



Internationalization and clusters of cultures

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The cluster term is a cluster analysis tool that develops from the mid-twentieth century and was used in areas where there was an enormous mass of primary data and this concept had no economic content. Cluster Analysis is a mathematical procedure based on a number of characteristics of the set of objects, which allow them to classify as classes (clusters) so that objects entered in one class are more homogeneous and similar to those in other classes. The distance between them is calculated on the basis of numerically expressed parameters. The method first appeared in 1939 in R. Trion used and called this method cluster analysis. Cluster is a complex concept that involves "industrial, geographically close, intercontinental companies and other organizations that act in a certain area and characterized by unity and / or mutual filling". In some works clusters are called "industrial" or "industrial areas". According to the Porter, the cluster is a group of geographically close interdependent companies and related organizations operating in a certain area and characterized by unity, and complemented by each other. In this definition, the main focus is on the three main features of enterprise clusters: geographical localization, interconnection between enterprises and technological interaction of sectors.

The Eastern European cluster in which Georgia enters, is characterized by a high level of power distance and collectivism. Members of this community maintain close family connections and are characterized by low orientation of orientation and final outcome. Also, the distinctive features of this cluster are the charismatic and team-oriented style of leadership. Such dimensions and leadership styles, such as personality orientation, institutional collectivity and gender equity, occupy the middle position among the clusters. According to the GLOBE project, members of the Eastern European Clusters do not expect that power will be distributed between the citizens, focusing on the group and family, paying attention to the power and status of the person. Compared to other clusters, they are confused and aggressive during interpersonal relationships. Despite the fact that the personality orientation of the leadership and the participatory styles are positively perceived in the clusters for clusters, the charismatic and group-oriented style of leadership gains more importance.

Keywords: cluster; culture; Eastern European cluster; Georgia; business culture.

JEL Classification M29

Introduction

The cluster term is a cluster analysis tool that develops from the mid-twentieth century and was used in areas where there was an enormous mass of primary data and this concept had no economic content. Cluster Analysis is a mathematical procedure based on a number of characteristics of the set of objects, which allow them to classify as classes (clusters) so that objects entered in one class are more homogeneous and similar to those in other classes. The distance between them is calculated on the basis of numerically expressed parameters. The method first appeared in 1939 in R. Trion used and called this method cluster analysis.

Cluster is a complex concept that involves "industrial, geographically close, intercontinental companies and other organizations that act in a certain area and characterized by unity and / or mutual filling". In some works clusters are called "industrial" or "industrial areas". According to the Porter, the cluster is a group of geographically close interdependent companies and related organizations operating in a certain area and characterized by unity, and complemented by each other. In this definition, the main focus is on the three main features of enterprise clusters:

- Geographical localization. According to the parameter, the cluster scale can vary from one city or region to the country or even to some countries.

- Interconnection between enterprises The porter noted that the cluster is the network of interconnected enterprises and the deeper development of the Union testifies to the quality of the cluster itself.

- Technological interaction of sectors. There are technically interconnected enterprises in clusters. Usually these ready-made products are companies; Production of specialized factors, components, machinery suppliers, as well as service providers; Financial institutions and others.

Diversity of cultural differences brought researchers to the idea of unification of countries according to similar clusters. One such idea was Ronan and Shenkar. They are divided by three basic dimensions that are necessary for clustering processes: geo-protection, language and religion (Ronan, Shenkar, 2013).

According to Ronan and Shenkar, these dimensions are closely interlocked and dependent on each other. However, it is also clear that geography is the main dimension and precedes language and religion. They agree with Webber's opinion that the level of technologies and economic development (often expressed in total national product) significantly affects managerial style, cultural values and beliefs.

The authors set up the following eight clusters and the countries included in the study. These are:

- Scandinavian - Finland, Norway, Sweden, Denmark
- German - Germany, Austria, Switzerland
- English speaking - USA, Canada, New Zealand, United Kingdom, Ireland, South Africa
- Latin Europe - Spain, Portugal, France, Italy, Belgium
- Latin America - Argentina, Venezuela, Chile, Mexico, Peru, Colombia
- Far East - Thailand, Taiwan, Vietnam, Indonesia, Philippines, Hong Kong, Malaysia, Singapore
- Middle East - Turkey, Iran, Greece

- Arabian - Bahrain, Saudi Arabia, Oman, Kuwait, United Arab Emirates, Abu Dhabi (Ronan, Shenkar, 2013).

Countries such as Brazil, Japan, India and Israel did not enter into any cluster. Cognitive significance of this classification is obvious, but at the same time it is desirable to agree with the researches that indicate its opposite: for instance, it is unlikely to be placed in a cluster of Turkish and Greek in a cultural context. Some researchers also place India and Israel in an English-language cluster, based on their closest links with these countries. Others are German and Scandinavian clusters. Others believe that Latin America, such as Italy, Portugal and Spain, is closer to South American countries and their classification in one group (Baratashvili, Chechelashvili, Makharashvili, 2015)

According to Ronan and Shenkar, the process of clusterization helps the managers employed in multicultural organizations to perceive the main differences and similarities between the countries. Through this knowledge, it is easier for them to conclude international agreements to formulate competitive regional units and to derive their results from countries in specific clusters.

In addition, it facilitates managers in the direction of international organizational structures, giving them information about where and how to expand their business. For instance, information on cultural similarities between the patriotic country and the country that is the main target of expansion can be used to determine the risk that the company has been heavily burdened. Consequently, knowledge of cultural characteristics significantly helps managers engaged in international business to carry out their activities.

It is important to note the importance of the value of culture and its classes in the GLOBE (Global Leadership and Organizational Behavior Effectiveness), which began in 1994 and united 160 researchers. As a result, this multicultural group of researchers was interviewed by 17 300 medium-level manager 951 organizations involved in food processing, financial services and telecommunication industries. Finally, we received one of the clear and visible research to describe the links between social effectiveness, culture and organizational leadership. In the GLOBE project, the culture is the common motifs, values and beliefs characterized by the members of a group that are the result of past experiences and will be transmitted from generation to generation (Baratashvili, Chechelashvili, Makharashvili, 2015).

The first stage of the study was identified and established the basic nine parameters for measuring cultural determinants and values. These are: the power distance; Avoid uncertainties; Humane orientation; Collectivism (institutional) - a dimension that describes how organizational and public institutions collect a lot for the benefit of the group; Collectivism (family) - this is the quality that shows how much a person is loyal to his own family or organization; Impatience; Gender egalitarianism; Orientation on the future.

GLOBE is a long-term program designed to provide conceptualization, testing, and verification of the theory of relationships between culture and society, organization and leadership effectiveness. In this study, the grouping of the countries was under their geographical proximity and similar climatic conditions. The project covered almost all

regions of the world and within the survey 10 major clusters were allocated:

- Scandinavian (Denmark, Finland, Sweden);
- Angle (Canada, USA, Australia, Ireland, England, South Africa (White Whites), New Zealand);
- German language (Austria, Netherlands, Switzerland (German), Germany);
- Latin-European (Israel, Italy, Switzerland (French), Spain, Portugal, France);
- African (Namibia, Zambia, Nigeria, South Africa (colorful), Zimbabwe);
- Eastern European (Greece, Hungary, Albania, Slovenia, Poland, Russia, Georgia, Kazakhstan);
- Middle East (Turkey, Kuwait, Egypt, Morocco, Qatar);
- Confucianist (Singapore, Hong Kong, Taiwan, China, South Korea, Japan);
- Southeast Asia (Philippines, Indonesia, Malaysia, India, Thailand, Iran);
- Latin American (Ecuador, El Salvador, Colombia, Bolivia, Brazil, Guatemala, Argentina, Costa Rica, Venezuela, Mexico) (Baratashvili, Chechelashvili, Makharashvili, 2015).

In addition, the researchers were selected by the principle that they were the representatives of the study culture themselves and / or had extensive knowledge and experience in the culture. According to the results obtained, six main types of leadership are given. In their opinion, leadership is an individual's ability to influence and motivate the group members and their work towards the success and efficiency of the organization. These types of leadership are: charismatic (group oriented); participant (man-oriented) and independent (safety-oriented).

The Eastern European cluster in which Georgia enters, is characterized by a high level of power distance and collectivism. Members of this community maintain close family connections and are characterized by low orientation of orientation and final outcome. Also, the distinctive features of this cluster are the charismatic and team-oriented style of leadership. Such dimensions and leadership styles, such as personality orientation, institutional collectivity and gender equity, occupy the middle position among the clusters. According to the GLOBE project, members of the Eastern European Clusters do not expect that power will be distributed between the citizens, focusing on the group and family, paying attention to the power and status of the person. Compared to other clusters, they are confused and aggressive during interpersonal relationships. Despite the fact that the personality orientation of the leadership and the participatory styles are positively perceived in the clusters for clusters, the charismatic and group-oriented style of leadership gains more importance (Culture in the Socio-Economic Development and International Business Context, 2014).

American Business Culture. Business Globalization and new information technology have led to the US economy's restructuring. Globalization has opened new key markets for American goods and services, stimulating its export-oriented economy. In turn, information technologies affect the entire economy of the economy. It is constantly improving and does not give the "life cycle" the product down. Today, many foreigners in the US are attracted by the ability to attract far higher revenues than their own. Foreigners represent the best scientific potential of European and Asian countries, as

well as numerous unqualified working force. The success of the United States "new economy" is largely dependent on American management, which is aimed at rapid adoption of decisions, and develops individual characteristics of the manager and the subordinates. There are only a few young people in the top managers of American companies who are more prone to risky decisions than older directors. The young leaders of the enterprises are even more aware of the new faces of business, which is very important for the company's success in the field of information technology. The American option of management is particularly valuable in the time and the optimal decision of the task. The country's labor market is distinguished with high efficiency and flexibility. The American version of capitalism is the most successful and competitive macroeconomic development model. It is distinguished by the liberal philosophy for conducting business, with the lack of state in private business competences, effective management, based on the individual values priority and decision-making approach. (Culture in the Socio-Economic Development and International Business Context, 2014).

The single economy of the modern economy guarantees the strategic advantages of the United States in virtually any field of activity. By leading the leading scientists in the country, who have already achieved the success of the US, create potential for scientific-technical development. In the United States, the number of medical care and education increases from year to year, which is constantly attracting continuous streams of people living in the country. US transnational corporations are the most powerful in the world with its potential and technological development. Today in development, the priority belongs to the service sector. Modern technologies give the American economy a harmonious coexistence with the environment, which is the highest level of development today (Hofstede, 2011).

The uniqueness of the United States is that it is a multi-national country, national peculiarities lose its significance if they prevent the macroeconomic union of the country. The US is much easier to implement the path of liberal development of capitalism. State and business are equal and honest partners in the country. American management can not act as clandestine interests, family relationships, or hard pressures on the state. The American model is characterized by private property priority; free market and quite strong competition on it; the state's minor role in entrepreneurship; labor market mobility; legislation that gives businesses the freedom of development and reduces its impact on society and the environment; well developed transport, financial and other infrastructure (Georgian Young Economists Association, 2017).

The US is a competitive advantage with a flexible labor code. In the last 30 years, staff training programs are designed to facilitate adaptation of new technologies to employees and increase their competitiveness. These programs are funded by the government and are implemented by private companies and American universities. Under conditions where the development of the information economy develops outsourcing that includes the process of producing productive products in the country where the cost of labor is much cheaper, the US government has initiated a restriction on such practice. The reason for this is the possibility of creating job places. The importance

of limiting popular outsourcing among leading American companies can be explained by the fact that despite the fact that the scientific and technological progress is based on the world leadership, corporations worldwide cannot afford 2%. For comparison, this figure is 5,7% for Finland, 5,1% for Sweden, 4,2% for Japan, 3,3% for Swiss, 3,2% for Germany, 2 for Canada and so on. Outsourcing is the real reason for such a lag. As far as many American transnational companies are located abroad, this changes their innovative image. American leading company IBM refused to outsource and signed a software contract with a large Indian TV company Bharti Tele-Ventures.

Japanese Business Culture. Over the past decade, governments, leading business leaders, scientists and politicians of the leading countries of the world are observing great interest, learn about the reforms implemented in the field of business development in Japan. Japan, as a very limited natural resource country, has effectively used its own human resources and has managed to overcome the hardest succession of World War II and its unprecedented resurgence in a short period of time. Japanese management, characterized by long-term employment practices, intensive training at workplaces, frequent rotations on the horizontal, gradual promotion systems for staff and firm staff, has become valuable in the world and many foreign companies have begun to introduce and implement its management system. These processes are intensively underway in different countries. Of course, the complete, total transfer of Japanese management is impossible due to the economic development levels of this receptor country, political situation, regulatory norms, country traditions and other differences. However, certain elements of Japanese management can be successfully transferred to another country, and this success is more secure than the receptor country with cultural traditions with Japanese culture (Kutateladze, 2015).

Japanese management achievements are still relevant today. Statistical evidence confirms that after 30-35 years after World War II, Japan achieved great success and became the fastest leader in the world economy. Japan's outstanding achievements are based on the unified management strategy of the country's economic development, which is committed to Japan's development goals in all areas of its economy. For postwar Japanese enterprise, it was necessary to create new, yet unprecedented economic philosophy, set new goals and ideals. In this respect, it was an invaluable service for the group of young entrepreneurs in the country, established in 1946 in Japan called "Doikai" (Kutateladze, 2015).

Tactical steps were taken to implement this strategy. Japanese were importing equipment and technologies, studying, observing, and improving over the years leading to improved advanced technologies from other countries. They were initially known not as innovators but as imitators. The best engineering talents were employed in factories, where all efforts were more mobilized to achieve product durability, reliability and quality than to improve its design. The Japanese were able to qualify for a competitive price and gained significant advantages in world markets. Japan has demonstrated the world that effective production and advanced control of the quality control, reimbursement of transportation and customs tariffs (restrictions) on overseas markets. They have proven that cultural barriers are

overcome and successful enterprises can be transferred outside the boundaries.

Today Japan is considered a symbol of quality in the world. Japan is the world's premier leader in the most important sectors of the economy, such as mechanical engineering, shipbuilding, textile manufacturing, chemical production, rare metals and stainless steel production, manufacturing of electronics, semiconductor manufacturing, manufacturing of optical instruments, industrial robots. The main commodity of Japanese imports is the latest equipment-installations, different types of fuel, some food products, chemicals, textiles and all other raw materials for production of products. He is one of the leading leaders in the world of scientific research, in chemistry, biomedicine and mechanical engineering. He has achieved technological success in producing new generation of computers and promoting spacecraft and military equipment. He has more and more achievements in the spheres of space research, missile systems, artificial satellites, aviation production.

The characteristics characteristic for Japanese are the fact that the uniforms in the enterprises are hardly a director, engineer and engineer to choose from. The same is true of lifestyle, behavior, etc. Japanese companies spend a lot of time preening to potential customers or suppliers until they make concrete steps, or sign an agreement with them. They have the best of all (copy) and then the ability to improve. In contrast, the Americans are more oriented toward the outcome. And the Japanese - the improvement of the process. If they learn to do something, they will soon begin to work on a smaller improvement. They appreciate the effort and not the results. The Japanese company has a more humanistic atmosphere, everything is focused on the well-being of employees. If the director's right hand is a financial manager in the American company, the director's right hand in Japan is the staff manager. Teamwork in Japanese company means helping each other. In the United States, team work means maximizing work to get more results. Japanese management seeks to be amongst the best communications, free communication, both vertically and horizontally. American management emphasizes strong specialization, a number of instructions. The person is bound by the guidelines and obligations that block the communication elasticity. The fundamental difference in the American and Japanese education system is that Japan is still getting a job, and then it becomes a publicity and education. Specialists in higher education in the US start to work in companies (Kutateladze, 2015).

In Japanese companies, the tradition of teamwork and paternalism comes from rice past cultures dominated by rice producing farms. The well-known researcher ODKA emphasizes the fact that in Japan 1602-1860 farming traditions determine the specificity of management of today's companies. In this period, people rarely walked out of the village and almost all life in their district. They jointly used both rural property and shared the fate of each other and their collectivism was also evolved from this. Young people took an example from the elderly, enjoyed their experiences and wisdom. Work and handmade were under the strict supervision of older masters. The main issues of rural life have been solved by elderly people and we should think that this is exactly what comes from today's Japanese companies based on age-based remuneration and promotion

practice. There are three main features of Japanese management: teamwork, age-based promotion practice and permanent employment. It is noteworthy that all this is from the old and Japanese farmers' relationship. Employment in a Japanese company means a man-made employment to retirement age. This is mainly used in large companies, There is no written agreement between the employer and the employee. It should be noted that such permanent employees are mostly men, while women in mostly Japanese companies are halfway at work. After lifelong employment recruited young will start to work in the company, at first he was taught not to any specific labor skills, but also are trained in order to share the company's history, the spirit, which is typical for the company, its philosophy and teamwork methods, introduced horizontally and vertically official TV rules and relationships, etc. The newly appointed employee will be assigned to one or more departments to observe his work behaviors, to study the duties and the norms of conduct in the company. The labor relations in the Japanese company promote harmonious relationship with each other with the rest of the staff, decrease the quality of staff from the company and everyone is given the chance of promotion and career growth. Employees are not afraid of tomorrow's day. They serve the loyalty of the company and the company will pay their work according to their talents and efforts (Grigolashvili, 2017).

Under globalization, the Japanese thought it necessary to reinforce technology. Companies are successfully relieved to implement this policy by the monopolies created by the protectionist policy of the Japanese government "Keirtsu". "Keirtsu" is only a specific, peculiar organizational system that is characteristic of Japanese monopolistic companies, where most of the country's corporation is affiliated. They have a big impact on Japanese business. Members of similar groups in most cases perform supervisory functions for each other and thus significantly complicate the entry of foreign companies into the Japanese market. Keirtsu is not a single monolithic organization, but it is a voluntary association of independent companies, in contrast to each one of the shares of one or more companies that are joined to the same circulated. In addition, companies in Keizer have retained important independence. Most keiretsu has more than 100 member companies (Hofstede, 2011).

The researchers are debating how and in what direction the Japanese management will develop and develop in the recent decades, whether this change will be more globalized if it retains the specific characteristics characterized by major Japanese management, such as a permanent employment system. Studies show that successful Japanese companies managed to maintain the in-depth economic environment aspects of traditional management and to make necessary changes in the company. They often ask questions about why today they should be interested in traditional Japanese management.

Was he out of date? Traditional Japanese management is sustainable: a permanent employment system, age-based pay system, a specific trade union system and a unique "ringi" system (decision-making team consensus on decision making) continues to be successful. Its development was going on in the past, it is now. Japanese management is based on basic human resources management, which is truly the most valuable resource in Japan. Japan is a highly

developed, modern democratic society. Its capitalist market economy is the oldest in the world, which is mainly due to the specifications of Japanese management that grants theory and practice of human management in public agencies and private companies. This is the reason that many international researchers, including Japanese, believe that Japanese capitalism is different from the rest of the world's capitalist countries.

French Business Culture. Today France is considered to be a very modest feminine culture, because here it is an attentive, delicate and delicate attitude between women and men. Conflicting the conflict is not a "secret" but negotiation and compromise. French business culture is distinguished by its high rate of indifference. France is an example of the formal procedures, the rules and instructions and the general use of established schemes and structures. French culture is much less directed to risk. Thus, bureaucracy with its rules, instructions, and complicated system of communication is a powerful means of transmitting a difficult act into reliable and predictable actions. That is why French management methods for planning and predictability are directed at risk control.

The French are not distinguished with great intentions about the problem of others, they do not have the distinctive expression of the creativity and prejudice. In terms of French co-operation and co-operation, it should be taken into consideration their respect for their own dignity and respect for themselves. Experience the need for clear orders from the heads, at the same time emphasizing their independence from any form of collectivism. Relatives and family members have been sent to France and are almost anywhere. The community and the network of graduates of university and vocational schools play a vital role in the state and business life of the country. People who work in France today are usually belonging to such communities, whose connections are very strong and remain after the university graduation. Compared to American and German, French business culture is highly contexts and polychronic. The basis for French governance is a tendency towards argumentation and logic (Baratashvili, Chechelashvili, Makharashvili, 2015).

French rulers perceive their activity as an intellectual challenge that requires them to use individual mental abilities. Well-trained, well-mannered and quantitative methods of use, the French managing staff of the well-established French creates a special social group, which plays a major role in the French management and administration. They promote their postgraduate relationships and thus promote their formation into elite groups. French schools believe that it is more important to teach what you teach. Most of France's major companies began to pursue their career in public service and only after that was the manager of a large enterprise. On the other hand, the government often plays an important role in determining policy and strategy of the company and more often in its top management. The fact that the managers of French companies are state officials, is the basis for a close and effective cooperation between the state and business.

The feeling of belonging to the leadership and managers of the organization in France is of great importance to its own elitism and superior management. Management in France is a separate profession, with its own rules and requirements. The French manager's status is defined not by

so much personal merits as the origin, age, education and so on. Getting a managerial status means a career leap. Besides, the core of the world is changing and perceiving itself. At this time the state service is considered to be the most prestigious and the main reason is that the state sector wages are much higher in the private business.

Unique educational features of French governors provide predictable results, such as hard hierarchy and distances to their subordinates. From the start of their career in the company, young French managers share the necessity of formalism in relations with other employees. Formal procedures in such environments, including written rules and detailed instructions, are used to increase the forecasting and reliability of organizational processes and operations. In addition, such a formal approach reduces the risk of personal rejection of the risk or the possibility of transferring the risk to others. The classic image of the French hierarchy covers centralization, the supremacy of the supervisor, and the workplace distance between the subordinates and the heads. French top managers believe that their high positions in the hierarchy of the hierarchy are due to their high intellectual capabilities. That's why they take all the important decisions and are always in the course of the case and the problems that the low-level managers take. The principle of cohesion in the hands of one of the leaders of power is an integral part of the French model of management. This does not mean that the French are blindly obeying the central government. On the contrary: there is constant tension between one's power and the individual protest against it.

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France is a country that is capable of developing such a bureaucratic structure effectively. But in recent years a lot of people talk about creating a more hierarchical hierarchy that stimulates the personnel and increases the flexibility. In their opinion, the French model of management seriously hinders scientific-technical progress and entrepreneurial activities of the population. It does not doubt that all this forces the bureaucracy to give up their positions.

Conclusion

Global economy formation process, known as "Americanization", is constantly growing and increases the possibility of developing a single consumer market. The number of people who claim that the individual's psychological state is superfluous is to discuss that the main aspect of the division of countries is a cultural factor. However, the conflicts between different civilizations, confessions and ethnic groups in the world, which in turn are based on many national governance models, are constantly growing. Therefore, despite the massive tempo of globalization, considering cultural factors along with scientific-technical development and their comparative analysis becomes one of the biggest challenges for firms involved in international competition and their managers. The process of dividing the country into clusters is essential, and the focus is on analyzing the radically different national governance model from many, the study of which and the practical application of the relevant results increases the efficiency of international and local management.

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