

# Organizational cultures across national boundaries: Results of a cluster analysis



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## Abstract

The recent increase in global business has resulted in new challenges for organizations. One of these challenges is to create a strong global culture while simultaneously adapting to local cultural expectations. This research explored how both globalization and local adaptations of organizational cultures may coexist by using cluster analysis. Organizational culture data were used to cluster organizations from ten different nations: Australia, Canada, Germany, Hong Kong, Italy, New Zealand, Singapore, South Africa, the United Kingdom and the United States. Two solutions were generated using hierarchical clustering. In the first solution, four clusters emerged, but two of them were single item clusters (organizations in Germany and South Africa). Following recommended procedure, organizations from these countries were removed from analysis and the cluster analysis was re-run. Two main clusters then emerged: one with Asian countries, and one with European, North American, and Australasian countries. Cluster profiling suggests that significant differences between the clusters were found in each of the organizational culture aspects used to form the cluster variate.