suggest that Indulgence is closely linked to a Short-term Oriented mindset, which aligns with the findings of Gu et al. (2022). This goes hand in hand with a tendency towards lower self-control, leading to a greater willingness for frivolous spending (Gupta et al. 2018). This provides insight that indulgent organizations might prioritize immediate gains, rapid expansion, and innovative investments while exhibiting scalability.

Alongside these findings, Syed and Malik (2014) argue in their study of companies in Pakistan and the USA that cultures with high levels of Indulgence are more likely to adopt new technologies than those with lower levels. They suggest that indulgent societies may promote innovation as a means of continuously fulfilling individuals' impulses for enjoyment and life satisfaction. This tendency with prioritization of innovation, adaptability, and customer-focused solutions can be essential during scaling (Yi, 2021). Alongside this study, Griffith and Rubera (2013) explore the impact of Indulgence on the relationship between technology and innovation in terms of market share and concluded that the positive effect of innovation increases along

with a greater culture of Indulgence. However, Gallego et. al. (2020) are not able to prove their hypothesis that a higher level of Indulgence leads to a higher level of innovation.

Research and Development closely accompanies innovation. During his study, Choi (2019) explores how national cultures affect R & D investments. During his multisided approach he discovers that the tolerance for free expression is linked to openness toward exploring creative ideas and taking risks on new ventures, such as R & D projects. The other perspective that idleness and negligence lead to a lack of responsibility in task execution cannot be substantiated. Choi (2019) additionally mentions his thought that Indulgence alongside other dimensions would create the optimal structure for economic growth and therefore essential during the scaling stage.

As previously mentioned, the literature on the overall effect of this dimension is very undiscovered. Therefore, the authors of this study cannot conclude from the literature if Indulgence increases overall organizational effectiveness while the corporation exhibits scalability. However, the positive influence on innovation as well as the shift towards the more people-oriented and joyful job experience might be indicators of the positive impact during the scaling process. Throughout the analysis, the authors plan to identify statements that align with the existing literature and provide deeper insights into different approaches taken by businesses.

Analysis

General Analysis

This analysis takes a closer look at the dimension and its research question: *How are the characteristics of Indulgence vs Restraint manifested in organizations that exhibit scalability?*

Overall, 37 interviews were conducted and analyzed as discussed in the methodology chapter (see Chapter 3).

For the analysis chapter the authors will examine specific answers from some interviews regarding the questions: *1) How does the company approach balancing work with personal enjoyment, like allowing flexible breaks or organizing fun activities? 2) Are there clear boundaries, or is there room for spontaneity and enjoyment? 3) Do you offer work benefits and how often are they used?*

Throughout the analysis, quotations will be provided for each of the three components of the question, and their relevance to the research question will be systematically examined and established.

The Role of Social Bonds in Scalable Growth

As presented in the literature, the creation for this dimension comes from the “happiness research” (Hofstede 2011 p. 15). Therefore, the authors are eager to see whether companies allow personal happiness at the workplace to happen or whether they strictly focus on business. Many different companies state that they offer office parties a few times a year to increase the social connection between the employees. One manager explains their approach in detail: *“We plan team events together, take a certain percentage of our monthly turnover and decide together what we want to do with it. For example, we have played paintball together or been to the Oktoberfest - all at company expense.”*

By dedicating a portion of monthly turnover to team-building events, the corporation invests in employee morale and fosters a sense of community. These activities enhance employee satisfaction and reflect the organizational commitment. The company’s approach to using a portion of revenue for employee engagement aligns with the values employee retention and satisfaction, potentially serving as a foundation for sustainable growth during the scaling stage.

Another interviewee explains the same approach, and even describes it as fundamental. Since they are a fully remote company, he feels like he needs to compensate for less in-person

interaction by organizing team weekends several times a year. Other leaders explain that they do not limit themselves to just offering Christmas or after-work parties. One manager sends the whole staff on a cruise, while another organizes “Office Olympics” between the different locations. These activities are designed to not only strengthen the social connections within teams but also to build relationships with colleagues at other sites. This organizational structure addresses scalability, by fostering a culture of collaboration, trust, and morale, increasing the employee engagement.

One respondent describes his view on office events and what he really cares about: *“Our company fosters a culture where organized social events blend with spontaneous team bonding, encouraging genuine interactions. We place a strong emphasis on building authentic connections, so team members naturally choose to spend time together because they genuinely enjoy each other's company.”*.

The person stresses that the social connections are authentic and not forced by the company. That illustrates that the company focuses more on building and signaling an environment which is enjoyable daily rather than trying to compensate for unpleasant daily experiences with an office party once a quarter. As previously stated, an organizational architecture and business model that supports authentic interactions and embed employee satisfaction creates a potential sustainable foundation for scalability.

Lastly one responder also highlights some obstacles that come along the way: *“Our team includes different age groups which have unique needs and preferences. That makes it tough to find one-size-fits-all solutions that work for everyone.”*. That symbolizes that even though the company wants to offer personal enjoyment experiences it can be difficult to include everyone’s personal preferences. That way sometimes well-intended offers can start a conflict rather than

increase the social connection. Therefore, diversity must be accommodated without creating conflict.

Overall, in addition to parties, most of the companies offer team activities outside the work as well as weekly or monthly breakfasts or lunches. The company's emphasis on creating an enjoyable and authentic daily work environment contributes to employee motivation and engagement, which seem essential during the scaling stage.

Balancing Structure with Spontaneity and Enjoyment

Now that it is established that most companies are offering after-work activities for personal enjoyment, the authors are analyzing whether the firms also offer spontaneity during the working hours or if they are mostly structured when it comes to that.

One quote that really shows the strong indulgent culture, comes from a young German CEO in a Portugal based start-up: *“We recently spent an hour at one of our grandmas' house during work and ate cake with her. Sometimes on Friday evenings the others are already drinking their first beers while the other is still finishing something.”*. This statement highlights an organizational culture that permits a lot of spontaneity and blurs traditional boundaries between work and personal enjoyment. The interviewee additionally adds that as long as the work gets done on time, he is very flexible when the employees arrive at work. For instance, if the employee went out the night before, he does not have to show up at 8am. A culture of spontaneity and trust fosters adaptable structures that support growth while maintaining employee satisfaction and productivity. However, he does not only see the positive aspects in his very flexible approach: *“In the end, as I said, they are friendships, and you still have to have working relationships somehow and sometimes things don't work out which is not that easy”*.

With this quote he describes the obstacles that excessively strong work relationships can create, highlighting problems that might not appear with clearer boundaries and that friendships can conflict with work matters. While flexibility and strong relationships enhance engagement and morale, excessive Indulgence could therefore compromise the structural coherence required for scalability.

Two more CEOs give short but strong answers to show their indulgent approach that aligns with the literature. As stated, indulgent culture cares more about personal fulfillment, free expression and their interest level (Gu et al. 2022). The first CEO sums it up with his own belief: *“We believe enthusiasm drives the best work!”*. That shows exactly that the person prioritizes employee passion and intrinsic motivation and that the people are not only motivated by their paycheck. This reflects a key component during the scaling stage as it drives innovation and adaptability. Similar to this another respondent states: *“I also hate organizations that only question and not trust! My doors are always open.”*.

The open-door policy puts emphasis on trust, open communication and free expression which enhances scalability by creating a supportive and empowering environment. Only one manager shows a very restricted approach with not much room for enjoyment or spontaneity: *“We do have individual events, but not during working hours. We believe that such activities only slow down sales.”*.

This approach strictly focuses on the working quality and goals during the working time. It reflects an organizational architecture that prioritizes productivity and measurable outcomes. While this approach may limit spontaneity and creativity, it could be particularly beneficial for performance-driven industries, where the attainment of specific goals is essential during the scaling stage. The company is already quoted in the “Masculinity vs Femininity” dimension (Chapter 4.4), where they show that meeting their goals is the number one priority.

One thing that many companies have in common is the option of flexible working hours combined with sometimes flexible working locations. This approach creates a dynamic and adaptable organizational structure that empowers employees to self-manage their time and energy, thereby promoting intrinsic motivation and reducing burnout, which is inevitable for scalability. Even though this has less to do with enjoyment between colleagues it influences the spontaneity of the employees and goes along with the next subchapter.

Offered Work Benefits

Personal enjoyment can come from events or a pleasant work environment. Nevertheless, it can also come from work benefits apart from the pay cheque that the company offers which increases the happiness level as well as the social connection to colleagues. As already discussed in the “Masculinity vs Femininity” dimension (Chapter 4.4.3) there are certain things to increase the work-life experience. In this chapter the authors focus on more work benefits apart from home office and flexible working hours to showcase what companies can offer.

One topic that is mentioned twice is vacation days: *“We also have an unlimited vacation policy as long as deadlines aren’t missed.”* and *“Instead of the 30 days of vacation we had before, since the middle of the year there are now 30 days of vacation and 12 additional days”*. Both approaches show high trust in the employees as well as the understanding that the more working days might not always equal success. The first quote allows the workers to exercise personal discretion over their time off as long as productivity standards are maintained. Prioritizing results over rigid schedules fosters a business model that emphasizes sustainability, adaptability, and employee satisfaction. There is one CEO who points out that even though he offers work benefits like job bikes or gym memberships they are mostly not used by his staff which is why after a while he questions the necessity of them for his business.

All in all, there are no organizations that do not offer any benefits. The most used include public transportation tickets, free food and drinks at the office, job bikes or gym memberships. With this analysis the authors can argue that the majority of companies are leaning more towards an indulgent approach with enjoyable working conditions and benefits to increase morale, productivity and motivation which aligns with literature.

Proposition Development

As established in the literature review by several authors Indulgence has a positive impact on risk-taking behavior (Alipour and Yaprak 2022), adaptation to new technology (Syed and Malik 2014), as well as Research and Development (Choi 2019) which can also be seen as innovation. Additionally, the overall shift in business moves from Duty to Joy (Beugelsdijk and Welzel 2018) which impacts job satisfaction and with that job performance (Gu et. al. 2022).

The interviews demonstrate that most companies are fostering an indulgent organizational culture, where a focus on employee enjoyment is evident. This indulgent approach is reflected not only in the analyzed office parties and after-work events but also in the range of work benefits offered, including extra time off, flexible working hours as well as free food and drinks. By examining these benefits and practices, the authors have developed a deeper understanding of the ways in which an indulgent culture can positively impact employee motivation, engagement, and overall job performance. Employees in indulgent organizations might feel more valued, which may contribute to high levels of job satisfaction and stronger organizational commitment. The analysis suggests that promoting indulgent values in the workplace is a strategic approach to fostering motivation and a positive work ethic. Out of the findings the authors therefore come up with the proposition:

Proposition 1: *Cultural characteristics of Indulgence are necessary in order for organizations to exhibit scalability.*

In contrast to this there is the discovery that Restraint cultures are more focused on consistency, efficiency and discipline. That is why another proposition is made:

Proposition 2: *Excessive Restraint-oriented organizational cultures prioritize stability which may hinder the flexibility required for rapid scaling.*

Overall, as with the other dimensions, it is often a balanced approach that brings the most success. Even though Indulgence increases job satisfaction and employee engagement, Restraints are often useful to not lose focus. Therefore, the last proposition is:

Proposition 3: *The balance between Indulgence and Restraint, with a tendency towards Indulgence, is crucial during the scaling stage.*

9.15. Appendix 15: Discussion of Hofstede's Remaining Dimensions, Power Distance, Individualism vs. Collectivism, Masculinity vs. Femininity, Long-Term vs. Short-Term Orientation and Indulgence vs. Restraint

Supporting the Existing Literature

Through many interviews, the dimension of Power Distance has shown its critical factor in adaptability and decision-making. In low Power Distance organizations, the interviewees expressed how innovation and problem-solving can be encouraged through open communication and flat hierarchies. This observation aligns with Chen et al. (2021) and Botero et al. 2009 arguing that a reduced hierarchy can foster creativity and employee engagement. On the other hand, if the organization has an increased PD structure, the interviews emphasized that this top-down approach increases efficiency, particularly in very time-sensitive growth situations. In these settings, leaders tend to act as role models, influencing employee's alignment and fostering innovation, as can be seen in research by Wu et al. (2021).

The analysis provides evidence that organizations frequently blend individualistic and collectivistic practices that mostly align with prior literature highlighting the importance of a more balanced approach to achieve better performance outcomes (Triandis 1995; Sivadas et al. 2007). Most of the time, firms both recognize individual and team achievements, offering team-based bonuses as well as individual performance awards such as “Employee of the Month”. This aligns with the prior findings that combining individual and collective traits enhances organizational cohesion and productivity. Further, some organizations have implemented 360 – degree feedback while others rely more on informal, team-oriented evaluations. This aligns well with the literature emphasis on tailoring different practices based on specific roles, industries, or organizational context (Schwarz 1990).

The leadership styles which have been observed during the interviews reflect both characteristics of Femininity and Masculinity. Those leaders, blending masculine traits such as assertiveness and goal orientation with feminine traits such as empathy and collaboration were seen most effective during scaling. These orientations align with Gartzia and van Engen’s (2012) findings, showcasing the importance of balancing both leadership approaches. It became particularly evident in the interviews, that leaders drive towards a more feminization of management approach, increasingly prioritizing inclusivity and employee well-being alongside performance as supported by Eagly et al. (2012) and the Boston Consulting Group (2021).

Long-term vs. Short-term Orientation showed many alignments with the existing literature. Long-term oriented firms such as aerospace and energy companies emphasized sustained investment in R & D, strategic partnerships, as well foundational infrastructure. These organizational strategies align well with Meyer and Peng’s (2015) findings in which long-term planning supports resilience and scalability. Short-term-Oriented firms, such as those in real estate or the hospitality sector, demonstrated strong agility by responding rapidly to changing

market demands. This flexibility characteristic reflects Laverty's (1996) view that short-termism can drive quick adaptability and capitalize on immediate opportunities.

At last, in the interview the questions around Indulgence vs. Restraint highlighted how indulgent cultures enhance employee satisfaction as well as innovation, supported by the findings of Gu et al. (2022), who notes that indulgent environments foster job satisfaction through personal fulfillment and engagement. The companies in the interviews reported that they include team-building events and flexible working hours, boosting morale and engagement during the scaling stage. Indulgent cultures were linked to increased risk-taking and innovation as Alipour and Yaprak (2022) argue that fewer restrictive rules in indulgent environments encourage experimentations, adaptability, flexibility as well as spontaneity.

Challenge the Existing Literature

High Power Distance environments are often associated with limited communication and strong hierarchical decision-making (Chen et al. 2021) however, the interviews revealed a more nuanced reality. Many of the high Power Distance companies interviewed, adopted a structured communication system that ensures information would flow effectively, which counters the argument that high Power Distance limits dialogue. Yet, voluntary communication has been less frequent in these settings, emphasizing the need for systems to encourage collaboration. At last, most interviewees were in favor of a mixed approach between hierarchical leadership and elements of egalitarianism. Ultimately this challenges the view that either High or Low Power Distance is more effective.

The findings from the interview challenge the static nature of Hofstede's framework of Individualism vs. Collectivism highlighting that organizations frequently adopt more of a hybrid approach. The framework of Hofstede's culture dimension assumes a clear orientation towards one or the other, however the interviews reveal that companies blend those orientations

on context. Feedback processes in many firms include structured 360-degree reviews, aligning with Collectivism, however peer feedback often resists since it portrays discomfort with employees—an individualistic tendency that contradicts the collectivist ideal of open collaboration. Additionally, the reliance on industry-specific factors, such as job roles or company size, to determine the balance between individual and team recognition challenges the notion that this dimension operates uniformly across organizations. These findings underscore the inadequacy of viewing Individualism and Collectivism as fixed traits, suggesting that scalability demands more dynamic and situationally adaptive cultural practices than Hofstede's framework accounts for.

The dimension Masculinity vs. Femininity challenges established assumptions from existing literature. For example, Jie et al. (2020) makes the assertion that masculine cultures enhance employee performance, yet this can be countered by evidence of dissatisfaction and burnout from over masculine environments. Furthermore, Gherardi and Barbara's (2001) claim, that women often feel the need to distance themselves from their feminine identity in the workplace is described as outdated by interviewees. Instead, organizations increasingly encourage the integration of feminine traits into leadership, reflecting broader societal changes toward inclusivity.

The binary distinction between the Long-term vs. Short-term Orientation and was often challenged by the interviewees. The findings challenge the static nature of Hofstede's framework, revealing that cultural orientations are more dynamic than previously acknowledged. Interviews demonstrated that firms often adjust their strategies between short-term and long-term priorities depending on external pressures and their stage of growth. For instance, one mobility firm transitioned from an aggressive short-term expansion strategy to a focus on long-term profitability within its core market. This adaptability highlights the evolving nature of corporate culture during scalability, which Hofstede's binary framework does not fully

address. These results suggest that time orientation is not fixed but contextually fluid, requiring a more flexible interpretation in modern organizational settings.

At last, the dimension Indulgence vs. Restraint challenges an established assumption to a certain degree. While Indulgence was often associated with positive outcomes such as employee satisfaction and innovation (Gu et al. 2022), the interviewees revealed that some organizations experience conflicts in maintaining professional boundaries from overly flexible structures. These findings suggest that excessive Indulgence environments might hinder effectiveness, especially during strong periods of growth where boundaries are critical.

Extends the Existing Literature

Looking at the dimension of Power Distance, the existing literature predominately focuses on the binary distinction between Low and High-Power Distance, however the analysis reveals a more nuanced perspective. The interviewees consistently expressed the value in combining both, hierarchical efficiency and a more equal and inclusive communication structure. Companies emphasized that a hybrid approach can leverage the strength of both ends of the spectrum to address the complexities of scaling. For example, within an organization, the employees might be involved in the idea creation and selection, but the final decision still needs to be made from up top.

The information in the analysis for Individualism vs. Collectivism more expand rather extend the existing literature as it gives practical insights into how hybrid approaches of Individualism and Collectivism are implemented during scaling. Studies from Schwarz (1990) and Triandis (1995) express moving beyond the static framework while the interviews reveal specific applications for this balance. For example, some companies blend individual recognition in the form of promotional systems and employee of the month awards with team practices such as

DNA awards, group bonuses, which aligns culture orientation with their respective operational strategies.

The results from the analysis extend existing literature by showcasing the flexible nature of time orientation in which companies adapt their priorities between Long-term vs. Short-term Orientation, a result of changing market demands. For example, with the mobility company, even though it was expanding with a long-term plan into new markets, it quickly needed to pivot back and shift priorities to focus on the core market due to changing market dynamics. Leadership emerges as another extension and critical factor in influencing time orientation as Leaders in long-term-oriented firms emphasize vision and stability, ensuring alignment with strategic goals, while leaders in Short-term-Oriented firms focus on immediate opportunities to drive growth. This connection between leadership and time orientation extends existing research by linking scalability to leaders' ability to balance competing priorities.

The last dimension which extends on existing literature is Indulgence vs. Restraint as the interviews provide evidence that both poles interact more fluidly than suggested by Hofstede's model. For example, the practices in indulgent organizations such as flexible work arrangements and team-building activities can boost employee morale and innovation. However, if an indulgent environment becomes too excessive, it could occasionally create challenges in maintaining professional boundaries during rapid growth. The findings suggest that Indulgence cannot be universally beneficial and that its impact can depend on the organizational context in which future studies should be inclined to examine how both poles can coexist.