

INSTRUMENT SELECTION FOR A STUDY OF SUBCULTURAL DIFFERENCES IN PERU

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The interest and appreciation of the differences in cultural values between subgroups within countries is becoming relevant for Latin America due to rising urbanization, social tension and the effects of foreign investments and industrialization. However, few studies have sought to differentiate subcultural values within Latin American countries, with industry and business academia largely relying on studies that use national measures based on mean scores. This paper, through reviewing the extant cross cultural business literature and Peru's social history, determines the factors necessary for high quality cross cultural research and the issues that need to be addressed when selecting or developing a suitable research instrument for subcultural studies within a nation state. These issues include defining the subcultures, instrument sensitivity within a national cultural emic realm, responsiveness to subject's response styles and an ability to measure the dimensional constructs appropriately.

Keywords: Cross Cultural Studies, Sub Cultures, Latin America, Peru, Research Methodology

1. Introduction

Culture is an all pervasive influence on people's lives, presetting contexts for social structures, decisions and interactions (Hofstede 1993). While there is no single agreed definition of culture, the notion that a set of values or beliefs of a group of people that are implicitly known or understood by those people are the threads that link definitions offered by theorists. Definitions of culture such as "the collective programming of the mind that distinguishes the members of one group or category of people from another" (Hofstede 2001:9) or the "cultural dimensions of values reflect the basic issues or problems that societies must confront in order to regulate human activity" (Schwartz 1999:26) have been used by researchers to enable further investigations into the role of culture across the fields of commerce.

With the recent phenomena of globalization and the internationalization of business, the study of culture and its effects on international business has become a growing field (Kirkman, Lowe, and Gibson 2006; Hayton, George, and Zahra 2002). A number of models have found sustained use by researchers examining the phenomena of culture with Kluckhohn and Strodbeck (1961), Hofstede (1980), Trompenaars (1993), Schwartz (1992) and recently the GLOBE project (House et al. 2004), each defining culture using a range of dimensions. The models of Kluckhohn and Strodbeck (1961), Hofstede (1980), Schwartz (1992) and Rokeach (1979) are based on theories of values, which are sufficiently conceptually similar to suggest that a universal, although still undefined, set of human values exists (Hills 2002). Other studies have used beliefs or social axioms as the defining characteristics of culture, suggesting that these beliefs guide people's behavior in daily living (Lueng et al. 2002), while the World Values Survey (World

Values Survey 2012) has tracked the values and beliefs of members of different societies since 1981 (Inglehart 2000). Hofstede's, Inglehart's and Schwartz's studies infer cultural value orientations by averaging the value priorities of matched samples of individuals in the different countries sampled (Schwartz 2004).

Culture is considered to change slowly due to the principle of the transmission of values from parent to child (Hofstede 2001), by the retention of practices that provide for institutional continuity (Guiso, Sapienza, and Zingales 2006), and the influence of education, which strengthens the preferences for common values within a society (Steel and Taras 2010). However, recent research has begun to shed more light on cultural stability indicating that changes of values and beliefs can reflect economic and technological changes experienced at the societal and individual level (Inglehart 2000). Leung et al. (2005) reviewing the recent research on cultural change processes suggest that micro change at the personal level culminates to produce change at the macro level leading the authors to agree that culture is a multi-layered and multi-level construct. Recent evidence is beginning to point to a middle ground where culture is negotiated and less static; where the old and new values can coexist within the same society (Tung 2008; Leung et al. 2005; Steel and Taras 2010), which is the theory of crossvergence (Ralston 2008; Ralston et al. 1993).

In terms of management studies Latin America is an under researched region (Lentartowicz, Johnson, and White 2003). Recently, authors have turned their attention to facilitating Latin American management research by suggesting research agendas (Vassolo, de Castro, and Gomez-Mejia 2011) and providing literature reviews (Nicholls-Nixon et al. 2011). Latin managers are commonly depicted as a homogenous group, with Hofstede's work used to generalize Latin management behaviors (Becker 2004), following an assertion that there is a Latin American management model (Nicholls-Nixon et al. 2011), although, Lenartowicz and Johnson (2002) caution the use of the Hispanic-manager label.

Peru has been clustered with Ecuador and Bolivia in terms of cultural similarity due to similar geographies and histories and collectively exhibit different values from other Latin American countries and country groupings (Lentartowicz and Johnson 2002). Peruvian managers show differences with Bolivian managers in terms of civility, self-direction, and drive, but no significant differences with Ecuadorian managers (Lentartowicz and Johnson 2002). As individuals, Peru's managers have been found to associate effective organizations with powerful leaders (Parnell 2008), to have their remuneration being based on seniority and title, to commonly use management by objectives performance systems, to have their promotion and job progression based on connections and social structures and to use individual and group recognition as important workplace incentives (Sully de Luque and Arbiaza 2005). Peruvian workers have been found to have a negative attitude toward authoritarian supervision (León 1980).

Other studies have shown that the values of Latin American managers vary within countries, with Hofstede et al. (2010) and Lenartowicz and Roth (2001) finding indications of regional value differences in Brazil. Lenartowicz, Johnson and White (2003) found similarities of the people in geographical regions spanning political frontiers; providing evidence that the sub cultural factor can be added to the emerging evidence of Latin American managerial values variation.

Peru's complex social history provides a sense that distinct sub-cultures exist within the country. Hence, the focus of this paper is on the issues surrounding the selection of a suitable instrument to detect these hypothesized differences in values between sub-cultures in Peru, letting us further our understanding of the "the business mindset in different Andean nations" (Robertson and Guerro 2009:226). Through a review of the cross cultural management literature, this paper identifies appropriate methods that influence research design and instrument selection for such studies. The paper is organized into five parts; the next is an introduction to cultural variation within countries. This is followed by a summary of cultural values studies that have included Peru, leading into a brief social history of the country. Section four contains a review of recent sub-cultural studies, which are summarized and analyzed for their quality practices that enhance research outcomes. This is followed by the conclusion which includes the insights for instrument selection.

2. CULTURAL VARIATIONS WITHIN A COUNTRY

Some countries possess obvious cultural variation, identified through language as is the case of Canada, or by more complex social and religious structures - as is the case of India. Regardless, the nation is used as a unit of analysis for culture, with Hofstede (2001) defending the use of a country to define a culture due to the significant shared constructs across the society, especially in those nations that have existed for a long time. A nation has strong forces imprinting culture through "a single dominant language, educational system, army, and political system, and shared mass media, markets, services and national symbols" (Schwartz 1999:25) acculturating the nation's individuals, and while sub groups do exist they show less cultural distance between themselves than between their own and other countries (Schwartz 2004). However, the widespread use of the nation as a proxy for a culture by researchers (Schaffer and Riordan 2003) has led to the broadest of classifications with some studies using such measures as the passport held by the respondent and respondent's nation of origin for classifying cultural affiliation (Taras, Rowney and Steel 2009). Moreover, in terms of best practices Schaffer and Riordan (2003) suggest that the use of a country as a proxy for culture should be minimized and actual cultural constructs or contexts be used when describing the manifestations of cultural difference.

Cultural variation within a country encompasses social divisions that include ethnicity, religion, regions, demographic, and socioeconomic characteristics (Lenartowicz, Johnson, and White 2003). Growing intra-national diversity occurring in some countries has been attributed to globalization and workforce mobility (Tung and Verberke 2010; Tung 2008) or to rapid socio-economic status changes linked to economic growth (Baer and Curtis 1984; Inglehart 2000; Steel and Taras 2010). Regardless of their origins, sub cultures or groups within a nation maybe defined as “a secondary group within a society group that exhibits a shared pattern” of values, orientations and beliefs (Lenartowicz and Roth 2001:308), Therefore, researchers seeking to identify national patterns of management behaviors should seek to collect data from multiple sub-cultures or risk the data providing erroneous findings for the country in question (Lentartowicz, Johnson, and White 2003).

3. A SINGLE NATIONAL CULTURE FOR PERU?

3.1 Studies of national culture that include Peru

Peru’s national cultural values have been defined through some international studies. Hofstede’s (1980) study of employees at IBM subsidiaries identified four dimensions of work culture: power distance, individualism-collectivism, uncertainty avoidance and masculinity-femininity, to which a fifth was later added, long –versus short- term orientation (Hofstede 2001). These dimensions are generally held up as representing reasonable comparative differences between countries (Rosson and Fields 2008) and have been validated through finding relationships to other values based frameworks (Hofstede 2001). In the study, Peru was found to rank moderately high in power distance (score = 64), very high in uncertainty avoidance (score = 87), highly collective (score = 16) and slightly feminine (score = 42) on a scale of 100 (high) to 1 (low). In the 1970s when the IBM data was collected, Peru still exhibited the culturally heterogeneous socially stratified society; a remnant of the colonial racial classification system (Hudson 1992). Therefore the likelihood that anyone from an indigenous or lower social group being part of the sample is low. Thus, it is likely that the study measured primarily Peruvian Hispanic cultural values, the culture of the dominant class. Further, verification is difficult for Hofstede cautions against the comparison of the IBM country scores with any subsequent studies, for as time has passed the samples cannot be matched - that is be similar in all respects except for the dependent variable (Hofstede 2001).

A more recent values study using the Schwartz Values Survey (SVS) has included Peru (Ralston et al. 2011). The SVS groups basic human values into ten universal individual value and seven cultural orientation types (Schwartz 1999); some which correlate to Hofstede’s values dimensions (Hofstede 2001; Schwartz 2004). Through surveying the managers of 50 countries the Ralston et al. (2011) study provides data that is considered to be acceptable for comparison for other samples of business people, as opposed to

Schwartz's original sample that was composed of teachers and students. While the Peruvian sample of 350 comes with demographic and industry data, enabling the ability to design matched samples for comparative studies, the respondents' cultural affiliations are not reported. The results find Peruvian managers to be slightly more collective than individualist, and central on the dimensions for openness to change and conservatism and self-enhancement and self-transcendence; similar to the positioning of the sampled Latin American countries in Schwartz's original research (Schwartz 2004). The timing of the survey, with data collected between 2000 and 2008 implies that it is possible that a more representative mix of Peruvian managers from a range of sub-cultural groups has been sampled due to the lessening of social exclusion, which has been occurring recently (Szablowski 2002).

Using an indigenous values framework aligned with constructs from the Schwartz Values Survey (SVS), Robertson and Guerrero (2009) found that certain cultural values may be perceived differently by Peruvian sub-cultures. The sub-cultural groupings were chosen based on ethnic compositions and were classified as Hispanic, Quechua and Aymara, and Other – containing those respondents who did not self-identify with either of the other two categories. The four value factors that were found showed differences in the mean scores between the Hispanic and Quechua/Aymara sub groups. Quechua/Aymara had higher mean scores for the ambition and citizenship factors, a similar mean score for the factor of discipline and a lower mean than the Hispanics for the factor of self-respect. The study's limitations, reported as response bias that is particularly relevant to the self-selection of cultural affiliation, the amalgamation of the two indigenous sub-cultures in to a single group, and the sample group – working post graduate students.

The above studies provide measures of Peruvian cultural values, with Robertson and Guerra (2009) starting to disaggregate the sub-cultures and finding that their values differ in certain perspectives. As indicated, Peru has social and racial divisions which, although not as stark as in colonial times, still affect some sections of society adversely (Torero et al. 2004).

3.2 Peru's Social History

Peru has a rich social history over the past 1500 years, featuring the rise and fall of empires, the imposition of languages, religions and social constructs and more recently the declaration of an independent nation state. Today, Peru is known for the icons and relics of its two most recent empires, the Inca and the Spanish.

Present day Peru continues to be the hierarchical society imposed by the Inca, for while early Spanish settlers viewed the Inca as a collectivized society (Pike 1977), there was a distinct social structure with the ruling class exercising a state of benevolent despotism (Hudson 1992) – the lands being collectively farmed under a brutal and absolutist regime (Molinié 2004). The Incas also used the forced migrations of people to different parts of

their empire, in part to reduce the risks of insurrection and internal conflicts (Palmer 1980), but also serving to spread the imperial language Quechua, across an area that stretched from southern Columbia, across Ecuador to northern Chile and to the east covering parts of Bolivia and into the Amazon rainforest, with a population of between nine to sixteen million inhabitants (Hudson 1992). The main Incan social organizing unit was the *ayllu*, an inter-marrying nucleus of kinship attached to productive land held in common across differing altitudes and locations providing “ecological complementarity” providing for food security (Murra 1984), with traditions of reciprocity that expressed itself in requests for assistance with cropping in return for food and a return obligation (Hudson 1992). A period of conflict within the ruling class left the empire in a weakened state at the time of arrival of the Spaniards; thus faced with new technologies - muskets and horses - the Inca were overwhelmed at Cajamarca in 1532. But it took forty years for the Spanish fully quell and impose rule on the inhabitants (Hudson 1992), even with the assistance of indigenous allies who saw the Spanish as their liberators (Murra 1984).

The colonial period saw the imposition of a rigid Spanish societal structure along social lines (Weil et al. 1972) with land being controlled by the elites (Hudson 1992) and legal marriages between the Spaniards and Incan noblewomen being relatively commonplace (Weil et al. 1972); creating the highest mixed caste group, the *Metiszo* the male offspring of a Spaniard and native American (Hudson 1992). There were six basic castes in Colonial Peru, the Spaniards, of which the locally born whites the *Creole* were ranked lower than their Iberian born counterparts, the *mestizos*, the indigenous Indians, the *Negro*, slaves brought from Africa for labor, and the mixed raced *Mulattos*, a mix of Spaniard and African or *Zambos*, a mix of African and indigenous Indian, with each caste having respective rank and social restrictions. The detailing of the multitude of combinations created a nomenclature, some of which continue to be used today, with rules regarding places of residency, attendance at mass and entry into certain parts of town (Hudson 1992). Now, social class, education and access to power tend to be the markers of one’s status, rather than the degree of Spanish blood (Szablowski 2002). The Amazonian Indians were not above the stigmatization and although some of these indigenous groups, which are spread thinly throughout the Amazonian jungle, have been largely left alone (Weil et al. 1972). The expansion of oil, gas and gold extraction, coupled with the drug trade has either pushed these groups into more isolated enclaves or continued their unhappy relationship with the Peruvian state (Hudson 1992). The Peruvian 2007 census found 51 indigenous groups, of which 48 are in Peru’s Amazonian region, with the others being Andean.

Peru’s European colonial heritage is durable and its effects still remain with a reverence for the past (Weil et al. 1972). However the romantic notions of the past relate to two cultures and to two separate social hierarchies (Palmer 1980); (i) of the Hispanic hacienda, which is more prevalent on the coast; and (ii) that of the highlands and a past typified by the life of the Andean Indian (Thiedon 2001). The effect of Spanish colonialism on the indigenous Andeans is reflected in the levels and modes of control

placed upon them by the Spanish conquerors, for Peru unlike other Latin American colonies possessed a large population of native people that became a taxable mass able to be exploited, in similar modes to the Incan empire (Molinié 2004). The Spanish, who largely misunderstood the *ayllu* and its dispersed landholdings and agricultural methods, broke up communities through a policy of resettlement that ultimately undermined the agricultural efficiency which had developed under the Incas (Murra 1984); a consequence repeated by the Peruvian government's agrarian reform program of the 1970's (Hudson 1992). A harsh peonage system of peasants and landowners was implemented (Hudson 1992), further reinforcing the non Indian – Indian social divide, the results of which can still be seen through the high levels of poverty and low levels of economic development in the traditional Quechua speaking provinces (Szablowski 2002).

For the Creole the social stratification was limiting as it precluded the appointment to high positions in the colonial administration, until political independence in 1824 (Hudson 1992). Independent Peru continued with the Hispanic cultural imprinting, including adopting the system of official identity that uses the Hispanic bilateral system, conflicting with Quechua patrilineage custom (Hudson 1992). Land reform also undermined *ayllu* familial holdings, stressing individual title and separate taxing for land's that lay across administrative districts (Murra 1984). There have been two responses to the effects of European colonialism, (a) the periodic rise of Incan nationalism and (b) a de-indianisation, with the growing numbers of Andean natives being cut off from their traditional community, through state policies (Murra 1984), and where a denial of native language accompanies a focus on upward social mobility (Molinié 2004; Hudson 1992). Moreover, the influence of more Hispanic patronalist-clientelist social relations (Pike 1977) on the traditions of Andean *compadrazgo* is changing the traditional social ties within and between *ayllu* as families look outside of their traditional groupings for more powerful patrons (Swanson and Legace 2007; Pike 1977). While, this system of relationships can lead to a more tolerant and open system, it is also the root of particularism, which is based on the a patron's power to circumvent statutes and regulation, reinforcing both the hierarchy and the exploitation of superior and subordinate relationships at all levels of society (Palmer 1980). The patronalist-clientelist structure is reinforced by religious beliefs, of both the dominant Catholic religion and the Incan spiritual constructs, where a person relies on others when seeking the means of survival through worship (Pike 1977).

Peru also has a history of recent migration, for with the exception of Spanish from Europe and the few African slaves they brought, immigration remained closed until independence (Wiel et al. 1972). The Negro population has remained small, numbering approximately 35,000 in 1970. Clustered in Lima and the rural areas to the south of the city they have suffered from social exclusion and caste based racism throughout their existence in the country (Wiel et al. 1972; Hudson 1992). Chinese migration began from the 1850s as laborers to work on guano and railway projects, with a small population remaining mostly in Lima, engaging in trade and as merchants. Peru has a sizable

Japanese population beginning from the early twentieth century rising through trade development following World War Two, numbering approximately 18,000 with the majority living in Lima. European immigration has been sporadic with a number of British and American national's involved in business activities (Wiel et al. 1972).

Recent social and economic developments have seen changes in the social structure in Peru (Hudson 1992). Civil unrest in the 1980s saw many rural people flee the highlands (Theidon 2001) and seek security in the cities, particularly to Lima. Economic liberalization and the deregulation of the economy has opened opportunities for many to participate in business, and as the economic boom of the 2000s continues in Peru, the middle class – a twentieth century urban phenomena and consisting of mainly whites and metitzos (Weil et al. 1972). Along with this urban middle class are the increasing numbers of business people from highland/indigenous backgrounds who are now finding monetary success through commerce as formal social divisions relax.

The social history of Peru reveals a mixture of cultures, with some ingrained from its Andean past, with another being an imposed hierarchy and restriction for all but a few; leading to an identity problem and a lack of a single cultural construct for Peru. Thus, it is timely to review studies that have sought to measure cultural difference within the national unit of analysis.

4. REVIEW OF INTRA-COUNTRY CULTURAL STUDIES

4.1 Methodologies of Regional Studies

As the study of regional variation within national cultures in terms of international business is an emerging stream of research (Tung 2008), there are limited studies and models to examine. Table 1 presents a summary of the features of some recent regional – sub-cultural country studies. The studies range from 1984 through to 2010, covering a range of countries. Models used in the studies feature Hofstede's framework (Hofstede et al. 2010; Garcia-Cabrera and Garcia-Soto 2008), the Rokeach values survey (Lenartowicz, Johnson, and White 2003), Schwartz Values Survey (Ralston, van Thang, and Napier 1999), a mixed approach utilizing cultural and individual traits (Garcia-Cabrera and Garcia-Soto 2008; Audretch, Dohse, and Niebuhr 2010), and individually developed models (Davidsson and Wiklund 1997). The level of analysis tends to be regional.

The research methodologies range from purely quantitative, where interviews and corroborative data is analyzed and compared (Dana 1990) through to sophisticated qualitative analysis to determine differences through the combining of multiple survey data (Hofstede et al. 2010). The data collection includes the direct surveying of a sample, the use of existing data, the in depth interviewing of individuals, the compiling

descriptive statistics of regions and their local populations through secondary database and the use existing sociological or anthropological texts.

Analytic tools are as varied as the methodologies selected. Regression and factor analysis feature across the studies. The dependent variable of each study is influenced by each study's focus; however there is preference for determining the relationship culture has with entrepreneurial action or the value differences between the groups under study.

Geographic and socio-political influences are apparent in selections of countries and regions contained in the studies. Two of the studies, Dana (1990) and Garcia-Cabrera and Garcia-Soto (2008), utilize the "natural laboratory" of islands. A number of papers also outline the cultures and regions presenting descriptions of cultural norms, observations and behaviors as part of the study's verification process, enabling the identification of the sub culture in the frame of the national identity. In particular, Aoyama's (2009) qualitative appraisal of technology entrepreneurs in Japan, paints a rich picture of the social contexts shaped by historical and regional economic conditions. Dana (1990) attributes much of the cultural difference between the two nations occupying the island of St Martin in the Caribbean as being remnants of the two colonial powers dominance and the continuation of these institutional and social norms.

Table 1. *Summary of Sub-cultural Responses*

Study	Model	Methodology			
		Level of Analysis	Data Collection	Analytic Tools	Dependent Variable
Audretsch, Dohse, and Niebuhr (2010)	Econometric modeling of cultural diversity and regional economic growth	Regional	Regional economic statistics	Regression techniques	Entrepreneurial actions and behaviors
Hofstede, Garibaldi de Hilal, Malvezzi, Tanure, and Vinken (2010)	Using Hofstede's VSM regions of Brazil are compared.	Regional	From 3 sources 1. IMI – self scoring survey of business staff 2. MNC – self scoring survey within a corporation 3. BEX – mail survey of business executives	Procrustean factor analysis to correlate the 3 studies with each other and with original IBM study data	Group values
Aoyama (2009)	Case study of two regional economies and the influence of regional culture.	Regional Firm	Case selection criteria – regions possess active IT industries Firm selection criteria - based on entrepreneurial start up but independent listed firms Semi structured	Descriptive statistics Qualitative Methods	Firm behavior

			interviews		
Robertson and Guerrero (2009)	Indigenous cultural values through applying the Decalogue framework.	Regional	Survey of college students (post graduate)	T tests Factor analysis (varimax rotation and kaiser normalization)	Group values
Garcia-Cabrera and Garcia-Soto (2008)	Entrepreneurial behavior is influenced by individual characteristics and national values.	Regional	Survey using Hofstede's VSM82 for culture and Rotter's for internal locus of control and demographic modules	Confirmatory statistics (Chronbach's alpha & F test) Regression techniques – (Multivariate analysis) Structural equations	Entrepreneurial actions or behaviors
Lenartowicz, Johnson, and White (2003)	Rokeach Values Survey to identify regional subcultures and intra-country cultural variations.	Regional Group	Three stage multi method approach Verifies subculture Ethological unit of analysis and affiliation in sample selection Survey of direct values of a sample.	Descriptive statistics Qualitative Methods Regression techniques - MANOVA	Entrepreneurial actions or behaviors
Lenartowicz and Roth (2001),	Rokeach Values Survey to determine motivational domains	Regional Group	Two methods. 1. Survey for descriptive data and values survey. 2. Business performance data gathered by proxy	Regression ANOVA & MANIVA tests	Groups values Entrepreneurial actions or behaviors
Davidsson and Wiklund (1997)	Values and Beliefs as an explanation for differences in regional entrepreneurship.	Regional	Matched pairs of economic regions Descriptive statistics Mail survey	Mean scores	Entrepreneurial actions and behaviors
Dana (1990)	Case study of two countries occupying the same island.	Country	Interviews Secondary data	Qualitative Methods	National economic performance
Ralston, van Thang, and Napier (1999)	Analyzing cultural distance between North and South Vietnamese and Chinese and USA managers using SVS.	Regional	Matched groups of managers surveyed using SVS.	Sample mean ANOVA & MANIVA tests	Group values
Baer and Curtis (1984)	Differences in achievement values between French English speaking Canadians.	Country	Existing survey data (Quality of life survey, Social Change in Canada project, York University 1977)	Mean scores (t test) Factor analysis Structural equations	Group values

The historical effect of migration and colonization finds significance in Lenartowicz, Johnson, and White (2003) study of cross boarder regional culture in the coastal north

western and mid-eastern regions of South America. The authors note, in particular that religion, a history of forced migration through slavery, and sharing a sole colonial power created strong cultural similarities across the coastal regions of Colombia and Venezuela and likewise, but from a different mix of shared influences, a cultural similarity between Uruguay and the Brazilian border region of Rio Grande do Sul exists. Ralston, van Thang, and Napier (1999) note that common cultural and ideological roots underpin similarities between Vietnamese and Chinese managers, with the paradoxical embracing of old and new values simultaneously. It appears that recent history plays a part in creating the differences in values of the North and South Vietnamese, with Southerners exhibiting less individualism than their Northern counterparts, possibly influenced through the post war re-education program; findings that were gathered through qualitative confirmatory means following the quantitative analysis.

In terms of study weaknesses, studies reported the possible incompatibility of the instrument for regional cultural assessment (Lenartowicz, Johnson, and White 2003; Hofstede et al. 2010; Lenartowicz and Roth 2001; Garcia-Cabrera and Garcia-Soto 2008), generalizability (Lenartowicz, Johnson, and White 2003; Garcia-Cabrera and Garcia-Soto 2008), sample issues e.g. the use of managers or students or from heterogeneous industries (Lenartowicz, Johnson, and White 2003; Robertson and Guerrero 2009), the grouping of subcultures (Robertson and Guerrero 2009), study designs or instruments that do not take into account sub culture effects (Lenartowicz and Roth 2001; Hofstede et al. 2010; Davidsson and Wiklund 1997), collection of data (Aoyama 2009; Dana 1990), or being an exploratory study (Audretsch, Dohse, and Niebuhr, 2010), as well as the weaknesses associated with the particular analysis methods each paper used.

4.2 Methodological Issues in Intra-country/Subcultural Studies

A subculture, while bound by the similarity of its own values also retains the elements common to a national culture (Lenartowicz and Roth 2001; Schwartz 2004). Therefore assumptions used to create survey instruments that are used to compare nations with little in common may not be the most appropriate tool to measure subcultures that will share similarities (Tung and Verberke 2010). The use of such an instrument may result in it having a “too coarse a framework to interpret local variation” (Hofstede et al. 2010:348). This is due to cultures being assessed in terms of etic measures- measures universal or common to all - a framing that is useful for detecting similarities and differences. However, the delineation of regional cultures within a nation may require emic measures – measures unique or internal to that culture alone to determine the subtle regional differences (Taras, Rowney, and Steel 2009). Etic measurement is driven by research designs that are quantitative in nature; measures high in comparability (Schaffer and Riordan 2003) that frequently use regression to analyze the data, preventing richer explanations gained from more in depth testing (Engelen, Hinemann, and Brettel 2009). Thus, Engelen, Hinemann, and Brettel (2009) contend a change of approach would be

useful when building cross cultural studies by using etic measures at the outset and introducing emic measures as more knowledge of the culture is accumulated; a suggestion mirrored by Schafer and Riordan (2003). Hofstede et al. (2010) address this issue in their paper's conclusion where they contend that the internal commonalities for a nation mean the regions will share a common emic scheme and instruments should be extended with questions to account for their local historical and cultural features, assisted by insiders' familiar with the culture. Lenartowicz and Roth (1999) argue that a country's subcultures are best identified through secondary sources such as anthropological or sociological studies, along with procedures for detecting respondent cultural affinity. Lenartowicz and Roth (1999) offer a multi method framework, which involves the integration of disciplines, similar to Cavusgil and Das's (1997) earlier process model. Additionally, the use of a framework that allows closer examination of particular value dimensions in greater depth can be more applicable for some cultures than others, for example the SVS (Schwartz 2009) enables contrasts between groups through measurement of the relative degrees of individualism and collectivism (IND-COL) (Ralston, van Thang, and Napier 1999) rather than Hofstede's single bipolar IND-COL dimensional framework.

An important part of research design is the collection of the data. Taras, Steel and Kirkman (2009) review 121 distinct instruments for measuring culture and identify data collection problems such as; sampling (including skewed samples and the use of students as a proxy for the general population), response methods (while ranking was considered superior, five point rating was more widely used), a limited range of descriptive statistics, equivalence issues, and low reliability indicators or tests. Research into response biases of different cultural groups indicates that the type of responses required - rating or ranking-, larger the scales and translation of the surveys into native languages assist to reduce response and language bias (Harzing et al. 2009). In particular, different cultures can exhibit different biases, for example those studies encountering cultures high in collectivism and uncertainty avoidance may experience acquiescence response bias for questions regarding personal items and descriptions of other people (Smith 2004). Further, the use of existing instruments in the belief that they are universally reliable may not be advisable (Kruger and Roodt 2003) or as Knight (1997) contends instruments developed in North America lack strong evidence of cross-cultural validity, reliability and freedom from cultural bias, suggesting that the conduct of validity tests is important for the quality of future research results, especially when using instruments translated into other languages. The SVS is recommended to be administered in the respondent's native language (Schwartz 2009) and Hofstede et al. (2008) advises that translators should always be native speakers, but note that even the use of back translation does not always guarantee the accuracy of meaning.

5. CONCLUSION

In this paper we have condensed the literature on inter country cultural studies and related it to the selection of an appropriate instrument for examining the values of Peruvian subcultures. While there is an emergence of research on Latin American managerial difference, few studies have investigated subcultural differences, with only one exploratory study in Peru. The studies that have included Peru tend to have aggregated population data or were undertaken in the 1970s. Significantly, Peru's social history indicates that cultural distinctions may exist due to social stratification created by the historical exclusion of some groups from services and institutions.

Importantly, the etic-emic issue that appears throughout the cross cultural literature is identified, in part, through a social history of Peru. This brief summary points us to Lenartowicz and Roth's (1999) recommendation to utilize ethnographic literature, to assist with subgroup delineation and affiliation. Additionally, such an exercise enables the unpacking subgroup stereotypes (Osland and Bird 2000) and the national character stylization of culture (Hofstede 2001) assisting us to identify any common national emic. Indications from Peru's social history are that there will be some shared values, but also some unique ones that have been retained.

A range of methodological practices have been identified through an examination of the sub-culture study literature. Issues such as response bias, the use of ranking or rating and the number of points on scales all assist in developing instrument sensitivity and account for culturally driven response styles; reinforcing the message that instrument sensitivity is a key factor for selection. Contextual understanding of the cultures being studied also assist instrument selection, for where the cultural distance is found on a single continuum, it is helpful to be able to analyze the components of the continuum separately.

In conclusion, the selection of a viable instrument for a subcultural values study relies on researchers taking particular care to understand the subgroups in question. One method is the development ethnological descriptions to provide answers for the issues of instrument selection. Survey instruments should be sensitive enough to detect value differences across their measures, particularly where a national etic influences the sub group. Increased instrument sensitivity can be gained by incorporating additional questions into existing instruments, taking note of potential response styles or the use a dimension construct that allow separate value dimensional analysis. Moreover, recently social change and the effects of globalization are influencing values at an unknown rate making it vital that sub-cultural studies use the most recent ethnological information as possible.

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