School Of Management

An Empirical Study Of Managerial Value Systems And Decision-Making Styles Among The Managers In Iran

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For my wife, Haydeh

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ABSTRACT

The main purpose of this research is to identify the value systems and decision-making styles of Iranian managers. The relationships between their value systems and decision styles, and between their value systems and certain demographic variables (such as level of education, social group, etc.) and organizational variables (such as company size, kind of ownership, etc.) are also investigated. Both quantitative and qualitative methods are applied in this study and the following analyses are undertaken:

- A one-way univariate and multivariate analysis of variance (ANOVA and MANOVA) are used to test the hypotheses developed in Chapter 1.
- Mean differences are examined, using multiple discriminant analysis (MDA), when significant results are obtained.
- Pearson Partial Correlation analysis is performed to elucidate the relationships between the managerial value systems and their status of individualism/collectivism.
- Case study analysis is conducted for an in-depth investigation into the data.

In the quantitative portion of the study, a sample of 768 managers in various organizations was surveyed. Statistical analysis of the survey data classified managerial value systems into tribalistic, egocentric, conformist, manipulative, sociocentric, and existential. This classification was conducted in accordance with the framework developed by Flowers et al. (1975). Furthermore, following Ali's questionnaire (1993), managerial decision-making styles were classified into autocratic, pseudo-consultative, consultative, participative, pseudo-participative, and delegative.

The findings indicate that an average Iranian manager represents a mix of all six value systems in roughly equal proportions. The data suggests that a conformist orientation is the dominant value system of Iranian managers followed by

sociocentric values, with egocentric values the least dominant. As for the decision styles, more than one half of Iranian managers (55%) practice consultative means of decision-making, followed by 21% who are proponents of participative style, and 15% who are pseudo-participative. Delegative, autocratic and pseudo-consultative decision styles are the least preferred in Iran. The relationship between value systems and decision-making styles revealed that highly collectivist managers are more participative while highly individualistic managers are more autocratic in their decision-making style. The results also suggest that the higher their level within the hierarchy, the more likely managers are to be delegative and autocratic, and the less likely they are to be participative and consultative than their colleagues in the lower levels of managerial hierarchy.

A comparative cross-cultural analysis of the managerial value systems and decision-making styles of Iranian managers with their counterparts in other Middle Eastern countries was also undertaken. The results indicate that overall the dominant value systems of managers from the Middle East are conformist, sociocentric and existential, with egocentric and manipulative being the least prevalent. Furthermore, their dominant decision-making style is consultative, with autocratic and delegative styles being the least prevalent. Compared with the other Middle Eastern managers, Iranian managers are more conformist and tribalistic and less sociocentric and existential. Furthermore, Iranian managers are more consultative, more delegative, more participative, and significantly less pseudo-consultative, compared with managers from other Middle Eastern countries.

The qualitative portion of this study comprises two extensive case studies of exemplary Iranian organizations, i.e., Tehran Municipality and Watt Meter Company of Iran. The main objective of these case studies is to provide in-depth data as a supplement to the broad based analysis of the questionnaire survey. They also give a different perspective, resulting from a multidisciplinary integrative inquiry. The required data for writing the cases was collected through the companies' records, field observations, and one-to-one and focus group interviews with various levels of

their management team, as well as their employees and customers. Both primary and secondary data were then used in writing the case studies.

Qualitative analysis of the case studies suggests that advanced management practices like decentralization, delegation of authority, out-sourcing, detailed planning, total quality management, effective human resource management and strategic management, which are more widely used in the industrialized countries, could be used with effectiveness in Iran despite its cultural differences. This finding supports Ralston et al. (1993) and both "convergence" and "divergence" views toward management practices and suggests that advanced management practices and continuous attention to human resource management may, as the case of the Watt Meter Company implies, create an effective corporate culture that fosters change.

The leader's role is a very important variable in the issue of the cross-cultural transmission of management practices – especially in collectivistic societies like Iran and the rest of the Middle Eastern countries. In these societies, individuals and organizations identify strongly with their leaders. This is mainly due to their historical, socio-cultural and Islamic traditions and values. The case studies suggest that in traditional, hierarchical, and collectivistic societies like Iran, to be effective, organizational change should start from the very top. The vital common variables for success are visionary leadership with clear direction, effective human resource management, and empowerment of the workforce. All these seem to be essential for building the required corporate culture that fosters change.

As the first study to measure the value systems and decision-making styles of Iranian managers, it contributes to the management literature in Iran and the Middle East. It builds upon:

- Flowers' et al (1975) contentions regarding the construct of managerial value systems;
- Hofstede's (1980) theory of national culture, which attempts to identify the cultural characteristics of members of various countries;
- Ronen and Shankar's (1985) principles for grouping countries based on their religion, language, and geography; and

• The convergence versus divergence controversy regarding the cross-cultural transmission of management practices.

This research is among the very few studies which investigates the characteristics of Iranian managers, i.e., their value systems and decision styles. It is widely believed that the business philosophy of any country depends, to a large degree, upon the values held by those in management. The present study is, thus, a detailed introduction to contemporary Iran and the way it is manage

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CHAPTER ONE

INTRODUCTION TO MANAGERIAL VALUES AND DECISION STYLES

INTRODUCTION

The scarcity of effective management skills is one of the major obstacles to economic development in developing countries. As a remedial policy, those countries frequently import, managers and management practices together with machinery and equipment from the developed world. This practice belies the fact that management practices are based upon deep-rooted historical, socio-cultural, and ideological values and beliefs and are conditioned by environmental factors such as economical, legal, political, and educational characteristics of the subject countries.

Hofstede (1980) compares Japan and Iran with respect to the adoption of western styles of leadership and argues that "attempts to transfer leadership skills, which do not take the values of subordinates into account, have little chance of success (p.380)." He further points out that:

Technologies are not neutral with regard to values. In order to work, they assume that certain values are respected. Making these technologies work means that the people in the receiving countries must learn new leadership and subordinateship skills, change old institutions and shift their values...Cultural transposition, in the ideal case, means finding a new cultural synthesis which retains from the old local values those elements deemed essential but which allows the new technologies to function. Probably the country that has most successfully done this so far is Japan; a country where it has clearly failed is Iran (p.380).

The failure of Iran to pursue its development programs in the 1970s may be attributed to the resistance of Iranian managers to change their traditional leadership style from authoritarian to more participative styles, their emphasis on the form versus substance, i.e., modernization versus development, their neglect toward the

religious and cultural values of the nation, and the ineffective institutional structure of the government.

In developing nations, task of managers is especially difficult due to two main factors. The first factor relates to the export of social and political values to the third world from the developed countries, replacing traditional ways of life in which collectivism, contentment, and family values are commonly respected, with competing values of capitalism and free market economy, individualism, consumerism, and personal ambitions.

Fuller argues (1995: 154) that:

Today, the existence of native cultures is threatened by the general homogenization of world culture. Third World peoples feel under particularly intense cultural pressure as systems of international marketing and communications create freeways for the mass import of foreign cultural materials – food, drugs, clothing, music, films, books, television programs, and even values.

Critics have agreed that the power and influence of such messages has resulted a cultural identity crisis that leads to a whole range of problems. Among those problems are those faced by managers from developing countries whose job it is to work productively within a drastically shifting social context.

Secondly, the task of managers from developing countries are more difficult than their western counterparts because of the entrenched nature of the paternalistic leadership style, which is typical in most of the developing countries (Blum, 1995). A paternal government often does not let its "children" share its power, probably due to its fear that they will inevitably govern badly. A paternal government usually increases the size of the public sector, commonly through nationalization and spread of government ownership, and inflates the size of bureaucracy, which repeated experiences proved to be already inefficient. Blum claims (p. 48) that "the choice within a developing country is not whether government should be involved in the economic life, but how much should government be involved." This makes the job of the managers more complicated.

Ali (1982) argues that the institutional frameworks of the developing countries are not conducive to effective performance in the workplace. He further claims that certain social customs and values in those societies have negative impact on their progress. He suggests that "the successful manager in a developing country is one who can moderate the influence of these factors and even use them to enhance the opportunity for economic progress" (p. 2).

Managers' understanding of their own value systems and their appreciation and respect toward those of their employees will help them to design appropriate management practices and thereby to create a more harmonious working environment. Research shows (Flowers et al., 1975) that such management practices will improve morale within the employee community and will increase their productivity.

Researchers like Hofstede, who argue that cultural values strongly affect management practices (1980), have been led to examine the significance of understanding managerial values, as the foundation of management culture in various countries.

Most such research has been conducted in developed countries, and no empirical research exists either on the value systems or decision-making styles of Iranian managers. This study will address this gap in the literature, investigating the value systems and decision-making styles of Iranian managers and exploring the relationship between the value systems and a range of selected demographic and organizational variables. In this introductory chapter, the importance of values study in management will be explored and the research problems, objectives, hypotheses, and significance of the study will be stated.

IMPORTANCE OF VALUE STUDY IN MANAGEMENT

Thurow (1992) suggests that low productivity levels in developing countries are among the main reasons for their failure to catch up with the wealthier countries. He suggests that, to join the "club" of the wealthiest countries, developing countries require a "marathoner's ability to put together a century of 3 percent or better annual growth rates" (p.205). In The Competitive Advantage of Nations, Porter (1990) also refers to the level of productivity of a nation as the measure of its competitiveness in the global business. He emphasizes the importance of labor/management relationships in this process. Graves (1966) investigated the factors underlying low levels of productivity and found them to have roots in a lack of congruence between workers' values and supervisory style. He suggested the policy makers should strive to restore such congruency. Elmuti et al. (1990) suggest that productivity improvement is more than simply a matter of capital investment and labor. It involves a host of other factors including utilization of proven management techniques and appreciation of value differentiation. The importance of value congruency is such that Schneider (1987) proposed that people are attracted to organizations because they perceive them to have values similar with their own.

Implied in the above discussion is, as the world has learned from Japanese management, that productivity improvement begins with people improvement. As LeBoeuf (1982: 87) states, "once you have a trained, organized, and committed work force pulling together, productivity takes care of itself." True and lasting productivity gains can be realized only through the effective management of people and the systems within which they operate.

Ralston et al. (1993b) investigated the multidimensional influences of managerial value systems on management practices. They advise that:

Understanding a value framework for managers within a specific culture provides means of assessing several types of managerial relationships. First, values affect managers' relationships with other individuals, groups, and their organizations. Second, value systems tend to determine the bounds of ethical behavior, and therefore how many decisions are made. Third, values influence how managers define success or failure within their reference groups. Fourth, personal values determine how managers are influenced by external pressures. Finally, values delineate the way managers perceive and analyze situations thereby influencing their decisions (p. 23).

A host of researchers, in a variety of disciplines, have demonstrated empirically how values affect personal and organizational effectiveness. For instance, an accurate understanding of organization's values and of the job requirements, has been shown to enhance people's adjustment to their jobs, as well as their subsequent level of satisfaction and organizational commitment (Schmidt & Posner, 1992). Mossop (1994) suggests that values are only one of several factors in career satisfaction but they play a significant role. They set the standards for our behavior, decision-making, expression of our needs. Values set our directions in life.

The link between managerial values and corporate strategic decisions was first articulated by Guth & Tagiuri (1956) and has since been strengthened by studies which suggest a strong positive relationship between values and decision-making styles (England & Lee, 1974; Singer, 1975; Schwartz & Bilsky, 1987; Mossop, 1994), between values and attitudes toward uncertainty and risk preferences (Hofstede, 1980), between values and recognition of strategic opportunities and threats (Jackson & Dutton, 1988), and between values and the way the decisions are implemented (Snodgrass & Sekaran, 1989).

There is a consensus among many researchers that there is a strong relationship between value systems and decision-making. However, as Lazar (1993) has observed, managers should understand that a set of values cannot be imposed on an organization but must come from all levels of the organization. Considering and respecting the values of individuals improves morale within the employee

community. In this way, employees feel that they can make a real contribution and impact on making decisions.

It is generally agreed that management must develop better understanding of the dynamics of motivation and work values. Mindell and Gorden (1980) believe that motivating employees in jobs that cannot be easily supervised is a big challenge for contemporary managers. They have stated (p. 11) that:

It is no longer enough for any employee to perform in a "dependable" manner; changes in organizational technologies increasingly require highly motivated, creative, innovative workers. Modern technology no longer means simply automation. On the contrary, instead of creating mass production techniques that lead to loss of jobs current technologies demand larger numbers of employees with specialized and complex knowledge. This raises the question of how to motivate such employees in jobs that can not be easily supervised. The traditional "carrot on the stick" approach has proved itself less effective in our time.

Ali & Wahabi (1995) also argue that values explain (the "why") behind individual behavior. They suggest:

The goal of maintaining organizational vitality in a highly competitive business environment and an ever-increasing interest in understanding individual and group behavior across nations induce researchers to place more emphasis on work value systems. Prevailing values are the most important indicator in the analyses and prediction of human action and behavior. Indeed, the study of values provides a means to understanding the underlying motivation (the "why") behind individual behavior, thus enabling researchers to bridge the gap between organizational theory and various practical issues pertaining to organizational processes and activities (p. 10).

Understanding managers' values is critical in a global economy, since the business philosophy of a given country depends, to a large degree, upon the values held by those in management. What is valued by managers in a given country influences how those managers will make business decisions. Ralston et al. (1993) compared the decision-making style of international and local managers and its relationship with managerial value systems. They suggested (p. 276) that:

When business situations are uncertain or difficult to quantify, managers tend to rely heavily on their value systems to make decisions (Child & Tayeb, 1982/3; Davis & Rasool, 1988; Schilit, 1988). The international business arena has more uncertainty than a domestic one (Adler & Graham, 1989). Thus, managers in an international business environment tend frequently to rely on their value systems when making business decisions (Lai & Lam, 1986).

Consumer researchers have recently renewed their interest in the study of values in order to understand consumers' underlying motivations (the "why"). Consumers' value analysis is widely used for market segmentation and as a way of enriching the description of segments defined through other criteria (Kamakura & Novak, 1992). This renewed interest is driven by the view that values are more closely related to behavior than are personality traits and that values are less numerous, more central, and more immediately related to motivations than are attitudes (Valette-Florence, 1988,1986, cited in Kamakura & Novak, 1992).

Value study is very fundamental in management, as discussed above. Results of such studies would enable managers to design appropriate management systems to maximize productivity and quality of life at the same time. The importance of value study in management is such that Wilson (1970) considered it as the most important element in forecasting managerial environment in future.

RESEARCH PROBLEM

Low productivity of Iranian organizations is a major concern at both micro and macro levels. Results of various studies clearly indicate low levels of productivity in Iran, compared with other industrialized countries (*Hamshahri*, 21 May, 1995, p.1; Azimi, 1995). Ineffective human resource management and lack of congruity between managers' value systems and those of employees seem to be the two main reasons for low productivity levels. Management scholars seem to agree that productivity improvement begins with people improvement.

Elmuti et al. (1990) suggest that productivity improvement is more than simply a matter of capital investment and labor. It involves a host of other factors including utilization of proven management techniques and appreciation of value differentiation. Indeed, the experience of western nations suggests that values research is an urgent priority for improving productivity – whether in Iran or elsewhere. Graves (1966) suggests that to improve the quality of worklife and productivity there should be congruence between the employees values and the managerial style.

A review of the related organizational and cross-cultural literature shows the multidimensional influences of managerial value systems on management practices (Ralston et al., 1993). Results of various studies suggest a strong positive relationship between values and decision-making styles (England & Lee, 1974; Singer, 1975; Schwartz & Bilsky, 1987; Mossop, 1994); between values and attitudes toward uncertainty and risk preferences (Hofstede, 1980); between values and recognition of strategic opportunities and threats (Jackson & Dutton, 1988); between values and the way the decisions are implemented (Snodgrass & Sekaran, 1989); between values and personal and organizational effectiveness (Schmidt & Posner, 1992); and between values and career satisfaction (Mossop, 1994). Values explain the "why" behind individual behavior (Ali and Wahabi, 1995).

Most research on managerial value systems has been conducted in the developed countries. In these countries, management practice (especially their human resource management) reflects the results of rigorous value analysis of both managers and employees alike. The results has been an increase in their productivity as well as in the quality of worklife.

Ineffective management practices and low levels of productivity are among the main obstacles to development in the third world. In Iran, despite massive investments to improve productivity, it remains extremely low in nearly all sectors. If efficiency is defined as how and to what degree of effectiveness time is utilized, various studies show the average output of the Iranian workforce to be inefficient. Whereas, in Japan and Germany, rates of actual involvement per hour of work are 55 and 52 minutes respectively, in Iran, the figure is as low as five (Azimi, 1995 a & b) to eleven minutes (*Hamshahri*, 21 May 1995, p.1, and 29 May 1995, p.5).

This low level of output is the result of eight hours of working day of the employees who, according to international standards, are intelligent and ready for hard work.

The main reasons of such low efficiency rate, according to Azimi (1995), are:

- mismanagement in effective utilization of human resources;
- low quality of training systems and programs despite considerable amount of resources spent in formal and informal training programs, and
- cultural problems which relate to Iranians' deficiency in real participation in social and group work.

Most value research has been conducted in developed countries, and no empirical research exists either on the value systems or decision-making styles of Iranian managers. This study will address this gap in the literature, investigating the value systems and decision-making styles of Iranian managers and exploring the relationship between these value systems and a range of selected demographic and organizational variables.

As the first study to measure the value systems and decision-making style of Iranian managers, the results of this research will serve to introduce the importance of value study in Iran. It is believed that building future management practices, and especially human resource management, on the foundations of further studies, will help Iranian organizations toward improving productivity and enhancing management effectiveness.

OBJECTIVES

Based on the value system framework proposed by Graves (1970), Flowers et al (1975) undertook a study to analyze a range of work values among a cross-section of American executives and other professionals, representing a variety of institutions, responsibilities, age, income, and educational levels.

The Flowers et al. (1975) study was aimed at explaining differences in managerial values and behavior by associating them with a range of demographic and organizational variables. In their analysis, work values were divided into seven value systems: reactive, tribalistic, egocentric, conformist, manipulative, sociocentric and existential. (A description of these value systems is found in Chapter two).

In a range of similar studies, Ali (1982, 1985, 1988); Ali and Al-Shakhis (1991); Ali and Wahabi (1995); and Ali, Azim, and Krishnan (1995) adapted the original survey instrument and replicated the above study in the context of some Arab countries of the Middle East including Iraq, Saudi Arabia, U.A.E., Kuwait, Qatar, and Morocco. Furthermore, Ali (1993); Ali and Swiercz (1985); Ali, Azim, and Krishnan (1995); and Ali, Taqi, and Krishnan (1995) studied the decision-making styles and the tendencies toward individualism/collectivism of managers from selected Arab countries.

The purpose of the present research is to study the decision-making styles and values systems of managers in Iran using the "Value Systems Analysis" proposed by Flowers et al. (1975). The research will be partly exploratory in nature and also partly a replication (in a new context) of the original Flowers et al. and Ali's subsequent studies, as above.

The main objectives of this research are summarized as follows:

- To investigate the value systems of Iranian managers;
- To examine the relationship between these value systems and selected demographic and organizational variables;
- To use Ali's version of Values for Working Questionnaire (1995) in order to be able to compare these results with those of previous studies of Middle Eastern managers;
- To identify decision-making preferences and practices of Iranian managers;
- To investigate the relationship between the Iranian managers' decisionmaking styles and their tendencies toward the philosophy of individualism and collectivism; and
- To contrast the decision-making styles and value systems of Iranian managers
 with the decision styles and value systems of their counterparts from other
 Middle Eastern countries and the United States of America (as depicted in
 previous research studies).

In a range of similar studies on the value systems of Arab managers, Ali (1982, 1985) found that, among others, younger managers and more of the females tend to hold existential value systems. Managers in smaller companies generally score higher on tribalistic and sociocentric values. Managers with lower levels of education tend to be tribalistic, conformist and sociocentric while highly educated managers are more egocentric and manipulative.

Based on these findings, the following six hypotheses for this study are formulated:

H1: The tribalistic value system of Iranian managers is associated with organizational and demographic variables.

Tribalistic tendencies are most likely to be significant among:

- low and medium income earners
- less educated
- younger age groups
- males
- low or medium social classes (measured by father's occupation)

H2: The egocentric value system of Iranian managers is associated with organizational and demographic variables.

Egocentric tendencies are most commonly found notable among:

- lower levels in the hierarchies
- less educated
- less income earners

H3: The conformist value system of Iranian managers is associated with organizational and demographic variables.

Conformist inclinations are most evident among:

- those who have been raised in the rural areas

- low or middle social classes (measured by father's occupation)
- those who work in pubic or mixed sectors
- those with long work experiences
- less educated

H4: The manipulative value system of Iranian managers is associated with organizational and demographic variables.

Manipulative preferences are most common among:

- better paid
- those who served longer terms in current managerial positions
- middle to high social classes (measured by father's occupation)
- those who work in small to medium size companies
- those who work in private sector

H5: The sociocentric value system of Iranian managers is associated with organizational and demographic variables.

Sociocentric tendencies are most evident among:

- those who work in public or mixed sectors
- those who live in larger cities
- higher levels of hierarchies
- better paid
- more experienced

H6: The existential value system of Iranian managers is associated with organizational and demographic variables.

Existential inclinations are most likely to be found significant among:

- better educated
- those who live in larger cities
- females

- those who studied humanities or social science
- upper to middle class families (measured by father's occupation)

Values are guides and determinants of social attitudes and ideologies on the one hand, and of social behavior on the other (Rokeach ,1973: 24). Variation in personal, societal, and cultural experience will not only generate individual differences in value systems but also individual differences in their stability.

The individualism/collectivism and its construct relationship with values has been widely discussed by many authors (Hofstede, 1980; Kluckhohn & Strodtbeck, 1961, Bond, 1986; Triandis et al., 1986). Hofstede (1980) measured the work-related values of the employees of IBM in 53 different countries. Work by Hofstede (1980) and others have suggested that the dimension of individualism and collectivism is a fundamental distinction between cultures. These studies suggest that in some cultures the nation is more of an in-group than in others (Triandis et al., 1993). Hui & Villareal (1989) conclude that people from different geographical locations and cultural background are clearly distinguishable in their profiles of psychological needs and their status of individualism and collectivism.

Based upon the above studies and in order to examine the relationship between managerial value systems and the managers' tendencies toward individualism/collectivism, the following hypothesis is generated:

H7: Egocentric and manipulative tendencies of Iranian managers will be correlated with individualism while tribalistic, conformist, sociocentric and existential tendencies of them are likely to be correlated with collectivism.

Ali, Taqi, and Krishnan (1995) studied the status of individualism and collectivism and the relationship between them and decision style of managers in Kuwait. They found out that autocratic participants scored significantly lower in collectivism and higher in individualism measures. Khadra (1990) found out that Arab managers are highly individualistic and their decision-making style was not participatory.

Given the similarities of Iran with the other middle eastern countries and based upon the findings of these studies, the following hypothesis is formulated:

H8: More collectivistic managers will be more participative while more individualistic managers will be more autocratic in their decision-making style.

Ali and Swiercz (1985) and Ali (1993) studied the decision styles of managers in Saudi Arabia. They found that big proportions of Saudi managers were either consultative or pseudo-consultative. They also found out that delegative decision style is the least preferred one. Ali, Azim, and Krishnan (1995) and Ali, Taqi, and Krishnan (1995) further studied decision styles of managers in United Arab Emirates and Kuwait. Their findings in these two countries supported the previous findings in Saudi Arabia regarding the prevalence of consultative decision style in the Arab countries.

They further found that perceptions of Arab managers of the most effective decision style and of the decision style most used by their immediate supervisors was very different from their own decision-making style.

Based on the findings of Ali's studies, as above, and because there is no previous study on the decision styles of Iranian managers, and due to the similarities between Iran and other Middle Eastern countries, the following hypotheses are formulated:

H9: Most Iranian managers would practice consultative and pseudoconsultative styles in their decision-making.

H10: Iranian managers will perceive the decision-making style of their immediate supervisors to be more autocratic and consultative than participative and delegative.

H11: Perceptions of Iranian managers of the most effective decision style are similar to the decision style they actually employ.

SIGNIFICANCE OF THE STUDY

Most contemporary writing about Iran has focused on religious and political concepts, with little emphasis and even less empirical study of its managerial context. Indeed, empirical study of any kind in Iran (case studies, in particular) is very scarce. This study is an attempt to fill this gap.

This study is the first of its kind to investigate the value systems and decision-making styles of managers in Iran. The findings are expected to contribute to the enhancement of human resource management and management practices in Iran. It will also contribute to the management literature in the Middle East.

The investigation and analysis of values will help to develop appropriate management systems and procedure, including leadership and decision-making style, placement and promotion procedure, job design, remuneration systems, performance analysis and counseling, motivational programs, communication systems, and training programs. Such systems will help to meet the strategic objectives of the organizations as well as the personal goals and quality of worklife of the employees.

OVERVIEW OF THE STUDY

While the table of contents is a guide to what the thesis contains, some explanation is necessary to guide the reader through the eight chapters and enable him/her to quickly identify areas of particular interest. This first chapter serves as an introduction to the study, elaborating on the importance of value study in management, detailing the objectives of the research and its significance. It also includes the research hypotheses.

The theoretical basis of this research is presented in Chapter two. In this chapter human values are defined, influences of the culture on value formation are discussed, and the individualism/collectivism construct and its relationship with values is reviewed. Previous value research in organizational and cross-cultural settings are presented as well. Also reviewed are details of managerial decision-making styles and their relationships with value systems. Research hypotheses are introduced at the end of this chapter.

Chapter three comprises an up-to-date report on the socio-cultural, political, religious, and economic environment in Iran. Details of the most recent development plans and an evaluation of their achievements and failures are discussed as well, along with Iran's administrative structure and current managerial problems.

Research methodology is explained in Chapter four. A description of the sample surveyed and a brief identification of each of the survey instruments are presented in the section for quantitative methods. Statistical techniques used in the study are elaborated as well. As for the qualitative portion, the process of case writing and the reasons for selecting the subjects of the case studies are discussed.

Chapter five presents the demographic and organizational profile of the participants. Secondary data, comprising comparative profiles of managers from different countries who took part in similar studies are presented as well.

Analysis of the survey data and its findings, including an outline of the managerial value systems and decision styles together with tests of the hypotheses are presented in Chapter six. Comparative cross-cultural analysis of the managerial values systems and decision-making styles from selected Middle Eastern countries and the U.S. is also presented in this chapter.

Case studies of Tehran Municipality and Watt Meter Company of Iran are presented in Chapter seven. These case studies aim to merge quantitative and qualitative data in a multidisciplinary approach in order to detail some of the factors underlying successful management practices in Iran.

Summary and highlights of the research findings are presented in Chapter eight, as are contributions of this research. Recommendations for further studies and for improvement in managerial and organizational aspects in Iran are also discussed, concluding with limitations of the study and final comments.

CHAPTER TWO

LITERATURE REVIEW

INTRODUCTION

The purpose of this chapter is to describe the theoretical framework of this research by defining values, giving insight into the value classifications, and examining the influence of culture on value formation. The concept of decision-making and its various styles will also be studied and the relationship between managerial value systems and decision-making styles discussed in detail.

Values play a key role in establishing and maintaining our sense of identity, our perceptions of our needs and the manner in which we attempt to meet them. In everyday life, most people do not spend much time thinking consciously about or being aware of their values. We usually take them for granted until they are violated (Mossop, 1994).

Values are at the core of our personality, influencing the choices we make, the people we trust, the appeals we respond to, and the way we invest our time and energy. As Rokeach (1973: 24) states, "values are determinant of virtually all kinds of behavior that could be called social behavior – social action, attitudes and ideology, evaluations, moral judgments and justifications of self and others, comparisons of self with others, presentation of self to others, and attempts to influence others."

Every field concerned with human experience addresses values in one way or another. Values are, according to Ali (1982: 15), "a bridging concept" that can link many diverse, specialized studies. Philosophers, sociologists, economists, anthropologists, psychologists and theologians have all contributed to the study of values. Rokeach (1973) argues that the value concept, more than any other, should occupy a central position across all the social sciences. Perhaps more than any other concept, it is an intervening variable that shows promise of being able to unify the

apparently diverse interests of all the sciences concerned human behavior, including management science.

The concepts of human values and value systems have been widely used by social scientists to explain a variety of behavioral phenomena. Results of Kamakura and Novak's (1992: 119) extensive literature review indicated that human values are related to behaviors such as: "charity contributions (Manzer and Miller, 1978), mass media usage (Becker and Connor, 1981; Rokeach and Ball-Rokeach, 1989), religious behavior (Feather, 1984), cigarette smoking (Grube et al., 1984), drug addiction (Toler, 1975), political inclination (Rokeach, 1973; Tetlock, 1986), and consumer behavior (Henry, 1976; Pitts and Woodside, 1983; Vinson and Munson, 1976)." Of particular relevance for the present study is the values literature focusing on decision-making styles (Guth & Tagieri, 1965; England & Lee, 1974; Rokeach, 1973; Schwartz & Bilsky, 1987; Mossop, 1994; Ali, 1993; Ali and Swiercz, 1985; Ali, Azim, and Krishnan, 1995; and Ali, Taqi, and Krishnan, 1995) and individualism and collectivism (Kluckhohn & Strodtbeck, 1961; Hofstede, 1980; Hofstede & Bond, 1984; Triandis et al., 1986; Triandis et al., 1985; Triandis, 1989; Schwartz, 1990; Ali, 1993; and Ali, Taqi, and Krishnan 1995).

"Values for working," or workplace attitudes and behavior, like any other behavior phenomena mentioned above, stems from individual values and value systems.

Working behaviors operate under the influence of "instrumental," versus "terminal" values (Rokeach, 1973); "operative," versus "intended" values (England, 1978); and "desired," versus "desirable" values (Hofstede, 1980). In the present study, perceptions of Iranian managers of a range of working values such as company loyalty, boss, money, profit, work, job freedom, big companies, and company rules are sought, compiled and analyzed. It is hoped that this study will provide insights into the range of managerial attitudes and behavior and help to explain why managers act as they do.

HUMAN VALUES

Definition

The term "values" has been used in various ways. Social scientists explore the concept of values in a direct and systematic way and usually conceptualize values as a person's or group's internalized patterns and standards of choice and belief (Morrill, 1980). Their concern is the way in which values are acquired through socialization and how values affect specific behavior. To explain values functionally, sociologists, anthropologists, economists and management scientists tend to define values as "preferences." On the other hand, philosophers are concerned with the question of desirability of the values ascribed to objects, ideas and acts. This ambiguity in defining values is due partly to the wide range of methodological approaches (Smith, 1969) and partly to the cultural history of the individual using them (Brandy, 1969).

Despite significant differences in the definition of values, some attempts at standardization have been made. Clyde Kluckhohn (1956: 395) defines a value as "a conception, explicit or implicit, distinctive of an individual or characteristic of a group, of the desirable, which influences the selection from available modes, means, and ends of action." Tagieri's definition of values is very similar. He defines values as a "conception, explicit or implicit, of what an individual or a group regard as desirable, and in terms of which he or they select from among alternative available modes, the means and ends of action" (1965: 124-125).

Building from Kluckhohn's idea, Rokeach (1973: 5) defines value as "...an enduring belief that a specific mode of conduct or end-state of existence is personally or socially preferable to an opposite or converse mode of conduct or end state of existence," and a value system as "an enduring organization of beliefs concerning preferable modes of conduct or end-states of existence along a continuum relative importance."

According to Schwartz & Bilsky (1987), values are cognitive representations of universal human requirements: biological needs, social interactional requirements, and social institutional demands on the individual. Schwartz further believes that values are "people's conceptions of the goals that serve as guiding principles in their lives" (1990: 142).

Whiteley (1995) defines values as the very deepest level of thinking and feeling about an issue. She states that: "values are so soft as to be invisible in terms of rational explanation. You can observe behaviors but it is necessary to look underneath for the values which are driving the behaviors" (p.41).

Whiteley (1995: 40-41) also makes a clear distinction between beliefs, attitudes, perceptions and actions: "Beliefs," she believes "express what people know and are based on information. This information is often acquired over a long period of socialization. They are closer to values than attitudes." Attitudes, on the other hand predispose us "to think and behave in a certain way. It may be superficial, easily changeable or close to a value and difficult to change." Perceptions are "what we select in to see." Actions are "always under review."

In the present study, following Hofstede (1980: 19) values are defined as "a broad tendency to prefer certain states of affairs over others." This definition is a simplified version of the definitions offered by Kluckhohn (1965) and Rokeach (1973).

Functions of values and value systems

Values perform several important functions, serving as multifaceted standards and guides to perception, behavior and decision-making (Mindell & Gorden, 1980; Feathers, 1975a; Morrill, 1980; England & Lee, 1974; Rokeach, 1973; Schwartz & Bilsky, 1987; Mossop, 1994). Values provide a framework for self-concept and for the judgment of one's own conduct (Mindell & Gorden, 1980; Feather, 1975b). They also provide a means of channeling energy (Mindell & Gorden, 1980) and may be used to rationalize our thoughts and actions (Feather, 1975b). When used to express what humans love, cherish and prize, values may serve as a motivator and may help

orient choice toward satisfaction and fulfillment (Morill, 1980). They serve as an expression of our needs, setting our directions in life (Mossop, 1994), serving egodefensive functions (Rokeach, 1973) and maintaining and enhancing self-esteem (Mossop, 1994).

Triandis (1972: 209) summed up the functions of values in three categories: "1) they are relevant to selectivity in perception by increasing or decreasing the likelihood that a stimulus will be perceived; 2) they influence the interpretation of the outcomes of responses so that some responses and their outcomes become positive reinforcements while others become negative reinforcements... and 3) values provide non-specific guidelines for selection of goals."

Maslow (1959) considers value systems as developmental. According to him, the hierarchy of values in terms of human needs is: physiological needs, need for love and belonging, need for esteem, and need for self-actualization. Maslow's hierarchical model provides a way of looking at the value system of individual in terms of their own maturation.

Zaleznik, Dalton, and Barnes (1970) state that each individual has a set of values which is ranked hierarchically according to relative importance. This hierarchy of values is called a "value system" and is regarded as one determinant of action which enables the individual to transmit intrinsic responses to others. Rokeach (1973: 6) expands the definition and states that "gradually, through experience and a process of maturation, we all learn to integrate the isolated, absolute values we have been taught in this or that context into a hierarchically organized system, wherein each value is ordered in priority or importance relative to other values." He suggests that a value system is a learned organization of principles and rules to help one choose between alternatives, resolve conflicts, and make decisions. Value systems are, therefore, assumed to function as a general plan that can be used to resolve conflicts and as a basis for decision-making (Rockeach, 1973; Feather, 1975b; Kamakura & Novak, 1992). For this reason, "value systems can give a sense of direction amid conflicting views and demands in turbulent times" (Schmidt & Posner, 1992: 38).

Flowers et al. (1975) and Hughes and Flowers (1978) also believe in human value system. They argue that:

human values move, given certain conditions, through a hierarchically ordered series of behavior or value systems to some end, or they may stabilize and live out their lives at any time in any one or a combination of value systems in the hierarchy (p.12).

Kamakura & Novak (1992) emphasize that one of the most important concepts in Rokeach's theory of human values is that, once a value is learned, it automatically becomes part of a value system in which each value is ordered in priority relative to other values. They pointed out that it is very rare that any situation encountered in life will activate a single value. Most situations will involve a conflict among several values to be resolved in accordance to the person's value priorities, or value system.

Cultural influences on value formation

Culture is an elusive concept, "a fuzzy, difficult- to- define construct" (Triandis et al., 1986). This view that culture is difficult to define has been shared by others (Ajiferuke & Boddewyn, 1970; Kelly & Worthley, 1981). Nonetheless, some reasonable efforts have been made to identify the phenomenon. Hofstede (1980: 25) defines culture as "the collective programming of the mind which distinguishes the members of one human group from another." This programming is likely to be ingrained in the individual by adolescence. Ajiferuke & Boddewyn (1970) add that, while over time, each generation may modify or redefine its beliefs and values, culture may be viewed as those beliefs and values that are widely shared in a specific society at a particular point in time. Although definitions of culture differ greatly, varying from misuse as a synonym for national origin (Bhagat & McQuaid, 1982) to traditional ideas and beliefs (Kroeber & Kluckholm, 1952), in the present study, following Krau (1987) "culture will be regarded as the antecedent value system of any group that collectively influences behavior."

Every human value, as English & English (1958) have noted, is a "social product" that has been transmitted and preserved by successive generations through one or

more of society's institutions. Cultural attributes clearly influence individual values, and collectively shape the actions and reactions of social groups. This has been determined through research on how value systems are passed from generation to generation through cumulative group biases, beliefs, and attitudes (Honey & Mumford, 1986; Burgoyne & Hodgson, 1983). Hofstede (1985) found that a continuity of values characterizes peoples of various ethnic and national origins, linking their organizational behavior to culturally predetermined expectations.

Ali and Wahabi (1995) refer to the differences in management practices and effectiveness from country to country and argue that despite the widespread of information and information technology among various nations and despite emerging global economy, unique characteristics of groups and nations seem to be increasing rather than decreasing. This is in contrast with the claim of universalists about the sheer importance of the environmental influences on management practices. Ali and Wahabi (1995: 87-8) suggest that "[T]his fact has stimulated a new interest in investigating value differences and in studying a specific culture in depth."

Value systems change over time primarily through situations that challenge established norms and cause a re-examination of value structures (Rokeach, 1973). These situations may prevail on a constant basis, but they are manifested by succeeding generations which embrace change, thus causing generation gaps that can be observed in both Western cultures (Traub & Dodder, 1988), and Eastern cultures (Loscocco & Kalleberg, 1988; Yang, 1986).

Ralston et al. (1993a: 250) reviewed the literature, searching for the possible sources of managerial values. They stated that: "It is important to understand the sources of the values that managers hold (Stewart, 1985). Previous research has identified two major forces that influence the formation of values held by managers engaged in international business (Ronen, 1986; Webber, 1969). These forces are national culture and business environment."

Rokeach (1973) suggests that we may expect that similarities in culture will sharply reduce the total number of individual values to a much smaller number, shaping the

value systems of large numbers of people in more or less similar ways. He Further suggests (1973: 23) that "reductions in the number of individual values can moreover be expected within a given culture as a result of socialization by similar social institutions; similarities of sex, age, class, and race (Rokeach & Parker, 1970; Kohn, 1969); religious upbringing (Rokeach, 1969a, 1969b); political identification (Rokeach, 1968-69); and the like."

Rokeach (1973) recommends that a major conceptual advantage of an approach wherein values are central is that we can, with equal facility, think of values as dependent or as independent variables. On the dependent side, they are a result of all the cultural, institutional, and personal forces that act upon a person throughout his lifetime. On the independent side, they have far-reaching effects on virtually all areas of human endeavor that scientists across all the social sciences may be interested in. Based on this suggestion, the value systems in the present study were considered both as dependent variables (in Multiple Analysis of Variance) and independent variables (in Multiple Discriminant Analysis). (For further information on the statistical analysis, please refer to Chapter four).

Individualism and collectivism

Individualism and collectivism reflect basic value emphases. They refer to priorities or preferences found in cultures or expressed by individuals, for particular goals rather than for others. The attributes and antecedents of individualism/collectivism and its relationship with individual value systems, national identity, and management practices will be discussed in this section.

Defining attributes

The key elements of collectivism (e.g., giving priority to the goals of collectives) and individualism (e.g., giving priority to the goals of individuals), are correlated with other constructs, such as cooperation, competition, hedonism, self-reliance, family integrity, and emotional detachment from in-groups, in differing degrees (Triandis et al., 1993). In particular, individualists see themselves as more differentiated and separate from others, and place more importance on asserting their individuality.

Collectivists, on the other hand, regard themselves as less differentiated from, and more connected with, other people, especially those whom they regard as significant, and put much value on harmonious interpersonal relationships (Bochner, 1994). Individualists and collectivists are clearly distinguishable in their profiles of psychological needs (Hui & Villareal, 1989), although the strength and direction of the correlation between individualism-collectivism and such psychological needs are far from certain. Individualists believe that the self is the basic unit of survival, while collectivists hold the view that the basic unit of survival lies in a group or several groups. Collectivists may have a lower need for autonomy and a higher need for affiliation than individualists do.

The socialization patterns that are found in collectivist cultures emphasize obedience, duty, sacrifice for the group, cooperation, favoritism toward the in-group, acceptance of in-group authorities, nurturing and interdependence. The patterns that are found in individualist cultures emphasize independence, self-reliance, creativity, and acceptance of disobedience (Triandis et al., 1993). In individualist cultures people are adept at entering and leaving groups, but do not develop as deep and as lasting relationships with others, or with the same frequency, as collectivists. By contrast, in collectivist cultures people are shy, or less able to enter new groups, but tend to establish more intimate, and long-lasting relationship than individualists (Bochner, 1994). Collectivists will be very sensitive to the demands of their social context and more responsive to the assumed needs of others. They will avoid displaying and expressing emotions that disrupt harmony, such as anger, and will be less insistent on pursuing personal goals that might jeopardize their relationships (Bond, 1986).

Hofstede (1980) used the term individualism/collectivism to describe possible forms of the relationship between individuals and the groups to which they belong. At one end of the continuum is Western individualism, which construes persons as separate entities, clearly distinguishable from their social milieus. At the collectivist end, the distinction between the individual and the group is blurred, and people regard themselves and are treated as an extension of the various social systems to which they belong.

Triandis, McCusker & Hui, (1990) suggest that theoretically, one can classify people by means of multidimensional schemes that are based on similarities in patterns of having or not having particular attributes. This means that in addition to "pure collectivism" there are also many intermediate types, as well as types with both individualist and collectivist attributes. Triandis et al. (1993) explain, for example, that although hedonism and individualism are generally correlated, the correlation can be very high or relatively unimportant in particular cultures; although self-reliance is correlated with individualism, one can find self-reliance also in collectivist cultures, but the meaning of the construct changes. In individualist cultures, self-reliance is linked to the idea, "I want to do my own thing"; in collectivist cultures, it is linked to the idea, "I want to be responsible, and not be a burden on my collective." The intensity of the level of cooperation, and the other attributes that are linked to collectivism and individualism also vary with culture, as does the definition of the "in-group" within which one is to cooperate.

Antecedents

According to Triandis et al. (1993), the antecedents of collectivism include resource scarcity (e.g., famine), the presence of large and extended families, and making a living through agricultural activities that require cooperation (e.g., building canals, food storage facilities). Circumstances that make common fate especially salient, for example, living in a fortified town and being attacked by an enemy, build this cultural pattern. The antecedents of individualism are affluence, having smaller families, including having only one child, social mobility, geographic mobility, cultural complexity, urbanism, exposure to the modern mass media, and making a living that requires individual pursuits (e.g., writing a book).

Triandis, McCusker & Hui, (1990) suggest that in cultures where people make a living by gathering food, hunting, or fishing, self-reliance tends to be more functional than dependence on authorities. In such cultures child-rearing practices emphasize self-reliance and independence, and thus people conform less than in cultures that are based on agriculture. In agricultural cultures there is more collectivism and conformity (Berry, 1979) because it is more functional to conform to authorities

while public works (e.g., building of irrigation canals) are being performed. Similarly, in most cultures, but especially in complex industrial cultures, the upper classes emphasize self-reliance and independence and are individualistic, whereas the lower social classes emphasize obedience in their child rearing and tend to be conforming (Kohn, 1969).

Triandis, McCusker & Hui, postulate that there is a widespread shift from collectivism to individualism throughout the global community. They stated that:

There appears to be a shift from collectivism to individualism in many parts of the world. The major determinant of this shift is affluence. As people become affluent, they become financially independent and independent from their in-groups. Affluence is also usually associated with industrialization (1990: 1008)

Individualism/collectivism and human value systems

The extent to which individual versus collective goals in human life are valued has important consequences for people's life-style, interpersonal relationships, and psychological well-being (Hui & Villareal, 1989). Individualist cultures emphasize values that serve the self by making the self feel good, be distinguished, and be independent while collectivist cultures emphasize values that serve the in-group by subordinating personal goals for the sake of preserving in-group integrity, interdependence of members, and harmonious relationships (Triandis et al., 1986; Triandis et al., 1985).

Schwartz (1990) rejects the presumed "conflict" between personal interests and ingroup interest implied in individualism and collectivism literature. He believes that this dichotomy is insufficient for three reasons: 1) some values like "wisdom," "broadmindedness," "inner harmony," and "a world of beauty" may, by virtue of their nature, serve both personal and in-group interests; 2) some values like "equality for all," "social justice," "preserving the natural environment," and "a world at peace," which may be referred to as universal goals and values, may not necessarily be in-group goals; and 3) he also questions the validity of the argument of individualism and collectivism values being in a polar opposition. He states, for example, that "values like "hedonism," "achievement," "self-direction," "social

power," and "stimulation" all serve the self-interests of the individual, but not necessarily at the expense of any collectivity" (p.143).

Schwartz (1990) believes that the individualism-collectivism and idiocentrism-allocentrism dichotomies discussed in the literature can be viewed as essentially reflecting basic value emphases. That is, they refer to the priorities or preferences, found in cultures or expressed by individuals, for particular goals rather than for others (Kluckhohn, 1951; Rokeach, 1973). These two value emphases presumably function as group ideologies and as guides to individual behavior. It has even been argued that they are part of broad syndromes of attitudes, self-concepts, and behaviors (Triandis, 1990).

Investigation of the relationship between the status of individualism/collectivism of Iranian managers and their value systems and decision-making styles is of particular interest in the present study. It is hypothesized that:

- egocentric and manipulative tendencies of Iranian managers will be correlated
 with individualism while tribalistic, conformist, sociocentric and existential
 tendencies of them are likely to be correlated with collectivism; and
- more collectivistic managers will be more participative while more individualistic managers will be more autocratic in their decision-making style.

Individualism/collectivism as national identity

Hofstede (1980) measured the work-related values of the employees of IBM subsidiaries (117,000 protocols) in different countries (Hofstede & Bond, 1984). A factor analysis of the results produced four dimensions, now well known, that Hofstede labeled power distance, uncertainty avoidance, individualism/collectivism, and masculinity/femininity. Iran is rated 41 in the individualism index of Hofstede, denoting that it is among the more collectivist countries (for more information in this respect refer to Table 2.1).

Hofstede's indexes correspond to core cultural values that influence the form of the social arrangements, institutions, customs, and practices of any given society. He indicates that societies differ as to where they stand on the four dimensions. The model has generated a large literature to validate the constructs and explore some of their theoretical and practical implications (Bochner & Hesketh, 1994; Triandis, 1989; Triandis et al., 1986; Triandis, McCusker, & Hui, 1990; Triandis et al., 1993).

Work by Hofstede (1980) and others has suggested that the dimension of individualism and collectivism is a fundamental distinction between cultures. Some cultures (such as the U.S.) develop citizens who are primarily individualistic and others (such as China or Japan) develop citizens who are decidedly collectivist (Moorman & Blakely, 1995). These studies suggest, in other words, that in some cultures the nation is more of an in-group than in others (Triandis et al., 1993). Hui & Villareal (1989) conclude that people from different geographical locations and cultural background are clearly distinguishable in their profiles of psychological needs and their status of individualism and collectivism.

On the other hand, Moorman & Blakely (1995); Han & Park (1995); and Earley (1993) measured individualism-collectivism directly as an aspect of individual psychology without reference to national or cultural origin. This measurement strategy suggests that even though overall trends may exist within cultures towards one dimension or the other, there still may be variance within a culture which could predict changes in dependent variables of interest. These studies support Kagitcibasi's (1990) claim that cross-cultural design is not the best procedure for testing the theory of individualism and collectivism.

Management implications of individualism/collectivism

Organizational structure, job requirement, recruitment, evaluation, remuneration, and promotion policies that individualistic employees expect is quite different from what collectivist employees expect. Knowledge of the employees' value systems, cultural backgrounds, and especially their individualism or collectivism status will help

managers to align their human resource potential capabilities with the organizational objectives.

Researches suggest that collectivistic employees' tendencies, for example, to conform and to show homogeneous behavior; their in-group fate, in-group achievement and interdependence within the in-group; their priority towards hierarchy and vertical relationship (e.g., parent-child) versus horizontal relationship (e.g., spouse-spouse); and their value on family integrity, security, obedience and conformity versus personal achievement, pleasure, and competition are much more than individualistic employees (Triandis, McCusker & Hui, 1990).

In collectivist cultures behavior is regulated largely by in-group norms; in individualist cultures it is regulated largely by individual likes and dislikes and cost-benefit analyses. Thus, norms are more important determinants of social behavior in collectivist cultures, and attitudes are more important in individualist cultures (Triandis, McCusker & Hui, 1990).

Classification of values

Despite inherent complexities of value terms and the various meanings that may be attached to the value concept, England's (1967) argues that value systems can be classified into two major classes: non-relevant or weak values (values that have little or no impact on behavior), and conceived values (values that are likely to be translated from the intentional state into behavior). Conceived values are made up of "operative" values (values that have greatest influence on behavior), "intended" values (values which are viewed as important but may have only a moderate probability of being translated from the intentional state into behavior) and "adopted" values (values which have less influence on behavior).

Some values are intrinsic in nature, others are extrinsic. Intrinsic values mean being good and valuable itself or as an end. Extrinsic values mean being good as a means to something else (Phillips, 1965).

Values have two aspects: subjective and objective. In terms of Taoism and Mahayama Buddhism, the value is a value when it is a no-value (Suzuki, 1927). He believes that (1927: 95-96):

....the very moment you say, "it is good," the good loses its goodness. The really good is just so, and no more, no less. The good is just-so-ness. So with the rest of human values...a painted beauty is no beauty. The beautiful need not claim itself to be beautiful, it stands before us and we all know it is beautiful...

Frondizi (1963) also talks about "subjective" and "objective" values. Values are "objective" if they are "independent" of a "subject" or evaluating consciousness; conversely, they are "subjective" if they owe their existence to the feelings or attitudes of the subject.

Charles Morris (1956), in *Varieties of Human Values*, identified three classes of values: operative, conceived and objective. Operative values are viewed as the selection of particular preferences from different alternatives. Conceived values are concerned with the behaviors that individuals should exhibit; and objective values are concerned with what is desirable.

Hofstede stated (1980: 20):

We should further distinguish between values as the desired and the desirable: what people actually desire versus what they think ought to be desired...We have to distinguish between a phenomenological study of values (which is the area of social science) and a deontological approach (which belongs to ethics, ideology, or theology).

A belief exists that studying value judgments is outside the realm of empirical investigation and as such, value judgments are not easy to measure. However, in the late 1950's, the scientific study of values came to be the principal domain of social psychologists (Backer & McClintock, 1967).

C. Kluckhohn (1956) developed a typology of values which is represented by thirteen dichotomies: determinate-indeterminate, unitary-pluralistic, evil-good, individual-group, self-other, autonomy-dependency, active-acceptant, discipline-fulfillment, physical-mental, tense-relaxed, now-then, quality-quantity, and unique-general.

Rokeach (1973) has divided values into two distinct types: terminal values and instrumental values. Terminal values are goals an individual believes are worth pursuing (such as happiness or wisdom). Instrumental values represent the means to achieve the terminal values (such as behaving honestly or responsibly). He argued (1973: 11) that "the total number of values is roughly equal to or limited by man's biological and social makeup and most particularly by his needs." Theorists have specified different number of needs for human beings. Freud (1922) has posed two, Maslow (1959) five, and Murray (1938) twenty-eight. Rokeach (1973) has developed a value survey that consists of these two sets of values, each containing 18 individual values, suggesting that there is a functional relationship between instrumental and terminal values.

Schwartz (1990) denotes that each value type is further classifiable according to whose interests it serves. To determine whose interests a value serves, one asks who will benefit if the person attains or acts on the value. An assertion that wealth is important "as a guiding principle in my life" is taken to mean that the person wishes to attain wealth for self. An assertion that "social justice is important" is taken to mean that the person wishes benefit for others-for the weak or exploited.

Graves (1970), whose views are central in this study, developed a system of values based on his theory of "human levels of existence." The Graves' theory, unlike most "values" frameworks, postulates physiological correlates of psychological changes in people as they progress through consecutive levels of "psychological existence" from birth, according to their opportunities for acquiring and assimilating knowledge and exercising and developing their talents (Hughes & Flowers, 1978). Graves (1966: 120) has proposed that:

Each successive stage or level is a state of equilibrium through which people pass on the way to other states of equilibrium. When a person is in one of the states of equilibrium, he has a psychology which is particular to that state. One's acts, feelings, motivations, ethics and values, thoughts and preferences for management all are appropriate to that state. If the person were in another state, he would act, feel, think, judge and be motivated in a different manner.

A person may not be genetically or constitutionally equipped to change in the normal upward direction if the conditions of his existence change. The

individual may move, given certain conditions, through a hierarchically ordered series of behavior systems to some end, or may stabilize and live out life at any one or a combination of the levels in the hierarchy. Again, the person may show the behavior of a level in a predominantly positive or negative manner, or may, under certain stressful circumstances, regress to behavior systems lower in the hierarchy.

Graves developed eight value systems: reactive, traditionalistic, exploitive, sacrificial, materialistic, sociocratic, existential and experientialistic. Management scientists Myers & Myers (1974) adapted Graves' framework for application in organizational settings. They developed a seven value system and a measuring instrument which contains 36 multiple-choice items. Eight of the 36 items, related to work environment, were used by Flowers et al. (1975): company loyalty, the boss, money, profits, work, freedom on the job, big companies, and company rules. A brief description of the value systems is presented below and is schematically displayed in Exhibit 1 at the end of this chapter.

Level 1: The reactive value system. In this system, people react to hunger, thirst, the need to urinate or defecate, sexual feelings and other periodic physiological stimuli. They are unaware of themselves or others. This system is commonly observed in infants, persons with certain psychopathic conditions and persons with serious brain deterioration. Individuals at this level are not generally found on the payrolls of organizations.

Level 2: The tribalistic value system. It is characterized by the rigid traditions and adherence to the "tribe's" belief system. Individuals are submissive to authority, be it a chieftain, policeman, priest, father, teacher, supervisor or some other authority figure. The productive activities of tribalistic persons are limited to reacting to reduce the tensions of their immediate emotional needs. Any change in the environment is expected to threaten their way of life. Thus, in the work place, the tribalistic individual prefers routine tasks and a leader or supervisor who tells him what to do exactly and who provides recognition when work is done properly.

Level 3: The egocentric value system. People with this value system no longer devote their energy to satisfy their physiological needs and to maintain the tribal way of life. They are now aware that they are separate and distinct beings. The behavior at this level reflects the philosophy which says, "to hell with the rest of the world; I'm for myself" (Myers & Myers, 1974: 8). The egocentrics are typically immoral, unscrupulous, selfish, aggressive, restless, impulsive and generally not inclined to live within the limits and constraints of the society's norms.

Level 4: The conformist value system. It is characterized by focusing, not on the end of the existence, but rather on the means to that end; sacrifice of desire in the here and now. People at this level have low tolerance for ambiguity, and difficulty in accepting values different from their own. They are eager to get others to accept their values and are usually subordinate to a philosophy, cause or religion. They may sacrifice themselves if their values are threatened, even though they might be perceived as docile. In the work place, they prefer specific job descriptions and procedures, and authoritarian leaders. They have little tolerance for ambiguity, indecision, or weakness in a boss. The conformists are oriented toward duty, loyalty and what they "should" do. Hughes and Flowers (1978: 15) describe the behavior of the conformists as follows:

System 4 persons accept their positions and their roles in life. Inequality is a fact of life, they believe, and the task of living is to strive for perfection regardless of how high or low one's assigned role. What the individual desires is not important. What is important is that he disciplines himself to the prescription of his world. Each system 4 person values his absolutistic moral laws and frequently uses words like should and ought. Life is a serious business for this conformist person with only institutionalized pleasure permitted. Rules are black and white. His authority defines both virtue and sin and only his authority has the proper work.

<u>Level 5</u>: The manipulative value system. People at this level try to overcome their world, not by raw, rugged, brute force, but by learning the secrets of the game. In mastering their environment, they develop objective, positive scientific methods. Their ultimate ends are materialistic and their approaches to these ends are to be found in rational and manipulative behavior. They value the competition, politics, gamesmanship and entrepreneurial efforts. Their most important motive is to get

ahead and create more wealth. At the work place, the manipulative people tend to perceive written policies and procedures as barriers to achievement of work and the fulfillment of their needs and goals. They prefer the leader who does not ask questions as long as the work is done.

Level 6: The sociocentric value system. These people have a high need for affiliation. They value interpersonal relations, communication, committeeism, respect, kindness, softness and have little concern for wealth, power or material things. They prefer to "get along" rather than to "get ahead." They seek human harmony and belonging and want to be accepted, not rejected. People at this level may be perceived to return to religiousness, not for its ritual or dogma, but rather for its spiritual attitudes and concern with social issues. At the work place they look at power as unnecessary and a harmful tool. They like a friendly boss and work group. For them, hard work is no longer the measure of a person. There are other meanings for living beside hard work.

Level 7: Myers & Myers (1974) and Flowers et al. (1975) combined the Graves' (1966) seventh and eighth levels of existence, the existential and the experiential, into one level called "existential." People at this level have a high tolerance for ambiguity and for those who have different values from their own. They have a tendency to do jobs in their own way without authority or bureaucratic constraints. Hughes & Flowers (1978) have pointed out that existential people are those for whom job enrichment and meaningful tasks are absolutely essential; and many theories of leadership, motivation and organizational structure are perfect fits here. In some aspects, the existential level may be considered as a blend of levels five and six in that the people at this level are goal-oriented toward organizational success (Level 5) and are concerned with the dignity of their fellowmen (Level 6). The existential people like a job that demands challenge, imagination, initiative, and creativity. They prefer a boss who gives them access to the information they need and lets them do the job in their own way.

Having defined the values and the way they function; and after studying the influence of culture, in general, and individualism/collectivism, in especial, on value formation; we will briefly review the results of previous studies on values in the next section. Organizational and cross-cultural studies on values will be studied.

RESEARCH AND STUDIES ON VALUES

Schmidt & Posner (1992) suggest that the direction and vitality of a country and its managers cannot be fully understood without knowing more about the values and vision of the men and women who manage it. They emphasize that managerial values are very powerful force in organizational life.

The topic of "values" has been given considerable attention from various scholars in various fields in the last three decades. Since this research is concerned with the values of managers, a review of related literature in organizational and cross-cultural perspective will be examined.

Values and organizational studies

The study of values in the organizational context has focused on the work values of employees and managers. Different approaches have been used to measure values and to relate them to organizational performance and process.

An empirical investigation of values based on the Rokeach Value Survey (RVS) has been done by Bosner & Munson (1979) to ascertain the correlation between the congruity of a subordinate's and superior's values and its relationship to the subordinate's job satisfaction. They found that subordinates with values similar to their superiors' respond more favorably to their managers and their work than subordinates whose values were not very similar to those of their managers. Brown (1980) also used the RVS and reported support to the Bosner & Munson findings.

Kilman (1974) used the RVS to investigate the relationship between trainers' values and members' values in laboratory training and found congruence of values affect a laboratory training outcome. Sikula (1971, 1973) also utilized the RVS and found that personalities within certain occupations and careers have unique values and value system characteristics and that effective and ineffective employees within various organizations also have differing values and value systems.

Guth & Tagieri (1965) and Singer (1975) studied managerial values. Guth & Tagieri found that top executives' value systems were the critical factor that influenced their decision choices and could, therefore, have a strong influence on their organization's performance. Singer investigated the relationship between values and leadership and found that successful managers placed a high priority on moral standards and personal integrity. The successful leader placed power and economics at the top of his scale of values, although he was also significantly more concerned for people than less successful leaders.

George England, whose theoretical model of personal value systems has been used by many scholars in both organizational and cross-cultural studies, shed light on the significance of investigating personal values in the managerial context. He (1975: 1-2) showed that personal value systems:

- influence the way a manager looks at other individuals and groups of individuals thus influencing interpersonal relationships;
- influence a manager's perceptions of situations and the problems he faces;
- influence a manager's decisions and solutions to problems;
- set the limits for the determination of what is and what is not ethical behavior by a manager;
- influence the extent to which a manager will accept or will resist organizational pressures and goals;
- influence not only the perception of individual and organizational success, but its achievement as will; and
- provide a meaningful level of analysis for comparative studies among organizational groupings of individuals.

Cherrington (1977) and Cherrington, Candie, and England (1979) found that older workers attach a greater significance to the moral importance of work and pride in craftsmanship, while younger workers place greater emphasis on the importance of money, and friends at work. Cherrington (1980) also concluded that there were differences in work values between older and younger workers and that the work values were positively related to job satisfaction.

Ralston et al. (1993a), who studied the value systems of selected eastern and western managers in Hong Kong, emphasized managerial value systems as the core of management practices in any cultural setting. They assert that understanding a value framework for managers within a specific culture provides means of assessing several types of managerial relationships. First, values affect managers' relationships with other individuals, groups, and their organizations. Second, value systems tend to determine the bounds of ethical behavior, and therefore influences how decisions are made. Third, values influence how managers define success or failure within their reference groups. Fourth, personal values determine to what extents managers are influenced by external pressures. Finally, values delineate the way managers perceive and analyze situations thereby influencing their decisions.

Flowers et al. (1975) found that value systems and value organizations differ by the size of organizations, managerial level, managerial function, technology, sex, age educational level, income and race. A number of other behavioral and social scientists have also suggested that age, income, educational level, social-class background, size of organization, and managerial experience are associated with the work value systems of managers (Ali, Azim & Krishnan, 1995; Ali & Wahabi, 1995; Ali, 1988, 1982; Whitely, 1981; and England et al., 1974).

Values in cross-cultural studies

Contemporary research on organizations has turned increasingly to the study of culture as a contributing factor influencing human attitudes and behavior.

Comparative studies on organization and management practices have shown the influence of culture on employees' and managers' values, perceptions and leadership (Ali, 1982, Hofstede, 1980).

Cultural differences, as measured by value differences, have been documented in several studies examining business relationships. Perhaps the most comprehensive study is Hofstede's (1980) research of 53 countries and regions. He measured the work-related values of the employees of IBM subsidiaries (117,000 protocols) in

different countries. A factor analysis of the results produced four dimensions, now well known, that Hofstede labeled power distance, uncertainty avoidance, individualism/collectivism, and masculinity/femininity. These factors (listed in Table 2.1) permit comparisons among countries by providing information about cultural differences across nations. These dimensions are as follows:

- 1. Individualism (versus collectivism): The extent to which the individual expects personal freedom versus the acceptance of responsibility to family, tribal, or national groups (i.e., collectivism).
- 2. Power distance: The degree of tolerance of inequality in wealth and power indicated by the extent to which centralization and autocratic power are permitted. People in large power distance societies accept a hierarchical order in which everybody has a place that needs no further justification. People in small power distance societies strive for power equalization and demand justification for power inequalities.
- 3. Uncertainty avoidance: The extent to which the society avoids risk and creates security by emphasizing laws, rules, and religion. Weak uncertainty avoidance societies maintain a more relaxed atmosphere in which practice counts more than principles and deviance is more easily tolerated.
- 4. Masculinity (versus femininity): The extent to which the society differentiates roles between the sexes and places emphasis on masculine values of performance and visible achievement. Femininity stands for a preference for relationships, modesty. Caring for the weak, and the quality of life.

Table 2.1				
Index values of selected countries on Hofstede's four cultural dimensions				
Country	Individualism	Power distance	Uncertainty	Masculinity
	index	index	avoidance index	index
Arab countries	38	80	68	53
Australia	90	36	51	61
Belgium	75	65	94	54
Canada	80	39	48	52
Chile	23	63	86	28
Denmark	74	18	23	16
France	71	68	86	43
Germany	67	35	65	66
Great Britain	89	35	35	66
Greece	35	60	112	57
India	48	77	40	56
IRAN	41	58	59	43
Japan	46	54	92	95
Malaysia	26	104	36	50
New Zealand	79	22	49	58
Pakistan	14	55	70	50
Singapore	71	31	29	5
South Korea	18	60	85	39
Sweden	20	74	8	48
Thailand	20	64	64	34
Taiwan	17	58	69	45
Turkey	37	66	85	45
United States	91	40	46	62
Yugoslavia	27	76	88	21

Notes: 1- The higher the number, the higher the country ranks on that particular dimension.

2- The index values for Iran are before the 1979 revolution.

Source: Hofstede (1983, p. 50)

Hofstede clustered Iran with Greece, Turkey, and Yugoslavia, labeled them "Near East" culture. These countries according to him (1980: 336) are "high in Power distance and Uncertainty avoidance, low in Individualism, and medium in Masculinity indexes."

Several important studies built on Hofstede's work, and parallel results on value structures and cultural groups has led researchers to conclude that managers from different countries exhibit consistently different patterns of attitudes (Hofstede, 1985; Kelley, Whatley, and Worthley, 1987; Shenkar & Ronen, 1987).

Highlighted the diversity of value systems from country to country, Palmer et al. (1979) study of managerial values of American and Indian managers; Ronen & Kraut (1980) survey of work values and attitudes of sub-group employees from 15 countries; Arbose (1980) survey of life values of 3,000 executives in ten Western European countries; England (1978) study of managerial values among U.S., Japan, Korea, Australia and India; and Whitely & England (1980) study of managerial value systems of managers from five countries have all supported cross-national differences in managerial value systems.

Nightingale & Toulouse (1977) and Hedley (1980) studied value systems among the various ethnic groups within each of the multicultural societies of Canada and Australia. The results revealed that culture of origin was consistently the major and only statistically significant predictor of group differences in both studies.

Laurent (1986) surveyed successive groups of managers participating in executive development programs at INSEAD (the European Institute of Business Administration). These managers came from many different companies and many different countries. Comparative research showed that managers from different national cultures held different assumptions as to the nature of management and organization. These different sets of assumptions shaped different value systems and were translated into different management and organizational practices which in turn reinforced the original assumptions. He claims that "there is no such thing as Management with capital M.," that "the art of managing and organizing has no homeland," and that "international human resource management may only be international in the eyes of the designers," (p.96). Laurent supports Hofstede (1980) in his claim that management approaches developed in one particular culture have not been deemed valid for any other culture. He criticizes models of excellence (Peters & Waterman, 1982) that are still being presented with virtues of universality.

As a classical example of cultural relativity of management practices, Hofstede (1980 a: 380) compares Japan and Iran with respect to the adoption of western style of leadership practices and points out the dangers of ignoring culture in the process:

Attempts to transfer leadership skills, which do not take the values of subordinates into account, have little chance of success... Technologies are not neutral with regard to values. In order to work, they assume that certain values are respected. Making these technologies work means that the people in the receiving countries must learn new leadership and subordinateship skills, change old institutions and shift their values...Cultural transposition, in the ideal case, means finding a new cultural synthesis which retains from the old local values those elements deemed essential but which allows the new technologies to function. Probably the country that has most successfully done this so far is Japan; a country where it has clearly failed is Iran.

On the other hand, a separate group of management scientists, i.e., the so called 'universalists' assert that if the environmental and cultural factors were the sole determinants of management practices and effectiveness, one would expect close similarities in the management practices, under given industry and technological conditions, in any comparable industrial enterprises within a particular country. They believe that such similarities is far removed from reality. [Chowdhry & Pal (1960); Pugh et al (1963); Litzinger & Schaefer (1966); Likert (1967); Roberts (1970); Negandhi & Prasad (1971), Negandhi (1975 & 1986)].

Negandhi (1975: 270-72) believes that "it is difficult, if not impossible to establish the link of causation between the specific elements of socio-cultural & environmental variables and the elements of management practices and effectiveness." He suggests that we may assess the impact of specific environmental and socio-cultural factors on certain elements of management practices and effectiveness, stating that:

The universality and transferability of organizational practices are directly related to the nature and degree of the environmental impact on organizational practices. When the impact of such external variables is considerable, universality and transferability will be more difficult (p.8)

Child (1981: 347-8), summarized diversity's impact on organizational behavior:

Cultural effects will be most powerful in the process of organizations relating to authority, style, conduct, participation and attitudes, and less powerful in formal structuring and overall strategy. However, we still require a more adequate theory of organizations which specifies the points at which contingency, culture, and the system of relationship have their main effects.

It has been widely observed that industrialized business organizations have become more similar in terms of contextual variables such as complexity, formalization and centralization. Implicit in this observation is the assumption that common ways of organization lead to common business practices and in turn to similar managerial values (Negandhi, 1975). On the other hand, Ottaway, Bhatnagar & Korol (1989), report significant differences between cultures on their survey of beliefs about work. As such, there is evidence which suggests that the global business environment has a converging effect on values held by managers, just as other evidence suggests that culture has a diverging effect on these values (Ricks, Toyne & Martinez, 1990).

Kelley & Worthley (1981) claimed that both culture and environment may influence managerial values. Based on the above claim, Ralston et al. (1993a) pose the question whether we are developing a converging global standard for business practices or will divergent national differences dominate business relationships between the companies of different countries. The above question is subject of detailed discussions and studies in the literature (Boyacigiller and Adler, 1991; Laurent, 1986; Hofstede, 1983; Kelley et al., 1987).

The convergence approach proposes that managers in industrialized nations will embrace the attitudes and behaviors common to managers in other industrialized nations despite cultural differences. In contrast, the divergence view purports that individuals will retain diverse, culturally based values despite any economic and social similarities between their nations (England & Lee, 1974). However, the anthropological roots of acculturation theory suggest a third alternative. When two cultures meet, a blending may result in some new cross-bred form of values (Beals, 1953). Attention has been paid to this third alternative in the recent research on the convergence-divergence controversy, i.e., "crossvergence."

In an attempt to contribute to the debate of convergence and divergence of management practices, Ralston et al. (1993b) surveyed individual value systems and decision-making behavior of selected students and managers from both Hong Kong and U. S. Hong Kong managers were chosen because it was assumed they were

environmentally influenced by the West but culturally influenced by the East. In other words, Hong Kong managers are the product of "capitalism" and "Confucianism."

Ralston et al. (1993a) concluded that there was some support for both the divergence and convergence views. However, the majority of their findings for measures developed with both Eastern and Western constructs supported the new "crossvergence" view. They claim that in Hong Kong, one can find employees and managers from East and West working for one another. As such, it appears that the Hong Kong managers may have developed a modified style to cope with both types of employees (Smith & Peterson, 1988). Therefore, while culture has a significant effect upon these measures, environment also has an impact.

Geertz (1973) argues that in dealing with other cultures than their home-based culture, international organizations need to recognize more explicitly that they are dealing with different "fabrics of meaning." Ralston et al. (1993a) suggest that as the global economy becomes more dependent on cross -national working relationships, managers will be increasingly involved in joint decisions or working in close proximity to one another. In this environment, global companies bring together managers from diverse cultures, and the potential for conflict emanating from differences in individual values is very strong. They note (p.24) that:

The ability to be flexible and to work together, in spite of cultural differences, has been cited in several studies as crucial success factors for managers involved in transnational business ventures (Geringer, 1988; Gross, Turner & Cederholm, 1987; Perlmutter & Heenan, 1986).

Laurent (1986) looks for the answer to the question as to whether the corporate culture of multinational organizations would reduce some of the observed national differences and therefore bring some more homogeneity to the picture. The results of his studies showed that cultural differences in management assumptions were not reduced as a result of working for the same multinational firm and that the corporate culture of long established large multinationals does not seem to reduce national differences in basic management assumptions across their subsidiaries. His overall

research findings led to the conclusion that deep-seated managerial assumptions are strongly shaped by national cultures and appear quite insensitive to the more transient culture of organizations. Ralston et al. (1993b) stress the importance of cooperation and understanding to effective decision-making. They suggest that this does not imply that managers will have to abandon their culturally based values, but they must be able to understand one another's value systems, thereby benefiting from similarities while mutually respecting one another's differences.

VALUES AND DECISION-MAKING STYLES

Managerial decision-making styles

Decision-making is an integral part of the management process within every organization and at every level. According to Weber (1972: 94), "for some scholars of management, decision-making is the distinctive managerial activity."

Unfortunately, some individuals enjoy more success than others in making decisions. Recognition of this fact has led to considerable interest in variables (ranging from the physiological to the psychological) that affect decision-making (Taggart & Robey, 1981).

Rowe & Boulgarides (1983) indicate that the study of decision-making style is a useful way of understanding managers, their decision making, their problem solving, and their ability to interact with others in the organization. Ali, Azim, and Krishnan (1995: 4) assert that "most recent research in cross-cultural studies of management maintains that managers can adopt different decision-making styles, depending on individual characteristics and the pattern of organization (Ali, 1989a; Blyton, 1984; Fukl, 1981), and cultural background (Hofstede, 1980; Tayeb, 1988)." Managers may apply a variety of decision-making styles, depending on the situation and the type of decision involved (Dickson, 1982; Ali, 1993), with consistency of decision style depending to large extent on the cultural conditioning of a leader's subordinates (Hofstede, 1980).

In the present study, Iranian managers' decision-making styles and their perceptions of the most effective style and the style practiced most by their immediate supervisors will be investigated. The relationships between the decision styles and the status of individualism/collectivism of managers will be examined as well.

Participation in decision-making

Participation in decision-making is defined by Dickson (1982) as a formally recognized means of joined decision making which involves bringing three or more persons together (hence delegation is not considered as participation). Individual beliefs about work are related to the perceived values and rationales for participation (Dickson, 1982). The beliefs of top managers, in particular, may have important consequences for the use and effectiveness of participative decision-making in the organizations, since top managers may influence their values on organizational members through the structure of the organization. This is much more so in the context of Middle Eastern countries where, due to the historical, sociocultural and Islamic traditions and values, individuals and organizations are identified with their leaders (Amirshahi, Milton-Smith & Chatterjee, 1996).

Participation in decision making is widely advocated (Argyris, 1957; Likert, 1967; McGregor, 1960) and is being increasingly employed in organizations. The very diversity in the outcomes from participation indicates that there may be a wide range of beliefs about the purpose of and rationales for participation. Researchers have argued that there exist diverse ideologies which value participation differently for a variety of purposes. Individual adherents to each ideology will hold a number of relatively invariant rationales for the use of participation (Dachler & Wilpert, 1978). For instance, some managers may consider that participation in decision-making, in general, would increase the acceptance of the decision by those who participate; whereas, other managers may consider that the information made available to participants would result in managerial prerogatives being curtailed.

Review of cross-cultural management studies indicates that there is no universal applicability of either authoritarian or participative-democratic styles. Negandhi (1986: 41) suggests that "managers in countries like Germany, France, and most of the developing countries are authoritarian in their management style. Authoritarian style is not necessarily dysfunctional in developing countries. This may be perhaps the 'right type' of leadership."

On the other hand, those managers who see the benefits of participation, principally in improved morale within the employee community and increased decision acceptance, will tend to view participation as a tool of management and not as a threat to managerial prerogative (Dickson, 1982; Lazar, 1993).

In her study about the factors that can stimulate organizations to do more or less formal analysis, Langley (1995) refers to the cognitive style of the managers and the breadth of participation among other determinants. She suggests that the risk of "analysis by paralysis" is highest for issues in which participation is widespread, power is dispersed, opinions diverge, leadership is passive, and cognitive styles are analytical. At the opposite extreme, the risk of "extinction by instinct" is highest when participation is limited, power is concentrated, opinions converge, leadership is autocratic, and cognitive styles are intuitive. She emphasizes on the importance of "trust" to each other if participation is to be practiced successfully. She stated that: "In fact, the more strategic decision-making power is shared among people who cannot quite trust each other, the more formal analysis may become important" (p.65).

Classification of decision-making styles

All of us have observed leaders' decision behavior varying from autocratic to democratic to laissez-faire. An autocratic decision style is one in which the manager retains the decision-making rights to himself, is task oriented, gives orders to his subordinates, and for which communication is typically one-way downwards. The managers are the initiators of all salient actions. In contrast, in a laissez-faire decision style, the managers impose few, if any, controls on subordinates. Decisions are left to subordinates and it is they who are the principle initiators of actions. A continuum between these two extremes is presented in the following figure:

Use of authority by the manager											
			Area of freedom for subordinates								
Manager makes decision and announces it.	Manager 'sells' decision.	Manager presents ideas and invites questions.	Manager presents tentative decision subject to change.	Manager presents problem, gets suggestions, makes decision.	Manager defines limits, asks group to make decision.	Manager and subordinates jointly make decision within limits defined by organizational constraints					

SOURCE: Based on Tannenbaum, R. and Schmidt, W.H. (1973) Harvard Business Review, May-June

A simple trait or personality model of leadership and decision-making may explain the differences in decision styles in terms of manager's personality. As such, the early trait and behavior models assume inherent differences between managers. Vroom and Yetton (1973), who are proponents of contingency models of leadership, however, identify seven situational dimensions which they suggest influencing participation in decision-making. Dansereau et al. (1975) on the other hand, differentiate between subordinates instead of problems. They suggest that managers act differently towards different subordinates. Members of the in-group are consulted like colleagues, whereas members of out-group are treated as hired workers and told what to do.

Ali (1985) modified the Leadership Decision Style scale previously used by Muna (1980) and Vroom and Yetton (1973). Further modifications were made by him (1993), adding pseudo-participative decision style to the scale, in order to make it more appropriate to use in the Arab countries. This scale, which is used in the present study, includes a description of six alternative decision styles. Managers were asked to indicate the one style that best described their behavior. The six systems are:

- 1- Most often, I solve the problems or make my decision using information available to me without consultation with my subordinate(s).
- 2- Most often, I consult with my subordinate(s), but that does not mean that I give consideration to his/their ideas and suggestions. (The intent is not to create a situation of real consultation, but rather to create a feeling of consultation.)

- 3- Most often, I have prior consultation with subordinate(s). Then I make decisions that may or may not reflect my subordinate's influence.
- 4- Most often, I share and analyze problems with my subordinate(s) as a group, evaluate alternatives, and come to a majority decision.
- 5- Most often, I share and analyze problems with my subordinate(s) as a group, evaluate alternatives to determine the right decision, but I inform them in advance of what I think is the right one, and then come to decision vote.
- 6- Most often, I ask my subordinate(s) to make decisions on his/their own.

A brief description of the decision-making styles is summarized below:

- Autocratic style: This decision style is the one in which the managers retain the
 decision-making rights to themselves. Autocratic managers are task oriented, give
 orders to their subordinates, and for them communication is typically one-way
 downwards. The managers are the initiators of all salient actions.
- Pseudo-consultative style: It is a managerial decision-making behavior which remains strictly within the framework of the authoritarian and hierarchical structure of the organization. Pseudo-consultative managers seek to prepare subordinates to accept decisions already made by them. The main purpose is to improve the individual managers' image in a society where Islamic and tribalistic values still have some important influence. The intention of these managers is not to create a situation of real consultation, but rather to create a feeling of consultation by means of the leader assuming a particular style.
- Consultative style: This decision style is the one in which a manager shares the
 problems with the relevant subordinates individually, getting their ideas and
 suggestions without bringing them together as a group. The manager then makes
 the decision. This decision may or may not reflect the subordinates' influence.

Western researchers have identified this as a common style among managers (Heller, 1971; Likert, 1967; Vroom, 1984). Ali and Swiercz (1985) have also found that the consultative style is predominantly preferred by Arab managers.

- Participative style: Management scientists attribute various meanings to
 participation ranging from consultative (Szilagyi, 1988); to joint decision-making
 without delegation (Bass and Valenzi, 1974; Muna, 1980; Vroom, 1984); and to
 delegative (Likert, 1967). Participation in this study, as Ali (1993: 58) stated,
 implies: "mutual influence and power equalization between managers and
 subordinates, in discussing organizational problems and in making decisions."
- Pseudo-participative: This decision style is the one in which a manager seeks the involvement of subordinates in decision-making but retains the authority for the decision-making. Hofstede (1983) argues that in the United States, for example, individual subordinates are allowed to participate in the leader's decisions, but these remain the leader's prerogatives and initiative. Participation in this style is affirmed by word and denied by deed (Pateman, 1970, Child, 1976). In this style a manager may meet with subordinates to make a group decision, but makes it clear that he or she seeks endorsement of his or her own choices.
- Delegative style: In this style, a manager simply asks his or her subordinate(s) to
 make decisions on their own. In this style, decisions are left to subordinates and it
 is they who are the principle initiators of actions.

Relationship between value systems and decision-making styles

The link between managerial values and corporate strategic decisions was first articulated by Guth & Tagieri (1965) and has since been strengthened by studies which suggest strong positive relationship between values and decision-making styles (England & Lee, 1974; Singer, 1975; Schwartz & Bilsky, 1987; Mossop, 1994), between values and attitudes toward uncertainty and risk preferences (Hofstede, 1980), between values and recognition of strategic opportunities and

threats (Jackson & Dutton, 1988), and between values and the way the decisions are being implemented (Snodgrass & Sekaran, 1989).

Since a given situation will typically activate several values within a person's value system rather than just a single one, it is unlikely that he or she will be able to behave in a manner that is equally compatible with all of them. A value system is a learned organization of principles and rules to help one choose between alternatives, resolve conflicts, and make decisions (Rokeach, 1973). Since most situations in life will activate more than one value and often involve a conflict between values, the individual relies on his or her value system to resolve the conflict. Therefore, the value system, rather than a single value, should provide a more complete understanding of the motivational forces driving an individual's beliefs, attitudes, and behavior (Kamakura & Novak, 1992). The impact of a person's values on attitudes and behavior can be evaluated more effectively and reliably with information on the person's whole value system, rather than on a single value (Schwartz & Bilsky, 1987). Value sets that are substantially different among managers suggest a potential for disagreement at the same time. Although it is precisely this diversity that brings richness to organizational endeavors (Ralston et al., 1993b).

Steward (1985) emphasizes the importance of understanding the sources of values that managers hold. Previous research has identified national culture and business environment as the two major forces that influence the formation of values held by managers. (Ronen, 1986).

Ralston et al. (1993a: 276) compared the decision-making style of international and local managers and its relationship with managerial value systems. They suggested:

When business situations are uncertain or difficult to quantify, managers tend to rely heavily on their value systems to make decisions (Child & Tayeb, 1982/3; Davis & Rasool, 1988; Schilit, 1988). The international business arena has more uncertainty than a domestic one (Adler & Graham, 1989). Thus, managers in an international business environment tend frequently to rely on their value systems when making business decisions (Lai & Lam, 1986).

Ralston et al. (1993b) also suggested that decisions are heavily influenced by cultural background and that the ideal decision-making process must allow expression of different cultures. They emphasize (p.23) that:

decisions are made within the framework of both individual and group value systems (Hofstede, 1985; Krau, 1987). Thus, managers learn preferences for decisions and integrate cultural characteristics into decision-making behavior. When various social groups are compared, the diversity of behavior becomes apparent in how each reacts to risk and commits to different courses of action.

Extended to the study of decision-making, this implies that within a given society, cultural antecedents will influence managers to conform to prevailing value systems. Younger managers may have been educated to embrace new values, and through peer group experiences resist conformity. Consequently, there can exist a generation gap within a sociocultural system resulting in divergent values and methods of decision-making, and this gap is significantly influenced by the learning process which can also differ significantly between generations and between sociocultural systems (Geringer, 1988; Kolb, Rubin, & Osland, 1991).

SUMMARY

Theoretical framework of this study was described in this chapter. Values were defined and their functions were introduced. The influence of culture, in general, and individualism and collectivism, in particular, on managerial values and decision styles were explained in detail. Classifications of managerial values and decision-making styles in various organizational and cross-cultural studies together with the details of the relationship between the two were presented as well.

More detailed information on the contextual environment in Iran, including: the historical, socio-cultural, political, religious, economical, business, and legal characteristics will be presented in the next chapter.

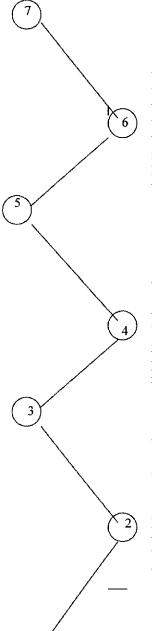
Graph 2.1 Values in the Workplace 1

EXISTENTIAL. This employee likes a job where the goals and problems are more important than the money or the prestige associated with the position. He prefers work of his own choosing that offers continuing challenge and requires imagination and initiative. To him, a good boss is one who gives him access to the information he needs and lets him do the job in his own way.

MANIPULATIVE. The preferred job for this employee is varied, allows free wheeling and dealing, and offers pay and bonuses on the basis of results. He feels responsible for his own success and is constantly on the lookout for new opportunities. A good boss for this employee understands the politics of getting the job done, knows how to bargain, and is firm but fair.

EGOCENTRIC. The two major requirements of a job for this employee are that it pay well and that it keep people off his back. He shuns work that ties him down, but will do it if he must to get the money he wants. Because of his raw, rugged value system, he needs a boss who is tough but allows him to be tough too.

REACTIVE. This level of psychological development is restricted primarily to infants, people with serious brain deterioration, and certain psychopathic conditions. For practical purposes, employees are not ordinarily found at Level 1.



SOCIOCENTRIC. A job which allows the development of friendly relationships with people in his work group appeals to this employee. Working with people toward a common goal is more important than getting caught up in a materialistic rat race. He likes a boss who fosters close harmony by being more a friendly person than a boss.

CONFORMIST. This employee likes job security, well-defined rules, and equal treatment. He feels entitled to some good breaks in exchange for his loyalty. His mode of dress and subservience to protocol cause him to blend with the masses and lack individuality.

TRIBALISTIC. This employee is bast suited to routine work, friendly people, fair play, and above all a good boss. He likes a boss who tells him exactly what to do and how to do it, and who encourages him by doing it with him. An employee at this level may realize he doesn't have the best job in the world, but feels he does as well as others with jobs like his.

¹ Source: Flowers et al. (1975) Managerial Values for Working, an AMA Survey Report. P.50, (New York: AMACOM

CHAPTER THREE

ECONOMIC AND MANAGEMENT ASPECTS OF IRAN

INTRODUCTION

In this chapter, a brief survey of Iranian history, geography, religion, culture, economy, politics, and administrative structures will be presented. The data in this chapter addresses two concerns. First, the researcher is aware that most contemporary analysis of Iran has focused on religious and political concepts – theoretical in nature – with little emphasis and even less empirical study of its managerial context. Second, it is believed to be very difficult, if possible at all, to have a full understanding of human values and behaviors based only on quantitative data analysis. Environmental scanning is a pre-requisite for any managerial study.

Because of the breadth of information covered, and the scarcity of English-language sources, the picture presented is necessarily painted in broad strokes. The data in this chapter serves to give readers an up-to-date scan of contemporary Iran, and, hopefully, will result in a better understanding of further analyses about Iranian managers' value systems and decision-making styles, presented in Chapters six and seven.

This chapter, therefore, is an attempt to introduce contemporary Iran with some facts and figures and to provide readers with better understanding of the managers under study. In all this, special attention is given to current management practices and problems.

GENERAL BACKGROUND1

Iran is one of the most ancient civilizations in the world. Its rulers established the first great world empire (Achaemenid) about 550 B.C. For many years the main trade between the Far East and the West crossed northern Iran, and later on, when sea routes became of equal importance, additional highways led up from ports along the Persian Gulf to the principal commercial centers both within the country and beyond its frontiers. Iran has preserved its strategic importance, especially after the disintegration of the Soviet Union and formation of the newly independent Central-Asian countries.

Iran is located in the southwest of Asia with an area of 1, 648, 000 square kilometers. It is surrounded by Afghanistan and Pakistan on the east, Iraq and Turkey on the west, and the newly independent republics from the Soviet Union including Armanistan, Azarbayjan, and Turkmanistan on the north. Iran has 2, 440 kilometers of coastal line including 740 kilometers on the Caspian Sea to the north and 1, 700 kilometers on the Persian Gulf and the Oman Sea to the south.

Iran's population, according to the latest census of 1996, is about 58.3 million (*Hamshahri*, Jan.1st, 1997, p.1). Population growth which, at 3.6% was among the highest in the world in early 1980s, has recently been dropped to 1.7% due to extensive government-sponsored family planning programs.

Islam is the country's official religion with Shi'a Muslims accounting for 95% of the population and Sunni Muslims 4%. Zoroastrians, Jews, and Christians comprise the remaining 1%.

The ethnic composition of Iran is diverse, and includes the following groups: Persian 51%, Turk (Azarbayjani) 24%, Gilaki and Mazani 8%, Kurd 7%, Arab 3%, Lur 2%, Baloch 2%, and Turkman 2%.

Most of the information in this section is quoted from: Iran on Internet http://www.ic.gov/94fact/country/115.html

The discovery of oil in Iran in 1908 and its continuous export, and the resulting inflow of petro-dollars into the economy since then have enabled Iranians to travel throughout Europe for education, recreation and trade, bringing back ideals of modern life. Petro-dollars have also enabled Iran to import the industrial products and technology required to transform the country from an agricultural-based economy into an industrialized country.

The sudden increase in the price of oil in early 1970's has hastened the process of industrialization and, with it, migration of people from rural areas to big cities, like Tehran, the capital city. Before the Islamic Revolution of 1978, modernization and development were synonymous. Deeply rooted cultural traditions, value systems and beliefs of the people tended to be ignored in this process. The Islamic revolution was a general and popular uprising in which all segments of the citizenry participated. Its aim was to eliminate the monarchy – the absolutist regime of the Pahlavi and the Shah – and to change fundamentally the economic and social systems of the society (Cottam, 1979; Keddie, 1979; Holliday, 1979 and Graham, 1979).

Since the Islamic Revolution in 1979, Iran has undergone profound changes, not only in its political system but in the attitudes of its people. Among the most marked changes was the elevation of common people to the center of political attention. This development was unprecedented, not only in the long history of Iran but in almost all of the other countries of the region.

After the success of the revolution in Iran, people from all walks of life expected great changes to occur in the ways the country was being run. They wanted to be involved in decision making at all levels. On the other hand, foreign pressures and various economic sanctions against the new political stands of the country led to eight years of war with neighboring Iraq. This war has caused costly delays in the construction of the country and implementation of development plans.

Furthermore, new generation of managers, who were neither adequately prepared nor experienced for their new positions, found it difficult to respond to the changes.

ISLAMIC REVOLUTION IN POLITICAL TERMS

Iran is a country with a recorded history of more than 2, 500 years. During this period it has been continuously involved in international trade. This country's ancient civilization and national identity have been maintained throughout this long history, despite repeatedly conquering other's lands or being conquered by others (Katouzian, 1981).

Iran has experienced two revolutions in the 20th century. A constitutional Revolution in 1906 was successful, though temporary, in limiting the absolute authority and power of the monarchs (Shahs). The Islamic Revolution of 1978 established the first Islamic Government elected by consensus, led by the highest religious authority in a country which was more westernized than any other in the Middle-East. It put an end to 25 centuries of continuous monarchy (Souresrafil, 1996).

Hajjarian (1995) has reviewed the contemporary history of Iran and concludes that one of the main causes of the Islamic Revolution was the existence of a huge gap between political development and economic progress in Iran during the last monarchy's regime. He observes that the revolution, as a radical movement, aimed to close this gap and accelerate political development to the level of economic progress. What happened was the presence of masses in political scenes while the required institutions to facilitate actual and real participation of the people, in this process, did not exist. One important measure was the establishment of popular elections – of which seventeen have been held during the last eighteen years.

More recently, the need for political diversity via establishment of political institutions and parties in Iran has been recognized by the leadership of the country. It is expected that this will enhance political development and facilitate greater participation in decision-making.

ISLAMIC IMPACT

Islam is a way of life, prescribing not only human beings' relation to God but also their relation to their fellows. It spells out a person's obligations as a husband or wife, father or mother, employer, employee, borrower, lender, neighbor, and citizen. Islam serves as a focal point for Muslim society and culture. An Islamic spirit, therefore, permeates the entire Islamic world and all aspects of life within it – private, political, social, economic, and religious.

Any consideration of forces influencing patterns of management and management values must take Islamic traditions into account. Islam has behind it centuries of constant and powerful influence on Iranian's way of life. Like most religions, Islam directly influences relations in family and society and tends to preserve the traditional form. The family is considered a religious unit, sanctioned and supported by religion; thus, family and religion strengthen each other (Patai, 1971). The sacred book of the Moslems, the Koran, and the laws of the shariat, contain principles which regulate the moral and ethical norms of the individual as well as his economic conduct and social life.

Shi'a Islam in Iran

Islam at its very origins divides into two major sects. This division arose not out of any doctrinal or interpretive dispute, but over the question of who should succeed Muhammad (PBUH¹), the prophet, as both the secular and spiritual leader of Islam. It is this question that lies at the heart of the split between Shi'a and Sunni Islam.

The term Shi'a literally means, "the party of Ali (PBUH)". Ali ibn Abi Taleb (PBUH) was the son in law and the cousin of Muhammad (PBUH), who had become the fourth Caliph of Islam and the first Imam of Shi'a Islam in 656 (Neal, 1995). After the martyrdom of Ali (PBUH), authority was divided in the Islamic world. The ruling dynasty— unrelated to Ali— continued to pass the Caliphate down through the ages among their family. But there now existed in Iraq a separate Islamic community

1

¹ Peace Be Upon Him

that did not recognize this authority, but that of the successors to Ali (PBUH) to whom they gave the title "Imam" or spiritual leader of Islam (Hooker, 1995).

The Imamate is the central aspect of Shi'ite Islamic school of thought. The theory of Imamate states that at no time in human history has the world been bereft of an Imam who serves as both a guide to humans and a Proof of God and a Sign of God. The Imams span history from Adam to the present day. They are believed to be designated or appointed by God and are free from all sin or fault: the most perfect of humans.

Islam in contemporary Iran

Heilbroner (1963) has suggested that the dominant event of recent centuries is the westernization of the world. In this process of westernization, during the Colonial era, the colonizers have frequently had scant regard for indigenous cultural values, social institutions, and local technologies. Often, they attempted systematically to destroy the traditional societies they colonized with the plea that the capitalism and other western institutions were more efficient and productive than theirs. Said (1989) argues that the West expected the Middle-Eastern countries to become imitations of the West, adding with regret that many Muslims, who had lost faith in themselves and their cultural heritage, shared that aspiration.

During Iran's last monarchy, religion started to play a diminished role in organizing family life and directing the behavior of its members. This was partly due to promotion by the public media of selected aspects of the western life style. These included consumer culture, pop music and the promotion of western youth idols, sexual freedom, and westernized fashions. Imitation of the western way of life was, therefore, becoming a symbol of status and modernity while, observing Islamic laws and regulations was portrayed as a symbol of backwardness.

By contrast, the substance of western political democracy remained taboo. Iranians were not permitted to participate in the decision-making for their country.

Institutionalizing political parties, promotion of scientific activities and research, open debates on severe social and economic problems, criticism against the widespread corruption at the high levels of political hierarchies, critique against the dominance of western countries, mainly Americans, over the socio-economic and political affairs of the country and opposition with the dreadful activities of the hidden police were not tolerated.

The theoretical basis of Islamic government in Iran, called "valayati-faqih", was originally developed by Imam Khomeini. It can be translated as "rule by fiqh" or "governance by jurisprudence". It is the first experience in Islamic government in Iran since the early days of Islam, when politics and religion were not separated.

As an Islamic republic, Iran is governed with distinctive executive, judiciary and legislative bodies. While the three branches of government are independent of each other, each of them supports the unity of leadership of the country by the supreme leader (rahbar), a loyalty that extends beyond political affiliations. As a result of this integration of leadership, the legal framework for businesses in Iran reflects the government's concern for social and religious values, thus presenting a business environment which is very different from that in the West.

Being both clergy and political leaders, political leadership have direct contact with the people and are aware of their concerns, needs, and criticisms. Open channels of communications are maintained through workers' councils at the institutional levels and through mosques, Friday prayers, and other religious celebrations at the general public level. Iranians, and especially the economically and socially disadvantaged, feel themselves to be taken seriously, and to have achieved a new status in the body politic. This is a unique circumstance not only in the long history of Iran but almost in all of the other countries of the region. Islam, therefore, is a potent social force that provides the basis for social and cultural cohesion, for all Iranians, especially among the lower middle class and the poor.

In Iran, as in most Middle Eastern countries, a sizable minority of people are illiterate (35.1% in 1995, according to United Nation's Human Development indicators), and those who are educated often lack a sound religious education. Furthermore, there are great differences between the religious and religiosity. Kangenderber (1969) believes that religiosity has many ramifications. For example, it deters the desire to lead, destroys an appreciation of the need for planning, blocks the spirit of inquiry and obstructs and appreciation for the value of time. While Islam encourages hard work and the control of nature and environment, the religiosity emphasizes irresponsibility and dependency. It is not unusual to hear phrases such as "insha Allah" (if God wills), or "fekrash ra nakon, Khoda bozorg ast" (don't worry, God takes care of it) or "har keh dandan dahad, nan dahad" (God who gave us our teeth, feeds us as well), connoting inaction and helplessness. Thus, it is important to educate Iranian about religious principles and values in order to create a healthy working environment.

In his study of organizational behavior in Islamic firms, Wright (1981) has noted that the effect of Islam on management and organization could be manifested in personnel evaluation, promotion, basic needs of employees, authority versus accountability, exercise of power, group interaction, specialization versus personalization, and perspective and planning.

CULTURE

The easy inflow of petro-dollars into the economy, especially during the peak periods in the 1970s, expedited the industrialization of Iran, inducing peasants to migrate to big cities in search of work and other civil services not available in villages. The resulting cultural transformation has been momentous. The percentage of population living in cities has continuously increased from 20% in the 1950s to its current level of about 60%.

Research on various cultures has revealed that movements from rural areas to urban centers is correlated with a rise in individualism (Triandis et al, 1990), and that industrial cultures are more individualist than agricultural cultures (Triandis et al., 1990). As we have seen, Iranians today are mostly city-dwellers (60%). Moreover, they are mainly involved in the services (47%) and industries (28%) versus agriculture (25%), (United Nations Human Development Report, 1993). One would, therefore, expect to observe more individualistic tendencies and diminishing family values in Iran. The family is, however, still considered as an important and basic social unit to which individuals are subordinate. The relationship within the family is clearly defined by both religion and tradition. All the mediating social institutions, such as religion and education, reinforce the rules, authority, and hierarchy of the family. They reinforce values like submission, obedience, kindness and respect to parents. Authority is determined by age and gender. The father has strong authority over family members, whether in an extended or a nuclear family.

Ali (1982) suggests that individuals raised in such families are more likely to behave passively and in a socially dependent manner. He has also observed a low need for achievement in children raised in such environments. Kinton (1968: 221, cited in Ali, 1982) has stated:

In societies in which the culture pattern prescribes absolute obedience from the child to the parent as a prerequisite for rewards of any sort, the normal adult will tend to be a submissive individual, dependent and lacking in initiative. Even though he has largely forgotten the childhood experiences which led to the establishment of these attitudes, his first reaction to any new situation will be to look to someone in authority for support and direction.

Triandis et al., (1990) support the above statement and relate it to the status of individualism/collectivism in the society. He suggests that: "in collectivist cultures there is much emphasis on hierarchy. Usually, the father is the boss and men superordinate women....Furthermore, harmony and saving face are important attributes in collectivist cultures, the ingroups are supposed to be homogeneous in opinion, and no disagreement should be known to outgroups" (p.1007).

Iran is also characterized by a "rentier mentality," which is mainly due to injection of petro-dollars into the economy by the government. As a result, Iranians are also very much dependent on the government as the main source of power (formally, practically, and financially) to solve their problems. The relationship between the government and the governed in Iran is very much a "child-parent" relationship, in which the "children" are expected to conform to "father's" rules and regulations. The strong power base of the government and life long employment it offers to its employees have made it an ideal employer for many Iranians who look for guaranteed fixed income. Having established a fixed income base to cover their very basic costs, they are free to turn to second jobs, mainly in the service sector to supplement their income (*The Economist*, January 18, 1997). Not surprisingly, Iranian families persuade their members to seek clerical and professional jobs, preferably in the public sector. A young Iranian, therefore, will tend to aspire to become a lowly paid clerk (a low status, low-achievement position) rather than a prosperous plumber or mechanic, which would require technical training, hard work, and a high-achievement orientation. As a result, there is an over-supply of clerks and a critical shortage of skilled workers. This situation has created a very serious obstacle to economic development.

The power and influence of the government of Iran in the day-to-day lives of Iranians is so great that for most Iranians the "government" equals the "society." This perception, or rather misperception, leaves limited scope for public participation. Of course, no government has enough resources to solve all of a society's problems, alone. The expectation that it does has been a major source of difficulty for the Iranian government. The successful experience of Tehran Municipality – one of the

two case studies in Chapter seven – in changing the expectations of a public entity (the municipality) from "free services" to "fee-for-services" can be seen as a very important stepping stone. Based on TM's experience, other government organizations might follow suit, to both improve the quality of public services and transform the relationship between state and citizens.

Triandis, McCusker & Hui, claim that there is a widespread shift from collectivism to individualism throughout the global community. They stated that:

There appears to be a shift from collectivism to individualism in many parts of the world. The major determinant of this shift is affluence. As people become affluent, they become financially independent and independent from their in-groups. Affluence is also usually associated with industrialization (1990: 1008).

Individualism and collectivism of Iranian managers, measured in this study indicates that they are more collectivistic than individualistic (refer to Table 7.16). However, a shift from collectivism to individualism has been observed in recent years. More specific reasons for such shifts may be attributable to:

- the acceleration of industrialization, especially since the start of development planning in 1989;
- the major increase in the standard of living of the majority of the population. This is due to a change in the consumption habits of the people following the government's distribution of their major needs with subsidized prices;
- the growing (but still nascent) disenchantment within the government to maintain its level of services it used to offer to its citizens. This is mainly due to the costly war with Iraq, drastic decrease in the purchasing power of oil (the main source of export income for the country), and high population growth rate in the 1980s. The reduction in the responsibilities of the government (the father) toward the public (the children) has been very instrumental in the shift of Iranians toward individualism in more recent years; and
- spread of satellite TV and propagation of individualism and western life style.

The individualistic ideology – which cherishes the significance of nuclear family (as opposed to extended kin networks), the personal freedom of the individual, and the

individual's independence from traditional obligations, the mentality of getting-rich-quickly, and consumerism – challenges collectivist attributes like social and team work, conformity to authority, and homogeneity with and loyalty to ingroups. One of the manifestations of this shift in values is evidenced in the zeal for small owner-operated enterprise during recent years. According to the results of a recent study, on average, there are 23 shops per 1000 population in Iran. Yet according to some reports, in some cities, there is a shop for every family. In Tehran, for example, there is one shop for every 10 residents.

ADMINISTRATIVE STRUCTURE (BUREAUCRACY)

Public sector has historically played an important role in the economy of Iran. It has assumed responsibility for almost all the affairs of the country including education, health, public utilities (including electricity, water, gas, and telecommunications), roads and transportation (including air and train networks), municipalities, media, certain agricultural activity (forests, irrigation and control of agricultural waters), oil, mines, major manufacturing industries, lands, and foreign trade. Almost all economically significant enterprises in Iran are either wholly or partly owned by the government.

Current studies show that 70-80% of Iran's economic activity is concentrated in the public sector. It owns and controls the majority of the national resources, especially the foreign exchange income due to oil export (Dawoodi, 1995). This resource, which accounts for 80-90% of the total foreign exchange income of the country, plays a key role in the national economy of Iran. It is estimated that about 70% of the economic activities in Iran depend on foreign exchange.

Historically, the Iranian public sector has been both huge and inefficient. Iranian public servants mainly have limited training and skills, and low education levels; they tend to be poorly paid and indifferent. The majority have been attracted to the public sector in search of job security and life long employment. The Islamic Revolution of 1979 was against this bureaucracy as much as it was against the Shah. Most Iranian expected that this system would be reorganized in such a way as to make it more accountable. As a result of this expectation and a general distrust of the old bureaucracy, a number of people's organizations sprang up throughout the country during and after the revolution. These groups of volunteers made decisions and took action in regard to various public functions. These grass-roots organizations accomplished numerous community and development projects and contributed to the defense of the country.

However, in spite of a number of structural changes in the civil service (especially privatization of all municipalities), the impact of the revolution on the bureaucratic machine of the country has not been very significant. Fundamental changes in administrative structure and process have not taken place. Indeed, the responsibilities and the size of the public sector have grown even further. The reasons for the expansion of public sector after the revolution include: the policy of the government to cover all deprived cities and villages of its services; the widespread nationalization of economic activities (industrial, commercial, mining, banking etc.); eight years war with the neighboring Iraq; and economic sanctions against the new republic. This increased bureaucratization, as Blau and Meyer (1986) have suggested, produces negative results and leads to inefficiencies.

Recent surveys reveal that the number of public servants in Iran has reached about three million (Moolavi, 1995). Overall, it has been estimated that a quarter of the population (including children and other dependents) is in this way government supported. Furthermore, the Iranian government is either the sole owner or major shareholder of private sector companies which were nationalized after the revolution. It is, therefore, the biggest employer in the country. This fat bureaucratic machine which eats up most of the current national budget has turned out to be one of Iran's major obstacles during the more recent construction period. It would hardly survive without the income generated from the export of oil.

The main characteristic of the bureaucracy in Iran is its pyramidal structure with centralized power and authority at the top. This inefficient structure slows down or sometimes stops the workflow. Another attribute that seems to be the root of the inefficiencies of the Iranian public sector is the low educational level of public servants. Less qualified staff, who expect smaller salary packages than those offered by the private sector, are attracted to the long life jobs at the public sector.

A 1992 survey of the level of education of public sector employees shows that less than 10% of public servants had a university qualification (*Hamshahri*, November 26, 1995, p.14). Results of another study on the level of education and age group of a

sample of Iranian public sector managers, however, indicate that more than 66% of the managers in this sector have tertiary education (bachelor's or higher).

After a thorough analysis of the Iranian bureaucracy and civil service, Farazmand (1987: 359) concluded that "overemphasis on system-maintenance (or enhancement) at the expense of administrative efficiency and satisfactory public service would hinder employee initiative, creativity and organizational performance." As a remedy, he recommended (1987: 358) that the government should "encourage and support, both financially and technically, the independent, non-profit, grass-roots organizations and to implement major reform in the structure and processes of Iran's administrative systems."

Privatization policies

Privatization was among the important strategic considerations of the law for the first five-year development plan of Iran. A Privatization Decree was passed in June 1991, followed by the identification of 390 public manufacturing and trading firms for divestiture. It was meant to attract private sector money to production and manufacturing activities and to improve public sector productivity.

As a result, sale of shares through the stock exchange has increased from Rls. 4.6 billion in 1989 to Rls. 291.4 billion in 1993. The volume of public sector shares sold in the stock exchange during this period totaled Rls. 825 billion. The rate of return of investments on these shares during the period was much higher than the inflation rate in the country.

According to a 1995 report (*Hamshahri*. May 18, p.4), Tehran Stock Exchange was one of the most active members of the International Federation of Stock Exchanges in 1995. It rated as the number-one stock exchange among all other members because of 123% growth rate in its index; number-one stock exchange among all other members because of 277% growth rate in its volume of transactions; and number-

three stock exchange among all other members because of 11% growth rate in the number of new companies being admitted.

ECONOMIC SITUATION

Iran, like many other Middle Eastern countries, has depended on oil export as the main source of hard currency to finance its imports during the last century or so. Iran, with its longest border across the Persian Gulf, which contains two thirds of the world's proved reserves of oil, is the second largest oil-exporting country in the Organization of Petroleum Exporting Countries (OPEC). It is further endowed with 20,000 billion cubic meters of natural gas fields (the second largest in the world) which are estimated to last for the next 200 years. Iran is a repository for huge natural reserves of coal, copper, chromium, iron ore, lead, manganese, zinc and sulfur.

This wealth of natural reserves, together with its vast land, strategic geographic location, and a long history of civilization, has made Iran one of the important countries in the Middle East and in the world – the cross-road between the East and the West. This is specially true since the demise of the Soviet Union and establishment of the newly independent countries in Central Asia.

Easy access to petro-dollars, the key role of the public sector in the economy, and long-term lack of industrial strategy have created a rentier economy in Iran. The rentier problem, however, extends beyond economic and has seriously affected Iranians' way of life in the last century. The rentier mentality has become so well established that many Iranians expect "free services" from the government and depend on it as the major employer, owner of natural resources, provider of free services in health, education, and in many other aspects of their daily lives.

Economic policies

The main economic policy of the government after the Islamic Revolution was to support the poor and enhance their standard of living. Hence, the majority of the development projects were designed and implemented to serve the deprived rural areas. This policy served two various purposes: to stop migration to the cities and to decrease the gap between the poor and the rich. However, the long and costly war

with Iraq from 1980 to 1988 has created major obstacles in implementing these policies.

The war with Iraq necessitated extensive distribution not only of food but a whole range of other products, through a comprehensive program of subsidies, rationing and coupons. Consumer behavior has adjusted accordingly. Payment of huge amounts of subsidies to consumers for basic needs and distribution of such subsidies by coupon systems have not only changed the consumption habits of the people but have stimulated the demand for new products. This increase in demand has also created a profitable black market, because of the price differential between official rates and black market rates.

Reconstruction of the war-damaged economy started in 1989 with the introduction of new market economy reforms. By the implementation of two successive five-year development plans and more recent equilibrium policies, the government is currently supporting the production sector and is directing distribution channels towards a more balanced free market economy. The policy aims to reduce the increased reliance of consumers on the government for free or subsidized products and services. Changing consumer behavior, however, is difficult, requiring both time and extensive cultural training.

Reports from the Iran Statistical Center (*Hamshahri*. February 7, 1996, p.5.) show that implementation of development plans in the rural areas have resulted the following: the number of villages with electricity have increased 12 times. 72% of the villages that have a population of 20 families or more did have access to electrical power in 1993. About 38 million rural populations do have access to hygienic tube water. Some 72,000 kilometers of rural roads have been constructed. While only 312 villages had access to telecommunication facilities in 1978, currently, some 10,500 communication offices are operating in the rural areas and 11,397 villages do have access to telephone. 2,500 health houses (small health clinics) in 1978 have been increased to 14, 600 in 1995. This shows a growth rate of more than 584%.

Current free market policies together with profiteering activities of the private sector are considered to be the main reasons for the increased gap between the poor and the rich in Iran. According to the most recent study of the Iranian Statistical Center (*Hamshahri*. February 7, 1996, p.5.), the ratio of income of the wealthiest 10% to the poorest 10% of Iranians is 27: 1. While, this same ratio is about 15:1 in the developed countries.

Wage earners are the main victims in inflationary economic situations, and the situation in Iran is no exception. The government continues to support wage earners by subsidizing their basic requirements. The burden of these subsidies has increased year after year. In the 1996 budget, it reached Rls. 5,800 billion on foodstuffs like wheat, rice, cooking oil, sugar, cheese, meat, milk, tea, as well as fertilizers and pesticides.

Economic and socio-cultural development plans

Development planning in Iran started in 1949. Five development plans – two sevenyear and three five-year plans – were made with the help of western, mainly American, advisors during the reign of Mohammad Reza Shah, the last monarch of Iran. Keddie (1980:220) evaluated the Iranian development plans in this era as follows:

The government had, indeed, followed a general economic strategy and this strategy has been highly influenced by the presence and increase of large oil revenues. It seems likely, however, that much of this strategy might have been followed without the mechanism of a Plan Organization, although the latter has had, at a minimum, the ideological role of making it appear that the government was thinking ahead for the benefit of the whole country, and using the most up to date mechanisms to insure rapid economic and social progress. Often the dictates of Mohammad Reza Shah, in fact, determined economic policies.

The 1979 revolution and the subsequent war with Iraq disrupted development planning in Iran. The first five-year detailed development plans for the Islamic Republic of Iran were made for 1989-1993, immediately after the end of the war with Iraq, and the second plan for 1994-1998. A brief description of these plans together with a brief summary of their results is presented below.

The first development plans (1989-1993)

The first post-revolutionary development plan was a response to various limitations in the economic structure of the country. Production levels at various sectors were stagnant and GNP, investment and employment were all experiencing negative growth. New policies aimed to eliminate basic economic imbalances; to create a suitable environment for continuous growth; and to support the private sector.

The main objectives of the first five-year development plan of the Islamic Republic of Iran (1989-1993) ware to reconstruct the war-torn economy, move from a centralized plan-economy towards a market economy, increase investment in infrastructure projects, promote participation and investment of private sector in more productive activities, reduce government subsidies, actively seek foreign investment in the economy, change the traditional perception of the nation from the government from expecting free services to paying fee for services, increase the export of non-oil products and services, promote health status and education of the citizens and increase the number of job opportunities (Plan and Budget Organization of the Islamic Republic of Iran, 1994).

During the first five-year plan period, Iran invested more than US\$ 70 billion in technical and economic development, mainly in major infrastructure projects like construction of dams, power plants, roads, refineries and petrochemical complexes.

The second development plans (1994-1998)

Agriculture and its support industries form the main pole of Iran's second five-year development plans, building on the infrastructure developed during the first plan period. One of the macro objectives of this development plan is to reduce dependency on oil exports by increasing exports of non-oil products. Exports of finished goods as well as technical and manpower services are also targeted in this plan.

Selected results of the development plans

- The ratio of export of the industrial products to the total oil export increased from 2% in 1989 to 8% in 1993 (*Hamshahri*. March 9, 1996, p.5).
- Production of petrochemical complexes reached 8.5 million tons in 1995.
- The value of Iranian mineral product increased from US\$ 1 billion in 1989 to US\$
 5 billion in 1995.
- With the production level of 4.5 million tonnes per year, Iran has jumped from 30th in 1993 to 25th in 1994 among the steel manufacturing countries of the world.
- A recent report of the Ministry of Agriculture (*Hamshahri*. October 28, 1995, p.4) indicates that despite a dramatic increase in population and the fact that 50% of the agricultural products of the country were imported during the last monarchy, currently, about 86% of the agricultural and protein consumption of the country is produced locally.
- During the first development plans, the preliminary study of 10 dams, phase one
 of 54 dams and phase 2 of 13 dams, all of which of reservoir type, have been
 completed.
- Production of electricity, before the revolution, was limited to KWH 17.4 billion and the number of subscribers 3.4 million. By 1994, production was increased to KWH 73.3 billion to 11 million subscribers. Negotiations for the export of electricity to neighboring countries to the north are currently under way (Hamshahri. March 4, 1996, p.10).
- During the first development plan, some 91 new cities were connected to gas
 distribution networks. The number of residential subscribers has increased to four
 million families, which is equal to one third of all Iranian families.

- Inauguration of Mashhad-Sarakhs railroad link (a revival of the old silk road) in May 1996 was among the more recent important infrastructure activities of Iran. It is anticipated that more than one million tons of Iranian consumer goods will pass through Sarakhs on their way to customers in Turkmenistan and Kazakhstan (*The Economist.* December 2, 1995, p.50).
- The number of telephone lines were 1.2 million in 1978. This has been increased to more than six million by late 1995.
- Newsweek (1995) reports that Iran, with more than 80,000 computers, ranks
 second among Asian nations in internet capability (Newsweek. August 21, 1995).
- Human development has received special attention. Efforts on the part of
 government to eliminate illiteracy has intensified in the last few years; education
 is free and available to all citizens. The number of students at various educational
 centers in Iran in 1990 is presented in the following table:

Table 3.1 Number of students for academic year 1989-1990(000)										
Educational level	Total # of students	Male	%	Female	%					
Elementary Schools	12, 069	6, 915	57.3	5, 154	42.7					
Orientation Schools	4, 447	2, 760	62.1	1, 687	37.9					
General Secondary Schools	4, 559	2, 741	60.1	1,818	39.9					
Higher Education	770	554	71.9	216	28.1					
Religious Schools	75	68	90.1	7	9.9					
Literacy Courses	602	151	25.1	451	74.9					
Students Studying Abroad	34	22	64.7	12	35.3					
Informal Certificates	670	497	74.2	173	25.8					
Not Specified & not Reported	689	371	53.8	318	46.2					
Total	23, 913	14, 078	58.9	9, 835	41.1					

Source: statistical reflection of I.R. of Iran, No 9, p.32, May 1992 (English ed.)

Expenditures for health have increased rapidly and basic health services are
offered free of charge to all. There are some 15,000 health houses (small health
clinics) currently operating in rural areas offering their free services to villagers.

Evaluation of the development plans

Different criteria may be used to evaluate the impact of the development plans. Changes in GNP and other economic indicators, in addition to United Nations' Human Development Indicators on Iran are presented below.

Economic indicators

According to the 1994 report of the Plan and Budget Organization of Iran (PBO), GNP growth rate during the five-year period of the first development plan (1989-1993) were 3%, 12.1%, 10.9%, 5.5% and 5% respectively. Average growth rate of GNP and its breakdown in various sectors of the economy during that period, together with other related economic data, are presented in Table 3.2. As clearly shown in the table, implementation of the development plans has resulted in solving, to a certain extent, some of the problems of production activity in various sectors of the economy.

Generally speaking, mismanagement of monetary policy is quite evident. Following the significant positive growth rate in consumption as a ratio of GNP by both private and public sectors, both sectors had to increase their borrowings from the banking system. This created a continuous increase in the inflation rate, which has become one of the major obstacles to economic development. Deficiencies in the tax collection system, which is mainly due to taxation law being out-of-date, have also contributed to this upward trend in the inflation rate.

Table 3.2 Comparative results of the first development plan of the I.R. of Iran (1989-1993)Average growth rate (at fixed price) of Actual Planned Variance the five year planning period (%) (%) (%) 7.3 8.1 - 0.8 Agriculture sector 6 6.1 - 0.1 - 0.9 Petroleum 8.6 9.5 Industry and mines 9.1 15 - 5.9 Electricity, water and gas 12.7 9.1 +3.67.3 6.7 +0.6Services 13.3 Investment 11.6 + 1.7 Private consumption/ GNP 68.2 52.5 + 15.7 Public consumption/ GNP 13.9 10.5 + 3.4 Development exp. / total exp. 21.7 14.9 +6.831.3 31.3 0.0 Health & education exp./ total exp. Government borrowing from the 17.8 8.6 + 9.2 banking system Private sector borrowing from the 32.6 8.7 23.9 banking system Rate of inflation 18.8 14.4 +4.4 22.2 Government exp. (in 1993) / GNP 17.2 +5.0at current prices Government income (in 1993)/GNP 21.7 17 + 4.7 at current prices

Source: Preliminary Results of the First Economical and Socio-Cultural Development Plan of the Islamic Republic of Iran 1989-1993. (1994), (Tehran: Plan and Budget Organization of the Islamic Republic of Iran)

4.3

0.5

51

8.4

0.2

38.9

- 4.1

+0.3

+12.1

United Nations' human development indicators

Tax revenue (in 1993) / GNP

Budget deficit (in 1993) / GNP

Development exp. / current exp.

at current prices

at current prices

at current prices

Selective figures from the United Nations Development Programs consisting of human development indicators of Iran and its standing among 174 member countries are presented in Table 3.3. As indicated, after a fall in 1993, the cumulative rank of

Iran, compared with other countries, has increased from 103rd in 1993, to 86th and 70th country in 1994 and 1995 respectively. This assessment presents a good indication of the results of the implementation of the development plans in this country.

Table 3.3 United Nations Human Development Indicators on Iran (1992-1995)								
Characteristics	1992	1993	1994	1995				
Cumulative rank of Iran among 174 nations	90	103	86	70				
Life expectancy at birth (years)	66.2	66.2	66.6	67.5				
Literacy among the adults	54%	54%	56%	64.9%				
GDP (based on the purchasing power parities)	\$ 3120	\$ 3253	\$ 4670	\$ 5420				
Access to health services	80%	73%	80%	80%				
Access to hygienic water	89%	89%	89%	89%				
Death rate per 1,000 new born	40	36	36	36				

Source: United Nations Development Program

Economic problems

The main economic problems in contemporary Iran are rooted in the following four factors:

- a dramatic increase in the population during the last 20 years;
- huge investments required for reconstruction of the economy after the end of the war with Iraq;
- a dramatic reduction in the purchasing power of petro-dollars and
- deficiencies in management practices.

Population increase

The population of Iran has almost doubled in the last 20 years. Population growth of 3.9% per year – in the 1980s – is the root of current deficiencies and the main cause of various shortcomings in contemporary Iran. Currently there are more than 35 million people under the age of 20 in Iran (probably the largest percentage of young people in the world). This huge population requires employment, training, housing, food, and other resources. Responding to the needs of this population by a government with limited resources is a great challenge.

According to reports by the Ministry of Health (1996), the family-planning programs in Iran which started in 1989 impeded a further 10 millions increase in the population. According to this report, the population growth rate diminished from 3.9% in 1989 to 1.7% in 1995 (*Hamshahri*. February 25, p.3). The government hopes to control population growth even further by wider distribution of contraceptives among both the city dwellers and villagers and by public broadcasting of various educational programs. *The Economist* (August 5, 1995, p.39-40), emphasizes the success of Iran in implementing various family planning programs which resulted in the dramatic decrease of the population growth rate, from the highest of the 1980s.

Reconstruction of the country after the end of the war

Reconstruction of the country after the end of the eight year war with Iraq, the neighboring country, is estimated to require US\$ 1,000 billion new investments. This damage is besides the human loss of that tragic war which was imposed on Iran.

Reduction in the purchasing power of petro-dollars

An OPEC report (1992) revealed that a barrel of Iranian oil in 1990 lost 72% of its purchasing power compared with 1974. This reduction is mainly due to the maintenance of oil prices at low levels, while other prices have increased, at least equal to national or international rates of inflation and also due to devaluation of US dollar (the currency that oil has historically been traded with). Thus, Iran, as well as other OPEC member countries that typically depend on oil export as their major source of hard currency, has lost more than two thirds of their purchasing power during the last decades. At the same time, the price of their imports has increased year after year.

Deficiencies in management practices

The last, but probably the most important reason of the contemporary economic problems of Iran concerns weaknesses in management practices. More details of the current management practices and problems are discussed in the next section.

MANAGEMENT PRACTICES AND PROBLEMS

Despite massive investments made possible by the income generated from oil revenue, productivity in Iran remains extremely low in nearly all sectors. If efficiency is defined as how and to what degree of effectiveness time is utilized, various studies show the average output of the Iranian workforce to be inefficient. Whereas, in Japan and Germany, rates of actual involvement per hour of work are 55 and 52 minutes respectively, in Iran, the figure is as low as five (Azimi, 1995a, and 1995b) to eleven minutes (*Hamshahri*, 21 May 1995, p.1, and 29 May 1995, p.5).

This low level of output is the result of almost 8 hours of working day of the people who, according to international standards, are intelligent and ready for hard work. The main reasons of such low efficiency rate, according to Azimi (1995), are:

- mismanagement in effective utilization of human resources;
- low quality of training systems and programs despite considerable amount of resources spent in formal and informal training programs, and
- cultural problems which relate to Iranians' deficiency in real participation in social and group work.

Current data shows that 75% of the produced milk, 2 billion cubic meters of usable water and 25% of the agricultural products are wasted (without any use). Furthermore, only 25% of arable agricultural lands are cultivated and the rate of harvest is lower than the acceptable international standards. Moreover, while the population of domesticated animals is estimated to be about 90-100 million, the country still imports millions of dollars worth of meat and protein products per year (*Hamshahri*, October 28, 1995, p.4). Given the limited resources and continuous increase in the population, the only way to maintain the present living standards and/or to improve it is through increasing productivity.

It is believe that productivity is a cultural value and should start from personal and family life. Value of time, as an unreplenishable resource, is not commonly appreciated among Iranians, (*Hamshahri*, May 21, 1995, p.1).

Plan and Budget Organization of Iran (PBO), acting as the centralized planning department, published a sector by sector analysis and assessment (1994) of the results of implementation of the first five-year plans.

As to the weaknesses of the executive departments to reach the objectives of the development plans, PBO refers to weaknesses in management practices as the typical main impediment. PBO considers these weaknesses in management practices as the prime reason for: delays in the start up of projects, idle capacity in the existing factories and workplaces, low levels of productivity, continuous changes in monetary and especially the foreign exchange regulations and policies, non-attainment of the international standards of quality, existence of numerous uncoordinated decision-making centers, existence of a fat bureaucratic public sector, lack of efficient information technology systems, low level of knowledge and training of the workforce, low level of motivational policies, resistance to change, inadequate R&D, weaknesses in organizational structure, too much concentration of decision-making power and authority at the head of the organizational pyramid, existence of parallel organizations, shortages of specialized workforce and abundance of untrained workers, continuous migration of young villagers to the urban areas, unfamiliarity with export potentials, and inefficient marketing practices, internally and overseas.

Typical characteristics of management practices in Iran may be listed as follows:

- Centralized authority
- Authoritarian style of leadership
- Apathy and lack of strong motivation among both the workforce and managers
- No provision for employee participation schemes
- One-way channel of communication from top to the bottom of the hierarchy
- Day-to-day problem solving instead of medium and long term planning
- Inefficient control systems and mechanisms

- Low concern over the quality of products and services
- Pyramidal organizational structure with many layers of management
- Many parallel organizations, especially at the public sector
- Lack of job security among the managers and frequent transfers in the managerial positions
- Inflation in the number of workforce, especially the unskilled
- Governance of nepotism versus merit
- Insufficient remuneration packages
- Inadequate training of the workforce and managers
- Lack of performance evaluation and assessment

As the above list of problems suggests, the majority of the management problems in contemporary Iran are related to the field of management of human resources. This weakness seems to stem from the fact that the speed of the changes towards industrialization has been more than the speed of the changes in the Iranian value systems and behaviors. Hofstede (1980:380) compares Japan with Iran with respect to the adoption of western style of management practices and points out the dangers of ignoring culture in the process:

Attempts to transfer leadership skills, which do not take the values of subordinates into account, have little chance of success... Technologies are not neutral with regard to values. In order to work, they assume that certain values are respected. Making these technologies work means that the people in the receiving countries must learn new leadership and subordinateship skills, change old institutions and shift their values...Cultural transposition, in the ideal case, means finding a new cultural synthesis which retains from the old local values those elements deemed essential but which allows the new technologies to function. Probably the country that has most successfully done this so far is Japan; a country where it has clearly failed is Iran.

The importance of the structure of the management system in the public sector in Iran is such that, according to the speaker of the Iranian parliament (Nategh Nouri, 1995), "the government and the parliament are jointly involved in an extensive study for restructuring of the management system in Iran."

SUMMARY

A detailed information about history, geography, religion, culture, economy, politics, and administrative structure of Iran was presented in this chapter. Major management problems in contemporary Iran was manifested and importance of human resource management was emphasized.

Details of the research methodology will be discussed in the next chapter.

CHAPTER FOUR

RESEARCH METHODOLOGY

OVERVIEW

In this study a combination of quantitative (population sample) and qualitative (case study) methods were used. The reason for the application of both of these methods is that the use of a single methodology, either qualitative or quantitative, is liable to criticisms forwarded by advocates of the other methodology. By application of both methods in this study, it was intended that the disadvantages of pure quantitative or pure qualitative methods of research could be minimized.

Glaser & Strauss (1967:18) see "no fundamental clash between the purposes and capacities of qualitative and quantitative methods or data." They believe that "each form of data is useful for both verification and generation of theory," and suggest that "both forms of data are necessary – not quantitative used to test qualitative, but both used as supplements, as mutual verification, and as different forms of data on the same subject."

As for the quantitative method, a sample of the population of managers in various organizations in public and private sectors were used. The survey instrument was a questionnaire comprising seven scales, each of which was used by various authors in previous surveys, to measure the values for working, decision-making styles and the status of individualism/collectivism of Iranian managers and hence to provide data to support the study objectives.

The decision to use the questionnaire method in this part of the study was mainly because this study is in part exploratory in nature and in part a replication of the Flowers et al. (1975); Ali, Azim, and Krishnan (1995); and Ali, Taqi, and Krishnan (1995) studies, and thus, it seemed appropriate for reasons of consistency to use the same method of inquiry employed by them. Survey methods also made it possible to

contact more subjects in a limited time than other methods would have permitted (e.g., interview method).

Analysis of the quantitative data was done with the help of relevant statistical techniques including one-way univariate and multivariate analysis of variance (ANOVA & MANOVA), and multiple discriminant analysis (MDA). All statistical analyses were accomplished using the Statistical Package for the Social Sciences (SPSS).

The qualitative portion of this study comprises two case studies about two successful Iranian organizations. The main objective of these case studies was to provide indepth analysis as supplements to quantitative analysis of the questionnaire survey. They also give a different perspective resulting from multidisciplinary, integrative inquiry. They provide a dynamic lens into relationships and processes over time. The required data for writing the cases was collected through the companies' records, field observations, one-to-one and focus group interviews with various levels of their management team and their employees and customers. Both the primary and secondary data have then been used in writing the case studies.

SAMPLE SURVEYED

The results of this study are based on a sample of 768 managers in Iranian-owned public, mixed and private organizations. This sample is large compared not only to previous studies in Iran and in other developing countries but to research in more developed nations.

Access to the data

Having extensive experience in various managerial positions, mainly in Iranian industries, the researcher was well aware of the severity of the problem of access to the data for research purposes. In Iran, collection of data through questionnaires is uncommon and the chances of collecting a sufficient number of responses is very slim unless there is a reputable sponsor or referee to recommend the research to the potential respondents.

Due to the severity of the problem of access, as above, and owing to the size of the sample, the data collection and field work stage of the study proved the most challenging part of this research. To address this challenge, the Industrial Management Institute of Iran (IMI) agreed to act as corporate sponsor. This management institute is the oldest (established in 1961), the largest (with more than 250 professional staff, at present), and the most prestigious management firm in Iran and its members include managers from private, mixed and public sectors. From the very outset, IMI has focused on three major areas: management consulting, management development, and management studies. The main motive of IMI in sponsoring this study was its belief in research and the fact that research provides the necessary basis for the enhancement of the Institute's overall performance.

IMI sponsorship was limited to funding, provision of administrative services, and assistance during data collection. Furthermore, the questionnaire was launched with a covering letter signed by the managing director of IMI. A stamped self-addressed envelope was enclosed with all the questionnaires to facilitate posting the responses.

Representativeness of the data

Initially, IMI posted one thousand copies of the questionnaire to all its members through its mailing list. Whereas about two thirds of IMI members were working in the private and mixed sectors, it was decided to distribute extra copies of the questionnaire among managers in the public sector in order to have a more representative sample of the population of Iranian managers according to the sector of the economy they work in.

After discussions with the officials of the Plan and Budget Organization of Iran, it was estimated that the share of the public sector in the economy is almost equal to 70% while private and mixed sectors' share were estimated to be about 10% and 20% respectively. One thousand two hundred extra copies of the questionnaire were, therefore, distributed among the managers in such major ministries as the Ministry of Industry, Commerce and Health; Plan and Budget Organization of Iran; and to the management of Tehran Municipality. The questionnaire was posted directly to respondents. Follow-up calls have been made to ensure the maximum replies.

Out of the total of 2,200 copies of the questionnaire, 768 responses were received and used in this survey. Therefore, 35% useable questionnaires were obtained for data analysis. The distribution of the respondents by organizational and demographic variables are presented in Chapter five.

Managers responded anonymously to the questionnaire. They were requested to base their replies on their real feeling, understanding and experience. They were also advised that there were no right or wrong answers, but that their opinions mattered; that the replies would be analyzed collectively; and that they would be considered strictly confidential and would be used exclusively for research purposes.

Given the statistical analysis to be performed on the data in this study and given the number of dependent and independent variables, the sample size is adequate, as compared with the sample sizes suggested by Hair, et al. (1995:279), to obtain sufficient power (.80) with medium or large effect sizes.

THE SURVEY INSTRUMENT

The survey instrument was a questionnaire comprising seven scales, each of which was used by various authors in previous surveys, to measure the values for working, decision-making styles and the status of individualism/collectivism of Iranian managers and hence to provide data to support study objectives. It was divided into three main sections, each measuring separate data required for testing the hypothesis of this research. Brief descriptions of each section of the questionnaire are given below.

Before launching, the original English version of the questionnaire was translated into Farci (the native language in Iran) and then was translated back into English by another professional translator to ensure the integrity of the translations. The English and Farci versions of the questionnaire are shown in Appendix B.

Questionnaire designed to measure the managerial value systems

The major objective of this section of the questionnaire was to determine the relationship between the managerial values for working and certain demographic and organizational variables. Therefore, this part of the questionnaire was composed of two sections. The "Personal Information Questionnaire" (PIQ), and the "Values of Working Questionnaire" (VWQ). Both of these questionnaires were adapted from the instrument developed by Flowers et al. (1975).

Values for working questionnaire (VWQ)

Using Graves' "levels of psychological existence" as a frame of reference, Myers and Myers (1974) developed a research instrument to measure disparate values in organizations. Flowers et al. (1975) ultimately refined the questionnaire into a number of multiple choice items. They used eight of these items in an American Management Associations study to measure the value systems of American managers in 1975. Professor Abbas J. Ali used this version of the questionnaire in a number of the countries in the Middle East including Iraq (1982), Saudi Arabia (1985), United Arab Emirates (1995), Kuwait (1995), and Morocco (1995).

The reasons for choosing VWQ for use in the present study are that as Ali (1982:30) has observed.

it provides a method of predicting the attitudes and behaviors of people at the workplace and because of its relative lack of cultural bias that makes it well suited for cross-cultural studies;

Furthermore, VWQ has been successfully administered in other countries of the region. Thus, a good basis for comparing the results of this study with those of the United States of America and other Middle Eastern countries already exists.

Each item or dimension in the VWQ comprises six statements which are arranged in a random order. Each statement is designed in such a way as to measure one dimension of a value system related to supervisors, money, loyalty, size of the company, work, freedom at job, profit, and company rules. The respondents are requested to assign a numerical value ranging from one (strongly disagree) to five (strongly agree) in the format of a typical Likert-type scale. The six responses correspond to the following managerial value systems:

- Existential: high tolerance for ambiguity and for those who have different values,
 value all human wants but are not slaves to any of them, self development is more important than abstract achievements.
- Sociocentric: high need for affiliation and little concern for wealth, cooperative more than competitive, believing in communication, committeeism and majority rule.
- Manipulative: materialistic, entrepreneurial, expressive, independent from predetermined fate, self-calculating to achieve an end.
- Conformist: sacrificial, low tolerance for ambiguity, in need of structure and rules to follow, subordinating the self to a philosophy, cause or religion.
- Egocentric: aggressive, selfish, restless, impulsive, and in general not inclined to live within the limits and constraints of society's norms.
- Tribalistic: high need for stability and safety, submissive to authority and/or tradition.

The following, which is an excerpt from the questionnaire (Appendix B), shows the responses that a conformist manager, for example, may have made on each of the eight dimensions of the value systems.

- 1. To me, company loyalty means: sticking with the company through good years and bad, and making sacrifices when necessary to keep the company strong.
- 2. The king or boss I like is one who: calls the shots and is not always changing his mind, and sees to it that everyone follows the rules.
- 3. Money is important to me because: it allows me to save for a rainy day, to aid the less fortunate, and to have a decent standard of living.
- 4. My work: I have worked hard for what I have and think I deserve some good breaks. I believe others should realize it is their duty to be loyal to the organization if they want to get ahead.
- 5. In my opinion, the profit a company makes: keeps the company strong so the employees can continue to have good jobs.
- 6. Job freedom, for me means: the opportunity to work where I want and have a steady job.
- 7. I believe that big companies: are doing their duty when they provide steady jobs and pay enough to allow employees to maintain a decent standard of living.
- 8. In my opinion, company rules are: necessary to preserve order in the company, and employees who violate the rules should be told how important it is to follow the rules.

Personal information questionnaire

The Personal Information Questionnaire (PIQ) consists of two sets of independent variables, the demographic and the organizational. Variables in this part were mostly those used by Flowers et al. (1975). Ali (1982) refined them and used them for the Arab studies. They have been further refined and some new variables have been included for the purpose of this study. The list of these variables together with brief descriptions of each are presented in Chapter five.

Questionnaire designed to measure the decision-making styles

The decision style instrument includes six statements pertaining to decision-making styles: autocratic, pseudo-consultative, consultative, participative, pseudo-participative, and delegative. The respondents are requested to indicate their own decision-styles, their perception of the most effective style, and the style their immediate supervisor uses in his/her decision-making.

This scale, which is a modified version of similar scales used by Muna (1980) and Vroom & Yetton (1973), has been synthesized by Ali. It was adopted for this study without modification. It was previously used in Saudi Arabia (Ali, 1993), United Arab Emirates (Ali, Azim & Krishnan, 1995) and Kuwait (Ali, Taqi & Krishnan, 1995). It is also used by Ali & Swierce (1986) and Ali & Schaupp (1992) and was reported, by them, to be reliable. Table 4.1 summarizes the relationship between decision-making styles depicted in present scale and similar approaches used in prior investigations.

Table 4.1

Comparison between decision styles employed in this study

and similar previous investigations

Likert (1967)	Heller (1971)	Vroom &Yetton (1973)	Bass & Valenzi (1974)	Muna (1981)	Present Study
Exploitative authoritative (System 1)	Own decision without detailed explanation (Style 1)	Manager makes decision himself (A1)	Direction (System 1)	Own decision (System 1)	Own decision (System 1)
Benevolent authoritative (System 2)	Own decision without detailed explanation (Style 2)	Manager makes decision obtain - ing necessary information from subordinate (A1)	Negotiation (System 2)	Consultation with subordinates (System 2)	Pseudo - consultative (System 2)
Consultative (System 3)	Prior consultation with subordinates (System 3)	Manager shares problem with subordinates; makes own decision (C1)	Consultation (System 3)	Joint decision with subordinates (System 3)	Consultative (System 3)
Participative group (System 4)	Joint decision making with subordinates (System 4)	Manager shares problem with group; makes own decision (C11)	Participative (System 4)	Delegation of decision to subordinates (System 4)	Participative (System 4)
	Delegation of decisions to subordinates (System 5)	Manager and sub - ordinate together arrive at a mutually agree - able decision (G1)	Delegation of decisions to subordinates (System 5)		Pseudo - participative (System 5)
		Manager and group discuss, evaluate, and make a group decision (G11)			Delegation of decision to subordinates (System 6)
		Delegation of decision to subordinate (D1)			

SOURCE: ALI, A.J. (1993) "DECISION - MAKING STYLE, INDIVIDUALISM, AND ATTITUDES TOWARD RISK OF ARAB EXECUTIVES," INTERNATIONAL STUDIES OF MANAGEMENT & ORGANIZATION, VOL. 23 (3), P.53 - 73

The major difference of this scale in comparison with similar instruments is the introduction of the terms "pseudo-consultative" and "pseudo-participative" in this instrument. It fits the cultural characteristic of the managers in the Middle East in which, according to Ali (1993:55):

Managerial behavior, which remains strictly within the framework of the authoritarian and hierarchical structure of the organization, seeks to prepare subordinates to accept decisions already made by managers and to improve the individual managers' images in the society.

This questionnaire was selected for use in the present study because it has proved to be reliable in previous research in the Middle East. Thus, it offers a good basis for comparison with similar studies.

Questionnaire designed to measure individualism/collectivism

Use of multimethod strategies in research in social sciences has been extensively advocated (Fiske & Shweder, 1986; Campbell, 1986). Two measures of individualism and two measures of collectivism have, therefore, been used in this study.

The following four scales were used because every one of them has already been tested and found to be reliable and because they have been used in the Middle Eastern countries (Ali, 1987 and 1993; Ali, Azim and Krishnan, 1995; and Ali, Taqi, and Krishnan, 1995) and seem to be more appropriate for that culture. Thus, a good basis of comparing the results of this study with those of other Middle Eastern countries does already exist.

Short description of these scales are as follows:

Work individualism

This scale contains seven items and is used to measure individualism in the workplace, emphasizing self-reliance as a source of success, individual rather than group rewards, pride in accomplishments, loyalty to one's self and family, and loyalty to superiors in the workplace. The statements are rated on a five-point Likert-type scale.

This scale was originally developed by Ali (1987) in three stages and found to be highly reliable.

Individualism:

This scale centers on self-reliance, self fulfillment, and independence. Based on a construct developed by Hui (1984), the scale has been found to be reliable and valid (Triandis, 1990). The statements were rated on a five-point Likert-type scale.

Work collectivism:

This scale is a modified version of Flowers et al. (1975) sociocentric value system. A five-point Likert-type scale was used to rate statements.

Collectivism belief:

This scale is a modified version of Buchholz (1978) collectivism measure. The participants rated each statement using a five-point Likert-type scale.

STATISTICAL TECHNIQUES USED

A one-way univariate and multivariate analysis of variance (ANOVA and MANOVA) were used to test the hypotheses developed in Chapter one. Mean differences were analyzed using multiple discriminant analysis (MDA), when significant results were obtained. All statistical analyses were accomplished using the Statistical Package for the Social Sciences (SPSS) computer program.

The Problem of missing values and outliers

As to the question of missing values within the sample, SPSS does ignore the missing values (by default) before analysis of any variables. Justification of designating missing data as ignorable is that the missing data process is operating at random (i.e., the observed values are a random sample of the total set of values, observed and missing). To ascertain the above justification the researcher diagnosed the randomness of the missing data within each of the dependent variables (scales) by forming two groups – observations with missing data and those without. Hair, et al. (1995) recommended 't-test' of the two groups to be an appropriate test for checking the significance of the sample relationship for metric variables (e.g., an attitude or perception). As shown in the following table (Table 4), t-test of the above-mentioned two groups indicates that the mean differences between the observed and missing values are not significant in any of the scales used. Thus, the missing values were justifiably ignored in the process of data analysis.

	Table 4.2							
T-tests and th	T-tests and the significance levels of the sample relationship between the observed and							
	missing values for each of the scales							
Dependent	# of cases	# of cases	% of	Mean	2 - tail			
Variables	with valid	with	missing	difference	significance			
(Scales)	data	missing	values	between	level of t - test			
		values		observed and	for equality of			
				missing values	means			
Collectivism	664	97	12.6	0.0592	0.265			
(Scale I)								
Collectivism	720	42	5.5	- 0.0569	0.466			
(Scale II)								
Individualism	648	111	14.5	- 0.0268	0.616			
(Scale I)								
Individualism	726	29	3.8	- 0.0225	0.846			
(Scale II)								
Decision	668	100	13.0	0.0751	0.473			
Styles					_			
Sociocentric	644	112	14.6	0.0119	0.800			
	(2.5	110	14.5	0.0001	0.070			
Egocentric	635	113	14.7	- 0.0021	0.970			
Conformist	652	106	13.8	0.0338	0.484			
Existential	616	144	18.7	0.0583	0.168			
Tribalistic	635	117	15.2	- 0.0379	0.462			
Manipulative	650	108	14.1	- 0.0091	0.864			

Outliers are problematic in almost all multivariate data analyses. Hair et al. (1995:276) suggest that: "MANOVA is especially sensitive to outliers and their impact on type I error. The researcher is strongly encouraged first to examine the data for outliers and eliminate them from the analysis if at all possible, because their impact will be disproportionate in the overall results." They also believe that outliers can have substantial impact on the classification accuracy of any discriminant analysis results and highly recommend the researchers to eliminate them (p.197).

in line with the Hair et al. (1995) recommendations the outliers were detected and eliminated from these analyses accordingly.

One-way univariate and multivariate analysis of variance (ANOVA & MANOVA)

Both ANOVA and MANOVA are particularly useful when used in conjunction with experimental designs – that is, research designs in which the researcher directly controls or manipulates one or more independent variables to determine the effect on one (ANOVA) or more (MANOVA) dependent variables (Hair et al., 1995). According to these authors:

MANOVA represents a powerful analytical tool suitable to a wide array of research questions. Whether used in actual or quasi - experimental situations (such as field settings or survey research where the independent measures are categorical), MANOVA can provide insights into not only the nature and predictive power of the independent measures but also the interrelationship and differences seen in the set of dependent measures.

(Hair et al., 1995:268)

ANOVA is a technique that provides a statistical answer to the question, "does a pattern of dispersion, as measured by the variance, indicate that sample means are truly different, or does it indicate that the difference is due to chance or to sampling error?" The actual analysis of variance is then computed by means of the F ratio, or F-test, which is simply a ratio of the between-groups variance to the within-groups variance. For the F-test the null hypothesis states that the two variances of within and between groups are equal and that both are equal to the true population variance (Malec, 1993). If the two sample variances are indeed equal, or close to equal, the ratio of one to the other will be approximately 1.00. But if the nominator is much greater than the denominator, then the F-ratio will become considerably larger than 1.00. This indicates the null hypothesis cannot be accepted. In both the standard oneway analysis of variance table and overall multivariate test criteria, F-tests are utilized. If the F-ratio is significant, we conclude that the variation in the group means is more than what could be expected by chance and that the means in the population from which the sample comes are therefore different (Iverson and Norpoth, 1976).

The one-way multivariate analysis of variance (MANOVA) examines mean differences for several variables simultaneously. The main use of MANOVA is making overall tests of group difference on the several variables comprising a

multivariate set of data (Borgen and Selling, 1978). MANOVA is considered a complex statistical analysis. However, it is increasingly being used for the analysis of behavioral science data (Haas, 1980).

Discriminant analysis

Discriminant Analysis is a multivariate technique equivalent to MANOVA which allows the researcher to study the nature of the differences between two or more groups of subjects with respect to several variables simultaneously. The term is often viewed as a unified approach in the solution of a research problem involving a comparison of two or more populations characterized by multiresponse data (Huberty, 1975). Tatsuoka and Tiedemen (1954:414) have emphasized the multiphasic character of discriminant analysis: "(a) the establishment of significant group-differences, (b) the study and explanation of these differences and finally (c) the utilization of multivariate information from the samples studied in classifying a future individual known to belong to one of the groups represented."

Hair et al. (1995) suggest that the basic purpose of discriminate analysis is to estimate the relationship between a single nonmetric (categorical) dependent variable and a set of metric independent variables, in this general form:

$$Y1 = X1+X2+X3+...Xn$$
 (nonmetric) (metric)

They propose discriminant analysis to be used in the following circumstances:

Discriminant analysis is useful when the analyst is interested either in understanding group differences or in correctly classifying statistical units into groups or classes. Discriminant analysis, therefore, can be considered either a type of profile analysis or an analytical predictor technique (Hair et al., 1995:192).

As stated previously, MANOVA provides omnibus tests for significant differences among groups. Thus, if significant results are obtained for the omnibus test, multiple group discriminant analysis (MDA) is recommended to determine which of the various single effects are important (Borgen and Selling, 1978).

The plotting of the results of MDA is a procedure often suggested to improve interpretability of analytical results. It is an innovative method for simplifying interpretation for organizational researchers (Watson, 1982).

The number of discriminant functions associated with a data set involving K groups and p predictor variables (denoted by r) is:

$$r = min.$$
 (K - 1, p)

This means that there are as many discriminant functions as the number of groups minus one, or the number of predictor variables, whichever is smaller. Associated with each function are eigen values and eigen vectors. To determine whether a given function is weak compared to others, the eigen values have been converted into relative percentages. Since the first two functions are the most powerful discriminators, a plot is based on only these two functions, which is considered to be very informative if not sufficient in itself (Klecka, 1980).

For substantive interpretation of the functions, the "standardized coefficients" and the group centroids on functions are utilized. The "standardized coefficients" are found by multiplying each raw score coefficient by a function of the within group standard deviation of the corresponding variables (Huberty, 1975).

Discriminant analysis is quite sensitive to the ratio of sample size to the number of predictor variables. Many studies suggest a ratio of 20 observations for each predictor variable (Hair, et al., 1995). In addition to the overall sample size, the analyst must also consider the sample size of each group. Hair, et al., (1995) further suggest that at the minimum, the smallest group size must exceed the number of independent variables. As a practical guideline, each group should have at least 20 observations (p.195). In line with the above suggestions, the researcher has, whenever necessary, manipulated the groupings of the dependent variables in the MDA to meet the above minimum number of observations required.

CASE STUDIES

A case study approach was chosen to complement the quantitative findings in the context of a real working environment, as suggested by Glaser and Strauss (1967); to study and explain detailed processes, as advised by Yin (1994) and Gummesson (1991); and in order to reach a better understanding and obtain a holistic view of the specific case, as advocated by Valdelin (1974):

The detailed observations entailed in the case study method enable us to study many different aspects, examine them in relation to each other, view the process within its total environment and also utilize the researcher's capacity for *Verstehen*. Consequently, case study research provides us with a greater opportunity than other available methods to obtain a holistic view of a specific project (p.47).

The researcher was aware that obtaining the data required for the case studies was more problematic than administering a survey instrument, because writing case studies requires an in-depth analysis of processes, practices and data. The researcher further knew that applied research in management, in general, and writing case studies, in particular, are rare in Iran and that management hierarchies generally consider disclosure of information to outsiders as unnecessary, entailing no benefit but potential losses for the organization.

Obtaining permission from Tehran Municipality and Watt Meter Company of Iran (the subjects of the case studies) to allow the researcher to study their organization was, therefore, a success and a challenge at the same time. (The above case studies are examined in detail and analyzed in Chapter seven).

Tehran Municipality is a public service organization in Tehran. Watt Meter Company of Iran is a manufacturing company with mixed ownership by private and public sectors in Ghazvin, 200 kilometers south of Tehran. They are both considered large organizations, with more than a thousand employees.

Case writing process

Before interviewing managers in any of the two organizations, a few weeks were spent reviewing the records, publications, and files that the researcher needed in order to familiarize himself with the multidimensional activities of those entities. This initial period, which was spent on site, was a good opportunity to observe the way things were run, to converse with employees at various levels and to talk with customers and clients of the two organizations.

Interviews were semi-structured with a core of pre-specified questions to be answered. The interviewees were allowed to respond at their own pace, with minimum interruptions. Interviews typically lasted between one and one half to two hours each. It was decided, at the outset, not to record the interviews in order to let the interviewees express themselves openly without fear that their comments would be recorded and documented. Informants were assured that their names would be kept strictly confidential and that their comments would be used exclusively for academic purposes. The interviewer, therefore, took notes on responses and comments in as much detail as possible, which formed the basis for an account of the entire interview, written immediately afterwards.

A few focus group interviews were also arranged, although with limited success. The main difficulties with the focus group interviews were the problem of collecting managers under one roof, aside from their working environment, and to motivate them to talk openly. The limited success of the focus group interviews could partly be attributed to the fact that they were organized within the managers' workplaces. It was difficult, therefore, to keep the participating managers away for their work during the interview time. And because the managers were typically not interested in openly expressing their view points about their management system or talk about negative aspects of it in front of their colleagues.

The researcher attempted to match and compare quantitative and qualitative data with each other. The idea was that a comparison of the quantitative data of the questionnaires within the context of the case study data would elucidate the relationships between the managerial value systems, decision styles and the status of individualism/collectivism of the managers and their management systems as detailed in the case studies. Extra copies of the questionnaire of this research were,

therefore, distributed among managers in Tehran Municipality and Watt Meter Company of Iran as well. These specially-marked questionnaires were subjects of quantitative analysis twice. Once, together with the rest of the questionnaires, as the general statistical analysis of the data and the second time, separately, for the unique use in each of the two case studies.

In summary, required data for writing the cases were collected through the companies' records, field observations, one-to-one and focus group interviews with various levels of their management team and their employees and customers. Both primary and secondary data were then used in writing the case studies.

Case study of Tehran Municipality

The researcher's first contact was through a fax sent to the office of the public relations and international department of TM in mid 1994, explaining his request for permission to write a case study on management practices in TM. An official request signed by Professor John Milton-Smith, Deputy Vice-Chancellor, Curtin Business School, authenticated by the Iranian embassy in Canberra, was posted to the same department shortly thereafter. Follow up calls were made through IMI offices in Tehran, and permission was granted in late October 1994.

After an introductory meeting of the researcher with the manager of the public relations and international department of TM, introductory letters were sent to all the various deputies and department managers within TM as well as other regional municipalities and organizations affiliated with TM. In these memos the researcher was introduced, purpose of the research was described, and the addressees were requested to cooperate with him in due course.

Interviews were conducted with four of the eight deputy mayors, four of the twenty regional municipalities, and four of the twenty or so of the organizations affiliated to the TM. Interviews were conducted with top officials, department managers, and other lower level managers. The researcher has also participated, as observer, in a few of the routine weekly meetings of the regional municipals with the general

public, in which they listened directly to the queries, criticisms and complaints of their clients.

Case study of Watt Meter Company of Iran

The decision to write a case study of Watt Meter Company of Iran (WMCI) was made in late 1994 in Tehran. The success of WMCI in implementing an efficient participative management style and its breakthroughs in research and development were topics of much discussions among industrial managers in Tehran. Based on the recommendation of a mutual friend, the researcher met with the deputy managing director of the company and requested permission to conduct case study research on management practices at WMCI. After a short meeting, the permission was granted.

Subsequently, the researcher was introduced within the company. He interviewed the managing director, his deputy, and the functional managers. Almost all of the department managers were interviewed as well. Also interviewed were an official from the Ministry of Energy (as the major shareholder), workers council members, the representatives of the Islamic Association of the workers, and few white and blue colour staff. Furthermore, a few interviews with customers and suppliers of the company were made as well.

Why these case studies?

Instead of writing cases about organizations with traditional management practices, the researcher preferred to adopt an approach similar to what Peters and Waterman (1982) selected in their landmark qualitative research study: *In Search of Excellence*, i.e., to study the best practices in the nation. Therefore, out of the several organizations that were approached and gave permission to the researcher to enter and study their organizations, Tehran Municipality and Watt Meter Company of Iran were selected. These two organizations are widely considered to be among the most successful in Iran.

Managers in these two organizations are among the most successful change agents in the entire country. They have successfully applied decentralized decision-making processes, participative management, out-sourcing, strategic planning and management, efficient human resource techniques, and visionary leadership within previously traditional and hierarchical organizations.

Contributions of the two case studies to the objectives of this research and to the process of management practices in Iran and similar Middle Eastern countries may be summarized below:

1- The case of Tehran Municipality, which is a success story in public sector management reforms, is a practical example of how empowerment of the workforce together with other interwoven management practices have turned around the state of affairs at TM. As a result of the new reforms, introduced by the new managers at TM, it was transformed from an inefficient pyramidal structure with centralized power and authority at the top and an inflated and indifferent layer of workforce, especially the unskilled, at the bottom, to an efficient and productive pool of experts who cooperate in a flatter organization and are committed to quality. Schapper (1995), from Public Sector Management Office of Western Australia suggests that these changes represent "a shift from rentier mentality to entrepreneurial culture."

The significance of these reforms will become more apparent when we realize that the traditional state of affairs at TM is typical of the way many other public sector organizations are run, not only in Iran but other M.E. countries (Moolavi, 1995; Dawoodi, 1995; Farazmand, 1987; Wright, 1981; Pezeshkpur, 1978).

2- The case of Watt Meter Company of Iran is a practical example of how human resource management techniques like employee suggestion systems, formation of quality circles, introduction of employee appraisal and remuneration packages and job rotation schemes could dramatically increase the productivity in a traditional authoritarian environment of a typical manufacturing company in Iran.

This case study suggests that competent human resource management is a prerequisite for any management action. The study further suggests that management practices like decentralization, out-sourcing, total quality management, and effective human resource management, which are more widely used in the industrial countries, may well be used in practice, with similar effectiveness, if not more, in the traditional third world countries like Iran, despite differences of cultural characteristics.

The main contribution of this case study is that it manifests that participative management is feasible and functional in the traditional and hierarchical environment in Iran. What is needed most are visionary leadership with clear directions and empowerment of the workforce.

The readers are reminded that the researcher does not claim, however, that the management practices employed in the above-mentioned organizations are typical in Iran. In other words, case studies selected may be considered as variants from the mean that highlight the pathway of change and the future direction of management practices in Iran.

SUMMARY

In summary, this chapter has discussed sample size, survey instruments, scaling techniques and the various statistical methods used to analyze the data to achieve the study objectives. An account of the case writing process, the reasons of selecting the two subjects for the case studies and the contributions of them to the objectives of this research study are presented as well. A demographic profile of the respondents is presented in the following chapter.

CHAPTER FIVE

PROFILE OF THE RESPONDENTS

INTRODUCTION

As was mentioned in chapter four, the Personal Information Questionnaire (PIQ) consists of two sets of independent variables, the demographic and the organizational. Variables in this part were mostly those used by Flowers et al. (1975). Ali (1982) refined them and used them for the Arab studies. They have been further refined and some new variables have been included for the purpose of this study.

The distribution of the respondents by demographic and organizational variables are shown in the following tables (Tables 5.1 to 5.21). A comparative profile of managers from the U.S. and a few other countries from the Middle East is presented in Tables 5.22 to 5.23 at the end of this chapter.

DEMOGRAPHIC PROFILE

The following tables (Table 5.1 to 5.13) depict the descriptions of the respondents by their demographic variables:

The following data shows that management positions in this sample are mainly dominated by males (95%), with female managers in a distinct minority (only 5%).

Table 5.1 Demographic profile of the respondents (Gender)						
Gender*	Gender* Frequency % Frequency Group code					
Male	726	95.0	1			
Female 38 5.0 2						
Total	764	100.0				

^{*} Not specified = 4

¹ Group code is used to present the mean of each group in the discriminant space. All graphical representations associated with group codes are presented in Appendix C.

The data in Table 5.2 indicates that 91.3% of the surveyed managers are less than 50 years of age. However, only 0.5% of the managers were 60 years or older. The data shows that majority of the Iranian managers are in their forties.

Table 5.2 Demographic profile of the respondents (Age group)					
Age groups*	Frequency	% Frequency	Group code		
Under 30 Years	29	3.8	1		
30 - 39 years	303	39.5	2		
40 - 49 years	368	48.0	3		
50 - 59 years	63	8.2	4		
60 + years	4	0.5	5		
Total	767	100.0			

^{*} Not specified = 1

Results of a similar study on the age groups of a sample of Iranian public sector managers (1,100 managers) are presented in Table 5.3. This data, despite minor differences, is overall very similar to the age groups of the respondents to the present study.

Table 5.3 Age group of Iranian public sector managers (1992)						
Age group of managers Number of Percentage Cum # of Cum. managers managers percentage						
25-29 years	4	0.4	4	0.4		
30-34 years	100	9	104	9.5		
35-39 years	275	25	379	34.1		
40-44 years	341	31	720	65.5		
45-49 years	288	26.2	1008	91.6		
50-54 years	69	6.3	1077	97.9		
55-59 years	20	1.8	1097	99.7		
60+ years	3	0.3	1100	100		

Source: Hamshahri (1995), April 23: 12 (quoted from Statistical Center of Iran).

As indicated below, 92.9% of the Iranian managers in this sample have a tertiary education, with 56.6% holding bachelors degrees. These figures clearly indicate that Iranian managers who took part in this survey seem to be well educated.

Table 5.4 Demographic profile of the respondents (Highest level of education)					
Level of educational*	Frequency	% Frequency	Group code		
Elementary School	1	0.1	1		
Intermediate School	6	0.8	1		
High School	47	6.1	1		
Diploma after High School	24	3.1	1		
Bachelors Degree	433	56.6	2		
Masters Degree	218	28.5	3		
Doctorate Degree 26 4.7 4					
Total	765	100.0			

^{*} Not specified = 3

Results of a similar study on the level of education of a sample of Iranian public sector managers (1,100 managers) are presented in Table 5.5. Comparative figures of the two samples denote that despite the fact that holders of bachelors degree are predominant in both samples (56.5% and 55%), the level of education of the managers in the present survey is generally higher than the sample from the public sector managers.

Table 5.5 Education level of Iranian public sector managers (1992)						
Level of education Number of Percentage Cum # of Cum. managers managers percentage						
Doctorate degree*	23	2.1	23	2.1		
Masters degree	102	9.3	125	11.4		
Bachelor degree	605	55	730	66.4		
College certificate	163	14.8	893	81.2		
High school diploma	200	18.2	1093	99.4		
Below high school	7	0.6	1100	100		

Source: Hamshahri (1995), April 23: 12 (quoted from Statistical Center of Iran)

^{*} About 80% of those with doctorate degrees are employed by the Iranian Ministry of Health.

As to their fields of study, 45.3% of the Iranian managers have degrees in engineering, 13.7% in administration and management, and 10.3% in other human sciences. 7.8% of the sampled managers have degrees in more than one field.

Table 5.6 Demographic profile of the respondents (Field of study: university training)					
Fields of study*	Frequency	% Frequency	Group code		
Administration & Mgt	97	13.7	1		
Accounting	58	8.2	2		
Engineering	321	45.3	3		
Fine Arts	4	0.6	4		
Economics	38	5.4	5		
Human Sciences	73	10.3	4		
Medical /Health/Pharmacy	30	4.2	6		
Pure Science	4	0.6	3		
Agriculture	28	4.0	7		
With two or more fields of study 55 7.8 8					
Total	708	100.0			

^{*} Not specified = 60

As it is depicted in the following table, apart from few Christians and Zoroastrians, nearly all of the managers (99.3%) are Moslems.

Table 5.7 Demographic profile of the respondents (Religion)					
Religion* Frequency % Frequency Group code					
Moslem	756	99.5	1		
Christian	2	0.3	2		
Zoroastrian	2	0.3	3		
Total	760	100.0			

^{*} Not specified = 8

The data in Table 5.8 indicates that the majority of the managers (74.9%) are Farce while 16% are Turk.

Table 5.8 Demographic profile of the respondents (Ethnic group)					
Ethnic groups*	Frequency	% Frequency	Group code		
Farce	567	74.9	1		
Turk	121	16.0	2		
Arab	1	0.1	3		
Kurd	13	1.7	4		
Lor	27	3.6	5		
Gilak	18	2.4	6		
Armani	2	0.3	7		
Other	8	1.1	8		
Total	757	100.0			

^{*} Not specified = 11

Data in Table 5.9 indicates that 83.3% of the managers were raised in urban areas (34.7% of them in Tehran, the capital city), with the rest coming from rural areas.

Table 5.9 Demographic profile of the respondents (Where raised in early childhood)						
Region of early childhood*	Frequency	% Frequency	Group code			
Village	83	10.9	1			
Township	44	5.8	2			
City	210	27.6	3			
States Capital	160	21.0	4			
Tehran 264 34.7 5						
Total	761	100.0				

^{*} Not specified = 7

Data in Table 5.10 shows that 98.4% of the surveyed managers live in cities, mostly in Tehran (61.4%) and other state capitals (27.2%).

Table 5.10 Demographic profile of the respondents (Where live now)					
Region of residence*	Frequency	% Frequency	Group code		
Township	4	0.5	1		
City	75	9.8	1		
States Capital	208	27.2	2		
Tehran	470	61.4	3		
Countryside 9 1.2 3					
Total	766	100.0			

^{*} Not specified = 2

According to the information in the following table (Table 5.11), 40.5% of the respondents' fathers are employees, 6.5% factory workers and 10.9% peasants. Thus, 57.9% of the managers come from lower to middle classes. 25.2% of their fathers are storekeepers and the rest of their fathers (16.8%) are either land owners, company owners, merchants, medical doctors, dentists, pharmacists, or other specialists.

As indicated below, 10.9% of the managers' fathers are peasants. This is consistent with the fact that 10.9% of the managers spent their early childhood in villages (Table 5.9), where the majority of the population is peasants.

Table 5.11 Demographic profile of the respondents (Father's occupation)			
Father's occupation*	Frequency	% Frequency	Group code
Peasant	82	10.9	1
Factory Worker	49	6.5	2
Landowner/ Merchant	63	8.4	3
Employee	304	40.5	4
Storekeeper	189	25.2	5
Medical Doctor / Pharmacist	12	1.6	6
Union Member	24	3.2	7
Other Specialist	13	1.7	6
Clergy	14	1.9	6
Total	750	100.0	

^{*} Not specified = 18

Table 5.12 shows that the average annual income of the Iranian managers in this study is about Rials 10,000,000. While the majority (40.1%) of the respondents' income is less than the average, only 6.5% of them have income more than double the average.

¹ 1 Toman = 10 Rials

Table 5.12 Demographic profile of the respondents (Gross annual incomes)				
Gross annual income* Frequency % Frequency Group code				
Less than 7,000,000 Rls.	304	40.1	1	
7,000,000 - 10,000,000 Rls.	202	26.6	2	
10,000,001 - 13,000,000 Rls.	103	13.6	3	
13,000,001 - 16,000,000 Rls.	59	7.8	4	
16,000,001 - 20,000,000 Rls.	41	5.4	5	
More than 20,000,000 Rls.	49	6.5	6	
Total	758	100.0		

^{*} Not specified = 10

This question asked managers whether they:

- had read any management articles by Iranian authors in the last year;
- had read any management articles by foreign authors in the last year;
- had routinely studied any journals of management in the last year and
- had taken part in any management seminars in the last year.

The answers, which are depicted in Table 5.13, ranged from zero (which shows a negative response to all of the above questions) to four (which shows a positive response to all of the above questions), indicated that 18.1% of the respondents did not have any exposure to management literature while 24.9% had very high exposure.

Table 5.13 Demographic profile of the respondents (Exposure to management literature)				
Level of exposure Frequency % Frequency Group code				
No Exposure	139	18.1	0	
Low Exposure	135	17.6	1	
Medium Exposure	145	18.9	2	
High Exposure	158	20.5	3	
Very High Exposure	191	24.9	4	
Total	768	100.0		

ORGANIZATIONAL PROFILE

The following tables (Table 5.14 to 5.21) depict the descriptions of the respondents by their organizational variables.

The researcher avoided asking sensitive questions on monetary issues. Instead, here the number of employees (versus the volume of sales or budget) was used to indicate the size of the organization,.

The data in Table 5.14 shows that while 61.7% of the managers work in companies with less than 750 workforce, 11.3% of them work in smaller size workplaces with less than 50 people. Only 2.9% of the respondents work in organizations with more than 10,000 employees.

Given the fact that about 71.7% of the responding managers work in the public sector, one would expect the percentage of respondents who work in organizations with more than 10,000 employees to be much higher. One possible explanation might be that, in answering this question, the participating managers might have considered the number of employees in their immediate departments, not the entire ministry they work for.

Table 5.14 Organizational profile of the respondents (Size: number of employees)			
Number of employees*	Frequency	% Frequency	Group code
50 or less	86	11.3	1
51 - 250	218	28.7	2
251 - 750	165	21.7	3
751 - 2,000	154	20.3	4
2,001 - 10,000	115	15.1	5
More than 10,000	22	2.9	5
Total	760	100.0	

 $[\]overline{*}$ Not specified = 8

After the Islamic revolution, the majority of economic activities in Iran, mainly in manufacturing, commerce, services and education were nationalized. Despite recent

policies to privatize many activities and to sell the nationalized entities to the private sector, the government continues to own and manage many economic activities.

The term "public sector" is used here to refer to both the government-owned business enterprise and public services organization. "Mixed sector" refers to those enterprises which are owned by both government and private entrepreneurs. The term "private sector" refers to those enterprises owned by national entrepreneurs. Foreign

Data in Table 5.15 indicates that 71.7% of the sampled managers are working with the public sector, 17.8% with mixed sector and 10.4% with private sector.

Table 5.15 Organizational profile of the respondents (Nature of ownership)				
Sector of the economy* Frequency % Frequency Group code				
Public	548	71.7	1	
Mixed	136	17.8	2	
Private	79	10.4	3	
Total 763 100.0				

^{*} Not specified = 5

enterprises are not included in this study.

The data in Table 5.16 indicates that the majority (48.8%) of the participating managers work in manufacturing and production industries, 9.2% in public services, 7.5% in marketing and distribution, and 5.5% in engineering. 9.3% of the respondents specified to be involved in more than one single industry.

Table 5.16 Organizational profile of the respondents (General business of the workplace)			
Kind of business*	Frequency	% Frequency	Group code
Manufacturing / Production	372	48.8	1
Finance / Accounting	19	2.5	2
Public Service	70	9.2	3
Training and Education	5	0.7	3
Marketing and Distribution	57	7.5	4
Engineering	42	5.5	5
Legal & Information process	3	0.4	2
Transport & Communication	7	0.9	3
Others	116	15.2	6
with more than one activity	71	9.3	7
Total	762	100.0	

^{*} Not specified = 6

The main management responsibility of the respondents is fairly evenly spread among engineering, manufacturing and production, general administration, marketing and distribution, and finance and accounting. 12.5% of the respondents specified that they are involved in more than one single main responsibility.

Table 5.17 Organizational profile of the respondents (Main management responsibility)			
Management responsibility*	Frequency	% Frequency	Group code
Marketing and Distribution	77	10.5	1
Manufacturing and Production	86	11.7	2
Finance and Accounting	72	9.8	3
Transportation	4	0.5	4
Legal Services	6	0.8	5
Personnel and Administration	49	6.7	6
Engineering	104	14.1	7
General Administration	78	10.6	8
Others	167	22.7	9
with more than one responsibility	92	12.5	10
Total	735	100.0	

^{*} Not specified = 33

A chief executive officer in Iran usually holds the title "general managers" or "managing director". In this study, managers are divided into four main positions: managing directors and their deputies, functional managers, department managers and supervisors. Such a classification is consistent with what is found in many organizations in Iranian companies.

Table 5.18 indicates the high positions respondents to this survey hold in their organizations. Seventy point six percent of the managers are either functional managers or managing directors or their deputies, (with 21.3% the managing directors). 16.9% are department managers and 10.3% are supervisors.

Table 5.18 Organizational profile of the respondents (Current managerial position)			
Managerial position*	Frequency	% Frequency	Group code
Managing Director	159	21.3	1
Deputy Managing Director	124	16.6	2
Functional Manager	244	32.7	3
Department Manager	126	16.9	4
Supervisor	77	10.3	5
Others	16	2.1	5
Total	746	100.0	

^{*} Not specified = 22

Data in Table 5.19 shows that 30.6% of the participating managers reported one level of management above them, 42.5% reported two management levels above them and 17.5% with three levels. This finding is consistent with the data in Table 5.18 and further indicates the high positions the respondents of this survey hold in their organizations.

Table 5.19 Organizational profile of the respondents (Number of management levels above)			
Levels of management above*	Frequency	% Frequency	Group code
One Level	228	30.6	1
Two Levels	316	42.5	2
Three Levels	130	17.5	3
Four Levels	43	5.8	4
Five Levels	7	0.9	4
Seven Levels	1	0.1	4
Eight Levels	3	0.4	4
Members of the BODs	16	2.2	1
Total	744	100.0	

^{*} Not specified = 24

This variable indicates the total length of the work experience of the respondents. Data in Table 5.20 shows that 80% of the managers have more than eleven years of work experience (with 50.6% more than 16 years).

Table 5.20 Organizational profile of the respondents (Total length of work experience)				
Length of work experience* Frequency % Frequency Group code				
Up to One Year	4	0.5	1	
2 - 4 Years	25	3.3	1	
5 - 7 Years	49	6.4	2	
8 - 10 Years	76	9.9	3	
11 - 15 Years	224	29.3	4	
16 Years or More	387	50.6	5	
Total	765	100.0		

^{*} Not specified = 3

Data in Table 5.21 indicates that despite their fairly extensive work experiences, 19.1% of the managers have held their current managerial positions for less than a year, 42.7% of them for 2-4 years and 19% of them for 5-7 years.

This might be explained by the fact that the majority of the respondents hold high positions in their organizations (70.6% of the managers are either functional managers, managing directors or deputy managing directors, with 21.3% being the managing directors). The turnover rate of managers in those positions has been very high in Iran.

Table 5.21 Organizational profile of the respondents (Length of current managerial position)				
Length of current Frequency % Group managerial experience* Frequency code				
Up to One Year	146	19.1	1	
2 - 4 Years	326	42.7	2	
5 - 7 Years	145	19.0	3	
8 - 10 Years	67	8.8	4	
11 - 15 Years	61	8.0	5	
16 Years or More	19	2.5	5	
Total	764	100.0		

^{*} Not specified = 4

SUMMARY PROFILES

A profile of Iranian managers, which is drawn from the sample data of this study, is presented in this chapter. Based on this profile, nearly all of them (95%) are male, in their thirties and forties (88%). The majority of them (90%) have tertiary education, with nearly half (45%) having studied engineering. They were mainly raised in cities (84%). Almost all (98%) are living in the big cities, mainly (61%) in Tehran, the capital city, at the time of this study.

Most of their fathers are/were either employees (40%) or shopkeepers (25%). The majority of them (67%), therefore, come from middle class families. Sixty-seven percent of them reported earning incomes below the average range for managerial positions in Iran.

While 18% of them did not have any exposure to management literature at all, 25% have had very high exposure.

As to the organizations they work in, 72% of them work in the public sector and 10% in the private sector. Nearly half (49%) work in manufacturing industries.

The majority of the participants in this survey are among the highest ranking managers in their organizations. Seventy-one percent of them are functional managers or higher, with 21% being managing directors. Seventy-three percent reported having only one or two levels of management above them in their organization charts.

Despite lengthy overall work experiences of the participating managers in this study (51% having longer than 16 years of work experience), 62% of them had been in their present positions less than 4 years. This indicates a high turnover rate.

COMPARATIVE PROFILE OF MANAGERS ACROSS DIFFERENT COUNTRIES

A concise report on the similarities and differences in demographic and organizational characteristics of Iranian managers with those of Iraq, Saudi Arabia, Morocco, and the U.S. are presented in this section. Comparative demographic and organizational profiles of managers from those countries are tabulated in the following tables (Table 5.22 & 5.23). The figures are all excerpts from the results of similar studies, launching the same research instrument, in those countries.

It should be noted, as a point of reference, that the data in this section is based on various samples of managers from each country who participated in similar studies at various points of time. Obviously, such results are descriptive only of managers participating in those studies, and the findings should not be generalized to other work-group populations.

				Table 5.22						
		Compara	tive manage	Comparative managerial profiles of selected countries	of selected (ountries				
			(Demogr	(Demographic classification)	fication)					
	Ir	Iran	Iraq	bı	Saudi Arabia	Arabia	Morocco	0000	C.S.	S.
<u>Gender</u> Male	Frequency 726	% Frequency 95	Frequency 210	% Frequency 91	Erequency	% Frequency	Frequency 182	% Frequency	Frequency 1654	% Frequency
Female	38	100	232	100			234	100	36 17* 1707	100
Age Group Under 30 Years	Frequency 29	% Frequency	Frequency 14	% Frequency	Frequency 23	% Frequency	Frequency 58	% Frequency	Frequency 104	% Frequency
30 - 39 years	303	40	104	45	39	47	911	51	514	30
50 - 59 years	63	₽ ∞	22	2 0	7 -	,	£ 11	5	426	25
60 + years	767	100	232	001	83	100	234	100	L* T	יא יופי
Highest Level of Education	Frequency	% Frequency	Frequency	% Frequency	Frequency	% Frequency	Frequency	% Frequency	Frequency	% Frequency
Elementary School	1	0	4 '	7	7	5	15	9	•	•
Intermediate School	47	. v	5	7 0	6	11	52	22	24	_ ~
Diploma after High School	24	m	711	. 50	3. 0.	9	115	. 49	24	16
Bachelors Degree	433	57	175	75	39	47	54	23	777	45
Masters Degree	218	29	6	4 6	7	∞ ′	•	,	97	9
Doctorate Degree	765	100	232	100	83	100	236	100	4/2 2* 1707	100
Field of Study (University, Training) Administration and Management	Frequency 97	% Frequency 13	Frequency 32	% Frequency 16						
Engineering	321	45	22	11						
Fine Arts Economics	38	0 %	29	17						
Human Sciences	73	10	23	= "						
Pure Science	4	t I	. '	n '						
Agriculture Those with two fields of study or more	28	4 ∞								
	708	100	202	100						

				Table 5.22		i				
		Comparativ	tive manage	e managerial profiles of selected countries	of selected c	ountries				
			(Demogr	(Demographic classification)	ication)					
	Iran	an	Irad	bı	Saudi Arabia	Arabia	Morocco	0000	U.S.	Š
Where Raised in Early Childhood Village	Frequency 83	% Frequency 11	Frequency 20	% Frequency 9	Frequency 18	% Frequency 22	Frequency 24	% Frequency 10	Frequency 401	% Frequency 23
Township City	44 210	28	14 25	9	12	41	33	14	589	34
States Capital Capital city	160 264	21 35	173	75	53	64	123	53	148	9
	191	100	232	001	83	100	232	100	1707	1001
Where Live Now Township	Frequency 4	% Frequency							Frequency 712	% Frequency 42
City	75	10							320	19
States Capitat Tehran	470	61							331	10
Countryside	99/	100							112	7
									1707	100
Father's Occupation	Frequency	% Frequency	Frequency	% Frequency	Frequency	% Frequency	Frequency	% Frequency		
Factory Worker	82 49	9	34.	11	× ×	101	30	13		
Landowner/ Merchant	63	8	31	13	7	- ∞		ì		
Employee	304	14.7	142	19	23	28	89	30		
Storekeeper Medical Doctor / Pharmacist / Dentist	189	57	. 1		21	C7 '	• 1			
Union Member	24	1 %	1	1	•	•	•	4		
Other Specialist	13	7	1	1	•	•	78	33		
Clergy	750	100	232	100	- 83	100	230	100		
* Not reported										

The study in the U.S. was done by Flowers et al., (1975); in Iraq by Ali (1982); in Saudi Arabia by Ali and Al-Shakis (1985) and in Morocco by Wahabi (1993). The figures on Iran are excerpts

from the present study.

				Table 5.23						
		Compara	tive manage (Organiza	Comparative managerial profiles of selected countries (Organizational classification)	of selected (fication)	countries				
	Ira	Iran	Iraq	bı	Saudi /	Arabia	Morocco	0000	U.S.	S.
Number of Employees in Your Workplace 50 or less 51 - 250 251 - 750 751 - 2,000 2.001 - 10.000	Frequency 86 218 218 165 1154	% Frequency 11 29 22 20 15	Frequency 50 12 58 50 55	% Frequency 5 5 22 24	Frequency 36 22 9 9	% Frequency 43 26 11 11	Erequency 28 42 47 27 27 45	% Frequency 12 18 21 12 12 20	Erequency 107 276 371 284	% Frequency 6 6 16 12 22 17 21
More than 10,000	760	100	232	100	83	100	229	100	311 1* 1707	18
Nature of the Ownership of Your Workplace Public Mixed Private	Frequency 548 136 79 763	% Frequency 72 18 18 100	Frequency 195 24 13 232	% Frequency 84 10 6 100	Frequency 57 9	% Frequency 69 11 11 20 100	Frequency 106 43 86 235	% Frequency 45 18 36 100		
General Business of Your Workplace Manufacturing / Production Finance / Accounting Public Service Training and Education Marketing and Distribution Engineering Information Processing and Legal Transport and Communication Others Businesses with more than one main activity Marketing and Distribution Manufacturing and Production Finance and Accounting Transportation Legal Services Personnel and Administration Engineering General Administration Others	Frequency 372 372 19 70 57 42 3 3 762 116 762 77 762 77 77 86 6 49 104 785 77 78 86 72 77 77 77 86 72 77 77 77 77 77 77 77 77 77 77 77 77	% Frequency 49 49 7 7 7 6 6 10 10 8/Frequency 10 12 11 12 11 12 11 12 11 12 11 12 11 12 11 12 11 12 11 12 11 12 11 12 11 12 11 12 11 12 11 12 12	Frequency 55 232 Frequency 20 20 14 Erequency 20 20 20 20 20 20 20 20 20 20 20 20 20	% Frequency 24 14 8 6 24 24 24 24 100 % Frequency 9 8 8 8 8 111 111			Frequency 38 34 16 16 14 3 2 2 2 2 2 2 2 2 3 0	% Frequency 17 15 17 16 10 10 10 10 10 10 10 10 10 10 10 10 10	Frequency 1032 1032 1032 1032 1032 1032 1100 1100	% Frequency 60 60 60 60 60 60 60 60 60 60 60 60 60
									1/0/1	Tool

Control of the Contro				Table 5.23						
		Comparativ	iive manage	e managerial profiles of selected countries	of selected o	ountries				,
			(Organiza	(Organizational classification)	fication)					
	Iran	an	Irad	bı	Saudi Arabia	Arabia	Morocco	0000	U.S.	S.
Your Current Managerial Level	Frequency	Kouanbar4 %	Frequency	% Frequency	Frequency	% Frequency	Frequency	% Frequency	Frequency	% Frequency
Managing Director	159	21	53	13	101	12	œ	4	281	91
Deputy Managing Director	124	17	18	81	17	14	20	6	•	1
Functional Manager	244	33	•	•	ı	ı	27	12	382	22
Department Manager	126	17	133	57	38	46	15	7	451	26
Supervisor	11	10	52	22	23	28	58	26	288	17
Others	91		- -		'		93	42	293	17
	746	100	232	100	83	100	221	100	1707	$\frac{1}{100}$
Length of Your Work Experience	Frequency	% Frequency	Frequency	% Frequency	Frequency	% Frequency				
Up to One Year	4	'	19	∞	9	7				
2 - 4 Years	25	6	31	13	25	30				
5 - 7 Years	49	9	53	23	18	22				
8 - 10 Years	9/	01	34	15	=	13				
11 - 15 Years	224	29	27	12	14	17				
16 Years or More	387	51	89	29	6					
	765	100	232	100	83	100				
Length of Time in Managerial Positions	Frequency	% Frequency	Frequency	% Frequency	Frequency	% Frequency	Frequency	% Frequency	Frequency	% Frequency
Up to One Year	146	19	24	01	32	39	44		84	ς.
2 - 4 Years	326	43	121	52	29	35	71	30	(1-5 ys) 458	27
5 - 7 Years	145	19	42	18	13	15	84	21	1	•
8 - 10 Years	29	6	13	9	8	10	31	13	(6-10 ys) 368	22
11 - 15 Years	61	∞	91	7	_		29	12	226	13
16 Years or More	19	3	16	7	1	1	=	5	268	33
	764	00I	232	100	83	100	234	100	1707	' 001
* Not reported										

The study in the U.S. was done by Flowers et al., (1975); in Iraq by Ali (1982); in Saudi Arabia by Ali and Al-Shakis (1985) and in Morocco by Wahabi (1993). The figures on Iran are excerpts

from the present study.

SUMMARY

In this chapter, detailed description of the demographic and organizational characteristics of Iranian managers has been presented. A concise comparison of the demographic and organizational characteristics of Iranian managers with those of selected Middle Eastern countries including Iraq, Saudi Arabia and Morocco and those of the U.S. are presented as well.

Quantitative analysis of the survey data and findings of this study together with the test of the hypotheses will be presented in the next chapter.

CHAPTER SIX

DATA ANALYSIS AND FINDINGS

INTRODUCTION

Detailed profiles of the managers were presented in Chapter five. The purpose of present chapter is to analyze the survey data in order to test the research hypotheses formulated in Chapter one and to present more detailed information on various groups of managers who are most likely to hold any of the value systems. Decision-making styles of Iranian managers will also be analyzed, determining the most common decision style, managers perceptions of the most effective style and the style used by their immediate supervisors. Furthermore, the relationship between the status of individualism/collectivism of Iranian managers and their value systems and decision-making styles will be separately investigated. Comparative study of management values and decision-making styles among selected countries are presented at the end of this chapter.

The research hypotheses to be tested in this chapter are summarized below:

- The tribalistic value system of Iranian managers is associated with organizational and demographic variables.
- The egocentric value system of Iranian managers is associated with organizational and demographic variables.
- The conformist value system of Iranian managers is associated with organizational and demographic variables.
- The manipulative value system of Iranian managers is associated with organizational and demographic variables.

- The sociocentric value system of Iranian managers is associated with organizational and demographic variables.
- The existential value system of Iranian managers is associated with organizational and demographic variables.
- Egocentric and manipulative tendencies of Iranian managers will be correlated
 with individualism while tribalistic, conformist, sociocentric and existential
 tendencies of them are likely to be correlated with collectivism.
- More collectivistic managers will be more participative while more individualistic managers will be more autocratic in their decision-making style.
- Most Iranian managers would practice consultative and pseudo-consultative styles in their decision-making.
- Iranian managers will perceive the decision-making style of their immediate supervisors to be more autocratic and consultative than participative and delegative.
- Perceptions of Iranian managers of the most effective decision style are similar to the decision style they actually employ.

ANALYSIS OF VALUE SYSTEMS AND TESTS OF HYPOTHESES

ANOVA and one-way multivariate analysis of variance (MANOVA) were used in this section to examine mean differences for organizational and demographic variables simultaneously. Both ANOVA and MANOVA are particularly useful when used in conjunction with experimental designs – that is, research designs in which the researcher directly controls or manipulates one or more independent variables to determine the effect on one (ANOVA) or more (MANOVA) dependent variables (Hair et al., 1995). Wilks's (1932) approximation to the F-ratio was utilized in both ANOVA and MANOVA. The results of the analyses were considered to be significant if their probability of occurrence (P-value) were equal to or less than 0.05 level.

Multiple discriminant analysis (MDA) were used in order to improve interpretability of the managers' value systems and to infer more detailed information on various groups of managers who hold any of the value systems. Hair et al. (1995:192) suggest that "MDA is appropriate in situations that require determining whether statistically significant differences exist between the average score profiles on a set of variables for two (or more) a priori defined groups, and in determining which of the independent variables account the most for the differences in the average score profiles of the two or more groups."

The standardized discriminant coefficients and correlation coefficients (structural coefficients) of the discriminant functions have been computed. The absolute value of a standardized coefficient represents the relative importance of its associated variable in generating the discriminant function. A correlation coefficient, on the other hand, describes how closely each original variable and the function are related (Klecka, 1980). The centroid (mean) of each group on the discriminant function has also been computed and plotted. The group code in discriminant space indicates the mean of the respective group.

An overview of the value systems of the Iranian managers is presented in the following tables (Tables 6.1 & 6.2). Results of the one-way MANOVA of the value systems, which is a summary for further analysis, is given in Table 6.3 (see Appendix A). The detailed analysis of the MANOVA tests and tests of the hypotheses together with a more comprehensive descriptive analysis of the work values of Iranian managers will follow in Tables 4 to 34. A summary of the value systems is presented at the end of this section in Table 6.39. comparative crosscultural value systems and decision styles of managers from selected Middle Eastern countries are presented in Tables 40 and 41.

An outline of Iranian managers' value systems

The following table indicates that Iranian managers have the highest mean for the conformist value system (x=4.162), while the sociocentric value system is slightly lower, with lowest standard deviation (σ =0.410). The egocentric value system has the lowest mean (x=2.789), with highest standard deviation (σ =0.407) and highest range (3.250).

	Overview	Table of Iranian ma Descriptive	nagers' value	systems			
Value systems	Mean	Standard deviation	Minimum	Maximum	Range		
Conformist	4.162	0.424	2.88	5.00	2.125		
Sociocentric	Sociocentric 4.061 0.410 2.75 5.00 2.250						
Existential	3.837	0.416	2.63	5.00	2.375		
Tribalistic	3.821	0.458	2.50	5.00	2.500		
Manipulative	3.796	0.464	2.17	5.00	2.833		
Egocentric	2.789	0.507	1.25	4.50	3.250		

A short description of the value systems of Iranian managers together with the general construct of their value systems, as explained by percentage weights of each value system within such construct is presented in the following table.

Table 6.2	
Overview of Iranian managers' value systems	
Value systems	% weights
Conformist (systems-oriented)	•
self-sacrificing, low tolerance for ambiguity, in need of structure and rules to follow, tendency to subordinate the self to a philosophy, cause or religion	18.53
Sociocentric (society-oriented)	
high need for affiliation and little concern for wealth, cooperative more than competitive, commitment to communication, committeeism and majority rule	18.08
Existential (meaning-oriented)	
high tolerance for ambiguity and different value systems, value all human wants but are not slaves of any of them, belief that self-development is more important than materialistic goals	17.08
Tribalistic (security-oriented)	
high need for stability and safety, submissive to authority and/or tradition	17.01
Manipulative (success-oriented)	
materialistic, entrepreneurial, expressive, independent, self-calculating to achieve an end	16.90
Egocentric (self-oriented) aggressive, selfish, restless, impulsive, and in general not inclined to live within the limits and constraints of society's norms	12.41

Value systems are categorized according to various groups within each demographic and organizational variable. Table 6.3 presents the summary results of one-way MANOVA of the value systems of Iranian managers. This table, which can be found in Appendix A, serves as a data bank from which the required data for testing the hypotheses on the value systems are drawn out.

Tests of hypotheses on the value systems

H1: The tribalistic value system of Iranian managers is associated with organizational and demographic variables.

It has been hypothesized that the tribalistic (security-oriented) value system of Iranian managers would vary across their levels of income, education, age, gender and social class (measured by father's occupation).

Data in Table 6.4 exhibits the overall F-test for this hypothesis. It indicates that this hypothesis is partially supported by variables: levels of education, social class (measured by father's occupation), and levels of income. It further indicates that the tribalistic value system of Iranian managers would also vary across variables: managerial position, number of levels of management above in the organizational hierarchy, length of work experience in present position, region of early childhood, and levels of exposure to management literature.

Table 6.4	•		
One-way MANOVA test for tri		-	
by organizational and demo			
Independent variables	F-ratio	pr-value	Significance
1- Number of employees (size of the company)	0.90	0.482	NO
2- Nature of ownership	1.98	0.139	NO
3- Type of business	1.77	0.072	NO
4- Main management responsibility	0.63	0.773	NO
5- Managerial position	5.74	0.000	YES
6- Number of management levels above you	2.96	0.007	YES
7- Length of work experience	0.26	0.936	NO
8- Work experience in present position	2.68	0.021	YES
9- Gender	0.55	0.458	NO
10- Age group	0.34	0.854	NO
11- Level of education	2.45	0.033	YES
12- Religion	0.09	0.912	NO
13- Ethnic group	0.40	0.901	NO
14- Field of study after high school	1.68	0.092	NO
15- Where been raised in early childhood	2.90	0.021	YES
16- Where you live now	1.23	0.296	NO
17- Father's occupation	2.02	0.042	YES
18- Gross annual income	6.82	0.000	YES
19- Level of exposure to academic management	3.28	0.011	YES

An interpretation of the significant results (those variables with pr-value $\subseteq 0.05$ in Table 6.4) is provided as well. These analyses clarify the significant relationships between the tribalistic value system of Iranian managers and their managerial position, number of levels of management above in the organizational hierarchy, length of work experience in present position, levels of education, region of early childhood, father's occupation, annual income and levels of exposure to management literature, separately.

Tribalistic value by managerial position

The F-statistics in Table 6.4 indicate a significant difference among managers in their tribalistic value system. The computed F-ratio (5.74) for the "managerial position" is significant at the 0.000 level. In order to ascertain which group/s of managers (managing director, deputy managing director, functional manager, department manager, and supervisor) are differentiated by which significant discriminant function, a two-dimensional plot is given in Figure 1, which can be found in Appendix C.

Furthermore, according to the following table (Table 6.5), variables "big companies," "company rules," and "job freedom" are correlated most strongly with the relationship between the tribalistic value system and managerial position (as evidenced by the correlation coefficients) and contribute the most to that relationship (as evidenced by the standardized coefficients). The first function is, of course much more robust than the second.

	dized and co balistic tend	le 6.5 orrelation co- encies of ma rial position		
N7 111 .		1 coefficient	i	rdized
Variables	C1	C2	C1	icient C2
1- Company loyalty	.14007	.11811	06057	.15596
2- Boss	.37092	26474	.25307	39053
3- Money	.43832	04702	.13662	17029
4- Profit	.35468	.25078	.27978	.31826
5- Work	.18310	.45636	14434	.52803
6- Job freedom	.66563*	.06212	.44354	.05683
7- Big companies	.64577*	29734	.45289**	65359
8- Company rules	.56535	.53379	.34356	.65857**

^{*} Denotes the single largest absolute correlation among the variables and any discriminant function.

Based on the information in Figure 1 and Table 6.5, above, the following characteristics for Iranian tribalistic managers emerge.

- Tribalistic tendencies of Iranian managers who hold positions as managing directors and department managers have a unique profile. Managing directors score the lowest, comparing with other positions, as to their expectation from the big companies to give the employees good pay, hours, and working conditions. They also score the lowest of all other positions on the variable "company rules." Supervisors, on the other hand, score the highest in what they expect from the big companies and in the importance of company rules, as above. It seems that the lower their managerial position, the higher managers' expectations from their workplaces and the more in need they are of company rules.
- Job freedom in a tribalistic value system is measured by the degree of security a
 manager expects from his/her job. Supervisors and others who are placed low in
 the hierarchy feel more in need of job freedom than their colleagues with higher
 positions. It seems that the higher the positions in the hierarchy, the less they
 score on the variable "job freedom".

^{**} Denotes the variables that contribute the most to the discriminant functions.

The above analysis suggests that the dimensions of the tribalistic values of Iranian managers vary according to their positions in the organizational hierarchy. The higher the positions, the lower their expectations of their workplaces, the less emphasis placed on company rules, and the lower their expectations regarding job freedom. The results of this analysis further suggest that the tribalistic values of Iranian managers are most likely to be stronger in lower level managers, specially the supervisors.

Tribalistic value by number of management levels above in the hierarchy

The F-statistics in Table 6.4 indicate a significant difference among managers in their tribalistic value system. The computed F-ratio (2.96) for the "number of management levels above in the hierarchy" is significant at the 0.007 level. In order to ascertain which group/s of managers (those with one, two, three, or four or more levels of management above them) are differentiated by which significant discriminant function, a two-dimensional plot is given in Figure 2, which can be found in Appendix C.

Furthermore, according to the following table (Table 6.6), variables "job freedom" and "company rules" are correlated most strongly with the relationship between the tribalistic value system and the number of management levels above in the hierarchy (as evidenced by the correlation coefficients) and contribute the most to that relationship (as evidenced by the standardized coefficients). The first function is, of course much more robust than the second.

Table 6.6 Standardized and correlation coefficients for triablistic tendencies of managers by the number of management levels above in the hierarchy Correlation Standardized coefficient Variables coefficient C₁ C2 C₁ C2.29686 $.540\overline{68}$.20395 1- Company loyalty .57843 -.27877 .27068 -.37962 2- Boss .44531 $.22\overline{257}$ 3- Money .43861 -.13341 -.24443 4- Profit .46075 .04636 .44275 .13651 5- Work -.02312-.18392-.31410 -.28743 6- Job freedom .71193* -.16914 .60406** -.20173 .39961 .12290 .01058 7- Big companies .20653 .24021 .62562* -.01060 .72600** 8- Company rules

Based on the information in Figure 2 and Table 6.6, above, the following characteristics for Iranian tribalistic managers emerge.

- Those managers who have 4 or more levels of management above them constitute a definite subclass. They generally tend to show much stronger tribalistic values than those who are at the top of the organizational hierarchy.
- There seems to be a paradox in the relationship between the level of management and their preference for "company rules" and "job freedom." As such, the lower the level of management, the higher their tendency to prefer both "company rules" and "job freedom." This paradox might be explained by the fact that tribalistic (security-seeking) tendencies push managers to strive for "job freedom" that does not hamper their security needs, i.e., within the limits of the rules and regulations of the company.
- While tribalistic tendencies encourage managers to consider company profit as important, the lower level managers are less likely to feel that they could contribute significantly to that end.

^{*} Denotes the single largest absolute correlation among the variables and any discriminant function.

^{**} Denotes the variables that contribute the most to the discriminant functions.

The above analysis suggests that the tribalistic tendencies of Iranian managers vary according to the number of management levels above them in the hierarchy. The lower the managerial level in the hierarchy, the higher the expectation of these managers from their workplaces, the more in need they are of company rules, and the less capable they feel in relation to contributing profit to their workplace.

The above analysis further suggests that the tribalistic value systems of Iranian managers are mostly found in lower levels in the hierarchies. These managers tend to value "job freedom" and to emphasize "company rules" at the same time. They are mainly security-seekers and have strong needs for stability and safety.

Tribalistic value by length of work experience in present position

The F-statistics in Table 6.4 indicate a significant difference among managers in their tribalistic value system. The computed F-ratio (2.68) for the variable "length of current managerial position" is significant at the 0.021 level. In order to ascertain which group/s of managers (those with up to 1 year, 2-4 years, 5-7 years, 8-10 years, 11-15 years, or 16 years or more of work experience) are differentiated by which significant discriminant function, a two-dimensional plot is given in Figure 3, which can be found in Appendix C.

Furthermore, according to the following table (Table 6.7), variables "job freedom" and "big companies" are correlated most strongly with the relationship between the tribalistic value system and length of current managerial position (as evidenced by the correlation coefficients) and contribute the most to that relationship (as evidenced by the standardized coefficients). The first function is, of course much more robust than the second function.

Table 6.7 Standardized and correlation coefficients for triablistic tendencies of managers by length of current managerial position Correlation Standardized Variables coefficient coefficient C₁ C2C11- Company loyalty -.27046-.04140 -.30880.01355 2- Boss -.06757 .36772 -.01568 .28431 3- Money -.19528 .09578 -.14548 .13192 4- Profit .51192 .56076* .53477 .54705 .07770.12976 .39375 5- Work .31843 -.55755* .25705 -.69467** .30600 6- Job freedom -.45002 .01789 -.67766** 7- Big companies -.011128- Company rules .36649 -.25048.58953 -.26996

Based on the information in Figure 3 and Table 6.7, above, the following characteristics for Iranian tribalistic managers emerge.

- Tribalistic tendencies of Iranian managers with lengthy experiences in current managerial positions (i.e., those with at least 8 years of experience) are well discriminated from the less experienced managers. Managers with 2-4 years and those with more than 11 years of current managerial experience score higher than their counterparts on the variable "job freedom," suggesting that they wish not to worry about their job, sickness, paying bills and other problems.
- Managers with 8-10 years in current managerial experience score the highest on the variable "big companies." Managers with 5-7 years of experience, on the other hand, score the lowest in this respect.
- Both groups of managers, with the longest managerial experience and with the shortest terms in office, are concerned about the financial performance of the company, as measured by "profit," more than others. They both believe, though, that there is not much they can do about it. This indicates clearly the submissiveness and lack of entrepreneurial ambitions of these managers, which is due to their tribalistic tendencies.

^{*} Denotes the single largest absolute correlation among the variables and any discriminant function.

^{**} Denotes the variables that contribute the most to the discriminant functions.

Less experienced managers score the lowest, compared with other managers, on
the variable "big companies." The negative sign of this coefficient suggests that
the shorter the managerial work experience, the more they expect from their
workplaces to take good care of employees by giving them good pay, hours and
working conditions. Furthermore, the shorter the managerial experience, the more
faith these managers have in the company rules in regulating behaviors in the
workforce.

The above analysis suggests that tribalistic tendencies of managers differ according to their length of managerial positions. It seems that tribalistic values of Iranian managers are mostly to be found in those with the most and with the least length of managerial experience. It appears that security-seeking tendencies of these managers are best served by system maintenance and remaining in the office.

Tribalistic value by levels of education

The F-statistics in Table 6.4 indicate a significant difference among managers in their tribalistic value system. The computed F-ratio (2.45) for the variable "levels of education" is significant at the 0.033 level. In order to ascertain which group/s of managers (those with no university training, holders of bachelor, master, or doctorate degrees) are differentiated by which significant discriminant function, a two-dimensional plot is given in Figure 4, which can be found in Appendix C.

Furthermore, according to the following table (Table 6.8), variables "big companies" and "company rules" are correlated most strongly with the relationship between the tribalistic value system and levels of education (as evidenced by the correlation coefficients) and contribute the most to that relationship (as evidenced by the standardized coefficients). The first function is, of course much more robust than the second.

Table 6.8 Standardized and correlation coefficients for triablistic tendencies of managers by level of education Correlation Standardized ariables coefficient coefficient C1 C2 C1 C

Variables	coefi	ficient	coeff	icient
	C1	C2	C 1	C2
1- Company loyalty	.47840	12656	.24806	16106
2- Boss	.59494	15536	.50672	11215
3- Money	.55530	32394	.36789	41450
4- Profit	.05345	.40565	03111	.43499
5- Work	.30654	29011	.09959	41591
6- Job freedom	.09104	22017	27066	28206
7- Big companies	.63430*	.29941	.52247**	.38978
8- Company rules	.37470	.51394*	.10659	.68490**

^{*} Denotes the single largest absolute correlation among the variables and any discriminant function.

Based on the information in Figure 4 and Table 6.8, above, the following characteristics for Iranian tribalistic managers emerge.

- education and those who have doctorate degrees are well discriminated from the rest of the groups of managers. Managers with no tertiary education score the most, comparing with other more educated managers, on the variable "big companies," expecting their work places to offer them good pay, hours, and working conditions. Those groups of managers with various university degrees, however, generally expect less from their workplaces than the former group. Less educated managers are also the strongest advocates of company rules.
- Managers with no university training prefer a boss who tells them exactly what to
 do and how to do it, while those with PhD degrees rate this kind of a boss the
 lowest among all other groups.
- Managers who have doctorate degrees score the least, compared with other groups of managers, on the variables "money," and "company loyalty." It seems that the more educated the managers the less they are motivated by monetary incentives and the less loyal in a tribalistic sense they are to their workplace.

^{**} Denotes the variables that contribute the most to the discriminant functions.

The above analysis suggests that tribalistic values of Iranian managers vary according to the managers' levels of education. It seems that the lower the levels of education, the more the managers expect from their workplace, the stronger they advocate company rules, the more they prefer a directive supervisor, the more loyal they are to the company, and the more effectively monetary incentives motivate them.

Tribalistic value by region of early childhood

The F-statistics in Table 6.4 indicate a significant difference among managers in their tribalistic value system. The computed F-ratio (2.90) for the variable "region of early childhood" is significant at the 0.021 level. In order to ascertain which group/s of managers (those who were brought up in a village, township, city, states capital, or Tehran) are differentiated by which significant discriminant function, a two-dimensional plot is given in Figure 5, which can be found in Appendix C.

Furthermore, according to the following table (Table 6.9), variables "company rules" and "money" are correlated most strongly with the relationship between the tribalistic value system and region of early childhood (as evidenced by the correlation coefficients) and contribute the most to that relationship (as evidenced by the standardized coefficients). The first function is, of course much more robust than the second.

for tri	Tab dized and co ablistic tend y region of e	encies of ma	nagers	
Variables		elation icient		rdized icient
	C1	C2	C1	C2
1- Company loyalty	.22748	17647	.02782	22006
2- Boss	.41013 .42142 .30630 .36127			
3- Money	.26286	.69131*	08621	.83282**
4- Profit	.07281	.07767	.00741	.13346
5- Work	.41712	32452	.26599	31408
6- Job freedom	.50420	10847	.30675	21924
7- Big companies	.24620	30240	10277	32184
8- Company rules	.84709*	.03046	.76716**	00703

^{*} Denotes the single largest absolute correlation among the variables and any discriminant function.

^{**} Denotes the variables that contribute the most to the discriminant functions.

Based on the information in Figure 5 and Table 6.9, above, the following characteristics for Iranian tribalistic managers emerge.

• Tribalistic tendencies of Iranian managers who have been raised in a village or a small township are distinguished from those who have been raised in larger cities. These managers score highly on the variable "company rules," suggesting a belief that rules are necessary to keep employees in line. They are also advocates of job freedom, denoting their preference for not having to worry about their job, sickness, paying bills and other problems.

Although being advocates of both "company rules" and "job freedom" may look contradictory at the surface, but if we delve into the real meanings of these two variables for the security-seeking managers we realize that they are not incompatible, but are indeed two sides of the same coin. Both involve "security" and "stability," which are the most important tribalistic motives for these managers.

- Tribalistic inclinations of managers who have been raised in villages gravitate
 them toward bosses who tell them exactly what to do and how to do it. Managers
 who were brought up in larger cities, on the other hand, prefer less directive form
 of superiors.
- Despite the fact that "money" is a very important motivator for these managers, those who have been raised in a village score the highest on this variable, compared with other managers who are brought up in urban settings.

The above analysis suggests that tribalistic inclinations of managers who have been raised in a village or a small township are much greater than those from larger cities. These managers highly value "company rules," "money," and "job freedom." They prefer a boss who tells them what to do and how to do it. Their overriding incentive is security.

Tribalistic value by father's occupation

The F-statistics in Table 6.4 indicate a significant difference among managers in their tribalistic value system. The computed F-ratio (2.02) for the variable "father's occupation" is significant at the 0.042 level. In order to ascertain which group/s of managers (whose fathers are peasant, factory worker, landowner/merchant, employee, storekeeper, medical professionals/other specialists, or union member) are differentiated by which significant discriminant function, a two-dimensional plot is given in Figure 6, which can be found in Appendix C.

Furthermore, according to the following table (Table 6.10), variables "boss," "work," and "company rules" are correlated most strongly with the relationship between the tribalistic value system and father's occupation (as evidenced by the correlation coefficients) and contribute the most to that relationship (as evidenced by the standardized coefficients). The first function is, of course much more robust than the second.

	dized and co ablistic tend			
Variables		elation icient		ardized ïcient
v at lautes	C1	C2	C1	C2
1- Company loyalty	.29314	.22547	.02250	.28709
2- Boss	.57821	.30519	.55758**	.22111
3- Money	.20093	.36390	17622	.35645
4- Profit	07331	29182	18281	21493
5- Work	.28116	57295*	.04618	61713**
6- Job freedom	.36875	.31203	.11887	.43661
7- Big companies	.62694	39935	.50508	46378
8- Company rules	.65058*	.05418	.49116	.00598

^{*} Denotes the single largest absolute correlation among the variables and any discriminant function.

Based on the information in Figure 6 and Table 6.10, above, the following characteristics for Iranian tribalistic managers emerge.

• Tribalistic tendencies of Iranian managers whose fathers have been landowners or merchants, and those whose fathers were union members had a different profile

^{**} Denotes the variables that contribute the most to the discriminant functions.

contribute the most to that relationship (as evidenced by the standardized coefficients). The first function is, of course much more robust than the second.

Table 6.11 Standardized and correlation coefficients for triablistic tendencies of managers by gross annual income						
Correlation Standardized Variables coefficient coefficient						
	C1	C2	C1	C2		
1- Company loyalty	.16688	.02320	00837	11675		
2- Boss	.64681*	.22797	.59952**	.09185		
3- Money	.30665	.66213*	.08973	.58578		
4- Profit	.4527904223 .3889407489					
5- Work	.03261	.62959	26899	.65526**		
6- Job freedom	.44409	.22489	.27665	01274		
7- Big companies	.5653709488 .5385745473					
8- Company rules .17636 .4364504864 .31600						

^{*} Denotes the single largest absolute correlation among the variables and any discriminant function.

Based on the information in Figure 7 and Table 6.11, above, the following characteristics for Iranian tribalistic managers emerge.

- Tribalistic tendencies of managers with the lowest and the highest levels of
 income are well discriminated from other groups with medium to high levels of
 income. Managers in the lowest income earning group tend to show the strongest
 tribalistic values. The managers with higher levels of income, on the other hand,
 show the weakest tribalistic tendencies.
- Both groups of manages, that is, at the lowest and the highest income levels, share high tribalistic values on the variable "money." The security-oriented mentality of the lowest income group is clearly understandable, but is more puzzling among the highest income group. A possible explanation might be that the highest income group managers might have become over-security-oriented in order to preserve their high levels of income.

The above analysis suggests that a general negative relationship exists between the level of income and tribalistic tendencies of Iranian managers. These managers seem

^{**} Denotes the variables that contribute the most to the discriminant functions.

to exhibit tribalistic values to fulfill their security needs, which is their strongest desire.

Tribalistic value by level of exposure to academic management.

The F-statistics in Table 6.4 indicate a significant difference among managers in their tribalistic value system. The computed F-ratio (3.28) for the variable "levels of exposure to academic management" is significant at the 0.011 level. In order to ascertain which group/s of managers (those with no, low, medium, high or very high exposures) are differentiated by which significant discriminant function, a two-dimensional plot is given in Figure 8, which can be found in Appendix C.

Furthermore, according to the following table (Table 6.12), variables "profit," "money," and "boss" are correlated most strongly with the relationship between the tribalistic value system and levels of exposure to academic management (as evidenced by the correlation coefficients) and contribute the most to that relationship (as evidenced by the standardized coefficients). The first function is, of course much more robust than the second.

Table 6.12 Standardized and correlation coefficients for triablistic tendencies of managers by the level of exposure to academic management					
Correlation Standardized Variables coefficient coefficient					
	C1	C2	C1	C2	
1- Company loyalty	11765	.29752	22844	.13193	
2- Boss	.50024	.00468	.48693	11846	
3- Money	.18644	.64636*	.16652	.59362**	
4- Profit	.82200*	14754	.78008**	15844	
5- Work	.11785	.54009	00256	.48579	
6- Job freedom	01717	12510	21196	47586	
7- Big companies	.23972	.33207	.22894	.09216	
8- Company rules	.01812	.53526	05232	.37688	

^{*} Denotes the single largest absolute correlation among the variables and any discriminant function.

Based on the information in Figure 8 and Table 6.12, above, the following characteristics for Iranian tribalistic managers emerge.

^{**} Denotes the variables that contribute the most to the discriminant functions.

- Tribalistic inclinations of Iranian managers with no exposure and those with very high levels of exposure to academic management literature are both well discriminated from other groups of managers with intermediate levels of exposure to academic management.
- The greater the level of exposure of managers to academic management, the more capable they feel of affecting the performance of their company, as measured by the variable "profit". A negative relationship, therefore, seems to exist between the levels of exposure to academic management and tribalistic values of Iranian managers.
- The less the level of exposure to the academic management, the more the
 managers score on variable "boss," suggesting that they prefer a manager who
 tells them what to do and how to do it. This suggests that a negative relationship
 exists between the levels of exposure to academic management and tribalistic
 values.
- Both groups of managers, those with no exposure and with very high exposure to
 academic management score highly on the variable "money" when compared with
 other groups of managers. This probably stems from the influence of securityoriented mentality of these managers, in general.

The above analysis suggests that there is generally a negative relationship between the levels of exposure of managers with academic management literature and their tribalistic values.

It is worth mentioning, as a point of reference, that it is the first time that this variable is being included in the study of value systems. The results of the above analysis, in this section, clearly reflect the relationship between the value system of managers and their levels of exposure to academic management.

H2: The egocentric value system of Iranian managers is associated with organizational and demographic variables.

It has been hypothesized that the egocentric (self-oriented) value system of Iranian managers vary across their levels of education, income and managerial position.

Data in Table 6.13 exhibits the overall F-test for the hypothesis. As it is indicated in the table, this hypothesis is partially supported only by one variable, "managerial position".

Table 6.13					
One-way MANOVA test for egocentric value systems					
by organizational and demographic variables					
Independent variables	F-ratio	pr-value	Significance		
1- Number of employees (size of the company)	0.71	0.613	NO		
2- Nature of ownership	0.32	0.726	NO		
3- Type of business	1.21	0.286	NO		
4- Main management responsibility	0.22	0.991	NO		
5- Managerial position	2.29	0.045	YES		
6- Number of management levels above you	0.15	0.989	NO		
7- Length of work experience	0.52	0.760	NO		
8- Work experience in present position	1.68	0.137	NO		
9- Gender	0.16	0.691	NO		
10- Age group	1.77	0.134	NO		
11- Level of education	0.45	0.810	NO		
12- Religion	0.96	0.383	NO		
13- Ethnic group	0.65	0.718	NO		
14- Field of study after high school	0.57	0.825	NO		
15- Where been raised in early childhood	1.38	0.241	NO		
16- Where you live now	1.45	0.216	NO		
17- Father's occupation	0.77	0.625	NO		
18- Gross annual income	1.21	0.302	NO		
19- Level of exposure to academic management	1.79	0.130	NO		

An interpretation of the significant results (those variables with pr-value $\subseteq 0.05$ in Table 6.13) is provided as well. The following analyses would clarify the significant relationships between the egocentric value system of Iranian managers and their managerial position.

Egocentric value by managerial position

The F-statistics in Table 6.13 indicate a significant difference among managers in their egocentric value system. The computed F-ratio (2.29) for the variable "managerial position" is significant at the 0.045 level. In order to ascertain which group/s of managers (managing director, deputy managing director, functional manager, department managers, or supervisor) are differentiated by which significant discriminant function, a two-dimensional plot is given in Figure 9, which can be found in Appendix C.

Furthermore, according to the following table (Table 6.14), variables "profit" and "big companies" are correlated most strongly with the relationship between the egocentric value system and managerial position (as evidenced by the correlation coefficients) and contribute the most to that relationship (as evidenced by the standardized coefficients). The first function is, of course much more robust than the second.

Table 6.14 Standardized and correlation coefficients for egocentric tendencies of managers by managerial position						
Correlation Standardized Variables coefficient coefficient						
Variables	coefficient C1 C2		C1	C2		
1- Company loyalty	17729	.17419	23291	.27344		
2- Boss	.30181	.18156	.26078	.17512		
3- Money	.47206	24398	.35970	33328		
4- Profit	.82918*	.29454	.80501**	.07074		
5- Work	.29081	11486	.10186	25831		
6- Job freedom	.29720	.03407	.14802	.02133		
7- Big companies	.12808	.81825*	15384	.81063**		
8- Company rules .20719 .4361505409 .28598						

^{*} Denotes the single largest absolute correlation among the variables and any discriminant function.

Based on the information in Figure 9 and Table 6.14, above, the following characteristics for Iranian egocentric managers emerge.

 Egocentric inclinations of Iranian managers who are at the bottom of the ladder of hierarchy i.e., supervisors and department managers, are well discriminated from the rest of managers who are at the higher levels of authority. Comparing with

^{**} Denotes the variables that contribute the most to the discriminant functions.

other levels of hierarchy, supervisors believe most strongly "big companies" make fat profits at the expense of most workers. Managing directors, by contrast, were least likely to believe this. It seems that the lower the managerial position, the more negative the attitude towards company performance.

Egocentric managers towards the bottom end of the hierarchy believe the
"company profit" goes to the people who already have a lot of money. Managers
with high positions, on the other hand, do not. It seems that the higher the
managerial position, the more positive the attitude towards company profit.

The above analysis suggests that the egocentric value system of Iranian managers vary according to managerial positions held. It further suggests that egocentric value of Iranian managers are mostly found among supervisors and department managers (lower managers in the organizational hierarchies). These managers' main motives to work are profit and money. They prefer bosses who are less directive.

H3: The conformist value system of Iranian managers is associated with organizational and demographic variables.

It has been hypothesized that the conformist (systems-oriented) value systems of Iranian managers vary across their levels of education, nature of the ownership of workplace, length of work experience, social class (measured by father's job) and the region of early childhood.

Data in Table 6.15 exhibits the overall F-test for the hypothesis. As it is indicated in the table, this hypothesis is partially supported only by one variable, "early childhood region".

Table 6.15					
One-way MANOVA test for conformist value systems					
by organizational and demographic variables					
Independent variables	F-ratio	pr-value	Significance		
1- Number of employees (size of the company)	1.48	0.196	NO		
2- Nature of ownership	1.00	0.368	NO		
3- Type of business	1.74	0.078	NO		
4- Main management responsibility	0.97	0.463	NO		
5- Managerial position	1.53	0.180	NO		
6- Number of management levels above you	1.19	0.309	NO		
7- Length of work experience	0.95	0.451	NO		
8- Work experience in present position	1.99	0.079	NO		
9- Gender	0.16	0.687	NO		
10- Age group	0.83	0.507	NO		
11- Level of education	2.14	0.059	NO		
12- Religion	0.37	0.692	NO		
13- Ethnic group	0.89	0.514	NO		
14- Field of study after high school	1.08	0.374	NO		
15- Where been raised in early childhood	2.85	0.023	YES		
16- Where you live now	2.04	0.087	NO		
17- Father's occupation	1.95	0.052	NO		
18- Gross annual income	1.25	0.284	NO		
19- Level of exposure to academic management	1.11	0.348	NO		

An interpretation of the significant results (those variables with pr-value $\subseteq 0.05$ in Table 6.15) is provided as well. The following analyses would clarify the significant relationships between the conformist value system of Iranian managers and where they have been raised in their early childhood.

Conformist value by the region of early childhood

The F-statistics in Table 6.15 indicate a significant difference among managers in their conformist value system. The computed F-ratio (2.85) for the variable "region of early childhood" is significant at the 0.023 level. In order to ascertain which group/s of managers (those who were brought up in a village, township, city, states capital, or Tehran) are differentiated by which significant discriminant function, a two-dimensional plot is given in Figure 10, which can be found in Appendix C.

Furthermore, according to the following table (Table 6.16), variables "profit" and "work" are correlated most strongly with the relationship between the conformist value system and region of early childhood (as evidenced by the correlation coefficients) and contribute the most to that relationship (as evidenced by the standardized coefficients). The first function is, of course much more robust than the second.

Table 6.16 Standardized and correlation coefficients for conformist tendencies of managers by the region of early childhood							
Correlation Standardized Variables coefficient coefficient							
	C 1	C2	C1	C2			
1- Company loyalty	.53261	- 41046	.46796	51421			
2- Boss	22717	14569	55535	02401			
3- Money	10302	00857	27645	07438			
4- Profit	.16462	.61726*	00654	.71705**			
5- Work	.69788*	.04396	.63582**	.13505			
6- Job freedom	.27031	.07896	.09172	04044			
7- Big companies	.41756	.39026	.26792	.41048			
8- Company rules	8 1						

^{*} Denotes the single largest absolute correlation among the variables and any discriminant function.

Based on the information in Figure 10 and Table 6.16, above, the following characteristics for Iranian conformist managers emerge.

Conformist tendencies of Iranian managers who were raised in the states capitals
gravitate them toward valuing hard work the highest. Those who were raised in
Tehran, by contrast, value it the lowest.

^{**} Denotes the variables that contribute the most to the discriminant functions.

- Managers who were raised in the states capitals score the highest on the variable "profit," believing that company profit keeps it strong so that employees can continue having good jobs. Those who have been raised in small townships, on the other hand, score the least on this variable.
- Managers who were raised in a small township score the greatest on the variable "boss," suggesting that they prefer bosses who make sure that everyone follows the rules. Those who were brought up in villages, however, prefer this kind of a boss the least.
- Managers who were raised in Tehran exhibit the least loyalty towards their workplaces, while those who have been brought up in small townships show the highest loyalty to their workplaces.

The above analysis suggests that the conformist values of Iranian managers vary according to their early childhood region. It seems that, compared with other groups of managers, those who were brought up in the states capitals and small townships show conformist tendencies much more than their counterparts who have been raised in a village, city or Tehran.

H4: The manipulative value system of Iranian managers is associated with organizational and demographic variables.

It has been hypothesized that the manipulative (success-oriented) value systems of Iranian managers vary across levels of income, length of work experience in current managerial positions, social class (measured by father's occupation), size of the organization (measured by the number of employees), and the nature of ownership of the company.

Data in Table 6.17 exhibits the overall F-test for this hypothesis. It indicates that this hypothesis is partially supported by variables: company size (measured by the number of employees), and nature of ownership. It further indicates that the manipulative value system of Iranian managers would also vary across variables: type of business, managerial position, level of management in the organizational hierarchy, total length of work experience, and field of study after high school.

Table 6.17					
One-way MANOVA test for manipulative value systems					
by organizational and demographic variables					
Independent variables	F-ratio	pr-value	Significance		
1- Number of employees (size of the company)	2.52	0.029	YES		
2- Nature of ownership	3.90	0.021	YES		
3- Type of business	3.02	0.002	YES		
4- Main management responsibility	1.07	0.383	NO		
5- Managerial position	3.74	0.002	YES		
6- Number of management levels above you	2.85	0.010	YES		
7- Length of work experience	2.87	0.014	YES		
8- Work experience in present position	1.83	0.105	NO		
9- Gender	2.59	0.108	NO		
10- Age group	1.00	0.405	NO		
11- Level of education	1.47	0.197	NO		
12- Religion	2.00	0.136	NO		
13- Ethnic group	1.39	0.208	NO		
14- Field of study after high school	2.30	0.016	YES		
15- Where been raised in early childhood	1.71	0.147	NO		
16- Where you live now	0.30	0.880	NO		
17- Father's occupation	0.81	0.593	NO		
18- Gross annual income	0.25	0.941	NO		
19- Level of exposure to academic management	0.76	0.553	NO		

An interpretation of the significant results (those variables with pr-value $\subseteq 0.05$ in Table 6.17) is provided as well. The following analyses would clarify the significant relationships between the manipulative value system of Iranian managers and their company size (measured by the number of employees), nature of ownership of their workplace, type of business, managerial position, level of management in the organization, total length of work experience and field of study after high school.

Manipulative value by size of the company

The F-statistics in Table 6.17 indicate a significant difference among managers in their manipulative value system. The computed F-ratio (2.52) for the variable "size of the company, as measured by the number of employees" is significant at the 0.029 level. In order to ascertain which group/s of managers (those who work in companies with less than 50, 50-250, 251-750, 751-2,000, or more than 2,000 employees) are differentiated by which significant discriminant function, a two-dimensional plot is given in Figure 11, which can be found in Appendix C.

Furthermore, according to the following table (Table 6.18), variables "company loyalty" and "boss" are correlated most strongly with the relationship between the manipulative value system and company size (as evidenced by the correlation coefficients) and contribute the most to that relationship (as evidenced by the standardized coefficients). The first function is, of course much more robust than the second.

Table 6.18 Standardized and correlation coefficients for manipulative tendencies of managers by company size (number of employees)						
Variables Correlation Standard coefficient coefficient						
	C1	C2	C1	C2		
1- Company loyalty	.88649*	.05293	.91602**	14012		
2- Boss	.14957	.66176	.15008	.64233**		
3- Money	15874	.44103	24918	.25943		
4- Profit	.13645	.26292	.20384	.10387		
5- Work	.07649	.67079*	.02447	.59051		
6- Job freedom	- 02351	.34216	04367	.16210		
7- Big companies	18835 .238533228003009					
8- Company rules17916 .083071922504535						

^{*} Denotes the single largest absolute correlation among the variables and any discriminant function.

Based on the information in Figure 11 and Table 6.18, above, the following characteristics for Iranian manipulative managers emerge.

- Managers who work in small companies (companies with 51-250 employees) are
 well discriminated from other groups of managers due to their manipulative
 inclinations. These managers are the most loyal to their workplace, compared with
 all other groups.
- Managers who work in large companies tend to prefer pragmatic bosses who do
 not ask questions if the jobs are done. This group of managers also score higher on
 the variable "work," suggesting that they feel more responsible for their own
 success in the workplace.
- Managers who work in very small companies (companies with fewer than 50 employees) are the least loyal to their workplace. This is probably due to the fact that their manipulative tendencies invite them to be on the lookout for opportunities for advancement. This opportunity is presumably limited in the very small companies.

^{**} Denotes the variables that contribute the most to the discriminant functions.

The above analysis suggests that manipulative tendencies of the managers motivate them to prefer to work in large companies, where the opportunities for advancement are more. While managers with manipulative tendencies overall score very high on the loyalty to their workplaces, those who work in smallest companies are the least loyal and those who work in companies with 50-250 employees are the most loyal to their workplaces.

Manipulative value by nature of ownership of the organization

The F-statistics in Table 6.17 indicate a significant difference among managers in their manipulative value system. The computed F-ratio (3.90) for the variable "nature of ownership" is significant at the 0.021 level. In order to ascertain which group/s of managers (according to the sector they work at i.e., public, mixed, or private) are differentiated by which significant discriminant function, a two-dimensional plot is given in Figure 12, which can be found in Appendix C.

Furthermore, according to the following table (Table 6.19), variables "work," "boss," and "profit" are correlated most strongly with the relationship between the manipulative value system and nature of ownership of their workplace (as evidenced by the correlation coefficients) and contribute the most to that relationship (as evidenced by the standardized coefficients). The first function is, of course much more robust than the second.

Table 6.19 Standardized and correlation coefficients for manipulative tendencies of managers by nature of ownership						
Correlation Standardized Variables coefficient coefficient						
	C1	C2	C1	C2		
1- Company loyalty	.34949	.31792	.23283	.31696		
2- Boss	00289	56261*	.00761	69742**		
3- Money	.36470	22966	.14862	35791		
4- Profit	.52250	.32299	.50347	.25976		
5- Work	.75163*	.03771	.71331**	09227		
6- Job freedom	.03172	.42420	14993	.45833		
7- Big companies	13200 .3748043555 .40337					
8- Company rules	.14310	.01981	.08740	06932		

^{*} Denotes the single largest absolute correlation among the variables and any discriminant function.

^{**} Denotes the variables that contribute the most to the discriminant functions.

Based on the information in Figure 12 and Table 6.19, above, the following characteristics for Iranian manipulative managers emerge.

- Manipulative tendencies of Iranian managers differentiate them as to the sector of
 economy they work, i.e., those who work in the private sector feel the most
 responsible and those who work in the public sector feel the least responsible for
 their success in the workplaces.
- Public sector managers showed the least support and those who work in the mixed sector the most support for the organization that let them succeed.
- Private sector managers prefer the least the bosses who do not question as long as
 the job is done. Those who work in the mixed sector, on the other hand, prefer this
 kind of bosses the most.

A possible explanation of the highly manipulative values of managers who work in the mixed sector is that this sector of Iranian economy is more recently created in order to free managerial decision-making from going through lengthy procedures required in the governmental institutions. Thus, the managers who work in the mixed sector may consider "being partially owned by the government" as an advantage that empowers them to freely act according to their own discretion.

- Company profit is the chief concern of managers in the private sector and the least concern of those in the public sector.
- Profit maximization in the big companies is considered a win-win situation for managers who work in the private sector, while those in the public sector value this item less.

The above analysis indicates clear differences among manipulative tendencies of managers who work in the private and public sectors. The results of this analysis suggests that managers who work in the private sector are more motivated to succeed, more concerned about profit, and consider themselves as partners in their organizations much more than public sector managers. The managers who work in the mixed sector, however, are the most loyal to their workplaces and prefer most a kind of bosses who give them more independence in their jobs.

The results of this analysis further suggests that manipulative values of Iranian managers are most likely to be found in those who work in the private and mixed sectors.

Manipulative value by type of business

The F-statistics in Table 6.17 indicate a significant difference among managers in their manipulative value system. The computed F-ratio (3.02) for the variable "type of business" is significant at the 0.002 level. In order to ascertain which group/s of managers (those who work in manufacturing/production, finance/accounting and information processing, public services/training and education, marketing and distribution, engineering, and those who work on more than one industry) are differentiated by which significant discriminant function, a two-dimensional plot is given in Figure 13, which can be found in Appendix C.

Furthermore, according to the following table (Table 6.20), variables "company loyalty," "work," and "job freedom" are correlated most strongly with the relationship between the manipulative value system and type of business (as evidenced by the correlation coefficients) and contribute the most to that relationship (as evidenced by the standardized coefficients). The first function is, of course much more robust than the second.

	rdized and co nipulative ter				
Correlation Standardized Variables coefficient coefficient					
	C1	C2	C1	C2	
1- Company loyalty	35486	.27065	53085**	.14700	
2- Boss	.08214	.42251	00023	.48266	
3- Money	.09644	.28258	07860	.11002	
4- Profit	.28190	.25418	.14119	.21592	
5- Work	.45723	.73807*	.37300	.76699**	
6- Job freedom	.57614*08780 .52756296				
7- Big companies	.58013	13897	.52217	40906	
8- Company rules	01142	.15050	17488	.14187	

^{*} Denotes the single largest absolute correlation among the variables and any discriminant function.

Based on the information in Figure 13 and Table 6.20, above, the following characteristics for Iranian manipulative managers emerge.

- Manipulative tendencies of Iranian managers who work in the field of engineering
 are the root of their being discriminated from others who work in other types of
 businesses. Managers in this field feel the most responsible for their success in the
 workplace, while those who work in public services, transportation and education
 feel the least responsibility for their success, compared with other types of
 businesses.
- Managers in the fields of finance and information are the most loyal to their workplaces, while managers who work in public services, transportation and education are the least loyal.
- Managers who work in manufacturing and production and those who work in accounting and information industries score high on the variable "job freedom," suggesting that they like to pursue success independently and without interference from their supervisors. Those who work in more than one type of business, on the other hand, score the lowest on this variable.

^{**} Denotes the variables that contribute the most to the discriminant functions.

The above analysis suggests that there is a relationship between the type of business and the presence of manipulative values among managers. Those managers who work in manufacturing and production and those who work in accounting and information industries are more likely to exhibit success-oriented values. Those who work in finance and information industries are more supportive of their organizations. Managers who work in public services, transportation and education exhibited the least manipulative values.

Manipulative value by managerial position

The F-statistics in Table 6.17 indicate a significant difference among managers in their manipulative value system. The computed F-ratio (3.74) for the variable "managerial position" is significant at the 0.002 level. In order to ascertain which group/s of managers (managing director, deputy managing director, functional manager, department manager or supervisor) are differentiated by which significant discriminant function, a two-dimensional plot is given in Figure 14, which can be found in Appendix C.

Furthermore, according to the following table (Table 6.21), variables "work," "money," and "company rules" are correlated most strongly with the relationship between the manipulative value system and managerial position (as evidenced by the correlation coefficients) and contribute the most to that relationship (as evidenced by the standardized coefficients). The first function is, of course much more robust than the second.

Table 6.21 Standardized and correlation coefficients for manipulative tendencies of managers by managerial position						
Correlation Standardized Variables coefficient coefficient						
	C 1	C2	C1	C2		
1- Company loyalty	.29650	.05787	.10882	.06875		
2- Boss	.25537	20372	.16263	26373		
3- Money	.32597	.83018*	.07783	.93860**		
4- Profit	.48241	.05034	.21811	14063		
5- Work	.75900*	22624	.67257**	37442		
6- Job freedom	.17867074960984014566					
7- Big companies	.50103	00853	.29426	.00311		
8- Company rules	.44918	.28504	.34571	.26159		

^{*} Denotes the single largest absolute correlation among the variables and any discriminant function.

Based on the information in Figure 14 and Table 6.21, above, the following characteristics for Iranian manipulative managers emerge.

- Manipulative inclinations of Iranian managers at the department level motivate
 them to be on the lookout for promotion opportunities to a greater extent than any
 other levels of managers. The higher to the top of the ladder of hierarchies, the
 less noticeable this tendency.
- Deputy managing directors and department managers score much higher than
 other managerial positions in regarding "money" as the measure of career success.
 Managing directors score the lowest in this appraisal.
- Department managers score the highest of all other managerial positions in their belief in profit maximization of big companies. They also score the highest in the concern about necessity of flexibility in company rules. The higher they are placed in the organizational hierarchies, the lower these managers score on these two criteria.

The above analysis confirms that there is a relationship between manipulative values and managerial status. The analysis suggests that department managers show the

^{**} Denotes the variables that contribute the most to the discriminant functions.

highest success-oriented (manipulative) values among all other managers. It further suggests that the higher they are placed in the organizational hierarchy, the less the manipulative values of the managers.

Manipulative value by number of management levels above in the hierarchy

The F-statistics in Table 6.17 indicate a significant difference among managers in their manipulative value system. The computed F-ratio (2.85) for the variable "number of management levels above" is significant at the 0.010 level. In order to ascertain which group/s of managers (those with 1, 2, 3, or 4 or more levels of management above them) are differentiated by which significant discriminant function, a two-dimensional plot is given in Figure 15, which can be found in Appendix C.

Furthermore, according to the following table (Table 6.22), variables "company loyalty," "boss," and "work" are correlated most strongly with the relationship between the manipulative value system and the number of levels of management above in the hierarchy (as evidenced by the correlation coefficients) and contribute the most to that relationship (as evidenced by the standardized coefficients). The first function is, of course much more robust than the second.

Table 6.22						
Standardized and correlation coefficients for manipulative tendencies of managers by number of levels of management above						
Correlation Standardized Variables coefficient coefficient						
	C1	C2	C1	C2		
1- Company loyalty	.74012*	37201	.66583**	45254		
2- Boss	.37740	.74716*	.28494	.79120**		
3- Money	21225	07054	43731	11800		
4- Profit	.23793	12089	.09481	11866		
5- Work	.45662	.02516	.42213	.07906		
6- Job freedom	.07074 .1973507956 .14156					
7- Big companies	.3880102077 .2311115798					
8- Company rules	.12728	.42950	.05888	.42986		

^{*} Denotes the single largest absolute correlation among the variables and any discriminant function.

^{**} Denotes the variables that contribute the most to the discriminant functions.

Based on the information in Figure 15 and Table 6.22, above, the following characteristics for Iranian manipulative managers emerge.

- Due to their manipulative tendencies, Iranian managers who are at the bottom of
 the hierarchy tend to prefer managers who give them independence and do not ask
 questions as long as the jobs are performed. Compared with other levels of
 management, these lower level managers consider "money" as the most important
 criterion of their success. These low level managers feel responsibility for their
 success in the workplaces much more than any other level of management in the
 hierarchy.
- Managing directors and members of boards of directors are the least loyal of all
 other managers to their organizations. Deputy managing directors and those
 managers with only two levels of hierarchy above them are, however, the most
 loyal.
- Members of boards of directors and other managers who are at the top of the
 organizational hierarchy consider "money" and "company profit" as the least
 important measure for their success. Compared with other levels of hierarchy,
 these top level managers are the least avid for promotions opportunities.

The above analysis suggests that the lowest ranking Iranian managers exhibit the highest manipulative tendencies. The findings also indicate that the lowest success-oriented (manipulative) values are among the highest ranking managers, managing directors and members of boards of directors.

Manipulative value by total length of work experience

The F-statistics in Table 6.17 indicate a significant difference among managers in their manipulative value system. The computed F-ratio (2.87) for the variable "total length of work experience" is significant at the 0.014 level. In order to ascertain which group/s of managers (those with up to 4 years, 5-7, 8-10, 11-15, or 16 years or

more of total work experience) are differentiated by which significant discriminant function, a two-dimensional plot is given in Figure 16, which can be found in Appendix C.

Furthermore, according to the following table (Table 6.23), variables "boss," "profit," and "big company" are correlated most strongly with the relationship between the manipulative value system and total length of work experience (as evidenced by the correlation coefficients) and contribute the most to that relationship (as evidenced by the standardized coefficients). The first function is, of course much more robust than the second.

for mar	Tabl dized and co nipulative ten otal length of	ndencies of 1	nanagers	
Correlation Standardized Variables coefficient coefficient				
	C1	C2	C1	C2
1- Company loyalty	.35970	.30762	.40282	.16930
2- Boss	70939*	.43445	81970**	.42543
3- Money	.04923	.21301	04373	04057
4- Profit	.46924	.50240*	.44015	.49933
5- Work	05446	.41288	19715	.31131
6- Job freedom	.09810	.42121	.10082	.28918
7- Big companies	.15838	11682	.12955	51815**
8- Company rules	.18929	.50167	.14840	.41860

^{*} Denotes the single largest absolute correlation among the variables and any discriminant function.

Based on the information in Figure 16 and Table 6.23, above, the following characteristics for Iranian manipulative managers emerge.

• Because of their manipulative tendencies, Iranian managers who have limited work experience (up to four years) and those with longer work experience (10-15 years) are well discriminated from other managers with medium lengths of work experience. The least experienced managers seem to prefer bosses who give them independence in their job, as long as the job is done. The most experienced managers, on the other hand, score the least in this respect.

^{**} Denotes the variables that contribute the most to the discriminant functions.

- Less experienced managers (those with up to seven years of total working experience) consider "company profit" as the most important measure of success, while more experienced ones (those with more than ten years of working experience) value "company profit" less. It seems that the greater their work experience, the less importance managers place on "company profit".
- The least experienced managers believe that the employees of big companies should consider profit-maximization activities of such companies as their most important goal. More experienced managers, however do not.
- Managers with limited work experience are highly supportive of a company that
 lets them succeed. The more experienced managers do not exhibit such supportive
 values to the same degree.

The above analysis suggests that managers with various lengths of work experience show different levels of manipulative values in their workplaces. Managers with less experience exhibit the highest manipulative values, than the others. Relative to their more experienced colleagues, they seem to be more loyal to the company, more supportive of independence in the workplace, more concerned for both "company profit," and "profit maximization".

Manipulative value by field of study after high school

The F-statistics in Table 6.17 indicate a significant difference among managers in their manipulative value system. The computed F-ratio (2.30) for the variable "field of study" is significant at the 0.016 level. In order to ascertain which group/s of managers (those who studied administration and management, accounting, engineering, fine arts and human sciences, economics, medical sciences, agriculture, and those who studied in more than one field) are differentiated by which significant discriminant function, a two-dimensional plot is given in Figure 17, which can be found in Appendix C.

Furthermore, according to the following table (Table 6.24), variables "work," "big company," and "job freedom" are correlated most strongly with the relationship between the manipulative value system and field of study (as evidenced by the correlation coefficients) and contribute the most to that relationship (as evidenced by the standardized coefficients). The first function is, of course much more robust than the second.

Table 6.24 Standardized and correlation coefficients for manipulative tendencies of managers by field of study					
Correlation Standardized Variables coefficient coefficient					
	C1	C2	C1	C2	
1- Company loyalty	.37618	37202	.22888	49210	
2- Boss	.37158	35919	.36892	47064	
3- Money	.03929	.43303	18655	.36005	
4- Profit	06387	.28764	17176	.05118	
5- Work	.75866*	.40800	.73962**	.27295	
6- Job freedom	.52270	.35292	.39439	.27631	
7- Big companies	.00477	.51267*	19239	.53124**	
8- Company rules	.10889	.08817	.06265	04516	

^{*} Denotes the single largest absolute correlation among the variables and any discriminant function.

Based on the information in Figure 17 and Table 6.24, above, the following characteristics for Iranian manipulative managers emerge.

- Manipulative tendencies of Iranian managers who have studied medical sciences
 and agriculture made them well discriminated from managers who have studied
 other subjects. Managers who belong to these two groups feel the least
 responsible, compared with other groups, for success in their workplaces.
 Managers who have studied accounting, administration and management are more
 concerned with new promotion opportunities than any other group.
- Managers who have studied economics and engineering are the greatest believers
 in profit maximization goals of big companies, while those who have studied
 medical sciences are the least believers in such goals of big companies.

^{**} Denotes the variables that contribute the most to the discriminant functions.

 Managers who have studied medical sciences and agriculture score the lowest on the variable "job freedom," while those who have studied accounting score the highest on this variable.

The above analysis suggests that managers with different fields of tertiary education exhibit various levels of manipulative values. Those managers who have studied medical sciences and agriculture tend to have less ambitious plans for higher positions, less believe in profit maximization policies of big companies, and are less concerned with job freedom than those who have studied accounting, engineering and economics. Thus, Iranian managers who belong to the latter groups tend to show manipulative values more than the former.

H5: The sociocentric value system of Iranian managers is associated with organizational and demographic variables.

It has been hypothesized that the sociocentric (society-oriented) value systems of Iranian managers vary across their levels of management in the organizational hierarchy, present region of living, nature of ownership of their workplace, levels of income and length of work experience.

Data in Table 6.25 exhibits the overall F-test for this hypothesis. It indicates that this hypothesis is partially supported by variables: number of levels of management above in the organizational hierarchy, present region of living, and income levels. It further indicates that the sociocentric value system of Iranian managers would also vary across variables: company size (as measured by the number of employees), managerial position, early childhood region, and father's occupation.

Table 6.25				
One-way MANOVA test for sociocentric value systems				
by organizational and demo	graphic var	iables		
Independent variables	F-ratio	pr-value	Significance	
1- Number of employees (size of the company)	2.34	0.040	YES	
2- Nature of ownership	1.96	0.142	NO	
3- Type of business	1.27	0.249	NO	
4- Main management responsibility	0.87	0.550	NO	
5- Managerial position	2.71	0.020	YES	
6- Number of management levels above you	2.41	0.026	YES	
7- Length of work experience	1.19	0.312	NO	
8- Work experience in present position	1.73	0.127	NO	
9- Gender	0.18	0.667	NO	
10- Age group	0.81	0.517	NO	
11- Level of education	0.82	0.535	NO	
12- Religion	1.23	0.294	NO	
13- Ethnic group	0.61	0.749	NO	
14- Field of study after high school	1.22	0.281	NO	
15- Where been raised in early childhood	2.94	0.020	YES	
16- Where you live now	3.20	0.013	YES	
17- Father's occupation	3.70	0.000	YES	
18- Gross annual income	2.70	0.020	YES	
19- Level of exposure to academic management	0.12	0.977	NO	

An interpretation of the significant results (those variables with pr-value $\subseteq 0.05$ in Table 6.25) is provided as well. The following analyses clarify the significant

relationships between the sociocentric value system of Iranian managers and company size (as measured by the number of employees), managerial position, number of levels of management above in the hierarchy, early childhood region, present region of living, father's occupation and levels of income, separately.

Sociocentric value by company size (measured by the number of employees)

The F-statistics in Table 6.25 indicate a significant difference among managers in their sociocentric value system. The computed F-ratio (2.34) for the variable "company size" is significant at the 0.040 level. In order to ascertain which group/s of managers (those who work in companies with less than 50, 51-250, 251-750, 751-2,000, or more than 2,000 employees) are differentiated by which significant discriminant function, a two-dimensional plot is given in Figure 18, which can be found in Appendix C.

Furthermore, according to the following table (Table 6.26), variables "company loyalty," "big companies," and "company rules" are correlated most strongly with the relationship between the sociocentric value system and company size (as evidenced by the correlation coefficients) and contribute the most to that relationship (as evidenced by the standardized coefficients). The first function is, of course much more robust than the second.

Table 6.26 Standardized and correlation coefficients for sociocentric tendencies of managers by company size							
Correlation coefficient Standardized Variables C1 C2 coefficient							
			C 1	C2			
1- Company loyalty	.56200*	.52581	.67507**	.41921			
2- Boss	10736	.12033	18239	03745			
3- Money	15498	26979	19992	35040			
4- Profit	.25106	.02452	.23087	01415			
5- Work	26966	.06909	27698	09246			
6- Job freedom	04427	.17615	09342	.01850			
7- Big companies	28445	28445 .82531*53057 .86360**					
8- Company rules	.41935	.12012	.67328	16413			

^{*} Denotes the single largest absolute correlation among the variables and any discriminant function.

^{**} Denotes the variables that contribute the most to the discriminant functions.

Based on the information in Figure 18 and Table 6.26, above, the following characteristics for Iranian sociocentric managers emerge.

- Because of their sociocentric inclinations, Iranian managers who work in small (50-250 employees), very small (less than 50 employees) and very large (more than 2,000 employees) companies are well discriminated from other managers who work in medium or large companies.
- Managers who work in very small companies are the least committed to their workplaces, compared with other groups. This might be explained by the fact that the very small companies are mainly run by owner-manager entrepreneurs who are mostly success-oriented (manipulative) and may have less concern over sociocentric values. Managers who work in small companies and those who work in very large companies, however, are more committed to their workplaces than other groups.
- Managers who work in very large companies assume that big companies have a
 responsibility to strive for social and economic justice. It seems that the smaller
 the size of the company, the less this assumption.
- Compared with others, those who work in small and very large companies weigh
 more importance on the work they best like doing, instead of competing with
 others for materialistic objectives.

The above analysis suggests that sociocentric values of Iranian managers are most likely to be found in either small (51-250 employees) or very large (more than 2,000 employees) companies. These managers assume that big companies have a responsibility to strive for social and economic justice. They also prefer jobs that require working with people toward a common humanistic goal than working towards purely materialistic objectives.

Sociocentric value by managerial position

The F-statistics in Table 6.25 indicate a significant difference among managers in their sociocentric value system. The computed F-ratio (2.71) for the variable "managerial position" is significant at the 0.020 level. In order to ascertain which groups of managers (managing director, deputy managing director, functional manager, department manager, or supervisor) are differentiated by which significant discriminant function, a two-dimensional plot is given in Figure 19, which can be found in Appendix C.

Furthermore, according to the following table (Table 6.27), variables "work," "profit," and "big companies" are correlated most strongly with the relationship between the sociocentric value system and managerial position (as evidenced by the correlation coefficients) and contribute the most to that relationship (as evidenced by the standardized coefficients). The first function is, of course much more robust than the second.

Table 6.27 Standardized and correlation coefficients for sociocentric tendencies of managers by managerial position						
Variables	Correlation Standardized Variables coefficient coefficient					
	C1	C2	C1	C2		
1- Company loyalty	.49512	.12293	.52384	03479		
2- Boss	22759	.42505	43736	.46719		
3- Money	.23104	21987	.28554	41436		
4- Profit	09238	44003	.01399	61052**		
5- Work	53404*	.21720	67456**	.08766		
6- Job freedom	.11403	.05057	.17273	20794		
7- Big companies	ompanies .37902 .65134* .52325 .59725					
8- Company rules	.04235	.29107	04327	.16634		

^{*} Denotes the single largest absolute correlation among the variables and any discriminant function.

Based on the information in Figure 19 and Table 6.27, above, the following characteristics for Iranian sociocentric managers emerge.

 Sociocentric tendencies of Iranian managers made those in the lower positions in the hierarchy (supervisors and department managers) well discriminated from the rest of the managers who have higher positions.

^{**} Denotes the variables that contribute the most to the discriminant functions.

 Compared with others, department managers seem to weigh more importance on the work they best like doing, instead of competing with others for materialistic objectives. The higher their ranking in the organization, the less the managers score on this tendency.

Iranian supervisors (the lowest level managers, in this study), on the other hand, score the least on this preference. This group of managers seems to be more concerned with getting the job done than with society or committeeism.

- Managers at department level consider the quality of the products and services
 their workplaces produce as more important than their profits. Deputy managing
 directors, however, score the lowest on this.
- Lower level managers believe firmly that big companies should support causes of social and economic justice. It seems that the higher the position, the less managers exhibit this sociocentric tendency.
- Lower level managers are highly committed to a company that is concerned with the needs of its employees. The higher the position, the less the managers show this commitment.

The above analysis suggests that the sociocentric tendencies of Iranian managers vary according to the positions they hold. Department managers seem to exhibit the strongest sociocentric values. Furthermore, there seems to be an inverse relationship between the sociocentric values and organizational rank.

Sociocentric value by number of levels of management above in the hierarchy

The F-statistics in Table 6.25 indicate a significant difference among managers in their sociocentric value system. The computed F-ratio (2.41) for the variable "number of levels of management in the organizational hierarchy" is significant at

- Members of boards of directors and those at the very highest levels of
 management score the lowest on the variable "work," suggesting that they do not
 prefer working with other people toward a common goal.
- The lowest level managers score the lowest on the variable "job freedom," but strongly believe that big companies should support the causes of social and economic justice. It seems that the more toward the higher levels of management, the less the social responsibility of the managers.
- The lowest level managers do not consider company profits to be as important as
 its products and services. It seems that higher-ranking managers value company
 profit more highly.
- The lowest level managers feel the most committed to a company that is concerned with the needs of its employees. This tendency is less marked among the higher level managers.

The results of this analysis affirm the previous analysis on the relationship between sociocentric values and managerial positions. It seems that lower level managers are more loyal to their workplaces; have less concern for company profits as compared with its products and services; believe more in the social responsibility of the big companies and feel having less job freedom in their workplaces. Higher level managers, however, have the opposite view points on the above matters and generally exhibit less sociocentric values, compared with their lower level counterparts.

Sociocentric value by region of early childhood

The F-statistics in Table 6.25 indicate a significant difference among managers in their sociocentric value system. The computed F-ratio (2.94) for the variable "region of early childhood" is significant at the 0.020 level. In order to ascertain which group/s of managers (those who were brought up in a village, township, city, states

capital, or Tehran) are differentiated by which significant discriminant function, a two-dimensional plot is given in Figure 21, which can be found in Appendix C.

Furthermore, according to the following table (Table 6.29), variables "boss," "money," "big companies," and "company rules" are correlated most strongly with the relationship between the sociocentric value system and early childhood region (as evidenced by the correlation coefficients) and contribute the most to that relationship (as evidenced by the standardized coefficients). The first function is, of course much more robust than the second.

Table 6.29 Standardized and correlation coefficients for sociocentric tendencies of managers by region of early childhood					
Correlation Standardized Variables coefficient coefficient					
	C1	C2	C 1	C2	
1- Company loyalty	.23694	.35169	.12753	.20795	
2- Boss	.89282*	.06666	.94752**	29248	
3- Money	.12692	.57281	09184	.48090**	
4- Profit	.07865	- 17989	09822	20375	
5- Work	.16074	07458	03158	24529	
6- Job freedom	.25827 .4148708175 .25430				
7- Big companies	03857	.62002*	39991	.47925	
8- Company rules	.42490	.56973	.36235	.37441	

^{*} Denotes the single largest absolute correlation among the variables and any discriminant function.

Based on the information in Figure 21 and Table 6.29, above, the following characteristics for Iranian sociocentric managers emerge.

- Due to their sociocentric tendencies, Iranian managers who have been raised in Tehran are well discriminated from others who have been raised elsewhere.
- Managers who have been raised in Tehran are least likely to prefer friendly bosses
 who try to create a harmonious team work. Those who have been raised in a
 village, on the other hand, prefer this kind of boss the most.
- Managers who have been raised in the state capitals score the highest on the variable "money," suggesting that it enables them to enjoy many friendships and

^{**} Denotes the variables that contribute the most to the discriminant functions.

to support worthwhile causes. Those who were brought up in small townships and Tehran, however, score lower than others.

- Managers who were raised in a village tend to believe that company rules are
 useful only when promoting social and economic justice. Managers who were
 brought up in Tehran, however, were the least concerned about this. It seems that
 the larger the early childhood region, the lower the managers' expectations
 regarding company rules promoting social and economic justice.
- Managers who were raised in a village and those who have been brought up in one
 of the state capitals belief stronger than others that big companies should support
 the causes of social and economic justice. Managers who were raised in Tehran,
 however, weakly believe in this.

The above analysis suggests that sociocentric tendencies of Iranian managers vary according to the region of their early childhood. It seems that the smaller the place of their upbringing, the stronger their sociocentric tendencies. It also seems that those managers who have been brought up either in a village or state capitals have stronger sociocentric values than those who were brought up elsewhere. Furthermore, those managers who were raised in Tehran exhibit the lowest sociocentric tendencies among all other groups.

Sociocentric value by present region of living

The F-statistics in Table 6.25 indicate a significant difference among managers in their sociocentric value system. The computed F-ratio (3.20) for the variable "present region of living" is significant at the 0.013 level. In order to ascertain which group/s of managers (those who presently live in townships or small cities, state capitals, or Tehran and its suburbs) are differentiated by which significant discriminant function, a two-dimensional plot is given in Figure 22, which can be found in Appendix C.

Furthermore, according to the following table (Table 6.30), variables "job freedom," "profit," "company rules," and "big companies" are correlated most strongly with the relationship between the sociocentric value system and present region of living (as evidenced by the correlation coefficients) and contribute the most to that relationship (as evidenced by the standardized coefficients). The first function is, of course much more robust than the second.

Table 6.30 Standardized and correlation coefficients for sociocentric tendencies of managers by present region of living						
Correlation Standardized Variables coefficient coefficient						
,	C1	C2	C1	C2		
1- Company loyalty	.08163	.15989	14147	.22934		
2- Boss	.51268	09953	.15572	29861		
3- Money	.09422	15764	11611	09372		
4- Profit	.10327	.63658*	08770	.64325**		
5- Work	.41719	.33043	.15376	.36024		
6- Job freedom	.80148* .34015 .57856** .47778					
7- Big companies	.5791336967 .2588948326					
8- Company rules	.68458	19057	.40014	25794		

^{*} Denotes the single largest absolute correlation among the variables and any discriminant function.

Based on the information in Figure 22 and Table 6.30, above, the following characteristics for Iranian sociocentric managers emerge.

Pecause of their sociocentric tendencies, Iranian managers who presently live in villages and small townships score the lowest on the variable "job freedom," suggesting that they are the least interested in friendships with others in the workplace without worrying about where they fit into the company. This might be explained by the fact that more than 72% of the respondent managers who presently live in villages or small townships were not raised in small regions. Thus, lack of interest on their behalf to socialize with others in the workplaces may be attributed to the lack of understanding of the local culture of a small village or township, where those managers presently live. Managers who presently live in the state capitals, however, score the highest in this respect.

^{**} Denotes the variables that contribute the most to the discriminant functions.

Sociocentric value by father's occupation

The F-statistics in Table 6.25 indicate a significant difference among managers in their sociocentric value system. The computed F-ratio (3.70) for the variable "father's occupation" is significant at the 0.000 level. In order to ascertain which group/s of managers (whose fathers are peasant, factory worker, landowner/merchant, employee, storekeeper, medical profession or other specialist, or union member) are differentiated by which significant discriminant function, a two-dimensional plot is given in Figure 23, which can be found in Appendix C.

Furthermore, according to the following table (Table 6.31), variables "company rules," "job freedom," and "work" are correlated most strongly with the relationship between the sociocentric value system and father's occupation (as evidenced by the correlation coefficients) and contribute the most to that relationship (as evidenced by the standardized coefficients). The first function is, of course much more robust than the second.

Table 6.31 Standardized and correlation coefficients for sociocentric tendencies of managers by father's occupation						
Variables	Correlation Standardized Variables coefficient coefficient					
variables	C1	C2	C1	C2		
1- Company loyalty	.45317	.19606	.30662	.17595		
2- Boss	.65649	02705	.35492	22183		
3- Money	.10222	.14504	07497	.18682		
4- Profit	.42963	.51037*	.24757	.60496		
5- Work	.55486	41902	.32123	56524		
6- Job freedom	.43928 .4928500291 .70151**					
7- Big companies .5244918064 .1651122709						
8- Company rules	.66591*	00031	.39914**	13295		

^{*} Denotes the single largest absolute correlation among the variables and any discriminant function.

Based on the information in Figure 23 and Table 6.31, above, the following characteristics for Iranian sociocentric managers emerge.

• In view of their sociocentric tendencies, Iranian managers whose fathers were landowners or merchants (upper social classes) are less likely to believe that "company rules" are useful only if they promote social and economic justice.

^{**} Denotes the variables that contribute the most to the discriminant functions.

They also score lower than others in their belief in team work and working with other people towards a common goal. Working class families (those whose fathers were peasants and factory workers), on the other hand, score generally higher than others on these two dimensions.

• Managers whose fathers were employees score the lowest on the variable "job freedom," defined as the opportunity to befriend others without worrying about where they fit into the company. This might be explained by the fact that these managers, who come from middle class families, seem to strongly believe in hierarchical structure within the society and tend less to mix freely with people from other social classes.

The above analysis suggests that sociocentric tendencies of Iranian managers vary according to the occupation of their fathers. Managers whose fathers were from upper social classes (being landowners or merchants) do not generally believe in social responsibility of their workplaces, nor do they value team work greatly. Managers from lower social classes (their fathers being peasants or factory workers), however, exhibit more of the sociocentric values than their counterparts who come from upper social classes.

Sociocentric value by annual income

The F-statistics in Table 6.25 indicate a significant difference among managers in their sociocentric value system. The computed F-ratio (2.70) for the variable "gross annual income" is significant at the 0.020 level. In order to ascertain which group/s of managers (those with annual income of less than Rials 7 million, 7-10, 10-13, 13-16, 16-20, or more than Rials 20 million) are differentiated by which significant discriminant function, a two-dimensional plot is given in Figure 24, which can be found in Appendix C.

^{1 1} Toman = 10 Rials

Furthermore, according to the following table (Table 6.32), variables "company rules," "job freedom," "work," and "boss" are correlated most strongly with the relationship between the sociocentric value system and level of income (as evidenced by the correlation coefficients) and contribute the most to that relationship (as evidenced by the standardized coefficients). The first function is, of course much more robust than the second.

Table 6.32 Standardized and correlation coefficients for sociocentric tendencies of managers by gross annual income								
Variables	Correlation Standardized Variables coefficient coefficient							
	C1	C2	C1	C2				
1- Company loyalty	.61830	09772	.52851	29535				
2- Boss	.23228	.59320	.00036	.39423				
3- Money	01945	.02805	20682	11803				
4- Profit	07263	.05761	18771	10053				
5- Work	14017	.72296*	35933	.55653**				
6- Job freedom	.39084	.59998	.19818	.41070				
7- Big companies	.52866	.45389	.28709	.28501				
8- Company rules	.65229*	.13642	.57626**	23262				

^{*} Denotes the single largest absolute correlation among the variables and any discriminant function.

Based on the information in Figure 24 and Table 6.32, above, the following characteristics for Iranian sociocentric managers emerge.

Sociocentric tendencies of Iranian managers who earn the lowest level of incomes (up to Rials¹ 7 million), made them score the highest on the variable "company rules," regarding them as useful only if they promote social and economic justice. They also score the highest in heir belief that big companies should support the causes of social and economic justice. Managers with the highest levels of income, however, score the lowest in both of these variables. It seems that the lower the income level, the higher the sociocentric values of the managers, as measured by variables "company rules" and "big companies".

^{**} Denotes the variables that contribute the most to the discriminant functions.

¹ 1 Toman = 10 Rials

- Due to their sociocentric inclinations, the highest income earner managers are the strongest believers in the importance of working with other people toward a common goal. The lowest income group, however, scores moderately on this belief, compared with other groups.
- Managers with the lowest levels of income score the highest on the variable
 "company loyalty," defined as the commitment of a company to its employees.
 Managers with higher levels of income, on the other hand, score lower in this
 dimension. It seems that the low income earners are more committed to a
 company that is concerned with the needs of its employees than higher income
 earners.

This analysis suggests that the sociocentric values of Iranian managers vary across their levels of income. The lower managers' level of income, the more committed they will be to the promotion of social and economic justice and to their workplace; and the more moderately they will believe in group work.

H6: The existential value system of Iranian managers is associated with organizational and demographic variables.

It has been hypothesized that the existential (meaning-oriented) value systems of Iranian managers vary across their levels of education, present region of living, gender, field of study in university and social class (measured by father's occupation).

Data in Table 6.33 exhibits the overall F-test for the hypothesis. As it is indicated in the table, this hypothesis is partially supported only by one variable, "field of study after high school".

Table 6.33								
One-way MANOVA test for existential value systems								
by organizational and demographic variables								
Independent variables	F-ratio	pr-value	Significance					
1- Number of employees (size of the company)	0.64	0.669	NO					
2- Nature of ownership	2.01	0.135	NO					
3- Type of business	0.78	0.637	NO					
4- Main management responsibility	1.54	0.131	NO					
5- Managerial position	1.30	0.262	NO					
6- Number of management levels above you	0.15	0.990	NO					
7- Length of work experience	1.97	0.082	NO					
8- Work experience in present position	0.76	0.579	NO					
9- Gender	1.22	0.269	NO					
10- Age group	0.89	0.472	NO					
11- Level of education	0.33	0.892	NO					
12- Religion	1.62	0.199	NO					
13- Ethnic group	0.97	0.450	NO					
14- Field of study after high school	2.44	0.010	YES					
15- Where been raised in early childhood	1.26	0.286	NO					
16- Where you live now	0.84	0.498	NO					
17- Father's occupation	0.14	0.998	NO					
18- Gross annual income	0.42	0.835	NO					
19- Level of exposure to academic management	1.09	0.363	NO					

An interpretation of the significant results (those variables with pr-value $\subseteq 0.05$ in Table 6.33) is provided as well. The following analyses would clarify the significant relationships between the existential value system of Iranian managers and their field of study after high school.

Existential value by the field of study

The F-statistics in Table 6.33 indicates a significant difference among managers in their existential value system. The computed F-ratio (2.44) for the "field of study" is significant at the 0.010 level. In order to ascertain which group/s of managers (those who studied administration and management, accounting, engineering, fine arts and human sciences, economics, medical sciences, agriculture, and those who have studied in more than one field) are differentiated by which significant discriminant function, a two-dimensional plot is given in Figure 25, which can be found in Appendix C.

Furthermore, according to the following table (Table 6.34), variables "work," "company loyalty," "profit," and "money" are correlated most strongly with the relationship between the existential value system and field of study (as evidenced by the correlation coefficients) and contribute the most to that relationship (as evidenced by the standardized coefficients). The first function is, of course much more robust than the second.

Table 6.34 Standardized and correlation coefficients for existential tendencies of managers by field of study								
Variables Correlation Standardized coefficient coefficient								
	C1	C2	C1	C2				
1- Company loyalty	.23065	.67401*	.13710	.61867**				
2- Boss	.15243 .58642		01659	.61122				
3- Money	.38773	17302	.35854	24757				
4- Profit	.52632	04373	.40863	15498				
5- Work	.72593*	05362	.70794**	08532				
6- Job freedom	.22510	14409	11011	28007				
7- Big companies	.20057	.32999	.12728	.38675				
8- Company rules	.37377	08299	.27333	02916				

^{*} Denotes the single largest absolute correlation among the variables and any discriminant function.

Based on the information in Figure 25 and Table 6.34, above, the following characteristics for Iranian existential managers emerge.

 Because of their existential tendencies, those managers who have studied engineering (almost one half of the respondents) and medical sciences score

^{**} Denotes the variables that contribute the most to the discriminant functions.

higher than other groups on the variable "work," suggesting that they prefer a challenging job even the pay is not high. Managers who have studied accounting and agriculture, however, scored low in this respect.

- In view of their existential inclinations, "company loyalty" is highly regarded by
 managers as long as it does not go against their principles. Company loyalty was
 most highly valued by managers who have studied medical sciences, while those
 who have studied engineering, administration and economics rated it the lowest.
- Compared with other managers, those who have studied medical sciences and
 engineering scored the highest on variables "company profit" and "money."

 Existential tendencies of managers make them consider company profit as a winwin opportunity for companies and their employees. They also believe that money
 is not an end but the means toward some greater goal.

There seems to be a paradox these two variables having a robust effect on the discriminant functions of managers with meaning-oriented (existential) tendencies who have studied engineering and medical sciences!

The above analysis suggests that existential value systems of Iranian managers are mostly found among managers who have studied engineering and medical sciences. Those who have studied economics, administration and management and accounting scored generally lower in existential values.

H7: Egocentric and manipulative tendencies of Iranian managers will be correlated with individualism while tribalistic, conformist, sociocentric and existential tendencies of them are likely to be correlated with collectivism.

It has been hypothesized that there is a relationship between Iranian managers' value systems and their status of individualism/collectivism, and that egocentric and manipulative inclinations of the managers tend to be related with their status of individualism while, managers tendencies toward other value systems are likely to be related to their status of collectivism. Analysis of the data supports this hypothesis.

Table 6.35 exhibits a partial correlation between the Iranian managers' value systems and their status of individualism/collectivism. As indicated in this table, egocentric tendencies of managers are highly correlated with Work Individualism and Individualism scales (r = .23 & .30, $P \subseteq .01$) while their relationship with both of the collectivism scales are insignificant. Manipulative inclinations of managers are also highly correlated with both Work Individualism and Individualism scales (r = .37 & .20, $P \subseteq .01$). Their correlation with Collectivism Beliefs and Work Collectivism scales are moderate (r = .15, $P \subseteq .01 & r = .10$, $P \subseteq .05$) and much lower than their correlation with individualism scales.

The data in Table 6.35 also suggest that tribalistic, conformist, sociocentric and existential tendencies of Iranian managers are all highly correlated with Collectivism Beliefs (r = .26, .36, .38, and $.26, P \subseteq .01$ respectively) and Work Collectivism (r = .36, .34, .52, and $.24, P \subseteq .01$ respectively) scales. Their correlation with both individualism scales, however, are either insignificant or are not as highly correlated as they are with the collectivism scales.

		Par	Table 6.35 Partial correlation between Iranian managers' value systems	Ta ion between	Table 6.35 en Iranian man	agers' value	systems			
			and thei	neir status of individualism/collectivism	ndividualism	/collectivisn				
				_	Items					
	Tribalistic	Egocentric	Conformist	Manipulative	Sociocentric	Existential	Collectivism beliefs	Work collectivism	Work individualism	Individualism
Tribalistic	1.00									
Egocentric	.34**	1.00								
Conformist	**65.	.22**	1.00							
Manipulative	.33**	.42**	.45**	1.00						
Sociocentric	.54**	.15**	43**	.27**	1.00					
Existential	**56.	.28**	.39**	.43**	.38**	1.00				
Collectivism beliefs	.26**	01	.36**	.15**	.38**	.26**	1.00			
Work collectivism	.36**	.03	.34**	.10*	.52**	.24**	.43**	1.00		
Work individualism	.26**	.23**	.32**	.37**	.20**	.21**	.05	.13**	1.00	
Individualism	.13**	.30**	.11*	.20**	.03	.15**	10*	10*	.31**	1.00
* D ~ 0 0¢										

* $P \subseteq 0.05$ ** $P \subseteq 0.01$

ANALYSIS OF DECISION-MAKING STYLES AND TESTS OF HYPOTHESES

The decision style instrument used in this section includes six statements pertaining to the following decision-making styles: autocratic, pseudo-consultative, consultative, participative, pseudo-participative, and delegative. The respondents were requested to indicate their own decision styles, their perception of the most effective style and the style used by their immediate supervisor.

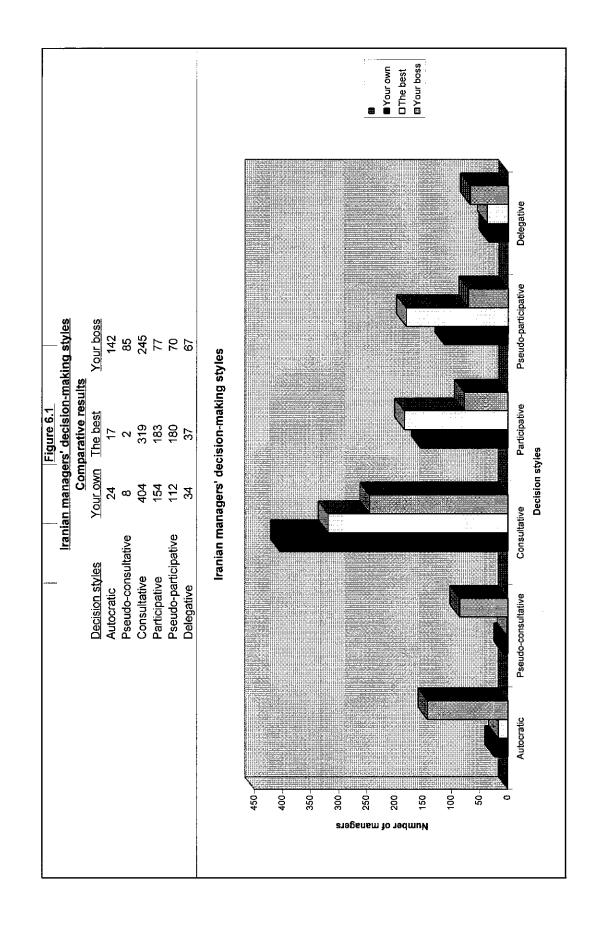
The main objective was to determine the most commonly used decision-making style of Iranian managers, and to test the hypotheses regarding the decision-making styles and individualism/collectivism. This instrument also enabled the researcher to compare the most commonly used managerial decision styles with managers' perceptions of the most effective styles and with the style used by their immediate supervisor/s. The following table (Table 6.36) exhibits the results of the findings in this section.

Table 6.36 Iranian managers' decision-making styles										
Decision styles		our own n-makin						our perception of our bosses' style		
	Number	%	Rank	Number	%	Rank	Number	%	Rank	
Autocratic	24	3.3	5	17	2.3	5	142	20.7	2	
Pseudo- consultative	8	1.1	6	2	0.3	6	85	12.4	3	
Consultative	404	54.9	1	319	43.2	1	245	35.7	1	
Participative	154	20.9	2	183	24.8	2	77	11.2	4	
Pseudo- participative	112	15.2	3	180	24.4	3	70	10.2	5	
Delegative	34	4.6	4	37	5.0	4	67	9.8	6	

As the above table indicates, more than one half of Iranian managers (54.9%) use a primarily consultative decision style, followed by 20.9% who are proponents of participative style, and 15.2% pseudo-participative. Delegative, autocratic and

pseudo-consultative decision styles are the least preferred in Iran with 4.6%, 3.3% and 1.1% respectively.

The data in Table 6.36 further indicate that Iranian managers' decision styles are ranked in ascending order as: consultative, participative, pseudo-participative, delegative, autocratic, and pseudo-consultative. It is interesting to note that their perceptions as to the most effective decision style is exactly ranked in the same order (see figure 1). An overview of Iranian managers' decision styles and the comparative results of similar studies on the managerial decision-making styles in the selected Middle Eastern countries are presented at the end of this section.



H8: More collectivistic managers will be more participative while more individualistic managers will be more autocratic in their decision-making style.

It is hypothesized that more collectivistic and more individualistic managers differ in their decision-making styles and that the former group tends to be more participative while the latter is more autocratic. The data and the results of the analysis both support the above hypothesis.

The results of the analysis of variance (ANOVA) of the mean of Individualism/collectivism scales (as dependent variables) and decision styles (as independent variables) are presented in the following table (Table 6.37).

Table 6.37 ANOVA test Mean individualism/collectivism measures by managers' own decision styles									
Decision styles	Collectivism Beliefs	Work Collectivism	Work Individualism	Individualism					
Autocratic	3.91	4.30	3.54	2.87					
Pseudo- consultative	3.92	4.17	3.48	2.69					
Consultative	4.08	4.34	3.53	2.70					
Participative	4.26	4.36	3.42	2.69					
Pseudo- participative	4.23	4.34	3.45	2.80					
Delegative	4.32	4.30	3.44	2.80					
F-statistics	5.48**	0.271	2.51*	0.811					

^{*} p ⊆ 0.05

According to the data in this table, autocratic and pseudo-consultative participants scored significantly lower on Collectivism Beliefs scale than other participants (M= 3.91 & 3.92, $p \subseteq 0.01$). Delegative and participative participants, however, score significantly higher on this scale than other participants (M=4.32 & 4.26, $p \subseteq 0.05$). It seems that the more autocratic the style, the lower the score on Collectivism Beliefs scale and the more delegative the style, the higher the score on this scale.

^{**} P ⊆ 0.01

H9: Most Iranian managers would practice consultative and pseudo-consultative styles in their decision-making

Based on the findings of previous studies at Middle Eastern countries, it was hypothesized that the majority of Iranian managers would use consultative and pseudo-consultative styles in their decision-making. However, this hypothesis was only partially supported by the findings.

The data in Table 6.36 indicates that more than one half (54.9%) of the Iranian managers surveyed practice consultative style; 43.2% believe this style to be the most effective one; and 35.7% of them perceive this to be the style used by their immediate supervisors. In other words, the consultative style was, without doubt, the most popular option in regard to both practice and perceptions.

The data further shows that pseudo-consultative decision style, while previous research indicates to be the second most common style in the Arab countries (Table 6.41), is not practiced by Iranian managers as such (only 1.1%). Thus, this part of the hypothesis is not supported by the findings.

The strong preference of Iranian managers, as in other Arab countries (Table 6.41), for the consultative style may reflect the influence of Islamic values and beliefs, which reinforce consultation in conducting all aspects of life. Quran, the holy book of Islam, places particular emphasis on consultation, as evidenced by the following verses: "... consult them in affairs (of moment). Then, when thou hast taken a decision, put thy trust in God" (Holy Quran, 3:159); "... Announce the good news to My servants, those who listen to the word, and follow the best (meaning) in it ..." (Holy Quran, 39:17-18); "... If ye realise this not, ask of those who possess the message." (Holy Quran, 16:43); "This reward is for those ... Who conduct their affairs by mutual consultation." (Holy Quran, 42:38); and "pursue not that of which thou hast no knowledge ..." (Holy Quran, 17:36).

The Islamic revolution of 1979 also had a profound impact on the decision-making styles in Iran, both politically and otherwise. Having cast off an absolute authoritarian monarchy, Iranians wanted to be involved in the decision-making process of their country at all levels. Despite some delays in implementation, mainly due to eight years war with Iraq, drastic changes in decision styles have occurred since, nationwide. Evidence of these changes can be found both at the political and administrative levels as well as in the factories and other workplaces.

The shift from the authoritarian style of the previous monarchy to more consultative and participatory practices is evident on the political level in the formation of various consultative assemblies such as Islamic Consultative Assembly (parliament), Council of Guardians, Assembly of Experts, Expediency Council, Leadership and Leadership Council, Expediency Council, Supreme Judicial Council, National Security Council, Provincial Councils, Bureau of Cultural Revolution, and ..., as well as institution of numerous nationwide general elections.

More recent privatization policies of the government, in which share certificates of publicly owned companies are sold to private investors through the stock exchange, and the release of the municipalities from bureaucratic budget controls and financial dependency, shows the changes in the decision style of Iranians at the administrative levels. The aim at all levels is to involve the general public in accepting more responsibility for their own affairs and decisions.

Article 104 of the Constitution of the Islamic Republic of Iran establishes the framework for the participation of the employees in the affairs of their workplaces:

In order to ensure Islamic equity and collaboration in the preparation of programs and to bring about the harmonious progress of all units of production, both industrial and agricultural, councils consisting of the representatives of the workers, peasants, other employees, and managers, will be formed. In educational, administrative, service, and other units, similar councils will be formed, composed of representatives of the members of those units. The manner in which these councils are to be formed together with their functions and powers, is to be specified by law.

Legalization of "workers' councils" in the factories and other workplaces according to the new Labor Law has greatly influenced managerial decision styles. All managers, even at the level of the board of directors, are required to consult with these councils, who act as liaisons between management and workforce.

H10: Iranian managers will perceive the decision-making style of their immediate supervisors to be more autocratic and consultative than participative and delegative.

On the basis of previous research, mainly Ali (1993) and Ali, Taqi, and Krishnan (1995), it was hypothesized that managers would perceive their immediate supervisors' decision style to be more autocratic and consultative than participative and delegative. The results show that supervisors are perceived to be more autocratic, pseudo-consultative, and delegative but less participative in their decision-making. The hypothesis is, therefore, partially supported by the findings.

With the exception of consultative style, which is by far the most common decision style in regard to both practice and perceptions, the managers' perceptions of their immediate supervisors' decision style was quite different from their own style or their perception of the most effective style. Their perceptions of their immediate supervisors' decision style was ranked in descending order as: consultative, autocratic, pseudo-consultative, participative, pseudo-participative, and delegative. Compared with their own decision style, the respondents perceived that their immediate supervisors were six times more autocratic, ten times more pseudo-consultative, and two times more delegative. Their immediate bosses were also perceived to be 40% less consultative, 50% less participative and 37.5% less pseudo-participative than the managers themselves.

As for the delegative decision style, it is interesting to note that those managers who themselves delegate decision-making to their employees perceive their immediate supervisors to be twice as delegative as themselves. This supports one of the findings of the case studies, in which top management levels were found to be much more delegative than their lower level managers.

It seems that with the exception of consultative decision style, which is the dominant decision style of Iranian managers both in practice and perception, there is little

H11: Perceptions of Iranian managers of the most effective decision style are similar to the decision style they actually employ.

It has been hypothesized that Iranian managers' decision styles would be similar to the style they perceive to be the most effective. The results exhibited in Table 6.36 show that the managers' perceptions of the most effective decision style is ranked exactly in the same order as their own styles. The following table (Table 6.38), however, does indicate some major differences between the managers' practiced style and their perceptions of the most effective style and the style used by their immediate supervisors. The findings, therefore, only partially supports this hypothesis.

	Table	6.38			
	Analysis of decision	on-making st	yles		
	Managers' own	The most e	ffective	Immediate	bosses'
Decision styles	decision styles*	style	es	decision	styles
	(practiced)	(percept	ions)	(percept	ions)
	number of	number of	0/0**	number of	%**
	managers	managers		managers	
Autocratic	24	7	29.2	14	58.3
Pseudo-consultative	8	1	12.5	1	12.5
Consultative	404	283	70	160	39.6
Participative	154	116	75.3	47	30.5
Pseudo-participative	112	95	84.8	25	22.3
Delegative	34	17	50	12	35.3
Total	736	519	70.5	259	35.2

^{*} Figures in this column are quoted from Table 6.36

The data in Table 6.38 indicates the number and percentage of managers who perceive their own styles to be the most effective one and how congruent their supervisors' decision styles are with their own style and with the style they see as the most effective.

The hypothesis is supported for consultative, participative and pseudo-participative decision styles. Four-hundred and four, 154, and 112 managers use these styles in their decision-making respectively, while 283, 116, and 95 of them – equal to 70%, 75.3%, and 84.8% of the practicing managers – perceive their style to be the most effective one.

^{**} Ratios of perceptions to the practiced decision styles

The hypothesis is not supported for autocratic, pseudo-consultative and delegative styles. Twenty-four managers reported practicing an autocratic style while only seven of these perceive that style as the most effective one. Eight managers make decisions using a pseudo-consultative style while only one manager perceived that style as the most effective. Thirty-four managers are delegative, of whom only 17 believe that style to be the most effective one. Thus, 70.8%, 87.5%, and 50% of the managers who practice autocratic, pseudo-consultative and delegative styles respectively do not perceive their decision-making styles to be the most effective style.

As for the managers' perceptions of their immediate supervisors' decision-making styles, the figures in last column of Table 6.38 clearly show incongruity between the managers' practiced styles and their immediate supervisors' perceived styles. Overall, only about one third (35.2%) of the supervisors are perceived to use the same styles as their lower level managers.

Overall, there are 217 managers (29.5% of the respondents) who do not employ a decision-making style they perceive to be the most effective one. Possible explanations for this incongruity are:

- 1- Some, e.g., autocratic managers, seem to willingly copy the decision style of their immediate supervisors in order to be more in conformity with them, although they do not really believe the copied style to be the most effective one.
- 2- Some, e.g., delegative and participatory styles, may have considered their employees not prepared, professionally or culturally, for the successful operation of participatory styles.
- 3- Not practicing what they believe to be the most effective may partly be attributed to "resistance to change," a factor that is always an obstacle in all management practices, especially in decision-making style. It is more so in the traditional working environment in Iran.

As explained before, it seems that there is limited congruity between the managers' own style and that of their perceptions of the most effective style in some of the decision style categories. There is even much less congruity between the managers' own style and their perceptions of their immediate supervisors' style in all decision styles.

AN OVERVIEW OF VALUES FOR WORKING AND DECISION STYLES OF IRANIAN MANAGERS

An overview of managerial value systems

The findings of this study have indicated that the value systems of Iranian managers vary across a range of demographic and organizational variables. Table 6.1 exhibits descriptive statistics of the value systems of Iranian managers, including the mean score, standard deviation, and range of each value system. As Table 6.1 indicates, an average Iranian manager represents a mix of all the value systems in roughly equal proportions except egocentrism, which is underrepresented. The data suggests that a conformist orientation is the dominant value system of Iranian managers (M=4.162) followed by sociocentric values (M=4.061), with egocentric values the least dominant (M=2.789).

These findings provide further support to Flowers et al. (1975) that managers may have more than one value system and that all managers display tendencies in varying degrees toward all six value systems. To have a better identification of managerial groups by demographic and organizational characteristics, a brief presentation of the study results is shown in Table 6.39. It is important to keep in mind that the information in this table reflects only the most distinctive value patterns appearing among managers. Quantitative analyses of the data indicated that:

- 1) Tribalistic (security-oriented) tendencies are most likely to be significant among the less educated managers, who were raised in a village or small township in a lower social class family. They earn low incomes (seven million Rials¹ per year) and have had almost no exposure to academic management. These managers tend to serve in lower managerial positions and have long (more than 11 years) managerial work experience in their current positions.
- 2) Egocentric (self-oriented) tendencies are most commonly found notable among supervisors and department managers. These managers' main motives to work are profit and money. They prefer bosses who are less directive.

^{1 1} Tomans = 10 Rials

- 3) Conformist (system-oriented) inclinations are most evident among those who were raised in state capitals and small townships. These managers are more hard working, more dependent on their bosses, and are the most loyal to their workplaces, compared with the rest of the managers.
- 4) Manipulative (success-oriented) preferences are most common among those managers who studied accounting, economics and engineering at university. They tend to work in small companies (with 51-250 employees) involving in accounting, information processing, manufacturing, and production industries in the mixed or private sectors. They are mostly department managers with limited work experience, of up to seven years.
- 5) Sociocentric (society-oriented) tendencies are most evident among those managers who have been brought up in a village or state capital in a lower social class family. They earn low incomes and are likely to live in one of the state capitals, at present. They tend to work in large companies (with more than 2,000 employees) and serve mostly as department managers.
- 6) Existential (meaning-oriented) inclinations are most likely to be found significant among those who studied engineering or medical science. These managers prefer challenging jobs and are loyal to the company as long as it does not violate their principles. Money for them is not an end but a means. They consider company profit as a win-win opportunity for their workplaces and employees.

The data in Table 6.35 reveals that there is a strong and significant relationship between each of the value systems, on the one side, and either of the collectivism or individualism measures, on the other. The analysis of the correlation between the value systems and individualism/collectivism scales further suggests that egocentric and manipulative tendencies of the Iranian managers will be correlated with individualism while tribalistic, conformist, sociocentric and existential tendencies of them are likely to be correlated with collectivism.

An overview of managerial decision styles

The findings of this study have indicated the most common decision style of Iranian managers, their perceptions of the most effective decision style, and the style used by their immediate supervisors. These findings are summarized in Tables 6.36 to 6.38.

The results further support Ali (1993) and Ali, Taqi, and Krishnan (1995) on the existence of a relationship between decision styles and the status of individualism and collectivism of the decision makers. The findings indicated:

- 1) More than one half of Iranian managers (54.9%) apply consultative decision style in their decision-making, followed by 20.9% who are proponents of participative style, and 15.2% pseudo-participative. Delegative, autocratic and pseudo-consultative decision styles are the least preferred in Iran with 4.6%, 3.3% and 1.1% respectively.
- 2) Iranian managers' decision styles are ranked in descending order as: consultative, participative, pseudo-participative, delegative, autocratic, and pseudo-consultative. It is interesting to note that their perceptions as to the most effective decision style is exactly ranked in the same order.
- 3) Highly collectivist managers are more participative while highly individualistic managers are more autocratic in their decision-making style.
- 4) The higher their level within the hierarchy, the more likely the managers are to be delegative and autocratic, and the less likely they are to be participative and consultative than their colleagues in the lower levels of managerial hierarchy.
- 5) It seems that there is limited congruity between the managers' own style and their perceptions of the most effective style in some of the decision style categories. There is even less congruity between the managers' own style and their perceptions of their immediate supervisors' style in all decision styles.

	value profile	e of Ira	Table 6.39 value profile of Iranian managers by their value systems	
		3e	Manager's characteristics	
Value system	Definition weights		Demographic	Organizational
Tribalistic (security-oriented)	high need for stability and safety, submissive to authority and/or tradition	17.0	- Less educated (with no tertiary education) - Raised in villages or small townships - Father's job: peasant or worker (lower social classes) - Lowest income group (less than RIs. 7 million per year) - None or low exposure to academic management literature	- Lower managerial positions (supervisors) - Four or more levels of management above them - Longest (more than 11 years) managerial work experience
Egocentric (self-oriented)	aggressive, selfish, restless, impulsive, and in general not inclined to live within the limits and constraints of society's norms	12.4		- Lower managerial positions (supervisors or department managers)
Conformist (system-oriented)	self-sacrificing, low tolerance for ambiguity, in need of structure and rules to follow, tendency to subordinate the self to a philosophy, cause or religion	18.5	- Raised in the states capitals and small townships	
Manipulative (success-oriented)	materialistic, entrepreneurial, expressive, independent, self-calculating to achieve an end	16.9	- Studied accounting, economics and engineering at the university level	- Small company size (51-250 employees) - Owned by private or mixed sector - Type of business: accounting & information industries, manufacturing and production - Lower managerial positions (mostly dept. mgrs.) - Four or more levels of management above them - Limited work experience (up to seven years)
Sociocentric (society-oriented)	high need for affiliation and little concern for wealth, cooperative more than competitive, commitment to communication, committeeism and majority rule	18.1	- Raised in villages or states capitals - Live mainly in the states capitals, at present - Fathers being peasants or factory workers (lower social classes) - Lowest income carners (up to Rials 7 million / year)	- Small (51-250 employees) and very large (more than 2,000 employees) company sizes - Lower managerial positions (department managers) - Four or more levels of management above them
Existential (meaning-oriented)	high tolerance for ambiguity and different value systems, value all human wants but are not slaves of any of them, belief that self-development is more important than materialistic goals	17.1	- Studied engineering and medical sciences	

COMPARATIVE STUDY OF MANAGERIAL VALUES AND DECISION STYLES AMONG SELECTED COUNTRIES

Comparative study of managerial values systems

Comparative managerial value systems of selected countries are tabulated in Table 6.40. The figures in this table are all the results of the findings of similar studies of managerial value systems based on Graves' (1970) theoretical framework of value classification and with a similar research instrument. The data in this table indicates:

- 1) The dominant value systems of managers in the Middle East are conformist, sociocentric, and existential. Conformist and sociocentric value systems are among the value systems labeled "other-directed" by Hughes and Flowers (1978). According to the above authors: "values, motivations, feelings, and thoughts of individuals within these systems come from an external source, be it another human being (tribalistic); rules, traditions, institutions, or religions (conformist); or their peer group (sociocentric)" (p.23).
- 2) Egocentric and manipulative value systems are, except in Morocco, the least dominant value system in the Middle East. Egocentric and manipulative value systems are among those labeled "inner-directed" by Hughes and Flowers (1978). According to these authors: "values of people operating in these systems come from within themselves," and "they focus on their external environment and attempt to control or master it" (p.24).

Based on the above classification, Middle Eastern managers could be mainly described as "other-directed" and meaning-oriented (existential) managers. They are managers with high levels of tolerance who do not attempt to control their environment, but try to come to terms with it. It seems that "patience," a characteristic that is highly recommended in Islam; and their general religious perception, or rather misperception, about enduring the injustices and imperfections of this world, have helped them tolerating their external environment.

- 3) Flowers et al. (1975) study of the value systems of the U.S. managers and the most recent study on the value systems of the expatriate managers, mostly British and Indian who work in U.A.E., (Ali, 1995), both indicate, by contrast, that the manipulative (success-oriented) value system is the most dominant value system among the U.S. and expatriate managers.
- 4) The egocentric value system is, except in Morocco, the least dominant value system among all the listed countries, Middle Eastern or others.
- 5) Compared with other managers from the Middle East, Iranian managers' value systems are the closest to the value systems of managers from U.A.E. Though, Iranian managers were found to have stronger values than the managers from U.A.E. in almost all the value systems. This similarity of value systems between the managers of these two countries is undoubtedly due to the historical links between them and the fact that a great proportion of U.A.E. citizens are of Iranian origin, sharing the same cultural backgrounds.

							Table 6.40	6.40								
			•	Comparative cross-cultural value systems at the work place	ıtive crc	ss-cult	ıral valı	ue systei	ms at th	e work į	olace					
	Iran**	*	U.A.E.**	*	Foreign** expatriates	gn** iates	Arab sample	ample	Irad	ьı	Saudi Arabia	Arabia	Morocco	0000	U.S.	76
Value systems	Mean	%	Mean	Rank*	Mean	Rank*	Mean	%	Mean	%	Mean	%	Mean	%	Mean	%
Tribalistic	3.82	17	3.77	4	4.06	4	15.17	16	14.93	16	12.21	13	13.00	14	90.9	5
Egocentric	2.79	12	2.92	9	3.55	9	6.13	9	5.17	S	6.79	7	18.18	19	2.00	S
Conformist	4.15	19	3.88		3.97	S	19.32	20	18.78	20	19.19	20	12.16	13	17.00	25
Manipulative	3.79	17	3.57	5	4.28	-	15.60	16	15.12	16	18.46	20	16.46	17	22.00	30
Sociocentric	4.05	18	3.78	E	4.20	2	21.23	22	22.58	23	18.14	19	17.90	18	17.00	10
Existential	3.82	17	3.81	2	4.17	m	19.49	20	19.42	20	20.10	21	18.08	19	28	25

The study in U.A.E. and the results on the foreign expatriates were reported by Ali, Azim & Krishnan (1995); the Arab sample by Ali (1988); Iraq study by Ali (1982); Saudi Arabia study by Ali & Al-Shakhis (1991); Morocco by Wahabi (1993); and U.S. by Flowers et al (1975). Figures on Iran are the results of present study.

The subjects under the column "foreign expatriates" are mainly British and Indian nationals working in the U.A.E.

^{*} Ranks were reported instead of percentages

^{**} Measurement of the scales were changed from forced-choice technique to a Likert-Type (1-5).

Comparative study of managerial decision styles

Comparative analysis of managerial decision styles of several Middle Eastern countries are tabulated in Table 6.41. The figures in this table are the results of similar studies with the same research instrument. The data in this table indicates the followings:

- 1) The dominant managerial decision style among all the studied Middle Eastern countries is consultative, ranging from 54.9% in Iran (the highest) to 34% in Kuwait (the lowest).
- 2) Pseudo-consultative decision style is one of the dominant decision styles among all Arab managers. This style is, however scarce among Iranian managers (1.1%).
- 3) Autocratic decision style (except in Saudi Arabia, where it is moderately low) is not common in the Middle Eastern context. Delegative style is also minor, ranging from 4.6% in Iran (the highest) to 2% in Saudi Arabia (the lowest).
- 4) The most effective decision style as perceived by Iranian managers coincides exactly with the order of their own style while Arab managers perceive a different order of styles from their own to be the most effective style. For instance, most Arab managers who are proponents of consultative style consider participative decision style to be the most effective one.

Delegative and autocratic styles are at the bottom of the list of the most effective decision styles in all studied regions.

5) Perception of all the respondents of the decision style of their immediate supervisors is very different from their own style or from the style they consider to be the most effective. Supervisors are seen to be more autocratic, more pseudoconsultative, less consultative, less participative, less pseudo-participative, and more delegative than either the participants' style or the style the respondents consider to be the most effective one.

Throughout the Middle Eastern countries studied, there is limited congruity between the managers' own style and their perceptions of either the most effective style or their immediate supervisors' style in all decision style categories

				Tab	Table 6.41					
		S	Comparative 1 selec	managerial c	parative managerial decision-making styles in the selected Middle Eastern countries	king styles in ntries	ı the			
				(% of re	(% of respondents)					
Decision-making		Managers,	rs, own		Man	Managers' perceived	ived	Man	Managers' perception	tion
styles		decision st	n style		Som	most effective style	tyle	of their imn	of their immediate supervisor's style	visor's style
	Iranian	Kuwaiti*	Arab*	Saudi**	Iranian	Kuwaiti	Arab	Iranian	Kuwaiti	Arab
			expatriates	Arabia			expatriates			expatriates
Autocratic	8.8	2	· E	11	2.3	1	1	20.7	19	18
Pseudo-	1.1	20	26	28	0.3	15	17	12.4	30	31
consultative										
Consultative	54.9	34	36	39	43.2	25	28	35.7	22	19
Participative	20.9	18	21	20	24.8	31	32	11.2	11	11
Pseudo- participative	15.2	22	11	* *	24.4	23	16	10.2	14	8
Delegative	4.6	4	3	2	5.0	5	9	8'6	4	13

* Quoted from (Ali, A., Taqi, A.A. & Krishnan, K., 1995)

^{**} Quoted from (Ali, A. & Swiercz, P., 1985)

^{***}Pseudo-participative decision style was not included in the study in Saudi Arabia

Overview of the comparative study

Value systems and decision-making styles of Iranian managers have been probed in the previous section. Comparative studies of the managerial values and decision styles of Iranian managers with their counterparts in selected Middle Eastern countries were performed as well. The findings indicate that the value systems of managers throughout the Middle East follow a similar pattern, despite minor differences. These managers generally are "other-directed" and meaning-oriented (existential). They are managers with high levels of tolerance who do not attempt to control their environment, but try to come to terms with it. U.S. and expatriate managers studied, however, tended to be more "inner-directed" and predominantly success-oriented (manipulative).

As for decision-making style, despite some differences between Iranian managers and their Arab counterparts, Middle Eastern managers are generally consultative in their decision-making style.

This homogeneity of value systems and decision-making styles among Middle Eastern managers supports Ronen and Shankar (1985) who clustered countries according to major dimensions accounting for similarities among them.

They suggest that:

The use of national units for clustering is logical because national boundaries delineate the legal, political, and social environments within which organizations and workers operate. Yet, to understand why certain countries cluster, one should look across national boundaries for the dimensions underlying the clusters. Three such dimensions are discussed here: geography, language, and religion. The differentiation of these dimensions is mainly analytical, because geography, language, and religion are closely intertwined (1985: 444).

Ronen and Shankar (1985: 446) further state that: "It is apparent that these three dimensions – geography, language, and religion – are not independent. In fact, it is likely (though not certain) that countries with one of these elements in common will share all three."

This clustering theory helps to explain the homogeneity in managerial values and decision styles among managers from Iran and other Arab countries of the Middle East, which are all located in the same geographic region and have the same religion, Islam, despite language differences.

Hofstede (1980), in his landmark study of work values, has also clustered countries based on their national cultures. He classified Iran with Greece, Turkey and Yugoslavia, labeled them Near East culture. These countries, according to Hofstede (1980: 336) are "high in Power Distance and Uncertainty Avoidance, low in Individualism, and medium in Masculinity indexes." For a discussion of these terms see Chapter two.

Hofstede's classification of selected countries is exhibited in Table 2.1. His index figures for Arab countries and Iran are compared below:

		Power	Uncertainty	
	<u>Individualism</u>	Distance	Avoidance	Masculinity
Iran	41	58	59	43
Arab countries	38	80	68	53

Results of the present study as to the measurement of Iranian managers' tendencies toward individualism and collectivism is depicted in Table 7.16. The findings are based on different individualism/collectivism scales (two for each measurement) from the one used by Hofstede (1980). Table 7.16 indicates that Iranian managers are more collectivistic than individualistic. These findings provide further support for Hofstede work.

Furthermore, Hofstede (1983) indexes indicate that Iran is slightly higher than Arab countries on the Individualism scale (41 versus 38), suggesting that Arab countries are more collectivist than Iran. The results of the present study (Table 6.37), however, do not support this. Findings of this study indicate that compared with a sample of Arab managers (Ali, 1995), Iranian managers tend to score significantly higher on both collectivism scales (4.30 and 4.12 versus 4.07 and 3.91 respectively).

SUMMARY

This chapter presented an in-depth analysis and interpretation of the survey results. A concise comparative analysis of the findings of similar studies on the managerial value systems and decision styles in other countries, mostly in the Middle East, were also presented.

The next chapter deals with the qualitative analyses of the case studies. It investigates and compares the results of qualitative analyses with those of quantitative analyses presented in this chapter.

CHAPTER SEVEN

CASE STUDY ANALYSIS: A QUALITATIVE APPROACH

INTRODUCTION

In this study a combination of quantitative (population sample) and qualitative (case study) methods were used. By application of both methods in this study, it was intended that the disadvantages of pure quantitative or pure qualitative methods of research could be minimized.

Like many other contemporary researchers, Glaser & Strauss (1967:18) see "no fundamental clash between the purposes and capacities of qualitative and quantitative methods or data." They believe that "each form of data is useful for both verification and generation of theory," and suggest that "both forms of data are necessary – not quantitative used to test qualitative, but both used as supplements, as mutual verification and, as different forms of data on the same subject."

The qualitative portion of this study comprises two case studies of two successful Iranian organizations. The main objective of these case studies was to provide indepth data as a supplement to the broad based quantitative analysis of the questionnaire survey. They also give a different perspective, resulting from a multidisciplinary, integrative inquiry, providing a dynamic lens into relationships and processes over time. The required data for writing the cases was collected through the companies' records, field observations, and one-to-one and focus group interviews with various levels of their management team and their employees and customers. Both primary and secondary data were used in writing the case studies.

CASE STUDIES

The researcher was aware that obtaining the data required for the case studies was more problematic than administering a survey instrument, requiring an in-depth analysis of processes, practices and data. The researcher further knew that applied research in management, in general, and writing case studies, in particular, are rare in Iran and that management hierarchies generally consider disclosure of information to outsiders as unnecessary, entailing no benefit but potential losses for the organization.

Obtaining permission from Tehran Municipality and Watt Meter Company of Iran (the subjects of the case studies) to allow the researcher to study their organization was, therefore, a success and a challenge at the same time.

Tehran Municipality is a public service organization in Tehran. Watt Meter Company of Iran is a manufacturing company with mixed ownership by private and public sectors in Ghazvin, 200 kilometers south of Tehran. They are both considered large organizations, with more than a thousand employees.

Why these case studies?

Instead of writing cases about organizations with traditional management practices, the researcher preferred to adopt an approach similar to what Peters and Waterman (1982) selected in their landmark qualitative research study *In Search of Excellence*, i.e., to study the best practices in the nation. Therefore, only those organizations in Iran with a reputation for excellence were considered for the case studies. Tehran Municipality and Watt Meter Company of Iran were selected.

These two organizations were selected because they were among the few that permitted the researcher to enter their organization and agreed to cooperate with him, and because they are widely recognized to be among the most, if not the most, successful organizations in contemporary Iran. For TM, evidence of this success includes the following achievements:

- TM management was able to drastically change the structure of this public sector organization by delegating complete decision-making authority to all the decision centers within TM and its affiliated companies.
- It successfully implemented privatization and out-sourcing policies, enabling it to reduce its workforce form 47,000 to 7,000 in a five year period.
- TM secured complete financial independence form the government through changing its clients' expectations from "free public services" to "fee-for-services" mentality. TM could, as a result, increase its total budget nine times, and its budget for development 19 times during a five year period, ending in 1994.

Similarly, the outstanding performance of Watt Meter Company of Iran has been widely documented.

- Management of this company executed an employee suggestion system which
 resulted in an increase in the number of employee suggestions from 25 in 1989 to
 1,114 in 1994. Implementation of those suggestions resulted in more than Rls. 2.5
 billion extra profit for the company in that period.
- Its management dramatically improved the financial performance of the company by a three fold increase in the volume of production. Net profit increased by a factor of 26 during a five year period, ending in 1994.
- Successfully implemented an import substitution policy by enormous investments in the department of research and development, reducing its dependency to the scarce foreign exchange.
- Drastically improved the standards of quality and the general productivity levels
 of the workforce, despite a 25% decrease in the number of employees during a
 five year period, ending in 1994.

Managers in these two organizations are among the most successful change agents in contemporary Iran. They have successfully applied decentralized decision-making processes, participative management, out-sourcing, strategic planning and management, efficient human resource techniques, and visionary leadership within previously traditional and hierarchical organizations.

Contributions of the case studies to the research objectives

1- The case of Tehran Municipality, which is a success story in public sector management reform is a practical example of how decentralization, privatization and out-sourcing policies together with other interwoven management practices have turned around the state of affairs at TM. As a result of these reforms, TM was transformed from an inefficient pyramidal structure with centralized power and authority at the very top and an inflated and indifferent layer of workforce (especially the unskilled) at the bottom, to an efficient and productive pool of experts who cooperate in a flatter organization and are committed to quality. Schapper (1995), from the Public Sector Management Office of Western Australia, suggests that these changes represent "a shift from rentier mentality to entrepreneurial culture."

The significance of these reforms will become more apparent when we realize that the traditional state of affairs at TM is typical of the way many other public sector organizations are run, not only in Iran but other M.E. countries (Moolavi, 1995; Dawoodi, 1995; Farazmand, 1987; Wright, 1981; Pezeshkpur, 1978).

2- The case of Watt Meter Company of Iran is a practical example of how human resource management techniques like employee suggestion systems, formation of quality circles, introduction of employee appraisal and remuneration packages, and job rotation schemes could dramatically increase the productivity in a traditional authoritarian environment of a typical manufacturing company in Iran.

This case study suggests that competent human resource management is a prerequisite for any management action. The study further suggests that management practices like decentralization, out-sourcing, total quality management, and effective human resource management, which are more widely used in the industrial countries, may well be used in practice, with similar or greater effectiveness in traditional third world countries like Iran, despite differences of cultural characteristics.

The main contribution of these case studies is that they manifest that participative management is feasible and functional in the traditional and hierarchical environment in Iran and therefore, quite probably throughout the Middle East. What is needed most is visionary leadership with clear direction and empowerment of the workforce.

Readers are reminded, however, that the researcher does not claim that the management practices employed in the studied organizations are typical in Iran. On the contrary, these case studies should be considered as variants from the mean that highlight the pathway of change and the future direction of management practices in Iran.

Case study of Tehran Municipality

The researcher's first contact was through a fax sent to the office of the public relations and international department of TM in mid 1994, explaining his request for permission to write a case study on management practices in TM. An official request signed by Professor John Milton-Smith, Deputy Vice-Chancellor, Curtin Business School, authenticated by the Iranian embassy in Canberra, was posted to the same department shortly thereafter. Follow up calls were made through IMI offices in Tehran, and permission was granted in late October 1994.

The manager of the public relations and international department sent introductory letters to all deputies and department managers within TM as well as to other regional municipalities and organizations affiliated with TM. In these memos the researcher was introduced, purpose of the research was described, and addressees were requested to cooperate in due course.

Interviews were conducted with four of the eight deputy mayors, four of the 20 regional municipalities, and four of the 20 or so of the organizations affiliated to the TM. The researcher interviewed top officials, including the deputies to the mayor, managing directors of the affiliated companies, and few of their consultants and department managers. The researcher has also participated, as observer, in a few of the routine weekly meetings of the regional municipals with the general public, in which they listened directly to the queries, criticisms and complaints of their clients.

PUBLIC SECTOR MANAGEMENT REFORM THE CASE OF TEHRAN MUNICIPALITY, IRAN

ABSTRACT

The main objectives of this case study, are: a) to study the managerial decision making process at Tehran Municipality in Iran and b) to investigate the results of the reforms introduced by Karbaschi, the Mayor. The main management reforms together with an analysis of their impacts over a five year period (1989-1994) are presented. An assessment is then made of the strengths and weaknesses of Tehran Municipality in implementing public sector management reforms.

Tehran Municipality, an Iranian public sector organization, is considered a pioneer in introducing great changes in management practices in Iran. These changes have become possible through a shift from rentier mentality to entrepreneurial culture. The experience of Tehran Municipality highlights the importance of: 1) detailed strategic planning and management; 2) delegation of authority and decentralization, even with some weaknesses in the control function; 3) sound contract management, when outsourcing; and 4) the role of top management in weaving these management practices into an integrated corporate culture to ensure the continuing success of such reforms.

This case study suggests that management practices like decentralization, detailed planning, out-sourcing and strategic management, which are more widely used in the industrial countries, may be used with similar effectiveness in the traditional third world countries like Iran, despite differences of cultural characteristics. The vital common variables are visionary leadership with clear direction and empowerment of the workforce.

Introduction

The Islamic Revolution of 1979 brought many changes to Iran. These changes were not only in the political system but in the attitudes of the people as well. Iranians found themselves being taken seriously by the government, having a significant role in the progress of their country, and being the center of attention of the new political leaders. These were all new experiences, not only in the long history of Iran but for almost all countries of the region.

After the success of the revolution, people from all walks of life expected great changes in the management of affairs for the country. They wanted to be involved in the decision-making process at all levels and to become empowered. At the same time, foreign pressures and various economic sanctions against the new political stance led to eight years of war with the neighboring country, Iraq. This war resulted in costly delays in the reconstruction of Iran and the development of a strategic vision to implement revolutionary goals. Furthermore, the new generation of managers did not have enough preparation or experience for their new positions and found it hard to respond to the needs generated by the changes. The majority of them lacked management education and were mainly trained in the authoritarian environment of the former monarchy. They found it difficult to change their attitudes. The majority considered empowerment and decentralized management as abstract jargon, without practical value in Iran. They would rather pursue traditional ideas, emphasizing on hierarchical structure and centralized decision-making. This ensured their status quo and eliminated the need for risk taking.

This case study presents a short history of Tehran and the challenges faced by its new Mayor in 1989. However, the main focus of the case study is managerial decision-making. It examines the major reforms the new Mayor has introduced at Tehran Municipality (TM). Reforms in decision-making, delegation of authority, planning, control and leadership are discussed in detail, and comparative figures of the results of those reforms in the five year period from 1989 till 1994 are presented.

The capital city

The history of Tehran goes back more than 1,000 years. Originally it was a small village in the suburb of the prosperous city of Rey (now a district in south Tehran), it stayed as such until the 15th Century. During the 16th Century it became a strategically important position from both a military and political prospective. About 200 years ago, Qajar Dynasty selected Tehran as its capital. It has since remained the capital of Iran.

During the early days of the Qajar Dynasty in the late 17th century, Tehran had a population of about 20,000 which by the early 20th century had grown to 200,000. It is currently estimated that Tehran accommodates up to 7 or 8 million people. Day time population can reach up to 10 or 11 million (almost one sixth of the entire population of Iran). It is the most populous city in Iran. It is also among the most densely populated cities of the world.

The rapid growth of Tehran was by no means compatible with the growth in its resources, plans, services and overall goals. Before 1989, Tehran was amongst the most disorganized cities of Iran with its service boundaries exceeding 625 square kilometers. According to Karbaschi, the newly appointed Mayor, "Tehran used to be a big village. The decision was made to name it a city, the capital city." Tehran had reached a point of saturation in 1988 in terms of its capacity to survive as a city. The government was seriously planning to transfer the capital to another city. The new Mayor was appointed in 1989. He was the Governor of Isfahan (the third largest state of Iran) and played an important role in its development. He was well known for his strong character and his management abilities. His efforts were considered to be the last chance for Tehran, before the final decision to relocate the capital city could be evaluated. He was required to act as the change agent.

Challenges for the new mayor

TM was suffering from fundamental and severe problems in 1989. The solving of these problems was a great challenge for Karbaschi. The major problems could be summarized as follows:

- Iranian municipalities were among the oldest public sector institutions in Iran with
 a history of operating in hierarchical structures and centralized management
 systems. Such that all the decision-makings had to be authorized by the
 headquarters;
- While efficiency of TM organization was generally under question, it had a
 chronically inflated workforce, many of whom were uneducated and poorly
 skilled. How to sack the inefficient workforce in an economy with high
 unemployment (a consequence of eight years of war) and how to improve the
 efficiency of the entire organization were the major dilemmas facing the new
 Mayor;
- TM was mainly involved in day to day operations with limited scope for long term planning;
- The government planned that TM, together with all other municipalities in Iran, should become financially self-sufficient and independent. According to the plans, all municipalities were required to generate resources to fund their operations.
 How and from what sources funds should be generated were among the top list of problems for the new Mayor;
- Because of the easy inflow of petro-dollars into the economy over more than a
 century, Iranians have always expected the ruling government of the time to
 provide their basic needs and services on a 'free-of-charge' basis. They believe it
 to be their "rightful share of the oil money." Changing the entrenched mentality of
 city dwellers from 'demanding free services' to 'paying for services' was one of
 Karbaschi's greatest challenges; and

 The Municipality Law, legalized in 1955, was outdated and did not conform with contemporary city life. The new Mayor had to work within the framework of this law, though.

Management culture at TM

As a part of a large-scale survey on the managerial value systems and decision-making styles of Iranian managers, various levels of management and employees of TM were questioned about the management systems of TM. Some of the more significant comments are as follows:

We do not have any pre-defined management system at TM. There is no
written management system or manual either. We have not copied our
current management system from any other sources. We are, instead,
building our own management system which is more effective for us at
TM.

[Deputy Mayor in City Development and Technical Affairs (CDTA)]

- Management system at TM is gradually and systematically being established. During the last 3 years, for example, the number of public relations departments within TM has increased from 3 to 48.
 [Public Relations Manager of TM]
- The majority of the current plans are the same old ones that already existed, without being implemented. Karbaschi is a very strong implementor, has the courage for management, is very open to expert opinions and has a core of expert advisers. His main style of management is decentralization in decision-making and delegation of authority. Here managers could easily and quickly be authorized with the authority and responsibility they require in their work. What the entire organization wants is accomplishment, improvement and results.

[One of the middle managers]

Some of the top managers of TM within the headquarters and its affiliated organizations were very critical of management systems in practice. Such managers referred to Karbaschi's policy of "whoever is quicker to perform, let him/ her perform" as a wrong and dangerous policy in the long term. These critical managers suggested that this policy is the main reason for parallel organizations within TM. Complaints were also made about lack of systematic management. The majority of the employees interviewed supported the above critique and believed that

management decisions were made within a closed circle by members of top management levels and employees were not permitted inside such circles. They also complained that their potential was not utilized efficiently.

In response to this criticism, one of the deputies of the Mayor stated that the management system at TM was not necessarily a closed system but some of the top managers were personally closed. He suggested that this mind set was deeply rooted in cultural background and needed time to adjust.

Decentralization of decision-making

Karbaschi was aware that the various expectations of TM's wide range of stakeholders, including the government, at one extreme, and the citizens at the other, could not be addressed through the present centralized bureaucratic organization. He further foresaw the need for radical changes at TM. He was doubtful that the strategic changes he envisioned for TM could be implemented with its current management style and organizational structure. His belief in "structure to follow strategy" thesis seems to be supported extensively in the literature on strategic management (Chandler, 1962; Child, 1972; Goold & Campbell, 1987; Miller, 1986; and Mintzberg, Quinn, and Voyer 1995).

Decentralization and privatization were among the top of his list of changes for TM. The new Mayor started with assigning full authority and responsibility for decision-making to Regional Mayors and to management teams of the affiliated companies and organizations. He believed in delegating authority and was not frustrated of employees making mistakes, on the assumption that working with mistakes is better than not working. Karbaschi envisioned the role of the headquarters, in this process, to be limited to services and support and to helping the line managers to solve their internal problems.

This process of empowerment resulted in a new life and a whole new working environment at TM. According to one of the Deputy Mayors:

Decentralization in TM meant that TM could enjoy from 100 Karbaschies (equal to the number of decision- making centers) instead of one. Thus, the speed of operation was almost 100 times more than before.

According to this Deputy Mayor, Karbaschi believed in 1989 that the entire organization of TM was almost dead. Yet, the city could not wait until this dead body was actually revived. He quoted Karbaschi as saying:

The city is a live entity. It has to be continually attended to. Thus, the headquarters should either be the forerunner and directly do the work, or not intervene in the process of operations of those who are working in the regional municipalities.

In an interview with Deputy Mayor in CDTA, he indicated that those who kept all the powers for themselves were "the most unfortunate of all". He believed that Iranian managers tended to act hierarchically and autocratically because they were uncomfortable with employees who were more effective than themselves. For all managers, the task of involving employees by making them stakeholders in the organization was the main challenge.

Problems of decentralization

The majority of the newly empowered managers tended to manage their entities in an authoritarian style in which the workforce was simply required to act according to the rules and regulations without taking part in the process of decision-making or being consulted. One deputy Mayor explained, "we Iranians have been used to the authoritarian style of management all through our long history." He continued, "Yes, we have been able to throw out the Shah, but the change of culture is not that easy. It takes some time". The same deputy believed empowerment, in the majority of the cases, remained limited to the top managers who had directly been empowered by the Mayor. Empowerment as a guiding principle has clearly failed to become part of the corporate culture at TM. Thus, delegation of authority to lower levels of hierarchies depends on the personal preference of those who have been directly empowered by the Mayor.

On the other hand, one of the departments in which empowerment of the workforce has been taken more seriously than others is the department of CDTA. Employee morale, satisfaction, creativity, involvement in the decision making process – as well as productivity and quality of work – seem to be much higher here than the other departments. In this department, greater responsibility is delegated together with wider authority. Because the department works more effectively it has been allocated a bigger share of the resources (see the figures for the budget in Table 7.1). As such, employees working in other parts of TM are eager to join this leading group and dream of their department being managed in similar ways to CDTA.

Privatization

General background

After the Islamic Revolution, Iran went through a stage of nationalization and centralization of affairs. Management of almost all industries and major commercial and service organizations was transferred to the government. This centralization helped the country to manage its affairs more easily during the eight-year war against Iraq. Soon after the war ended and reconstruction of the economy began, this centralized system proved to be inefficient. Privatization has become a common topic on the agenda of almost all public sector companies and organizations.

Privatization at Tehran Municipality

TM has been the most successful among all Iranian public enterprises both in the speed of privatization and the number of activities privatized. Collection of garbage, planting trees, maintaining public gardens and cleaning of the city are among the services that have been privatized during the last 3-4 years. TM not only subcontracted those services to private companies but negotiated to transfer the majority of its employees (about 40,000) to them as well. The majority (about 85%) of the construction contracts of the Department of CDTA are also signed with private contractors. Records indicate that all these services are now performed with lower cost and much better quality.

A middle manager at the Department of Urban Construction and Architecture, claimed that his department was the only one in the entire TM that had resisted privatization. Yet, his department, he claimed, had lost at least 50% of its expert employees during the last couple of years.

Planning

During 1989-1995

In this period, planning at TM seems to be more in line with what Mintzberg (1994) describes as "a craft skill." It is concerned with helping strategy to emerge in response to shifting environmental pressures rather than imposing any particular model of strategic management. Strategic thinking by top management levels of TM should be considered as the main reason for success of TM in this period. This success, as attested by figures of Table 7.1, was made despite the turbulent environment of the country immediately after the end of the eight years of war with the neighboring country, Iraq.

One managing director of a TM affiliate recalled his first days on the job in 1989. He recalled three main strategic priorities: 1) Time, 2) Quality and 3) Cost, and emphasized that the priorities of TM, even today, are more or less the same. He stated that:

TM was like a moving train with a lot of problems. We had to do all the work required to keep it going and to change its direction to the new tracks at the same time. At the beginning, there was no time for planning as such. We were all overloaded with a lot of work. The main mission was to perform.

Currently, TM, the regional municipalities and its affiliated companies and organizations are all facing severe cash flow problems. Ironically, this problem which is, indeed, TMs main internal difficulty, is mainly due to the imperative to work quickly. Time is naturally the first priority in an inflationary economic environment.

This tendency to work hard, to perform and to finish projects as soon as possible, overshadowed the need for planning during this period. A TM consultant explained

that "short term focus for planning at TM is very much apparent." He added that "even in those short term plans, coordination is very weak." He believes that "the main shortcoming of TM is its short term focus for planning and the fact that macro objectives of Tehran are not clearly defined yet." This consultant, together with a number of other managers at TM share with Hamel and Prahalad (1994) the opinion that in this period, the rapid pace of change has led to the obsolescence of many standard strategic models, compelling managers to drop strategic thinking in order to focus on implementation and execution issues. They believe that the success of TM could have been far greater, at lesser cost, had strategic planning and management applied at TM.

Strategic planning (1996 onwards)

The Deputy Mayor, responsible for planning and budgeting of TM, revealed that the current situation and future objectives of Tehran for 2001 are defined, following years of detailed study and analysis. These qualitative objectives, have already been operationalized and translated into measurable characteristics, and policies on how to reach those objectives partly defined. This job was scheduled for completion by mid 1995, and the entire budgeting for 1996 will be based on the above objectives and strategic plans. The main objectives of the newly applied strategic planning and management at TM seems to be in line with what Hamel and Prahalad (1993) suggested. These include leveraging its resources by: a) more efficient gathering of resources, b) concentrating resources on important strategic objectives, c) conserving resources and d) recovering them by using complementary resources.

This same deputy mayor emphasized the role of line positions in the process of planning, mainly due to line managers having first-hand knowledge and information about the residents' problems and requirements. It is also people in line positions who will implement the plans. This direct involvement of managers with line authority in the process of strategy formulation is in accordance with what Thompson & Strickland (1995), Pearce & Robinson (1991), Hamel & Prahalad (1989) and Mintzberg, Quinn, and Voyer (1995), among others, have proposed.

As for allocation of resources, a new system was designed to transfer funds from wealthy regions and organizations to poor ones through TM headquarters. In this scheme, all regions are required to transfer up to 50% of their annual income to the headquarters to be redistributed. Thus, the city will gradually become more homogeneous with more funds and facilities allocated to the deprived regions to help them implement various development projects.

Control function

In 1989, TM was well known for its lack of efficient control systems. Recently, the majority of managers stated that the financial control function at TM had become much more efficient. The main reasons cited for such improvements were: 1) budgeting and setting of quantitative standards for various operations, 2) extensive use of computers and relevant MIS systems in various operations and 3) enforcement of new internal regulations and standards requiring it to respond quickly to its clients.

Computers are extensively used at various operations at TM as a main control tool. The objectives of computerization of operations include: a) The offer a more efficient, reliable and quicker response to various queries of the residents, b) The elimination of common corruption attempts at TM, which were the forging of documents and c) The establishment of an interlinked network of computers for the top management at TM headquarters, creating the possibility to control the entire operation through direct access to data.

One of the Regional Mayors described some of the difficulties TM experienced in changing its systems from manual to computerized. "Extensive computer training helped the related employees to gradually change their systems to computers." He emphasized further that the employees in that region have now become such computer fans that if the computers are taken from them they will have severe problems returning to their previous manual systems.

On the other hand, the majority of the managers interviewed expressed their concern over TM's control function and referred to it as one of the organization's most serious problems. They believe that the current system is a police-style of control, based upon bribery and under-the-table favors. While they confirm the effectiveness of such a system to decrease corruption, they believe that the concept of financial and especially technical control is not the main task at TM.

Communication

Channels of communication with the general public are well established at TM. Realizing the importance of their customers, the Mayor and Regional Mayors try to maintain their routine contacts with TM's clients and general public, despite their heavy workloads.

Channels of communication used by TM include: routine weekly meetings of the Mayor and the Regional Mayors with general public; 2,000 computer modems located in various spots in the city enabling the public easy access to their files at TM or other general information; city halls to facilitate provision of services to the public; an FM radio station administered by TM, and a daily newspaper, "Hamshahri," the most widely read newspaper in Iran, with a circulation of 300,000.

Despite the well established channels of communication with the general public, communication with employees seems to be widely ignored at TM. Almost all the managers interviewed complained about inadequacy of two way communications within the organization. Employees are also very discontented with the current level of communications. They are not kept informed about general and even the job related issues and policies; they do not have access to the information on the results of TM operations, its general policies, problems and future trends. Not having access to such information, they can not participate in the decision-making process or effectively contribute to the well being of their workplace. No wonder there are so many rumors passing around among the employees at TM.

The bulletin, a monthly publication of the Public Relations Department, is distributed among all the departments. It is a journal most welcomed by all employees, as the only official publication to provide information and news about TM. Despite genuine

efforts of those involved in its publication, it can not fill this huge gap in communication within TM, single-handedly.

Leadership

Style

Mayor Karbaschi pursues a subordinate-centered leadership style among his immediate personnel. He develops, inspires and builds confidence in his managers to assume responsibility for their progress and to begin leading themselves (Nagle, 1995; Verdon, 1995). Under his leadership, top managers are working in a totally decentralized way and freely function within loosely defined limits. In other words, Karbaschi is a supportive and delegating leader who, as Bennett (1990:205) suggests, "follows a letting-go policy and stretching." Kirkpatrick and Locke (1991) have identified six traits on which leaders are seen to differ from nonleaders. These include: drive, willingness to take responsibility and lead, honesty and integrity, self-confidence, intelligence and job-relevant knowledge. Karbaschi appears to have all those traits. He is action-oriented and emphasizes hard work, performance, and results. He works 14-16 hours a day as do almost all of his top management team at TM. He believes that the only way to effectively serve the citizens is through hard work and performance and among his pet hates are bureaucratic hindrances and lengthy instruction manuals.

Karbaschi is a charismatic leader (Daft, 1991; Conger & Kanungo, 1988 and Sellers, 1996) who has an emotional impact on subordinates. Despite being younger than a number of his subordinates, they all call him "Haj Agha" (a title denoting their deep respect towards him). They realize the importance of his personal role in changes at TM and appreciate his struggles and his support for each and every one of them and for TM. Stories about Karbaschi's inviting garbage collectors, who are among the lowest social classes in Iran, to dinner parties at 5 star hotels in Tehran on various occasions are widespread. There are also widely known stories about his financial support to cover full hospitalization charges of a few sick employees of TM at the best private hospitals in Tehran. He has successfully portrayed a paternalistic leadership style towards the employees.

Vision

One of the veteran consultants who had spent 26 years of his working life in TM stated that he had experienced working with 12 mayors until now, i.e., the average life of each mayor has been about 2 years. He suggested that this lack of stability was the root of a lot of problems like loss of vision, direction and inadequate planning. He corroborated Karbaschi's observation that the main problem at TM had been the lack of an overall strategy during his early days as the Mayor.

Karbaschi's vision for the future of TM is:

- To concentrate on economic development of the city,
- To adopt a more strategic approach to developing city infra-structure,
- To shift the focus from direct involvement to privatization, creating a more favorable environment for private business, and
- To promote cultural values and a city-dwelling culture among the residents.

This vision is very similar to Michael Porter's (1995) proposal for urban management in his recent article in Harvard Business Review.

As for the running of the city, Karbaschi's vision is for TM to act as an autonomous city government, very similar to the municipal organization in cities like Paris. The Mayor of this city government would be elected directly by the residents. The Mayor would be responsible for all affairs related to the city including schooling, tertiary education, health, transportation, utilities, communication, industry, commerce, etc. In this system, various federal Ministries would be responsible for macro policy making, supervision and control, while municipalities would be responsible for implementation.

Role model (change agent)

A Deputy Mayor, who joined TM a few months after Karbaschi's appointment, said that Karbaschi saw his main task as being an agent of change to overturn the traditional centralized structure at TM. According to him, the new Mayor knew that to be successful at implementing change he had to be a role model.

Among his exemplary attitudes that are clearly visible inside TM are: his hard work; his emphasis on specialization and on the necessity for expert advice before making decisions; his belief in performance and results; his commitment to expand TM services to achieve a vision of ideal city government; his anti-corruption activities, persuading his colleagues to be sensitive to corruption attempts in TM; and his belief that action and performance is the most effective advertisement and that performance talks for itself, being more powerful in attracting the trust of the residents than advertisement. This exemplifies what Robbins (1994) describes as an organizational culture that reflects the vision of its leader.

Future of TM beyond Karbaschi

The managers interviewed expressed two divergent views on the future of TM beyond Karbaschi's tenure. One group asserted that Karbaschi has had enough impact upon TM to create a unique and enduring corporate culture there. They believed that though Karbaschi's role in creating that culture had been fundamental, the culture was well established now and would continue to exist with or without him. They emphasized that TM is currently running as a private sector organization and that it would certainly continue to do so in the future. Therefore, whoever the future mayor might be, he/she would have to improve services and use professional management practices, to stay in office. This view point appears to be in line with contemporary literature by authors like Kotter & Haskett (1992) and Robbins (1994), among others, who studied successful implementation of organizational change and proposed the basic requirements of such change.

The other group, by contrast, believed that the long term success or failure of TM would depend heavily on Karbaschi. They argued that systematic management was

fairly new at TM and that centralized management had historically been prevalent at TM and throughout Iran. They argued, therefore, that any organizational change, especially in the context of a traditional society, will be very slow. They foresaw that if Karbaschi leaves TM, the organization's future would depend almost entirely on his successor. If the new mayor happened to be a traditional authoritarian manager, the entire systems would tend to return to the familiar centralized style.

Conclusion

The case study presented here was developed after an extensive qualitative investigation into the rapid transformation of an Iranian public sector organization to a strategically focused organization. Strategic changes of this kind have been described by Schapper (1995) as a shift from rentier mentality towards an entrepreneurial culture. The figures presented with this paper (Table 7.1) attest to this dramatic turnaround for the Tehran Municipality. It is hoped that this study will assist managers in Iran and other third world countries to achieve comparable successes: by providing strategic focus, introducing modern management practices, and implementing such practices by reconceptualizing planning, motivation and control systems.

The strategic transformation in Tehran Municipality was achieved through the application of many practices of management that have proved to be successful in other countries. Thus, this case study tend to support Negandhi (1986:45) in his claim that regardless of culture, "differences in a firms effectiveness can be explained by the nature of its management practices....and that utilization of advanced management practices does lead to higher organizational effectiveness."

It lends weight to the contention that advanced management practices like decentralization, detailed planning, out-sourcing and strategic management, which are mostly used in the more industrialized countries, may be used with similar effectiveness in traditional, third world countries like Iran, despite widely divergent cultural characteristics. The vital common variables are visionary leadership with clear direction and empowerment of the workforce.

TABLE 7.1 TEHRAN MUNICIPALITY (IN COMPARATIVE FIGURES 1)

The results of endeavors of present administration of TM during the five year period from 1989 till 1994 can be shown in this table:

	<u>1989</u>	<u> 1994</u>
Total budget (In million Rials)	71,000	610,000
Budget for development (in million Rials)	22,000	413,000
Budget for development / Total budget	31%	68%
Construction of tunnels (in kilometers)	4	80
Number of new bridges	3	32
New highways (in kilometers)	7	74
Construction of new buildings (in thousand square meters)	3.5	80
Asphalt (in thousand tons)	340,000	1,253,000
Construction of multistory public parking downtown	-	5
Number of public buses for city transportation	1,800	4,000
Number of taxis	17,000	21,000
Traffic control systems with computers and TV stations	-	50 stations
Electric bus systems for inter-city transportation	-	10 km
Changes in the workforce:		
Employees who have diplomas after high school	217	807
Employees who have Bachelor degrees	586	1,753
Employees who have Master degrees	158	339
Employees who have Doctoral degrees	25	125
Total number of employees	47,000	7,000
Fire brigade stations	33	46
Public market stations for dealing in cars	_	5
Public parks (number)	184	475
Planting trees around the city (in hectares)	872	10,150
Organizing international fair for flower	No	Yes
Export of flowers	-	10 m\$/year
Collection of garbage ² (in thousand tons)	258	3,280
New art galleries	-	3
Establishment of cultural houses	-	20
New sports centers (gyms, stadiums etc.)	-	1,300

-

¹ Source: Tehran Municipality 1994 reports

² In 1993, a compost factory with the capacity of transforming 500 tons of garbage into 150 tons of fertilizer per day started operation.

Case study of Watt Meter Company of Iran

The decision to write a case study of Watt Meter Company of Iran (WMCI) was made in late 1994 in Tehran. The success of WMCI in implementing an efficient participative management style and its breakthroughs in research and development were topics of much discussion among industrial managers in Tehran. Based on the recommendation of a mutual friend, the researcher met with the deputy managing director of the company and requested permission to conduct case study research on management practices at WMCI. After a short meeting, permission was granted.

Subsequently, the researcher was introduced within the company. The managing director, his deputy and the functional managers and almost all of the department managers were interviewed. Also interviewed were an official from the Ministry of Energy (as the major shareholder), workers council members, the representatives of the Islamic Association of the workers, and few white and blue color staff. Several interviews with customers and suppliers of the company were made as well.

HUMAN RESOURCE MANAGEMENT AT THE WATT METER COMPANY OF IRAN

ABSTRACT

Neither natural wealth, easy access to cheap labor nor even capital investment have helped the rentier economies of the oil-rich Middle Eastern countries to develop during the last century. Arguably, what they lack most is efficient managers and management systems – a factor that is proving to be the most important source of competitive advantage and the very basic requirement for development of these nations.

In this case study, the success story of a manager who has turned around the affairs of a manufacturing company in Iran is documented. His ability to communicate his vision to staff and create a corporate culture that fosters change and stimulates innovation among the traditional and less educated workforce is discussed in detail. Among his human resource techniques are the successful implementation of employee suggestion systems, formation of quality circles, introduction of employee appraisal and remuneration packages and job rotation schemes.

Efficient human resource management enabled the management of the company to plan for the future; to establish a first class R&D department; to turn around a virtual assembly line, with limited added value, into a successful manufacturing activity, with substantial increase in added value; to promote export; to privatize parts of the operation; to diversify its product line and in short to organize an efficient manufacturing company, despite major obstacles and limitations.

This case study exemplifies the importance of human resource management, especially in the context of Middle Eastern cultures. It is suggested that competent human resource management is a pre-requisite for any management action. The study also suggests that management practices like decentralization, out-sourcing, total quality management, and effective human resource management, which are more widely used in the industrial countries, may be used, with similar effectiveness, in traditional third world countries like Iran, despite differences of cultural characteristics. The vital common variables are visionary leadership, providing clear directions and empowerment to the workforce.

The history

In 1968, the Watt Meter company of Iran was established as a joint venture among the Iranian Ministry of Energy, the Bank of Industries and Mines of Iran and AEG of Germany. The Company took the form of a public joint stock company registered in Iran and set itself the task of manufacturing various kinds of watt meters. Its factory is located in Alborz Industrial City, one of the major industrial cities of Iran which is located in the vicinity of Ghazvin, about 200 km south of Tehran, the capital city. It currently produces one million watt meters (one phase and three phases) per year, with a workforce of about 1,000 in two shifts. Its current shareholders and their percentage of shares in the Company are as follows:

Iranian Ministry of Energy	42.7%
Bank of Industries and Mines	33.9%
Others	15.4%
AEG (Germany)	8.0%

The main purposes of establishing the Company was to respond to the:

- a) industrial policy of the government to support industries at the cost of the agricultural sector;
- b) increasing demand for watt meters because of the growing need for housing, specially in the cities and urban areas and
- c) the import substitution policy of the government, which gives incentive to the manufacturing sector, targeting those products which were formerly wholly imported.

The Company, is the sole manufacturer of watt meters in Iran. It manufactures not only all the nation's requirements for watt meters but has recently become more active in export markets to utilize its extra production capacity.

Foreign partner

AEG of Germany had a partnership as well as a licensing agreement with its Iranian partners. According to the licensing agreements, watt meters were manufactured under its license in Iran. Both agreements were signed under the provisions of the Law for the Attraction and Protection of Foreign Investment in Iran. According to

this law, the actual investment and the dividend and/or proceeds from the sale of the share capital of foreign partners are guaranteed by the Iranian government to be transferred overseas.

The main motives of AEG to invest in Iran, aside from profitability, were to guarantee access to the Iranian market and to secure an export market for AEG and other German parts manufacturers in Iran.

During the presence of AEG engineers in the Company, which lasted until the Islamic Revolution in 1979, and prior to the establishment of the current management team in 1988, the Company imported about 95% of the 250 parts of the watt meters and assembled them in Iran. German engineers claimed that this high percentage of importation of fairly simple parts was to assure the quality of manufacture. Iranian engineers, on the other hand, believed that the main reason for very low local input reflected the personal preference of expatriate managers and the desire to create more jobs for the German parts manufacturers.

After the Islamic Revolution in Iran, German management left the country and the Company has, since then, been run by Iranian managers. Later on, due to AEG's unwillingness to increase its investment, its share capital in the Company has dropped from its original 20% to its current level of 8%.

Veteran workers still remember the presence of expatriate managers in the prerevolutionary period in the Company. According to these workers:

- 1. The managing director and some of the middle managers were German citizens;
- 2. Management had little direct contact with the workforce. They had established a detailed bureaucracy and a sophisticated reporting system. Most of the correspondence was in German. Naturally the workers were not aware of what was happening in their workplace. Workers recall managers used to sit in spacious offices and dine in specially decorated dining halls with elaborate menus, while the workers, who were not allowed to enter those halls, were served with cheap food;

- 3. Discipline was most strictly observed in the workplace;
- 4. Contrary to current practice, there was no group reward for the increase in the volume of production. Instead, the rewards were given individually and on a case by case basis, and;
- 5. Managers, especially the expatriates, used to get high salaries while the workers' wages were kept to the absolute minimum. The ratio of the highest salary to the lowest was 48:1. Currently, this ratio is decreased to 5:1.

Human resource management

Employee suggestions system

Background

In 1988, The newly appointed Managing Director of the Company. Araghi, firmly believed in employee suggestions systems and participative management and wanted to apply these new management concepts in a real working environment in Iran. Araghi remembers being unsure whether the Company, with its chronic labor unrest and long history of clashes with management¹, was an appropriate place for his ambitions. "But why not?", remembers thinking, "let me be the change agent in one of the worst working environments." He considered his new position in the Company as a real challenge for him in this respect.

Quite the opposite to the previous managing director of the Company who used to sit in his ivory tower and manage the affairs through issuing orders, written manuals, instructions and endless paperwork, Araghi wanted the employees to share in managing their workplace, be committed to work hard and have a constructive role in the Company affairs.

To prepare the staff for the changes he envisioned for the Company, Araghi's first priority was to improve communication with the workforce. He organized routine meetings with middle management and workers, white and blue collar, to discuss the situation and problems of their workplace. He persuaded middle managers to

¹ The Company was well known in Alborz Industrial City for industrial unrest.

improve their communication skills, consult with their employees and work alongside them. He also organized monthly public seminars inside the factory, at which he narrated the success stories of companies in South Korea, Japan, Europe and the United States of America, analyzing the reasons for their success and comparing their potential with that of Watt Meter's own. He emphasized that the main asset of the company was its employees.

These meetings, in the early stages, were good opportunities for the participants to communicate their personal needs and common problems in the workplace; to criticize previous managers; and to ask for more privileges. Gradually, however, the workers began to grasp and then to share the visions of their new managing director. It was a very new experience for them. They started to enjoy their work and their workplace much more than before.

Committee and groups of participation

The new system for employee suggestions was officially introduced in 1989, enabling the workforce to submit their suggestions to the newly established office of the Committee of Participation System (CPS). CPS members include: the Managing Director, his consultants and deputies, and the managers of the technical, production, R&D and finance departments. This office has the symbolic name of "office of the small small researches"; is located at the very center of the shop floor of the factory within easy reach of the workers and is fully staffed by members of the workers' council.

Two further groups, consisting of specialized staff from different operational areas, were also formed. These two Groups of Participation Systems (GPSs) were mainly responsible for evaluating employees' suggestions and for assessing their practicality. When suggestions found to be practical, the group responsible for the area in question would inform the proposer of the appraisal results. The group would at the same time return the suggestions to the CPS for official approval. Once approved, the suggestion would then be implemented and the related rewards,

according to the regulations, would be awarded to the proposer and also to those who helped implement that suggestion.

Regulations

The following are extracts from the regulations set by the CPS regarding the Employee Suggestions System:

- 7.5% of the resulting savings from implementing the suggestions and up to two
 million Rials, in any one case, will be paid as rewards to any of the employees
 who make a practical suggestion;
- The rewards are paid according to the following order:
 - 25% After the proposed project reaches mass production stage
 - 25% 3 months after implementation is started
 - 50% 12 months after implementation is started;
- In order to foster team work, a special package of rewards has also been offered to
 those workers who are actually involved in and cooperate with the rest of the
 workers at the implementation stage of the new suggestions and
- All implemented suggestions are reviewed annually with special prizes awarded to
 those of particular scientific merit and those which have yielded the most savings.
 These prizes are awarded in a special public ceremony in the presence of all the
 employees and their families and friends. A new Renault car and 12 carpets were
 amongst such prizes in 1994.

Formation of quality circles

Quality Circles (QCs) were officially formed in 1994 to replace the GPSs which had responsibility for suggestions assessment before. QCs were formed because while the number of employee suggestions were gradually increasing, the process of assessment of the suggestions was very slow. There seemed to be a bottle neck in GPSs. It was hoped that the semi-official structure of volunteer QCs would act more quickly in assessing suggestions.

Furthermore, the strategic intent of the management was to further increase employee participation in the affairs of their workplace and to foster team work among them. It was believed that QCs would serve this purpose. Thus, after discussing the idea with the employees, the responsibilities of the GPSs were transferred to the newly formed QCs.

According to the new regulations, the ceiling for suggestion rewards increased from Rls. 2,000,000 to Rls. 4,000,000 in an effort to encourage further team work and cooperation among employees who make joint suggestions.

The main responsibilities of the QCs were:

- to receive and assess employee suggestions;
- to increase the quality of work; and;
- to minimize waste and scrap in the workplace.

QCs consist of three to eleven employees who voluntarily form a special team of experts in a certain field. Members meet once a week after office hours and decide on an agenda that is set by themselves, within the framework of the new regulations. They are expected to report the results of each meeting in order to be recognized, and each member is entitled to receive Rls. 10,000 (15-20% of the average weekly salary) as the financial reward. The result of the QCs assessment of the employee suggestions are reported to the CPS for their final approval.

In a short period of time the number of QCs have increased from eight to 28. They are well spread in the Company and each of the departments has a QC. The number of suggestions has also increased more than three times in 1994 compared with 1993.

Results of employee suggestions system

The results of the employee suggestions system at the Company could be summarized as follows:

- The number of suggestions received, the number of suggestions implemented and the resulting financial savings have all increased year by year. Formation of QCs in 1994 has increased the number of proposals dramatically, such that, for example, the number of proposals reached 2, 400 in the first six months of 1995. That is more than the total number of proposals in the previous six years. As Table 7.2 indicates, the Company has been extremely successful in its employee suggestions system policy.
- Employee participation in this system is not limited to any special group. Indeed, about 66% of the total number of suggestions received and 60% of those implemented were made by employees who had high school diplomas or less.
 Table 7.3 indicates the spread of "innovative culture" and involvement of various groups of workers according to their level of education in the employee suggestions system of the Company.
- Subjects of the suggestions include: omission, cost reduction, change of process, process improvement, local manufacturing and renovation. As Table 7.4 suggests, all the departments within the Company are actively involved in this system.
- The trend toward presenting joint suggestions and the degree of cooperation among two or more of the employees to make a single suggestion has increased, especially after the formation of QCs. This trend is clearly shown in Table 7.5.

Management assessment of employee suggestions System

Araghi listed the following benefits from implementing the employee suggestions system:

- improved interaction, cooperation and team work among the workforce;
- drastic improvement in work force morale;

- a closer relationship amongst middle managers and the employees;
- much less resentment toward change in the Company;
- eagerness of the workforce to think about their jobs critically;
- higher self confidence among the workforce, regardless of their education level;
- discovery of new talents in the workforce (this is evidenced by the example of a
 previously troublesome shop floor worker who bombarded the organization with
 his successful suggestions. Out of 55 suggestions this worker made during the last
 five years, 25 have been implemented. His education level is up to the secondary
 school stage);
- Raised consciousness of the importance of research and development among the workforce; and
- dramatic increase in requests for expert advice among the workforce.

Furthermore, the financial benefits of employee suggestions for the company is summarized below:

- The total value of rewards paid by the Company during the last five years has
 accumulated to 180 million Rials. Therefore, the ratio of reward to savings during
 the above mentioned period is 7%, without taking into account the savings in the
 form of foreign exchange and
- according to the company records, implementation of only one of the suggestions created more than 460 million Rials savings in just one year.

Problems faced

Araghi nonetheless reported concern about two main problems in implementing Employee Suggestions System. The first is a concern about employees' "steeling merits" for the successful suggestions of others. The second relates to the rewards ceiling of two million Rials, which he regards as too low. Araghi's proposal to raise this ceiling was rejected by the Board of Directors of the Company.

Employee appraisal system

Araghi expresses a strong belief in continuous appraisal of the workforce at all levels and receives daily written reports from each of his deputies. He also receives a copy of the minutes of all important meetings.

He evaluates the efficiency and productivity of his deputies in monthly interviews in which individual performance is reviewed in detail. He questions their faults, mistakes or negative behavior or diminished productivity during these sessions and listens to their arguments and view points. He then assesses their work by giving them a mark between 1-100. The same appraisal system is applied by each of the deputies to evaluate their own and so on, down to the very lowest levels. Evaluation of the workforce is based on factors like speed, skill, accuracy, willingness to consult with others, and team work.

According to the regulations, up to one third of the fixed monthly salary of each employee may be paid to him/her as good performance reward. The amount of this reward is determined by one's immediate manager and is based on that managers' appraisal. If any employees' performance appraisal is 50 or less (out of the maximum of 100 marks) for three consecutive months, it places his continued employment in jeopardy.

Job rotation scheme

Based on a proposal put forward by one of the deputies to the Managing Director, a non-compulsory job rotation scheme for managers was implemented in the Company in late 1995. The new scheme was designed to:

- acquaint managers with the jobs of their colleagues and the problems they face;
- break the tiresome routines of the job;
- create the possibility of introducing new ideas and visions in existing jobs and
- promote the working spirit.

According to the scheme, each top executive suggested three alternative preferences for transfer. The preferences were then discussed in an open session and a final decision made.

Every participating manager is in agreement with the following conditions:

- that the scheme is considered to be experimental, with no fixed decisions yet been made as to how long it will continue;
- that no transfer is considered to be fixed:
- that whoever is not successful in his/her new post, will be redeployed; and
- that no transfer is considered as either promotion or demotion, at least in the early stage.

Currently, and at this preliminary stage, all five deputy managing directors who changed their previous jobs reported being content with the changes.

Marketing

The production and distribution of energy, including oil, gas and electrical power is undertaken exclusively by the government in Iran. The Ministry delivers the Company's manufactured watt meters to construction firms that build housings or business complexes or factories requiring electrical power. The demand, therefore, is not fixed by the Ministry but by the final users i.e., the construction companies. This demand varies, therefore, with the general economic situation of the country and the variable activities of the construction industry at any given time. It is also very seasonal, with summer being the peak and winter being the low period.

With demand unstable and difficult to forecast, production planning is a crucial problem for the Company and its operations. Production planning has to be very flexible to accommodate abrupt changes. The construction industry is, indeed, very sensitive to government policies and general economic conditions in Iran. Any changes in either have an immediate effect on the construction industry and, therefore, the demand for watt meters. This situation is even more critical for the

Company, because the Ministry is the sole purchaser of watt meters for the entire national market. This of course saves marketing expenses for the Company.

As its major owner and sole source of sales revenue, it is very important for the Company to maintain a strategic, sound and close relationship with the Ministry. This strategic relationship is maintained by the Company through observing the standards of quality and meeting the short-term delivery schedules, the Ministry sets.

On the other hand, in line with new government policy to expand privatization and transfer ownership of public entities to private sector, the Ministry of Energy is expected to privatize the regional electric companies. If and when this happens, it will mean that the Company will compete with imported watt meters or with new domestic manufacturers. In practical terms, this means that market access for watt meters is not to be taken for granted, as before. Sales figures and other financial results of the operations of the Company are detailed in Table 7.6.

Export

Expecting a more competitive marketing environment in Iran, the Company has recently started searching for new export markets. It was initially successful in exporting US \$ 150,000 watt meters in 1995. With recent increases in export promotion activities overseas, it expects to increase the above figure to one million dollars in 1996. Its main customers are in the Middle East.

Production

Table 7.7 shows the volume of production of the Company during the last six years. As indicated in that table, the Company has never utilized its nominal capacity of one million watt meters per year. This is mainly due to limited size of the domestic market and the limited success of export promotion.

To utilize the production facilities more effectively, the Company is:

- Working hard in the R&D to develop new products for manufacturing,
- Following up an import substitution policy to increase the local content of the watt meters.
- Increasing its marketing activities to export watt meters, and
- In the meantime, trying to reduce the size of the workforce through privatization and out-sourcing.

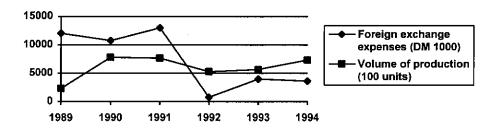
Increase in the local content of the component parts

The management and workforce are very proud of their efforts towards increasing the local manufacture of component parts, while maintaining the quality of the product. According to company records, when the new management team took over in 1988, the Company was importing nearly all (95%) component parts. Now, after six years, they have turned around the manufacturing in this respect.

Currently, 95% of the 250 component parts of watt meters are manufactured locally, either inside the factory or through sub-contracting with local parts manufacturers. Hence, the cost of imported parts per unit of watt meters has decreased from US \$ 12.5 in 1988 to US \$ 2.5 in 1995.

The following graph shows the degree of the decrease in the dependency of the Company on scarce foreign exchange for importing the materials it requires in its manufacturing process.

Graph 7.1
Foreign exchange expenses and volume of production
1989-1994

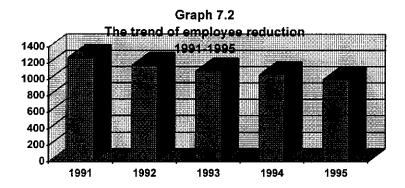


This turning around in the manufacturing process and drastic increase in the local component parts of watt meters has had a tremendous effect on employee morale. They are proud of their work, cooperate with management effectively, tend to be innovative and compete with each other to submit their suggestions for various improvements (not necessarily for the monetary reward but to become a proud member of an innovative team).

Overstaffing

Like the majority of his counterparts in other workplaces in Iran, Araghi also faces the problem of overstaffing. He believes that the Company could easily perform at its current production levels with only 50-60% of its workforce without major investments in machinery and equipment.

In line with the new imperative of the Iranian economy, in search for greater efficiency in the workplaces, the Company is studying different ways of encouraging workforce to resign from the Company and sub-contract their previous jobs, as independent contractors. By implementing this policy, the Company foresees being able to reduce overheads, and at the same time, increase efficiency in a competitive market environment. The second main policies to address the problem of overstaffing is expediting in product diversification, which entails job creating R&D. These endeavors have resulted in a continuous reduction in the number of workforce.



Privatization

Last year, a suggestion was made by one of the workers to sub-contract manufacturing of the watt meter's specification panel to outsiders. After that proposal was accepted, a group of workers – including the one who proposed the scheme – volunteered to do the job themselves as independent sub-contractors, proposing to meet set standards with quick delivery time and cheaper costs for the Company.

From Araghi's point of view, agreeing with this proposal was a matter of killing two birds with one stone. He could reduce the size of the workforce while being assured of access to the same quality part but at a cheaper cost. The contract was signed and those employees were terminated voluntarily.

Management is encouraging other workers to negotiate similar deals. In these new contracts, workers are expected to complete a part of their daily work, like assembly of some parts, at their own time at home or elsewhere, and to bring them back to the workplace the next day. The idea is to let the workforce test their ability to work independently and with more efficiency, and, at the same time, earn more money.

In the meantime, great anxiety has been expressed by the workforce over the prospect of losing their jobs in the process of sub-contracting their work to outsiders.

Management realizes the importance of job security for simple wage earners, especially in the current inflationary economy. Thus, to relieve this anxiety and to

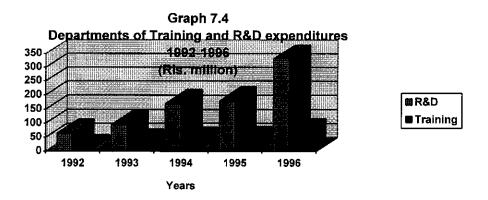


Figure for 1996 are budgeted Source: Company records

Currently, the staff of the R&D department includes eleven employees with Bachelor's and Master's degrees, seven first-class technicians who are graduates of Iranian technical colleges, three clerks with high-school diplomas, and one librarian. An additional expertise from other departments can also be seconded by this department on a part-time basis.

Product diversification

Water meter, a great potential for the future

Background

The Tehran Water Authority (TWA) has recently received an increasing number of complaints from the residents on the malfunction and poor quality of the water meters installed at their homes. Current water meters used in Tehran are models developed by a European company in late 50s. Water authority regard them as obsolete and say they should have been replaced some years ago.

TWA, in an attempt to install new models of water meters, put out an international tender to purchase about 2 million water meters to be used in Tehran. The best offer was received from an overseas manufacturer who quoted m. US \$ 25. The offer included the transfer of technology to manufacture the same water meters in Iran.

The Company offers to manufacture water meters

Once informed of the international bid of TWA, the Company acted quickly. It set the water meter manufacturing project as the first priority of the R&D department. Everyone at R&D was equipped for that job. They realized the importance of this project for the Company, for TWA, for the country, and for themselves. After some months of hard work and detailed designs they come up with the first sample of a water meter for testing. After extensive engineering works they solved all the problems and made a few more samples. The samples were sent to TWA for testing. The quality was more than satisfactory and very much comparable to the competitor's similar products. Finally, the agreement was signed with TWA, of course not for m. US \$ 25 (as the best overseas bidder offered), but for about 30% of the above figure and in local currency versus the hard currency.

New projects at R & D department

The success story of the water meter project has boosted the morale and self confidence of the employees working in that department and in the entire company. After that successful experience, a greater number of employees were trying harder to come up with new ideas and to be innovative. Such a great change in attitude one could hardly see in other workplaces in Iran.

From then on the R&D department of the Company has successfully finished eleven more new projects. They are all currently being used in the production process. A further eight projects are in the final stages of being prepared for mass production. Five other projects are in various stages of studies at that department.

Outlook for the future

Araghi envisions the following picture for the future of the Company:

- It will be an engineering pool and a final assembler of the watt meters and products;
- It will be active in the export market to generate the hard currency needed for operations and to utilize its excess capacity;
- It will manufacture diverse products with more sophisticated technology to be designed internally by the R&D department;
- More emphasis will be put on quality control and customer service (the company is heading towards obtaining ISO 9,000 certificate of quality standards);
- Quality circles will be well established and active in the decision-making process for the entire company;
- Training will play a central role in the Company, especially in appraisals,
 promotions and recruitment; and
- The majority of the workforce will become partners of the Company within a ring of the smaller sized affiliated companies yet to be established. Most recently, management has requested the approval of the Annual General Meeting to permit the Company to initiate legal partnerships with the interested workers to form smaller sized companies. The investment of the Company in these new partnerships will be in the form of machinery and equipment from its fixed assets.

Summary and conclusions

This case study has been developed after an extensive qualitative investigation into the process of change in an Iranian manufacturing company. Over a short period of time, this company was transformed from a pure assembly operation – typical of factories in almost all the Middle Eastern countries – into an innovative manufacturing enterprise with dramatic increases in the local value added. The figures presented in this paper all attested to this dramatic turn-around. The case will provide a model for other Iranian and Middle Eastern managers in terms of providing strategic focus, introducing modern management practices and implementing these by reconceptualizing human resource management systems.

It was through effective HRM practices and caring attitudes towards the workforce that Araghi could gradually create a group of responsible, interdependent employees who shared the strategic intent (Hamel & Prahalad, 1989) of their leader. The workforce voluntarily took part in crafting the strategy (Mintzberg, Quinn, and Voyer 1995) for their workplace and enjoyed being a proud member of an innovative group.

The leader's role in the organizations can not be underemphasized. This is much more so in the Middle East where, due to the historical, socio-cultural and Islamic traditions and values, individuals and organizations are identified with their leaders. Araghi ,of course, is among those talented leaders whom Leavit (1986) describes as having capabilities, not only in pathfinding, but in problem solving and more importantly, in implementing. He has successfully transformed the leadership of the Company from what Belasco and Stayer (1993) referred to as "Buffalo herd style," or traditional centralized authoritarian type, into the coordinated effort of what they call as a "flock of geese style," in which:

- leaders transfer ownership for work to those who execute the work;
- leaders create the environment for ownership where each person wants to be responsible;
- leaders coach the development of personal capabilities and
- leaders learn fast themselves and encourage others also to learn quickly. (Belasco & Stayer, 1993:19)

TABLES

Table 7.2 Summary results of the employee suggestions system (1989-1994)										
	1989	1990	1991	1992	1993	1994	Total			
Total number of suggestions	25	48	95	111	206	629	1114			
Total number of approved and implemented suggestions		11	14	21	32	72	150			
Resulted savings in US \$ (000)		NA	94.7	81.3	177.5	928	1, 282			
Resulted savings (million Rials)		NA	5.5	60.5	357.2	2, 130	2, 550			

Table 7.3 Number of suggestions based on the level of education of the proposer (1989-1994)										
Education level of the proposer	# of registered suggestions	# of rejected suggestions	# of approved suggestions	# of suggestions under study						
Primary School	80	55	12	13						
Secondary School	187	127	16	44						
Some High School	152	109	20	23						
High School Diploma	320	204	42	74						
Collage Diploma	136	85	24	27						
Tertiary Education	203	113	36	54						
Team work suggestions	36	8	0	28						
Total	1114	701	150	263						

Source: Company records

Table 7.4											
Number of suggestions by subject and the related department											
(1989-1993)											
<u> </u>		Cost	Change	Process	Local	Renova-					
Department name	Omission	reduction	of	improve-	manufact	tion					
			process	ment	uring						
Laboratory	2	1	7	0	0	0					
Casting	4	1	3	4	2	6					
Control	3	2	1	2	2	2					
Maintenance	0	3	2	0	3	3					
Press shop	0	0	1	0	0	0					
Planning	0	0	2	0	0	1					
Assembly	0	0	0	5	0	0					
Design	1	0	0	0	0	0					
Forging	0	2	6	1	4	3					
Plastic press shop	0	0	2	0	1	3					
Accounting	0	1	0	1	0	1					
Electric	1	0	5	0	0	2					
Health & security	0	1	1	0	1	0					
R&D	1	0	2	1	3	1					
Administration	0	0	2	0	1	0					
Chemistry	0	0	0	1	0	0					
Bobbin	0	0	1	0	2	0					
Technical services	0	0	0	0	1	0					
Renovation	0	0	0	0	2	0					
Painting & galvanizing	0	0	2	0	0	0					
Total	12	11	37	15	22	22					

:	Table 7.5 Number of proposals & Proposers (1989-1994)									
Year	Number of registered suggestions	Number of proposers	Ratio of suggestions to the no. of proposers							
1989	25	16	1.5							
1990	48	30	1.6							
1991	95	49	1.9							
1992	111	73	1.5							
1993	206	114	1.8							
1994	629	200	3.1							
Total	1114	482	2.31							

	Table 7.6 Financial results of the Company (in million Rls.) (1989-1994)										
	1989	1990	1991	1992	1993	1994					
Net sales	2781	6825	8768	8434	12559	24590					
Cost of sales	2837	6555	7837	7837	9680	20070					
Gross profit	(56)	270	931	598	2879	4520					
Net profit	70	240	1240	660	2090	1830					

Source: Company records

	Table 7.7 Volume of Production (000) 1989-1994										
Product	1989	1990	1991	1992	1993	1994					
l phase W. M.	208	506	603	368	453	593					
3 phases W.M.	0.4	63	40	47	23	21					
Total W.M.	208.4	569	643	415	476	614					
Fuse boxes	56	262	123	44	131	235					

Source: Company records

STATISTICAL ANALYSIS OF THE SURVEY DATA IN THE CONTEXT OF THE CASE STUDIES

The researcher attempted to match and compare quantitative and qualitative data in order to elucidate the relationships between the managerial value systems and decision styles of the managers and the broader management practices as detailed in the case studies. Extra copies of the questionnaire of this research were, therefore, distributed among managers in Tehran Municipality and Watt Meter Company of Iran as well. These specially-marked questionnaires were subjects of quantitative analysis twice: once, together with the rest of the questionnaires, in the process of general statistical analysis of the data and the second time, separately, for use in the case studies.

Managerial value systems and decision styles at Tehran Municipality (TM)

The data in the following table (Table 7.8) indicates that managers at Tehran Municipality have the highest mean for the conformist value system (x=4.147), while the sociocentric value system is slightly lower, with lowest standard deviation (σ =0.427). The egocentric value system has the lowest mean (x=2.696).

Table 7.8 Overview of managers' value systems at Tehran Municipality Descriptive statistics										
Value systems	Mean	Standard deviation	Minimum	Maximum	Range					
Conformist	4.147	.448	3.00	5.00	2.00					
Sociocentric	4.043	.427	3.25	4.75	1.50					
Existential	3.777	.484	2.63	4.63	2.00					
Tribalistic	3.779	.501	2.67	4.63	1.96					
Manipulative	3.651	.540	2.17	4.75	2.58					
Egocentric	2.696	.475	1.75	3.75	2.00					

A short description of the value systems of the managers at Tehran Municipality together with the general construct of their value systems, as explained by percentage weights of each value system within such construct, is presented in the following table (Table 7.9).

Table 7.9								
Overview of managers' value systems at Tehran Municipality								
Value systems	percentage weights							
Conformist (systems-oriented)								
self-sacrificing, low tolerance for ambiguity, in need of structure and rules to follow, tendency to subordinate the self to a philosophy, cause or religion	18.77							
Sociocentric (society-oriented)								
high need for affiliation and little concern for wealth, cooperative more than competitive, commitment to communication, committeeism and majority rule	18.30							
Existential (meaning-oriented)								
high tolerance for ambiguity and different value systems, value all human wants but are not slaves of any of them, belief that self-development is more important than materialistic goals	17.10							
Tribalistic (security-oriented)								
high need for stability and safety, submissive to authority and/or tradition	17.10							
Manipulative (success-oriented)								
materialistic, entrepreneurial, expressive, independent, self- calculating to achieve an end	16.53							
Egocentric (self-oriented) aggressive, selfish, restless, impulsive, and in general not inclined to live within the limits and constraints of society's norms	12.20							

Comparison of managerial values between the general sample and the sample from TM is presented in Table 7.10. The data in this table indicates that the value systems among both groups are ranked almost identically, suggesting that both groups have the same order of value systems; and that the sample from TM have slightly weaker values in all the value systems, compared with the general sample.

Table 7.10 Comparison of managerial values between the general sample and the sample from Tehran Municipality											
	General sample*				ran Municip	pality					
Value systems	Mean	Rank	% Weights	Mean	Rank	% Weights					
Conformist	4.162	1	18.53	4.147	1	18.77					
Sociocentric	4.061	2	18.08	4.043	2	18.30					
Existential	3.837	3	17.08	3.777	4	17.10					
Tribalistic	3.821	4	17.01	3.779	3	17.10					
Manipulative	3.796	5	16.90	3.651	5	16.53					
Egocentric	2.789	6	12.41	2.696	6	12.20					

^{*} General sample includes the sample from Tehran Municipality

Comparison of managerial decision-making styles between the general sample and the sample from Tehran Municipality is presented in Table 7.11. The data in this table shows the following:

- 1- Overall, managers' own decision styles in both samples are similarly ranked as: consultative, participative, pseudo-participative, delegative, autocratic, and pseudo-consultative. Managers from TM, however, seem to be more consultative (62.5% versus 54.9%), more autocratic (6.3% versus 3.3%), more delegative (6.3% versus 4.6%), and less participative (12.5% versus 20.9%) than the managers from the general sample.
- 2- Managers' perception of their bosses' decision styles indicate that managers from TM perceive their bosses' decision-making styles to be much more autocratic (33.3% versus 20.7%) and less participative (6.7% versus 11.2%) than the managers from the general sample.

As mentioned in the case study, Karbaschi has delegated full decision-making authority to about 100 decision-making centers within TM organization, releasing them from dependence on headquarters. This was a breakthrough at TM, and a highly successful one. Nonetheless, the comparative figures in Table 7.11 clearly show the failure of delegative or participative decision-making style to become fully part of the corporate culture at TM.

This clearly indicates one of the major problems of decentralization at TM, in which higher level managers keep using the autocratic style despite the fact that the mayor, who usually uses a delegative style, has fully delegated authority to them.

This "failure," as one of the deputies to the mayor said, may be attributed to a cultural trait of Iranians. He stated that: "we Iranians have been used to an authoritarian style of management all through our long history." He continued, "yes, we have been able to through Shah (the last monarch), being ousted, but the change of culture is not that easy. It takes some time".

be	tween t	_	arison eral sai		_	l decis		_	•	cipalit	y	
		C	General	sample	*			Tel	ıran Mı	ınicipa	lity	
Decision- making styles	ı	our own The most effective D-M style		Yo bos D-M	s's	s's D-M style		The reffect D-M	tive	Yo bos D-M	s's	
	%	rank	%	rank	%	rank	%	rank	%	rank	%	rank
Autocratic	3.3	5	2.3	5	20.7	2	6.3	5	9.4	4	33.3	2
Pseudo- consultative	1.1	6	0.3	6	12.4	3	3.1	6	-	-	3.3	5
Consultative	54.9	1	43.2	1	35.7	1	62.5	1	46.9	1	46.7	1
Participative	20.9	2	24.8	2	11.2	4	12.5	2	12.5	3	6.7	3
Pseudo- participative	15.2	3	24.4	3	10.2	5	9.4	3	25.0	2	6.7	4
Delegative	4.6	4	5.0	4	9.8	6	6.3	4	6.3	5	3.3	6

^{*} General sample includes the sample from Tehran Municipality

Managerial value systems and decision styles at Watt Meter Company of Iran (the Company)

The following table indicates that managers at Watt Meter Company of Iran have the highest mean for the conformist value system (x=4.260), while the sociocentric value system is slightly lower. The egocentric value system has the lowest mean (x=2.311).

Table 7.12 Overview of managers' value systems at Watt Meter Company of Iran Descriptive statistics						
Value systems	Mean	Standard deviation	Minimum	Maximum	Range	
Conformist	4.260	.556	3.38	5.00	1.62	
Sociocentric	4.146	.484	3.63	4.88	1.25	
Existential	3.871	.406	3.25	4.50	1.25	
Tribalistic	3.802	.393	3.13	4.38	1.25	
Manipulative	3.829	.481	3.20	4.63	1.43	
Egocentric	2.311	.471	1.40	2.88	1.48	

A short description of the value systems of managers from Watt Meter Company of Iran together with the general construct of their value systems, as explained by percentage weights of each value system within such construct, is presented in the following table.

Table 7.13					
Overview of managers' value systems at Watt Meter Company of Iran					
Value systems	percentage weights				
Conformist (systems-oriented)					
self-sacrificing, low tolerance for ambiguity, in need of structure and rules to follow, tendency to subordinate the self to a philosophy, cause or religion	19.17				
Sociocentric (society-oriented)					
high need for affiliation and little concern for wealth, cooperative more than competitive, commitment to communication, committeeism and majority rule	18.66				
Existential (meaning-oriented)					
high tolerance for ambiguity and different value systems, value all human wants but are not slaves of any of them, belief that self-development is more important than materialistic goals	17.42				
Tribalistic (security-oriented)					
high need for stability and safety, submissive to authority and/or tradition	17.11				
Manipulative (success-oriented)					
materialistic, entrepreneurial, expressive, independent, self- calculating to achieve an end	17.23				
Egocentric (self-oriented) aggressive, selfish, restless, impulsive, and in general not inclined to live within the limits and constraints of society's norms	10.40				

Comparison of managerial values between the general sample and the sample from the Company is presented in Table 7.14. The data in this table indicates that the value systems among both groups are ranked almost identically, suggesting that both groups have the same order of value systems. The only difference is that the manipulative value system is ranked as the 4th value system in the sample from the Company, but the 5th value system in the general sample. The sample from the Company, however, has stronger values in all the value systems, compared with the general sample, except in the tribalistic and specially the egocentric value systems, being significantly lower (X= 2.789 versus 2.311).

Table 7.14 Comparison of managerial values between the general sample and the sample from the Company						
	General sample* The Company				ıy	
Value systems	Mean	Rank	%	Mean	Rank	%
Conformist	4.162	1	18.53	4.260	1	19.17
Sociocentric	4.061	2	18.08	4.146	2	18.66
Existential	3.837	3	17.08	3.871	3	17.42
Tribalistic	3.821	4	17.01	3.802	5	17.11
Manipulative	3.796	5	16.90	3.829	4	17.23
Egocentric	2.789	6	12.41	2.311	6	10.40

^{*} General sample includes the sample from The Company

Comparison of managerial decision-making styles between the general sample and the sample from the Company is presented in Table 7.15. The data in this table shows the following:

- Managers' decision style at the Company is limited only to consultative, participative and autocratic, resting almost entirely on consultative and participative (54.5% and 36.4%). Participative decision style is much higher in the Company than the general sample (36.4% versus 20.9%).
- While responding managers in the general sample perceive the consultative decision style as the most effective style (43.2%), the managers who work at the Watt Meter company are more inclined to pseudo-participative (36.4%), participative (27.3%), and consultative (27.3%) as the most effective styles. Furthermore, it is interesting to note that none of the managers in the Company showed any interest in either autocratic or pseudo-consultative as the most effective style.
- Compared with the managers from the general sample, the managers who work at
 the Company perceive their bosses' decision style as almost two times as
 consultative and two times as participative. Furthermore, it is very interesting to
 note that these managers do not perceive their bosses' decision style being as
 autocratic, pseudo-consultative, or delegative at all.

Nine point one percent of the managers at the Company are autocratic – almost
three times more than the managers in the general sample. None of them,
however, reported the autocratic decision style either as the most effective style or
the style being used by their bosses. It seems that these managers need more time
for cultural adjustment, before being able to apply more participatory decision
styles.

Table 7.15 Comparison of managerial decision-making styles between the general sample and the sample from the Company												
General sample*				The Company								
Decision- making styles	Your own The most D-M style effective D-M style		Your Your boss's D-M: D-M style			effec	The most effective D-M style		Your boss's D-M style			
	%	rank	%	rank	%	rank	%	rank	%	rank	%	rank
Autocratic	3.3	5	2.3	5	20.7	2	9.1	3	-	-	-	-
Pseudo- consultative	1.1	6	0.3	6	12.4	3	-	-	-	-	_	-
Consultative	54.9	1	43.2	1	35.7	1	54.5	1	27.3	3	62.5	1
Participative	20.9	2	24.8	2	11.2	4	36.4	2	27.3	2	25.0	2
Pseudo- participative	15.2	3	24.4	3	10.2	5	_	-	36.4	1	12.5	3
Delegative	4.6	4	5.0	4	9.8	6	-	-	9.1	4	-	-

^{*} General sample includes the sample from The Company

OVERVIEW

As indicated in Tables 7.10 and 7.14, managerial value systems in the general sample and the samples from TM and the Company are almost identically ranked, suggesting that all the managers have the same order of value systems. The structure of the value systems is, however, quite different. Managers from TM have slightly weaker values on all the value systems, compared with the general sample, while managers from the Company have much stronger values than the general sample in existential, sociocentric, conformist, and manipulative but slightly weaker values in tribalism and significantly weaker values in egocentrism (X= 2.789 versus 2.311).

Furthermore, the Company successfully introduced a broadscale cultural change throughout its organization, whereas, at TM the process of change has somehow got stalled.

A possible explanation for these differences is that the unique corporate culture at the Company has influenced its managers' values for working, making them so different from the other samples. This corporate culture is the result of the strong human resource management practices, creation of team-work spirit – in the form of quality circles –, continuous communication of corporate vision with the general workforce, regular assessment of the employees and systems, and application of appropriate reward systems, as positive reinforcement.

It seems that the workforce of the Company, who were well-known in Alborz Industrial City for industrial unrest, have been transformed into disciplined, hardworking, and cooperative team members. They seem to have forged a new feeling of identity toward their workplace. A new corporate culture similar to what Ouchi and Jaeger (1978) suggest, may override community and even family identification. This is a culture change that Milton-Smith (1993) is convinced to be "notoriously difficult" to carry out and Hofstede (1985) features it as an "uphill battle" for the managers.

Employee suggestion systems and formation of quality circles together with the introduction of a detailed employee evaluation and reward policies seem to have effectively changed passive and unmotivated employees into an achievement-oriented workforce who try to initiate new innovative ideas and improve the systems and processes at the workplace – figures presented in the case study all attest to these changes in the attitudes of the workforce. Evaluation policies at the Company are based on "doing" rather than "being" – active versus passive – (Kluckhohn and Strodtbeck, 1961). Schneider (1988) describes such evaluation policies to be: "based on what you achieve and what you know (achievement), and not on who you are (a person of character and integrity) and who you know (aspiration)" (p.16).

Karbaschi was also exceptionally successful in turning around the affairs of Tehran Municipality by delegating the decision-making authority to the top officials of the organization's more than 100 decision centers and by introducing appropriate changes in the structure of TM. The dramatic success of his policies are attested to by the figures in Table 7.1, attached to this case study.

Human resource management, however, seems to be very poor at TM. The majority of the newly empowered managers tended to manage their entities in an authoritarian style, in which the workforce were simply required to act according to the rules and regulations, without taking part in the process of decision-making (the data in Table 7.11 indicates that 33.3% of the responding managers from TM believed that their immediate managers used autocratic decision style). Furthermore, the majority of the employees interviewed believed that management decisions were made within a closed circle by members of top management levels to which employees were not permitted. They also complained about lack of adequate communication between management levels and employees and felt that their potential was not being utilized efficiently. In response to this criticism, one of the deputies of the Mayor stated that the management systems at TM were not necessarily a closed system but some of the top managers were personally closed. He suggested that this mind set was deeply rooted in cultural background of Iranians and needed time to adjust.

This change of mind set is exactly what Araghi accomplished at the Company, as evidenced by the data in Tables 7.14 and 7.15, indicating that:

- 1- Autocratic and pseudo-consultative decision styles have been thoroughly uprooted in the top management levels in the Company, replaced with more consultative and participative styles.
- 2- The manipulative value system is ranked as number four in the Company, while it is ranked as the fifth value system in the general sample and the sample from TM, suggesting that success-oriented endeavors such as entrepreneurial, independent, and achievement-seeking activities are more prevalent among the respondents from the Company than the other samples.
- 3- The egocentric (self-oriented) value system in the Company is much lower than the general sample or the sample from TM (X= 2.311 versus 2.789 and 2.696). One possible explanation for this is that individualistic tendencies at the Company seem to have been directed towards team work and cooperation by institutionalizing, supporting, and rewarding the quality circles. The status of individualism/collectivism of the respondents in the general sample and the samples from TM and the Company, shown in the following table (Table 7.16), supports this assertion. This data indicates that while Iranian managers overall are more collectivistic than individualistic, the managers from the Company are even less individualistic (in both scales of individualism) and even more collectivistic (in both scales of collectivism) than the other two samples.

Table 7.16 Status of individualism/collectivism of Iranian managers					
	Individualism	Work individualism	Collectivism belief	Work collectivism	
General sample	2.722	3.517	4.145	4.332	
Tehran Municipality	2.732	3.551	4.145	4.451	
Watt Meter Co. of Iran	2.617	3.516	4.253	4.460	

Note: Figures are all mean scores for each of the four scales

The case studies presented in this chapter are distinctive examples of successful turnaround strategies in organizations in Iran, a country with a traditional and hierarchical working environment. In this traditional society, major mediating institutions, such as religion and education, reinforce the values of submission, obedience, kindness and respect toward parents and figures of authority. Individuals who are raised in such environments, according to Ali (1982), "are more likely to behave passively and in a socially dependent manner. They rely on their social environment for definition and approval of the task....they have low need for achievement" (p.60).

Being raised is such an environment, the majority of Iranian managers are reactive rather than proactive, always on the lookout for direction from upper level managers in the hierarchy, the relevant federal ministry, or government officials. Most of the time, they expect a dramatic increase in the international price of oil or government subsidy in order to cover the deficiencies and low productivity levels at their workplaces. The cumbersome and inefficient administration process has impeded the growth of individuals, deadened their spirits, reduced their motives, and prevented them from utilizing their energies. In such an environment, according to Ali (1982:63), "the people and their needs account for less and less, since the thrust is to serve the bureaucracy and not the people."

Success stories in management practices in Iran, such as these case studies are therefore very noticeable and vitally important for the education of other managers in Iran and other Middle Eastern countries. The strategic transformation in Tehran Municipality and Watt Meter Company of Iran substantially confirms that management practices like decentralization and delegation of authority, out-sourcing, detailed planning, and strategic management, which are more widely used in the industrial countries, may be used in practice, with effectiveness, in the traditional third world countries like Iran, despite its cultural differences. The vital common variables are visionary leadership with clear direction, effective human resource management, and empowerment of the workforce. Furthermore, the case study of

Watt Meter Company of Iran clearly signifies the importance of a strong corporate culture and its significant effects on the working values.

The case studies in this chapter support Negandhi (1986) in his claim that regardless of culture, "differences in a firms effectiveness can be explained by the nature of its management practices....and that utilization of advanced management practices does lead to higher organizational effectiveness" (p.45).

The case study findings provide further evidence to Flowers et al. (1975) that managers have more than one value system and that all managers display tendencies in varying degrees toward all six value systems according to – what Graves (1970) suggests as – their opportunities for acquiring and assimilating knowledge and exercising and developing their talents.

In all this, leader's role in the organizations can not be underemphasized. This is much more so in the Middle East where, due to the historical, socio-cultural and Islamic traditions and values, individuals and organizations are identified with their leaders.

CHAPTER EIGHT

SUMMARY, IMPLICATIONS AND RECOMMENDATIONS

INTRODUCTION

The major objectives of this study were:

- to investigate the value systems of Iranian managers,
- to test how their work values are associated with selected demographic and organizational variables,
- to examine the decision style of Iranian managers,
- to explore the relationship between the value systems and decision styles of
 Iranian managers, and
- to compare managerial decision styles and value systems of Iranians with those of other Middle Eastern countries.

This chapter will highlight the major findings, discuss the limitations of the study, suggest implications and give recommendations for managerial and organizational aspects of Iran and also for further researches.

SUMMARY AND HIGHLIGHTS OF RESEARCH FINDINGS

Quantitative analysis of the survey data

In order to achieve the study objectives, eleven hypotheses were tested – seven on the value systems and four on managerial decision-making styles. The findings of the quantitative analysis of the survey data are outlined below:

An outline of managerial value systems

The findings indicated that the value systems of Iranian managers vary across a range of demographic and organizational variables. Table 6.1 exhibits descriptive statistics of the value systems of Iranian managers, including the mean score, standard deviation, and range of each value system. This table indicates that an average Iranian manager represents a mix of all the value systems in roughly equal proportions except egocentrism, which is underrepresented. The data suggests that a conformist orientation is the dominant value system of Iranian managers (M=4.162) followed by sociocentric values (M= 4.061), with egocentric values the least dominant (M=2.789).

These findings provide further support to Flowers et al. (1975) that managers may have more than one value system and that all managers display tendencies, in varying degrees, toward all six value systems. For ready identification of managerial groups by demographic and organizational characteristics, highlights of these results are shown in Table 6.39. It is important to keep in mind that the information in this table reflects only the most distinctive value patterns appearing among managers.

Quantitative analyses of the data indicated that:

1) Tribalistic (security-oriented) tendencies are most likely to be significant among the less educated managers, who were raised in a village or small township in a lower social class family. They earn low incomes (seven million Rials¹ per year) and have

¹ 1 Toman = 10 Rials

had almost no exposure to academic management. These managers tend to serve in lower managerial positions and have long (more than 11 years) managerial work experience in their current positions.

- 2) Egocentric (self-oriented) tendencies are notable among supervisors and department managers. These managers' main motives to work are profit and money. They prefer bosses who are less directive.
- 3) Conformist (system-oriented) inclinations are most evident among those who were raised in state capitals and small townships. These managers are more hard working, more dependent on their bosses, and are the most loyal to their workplaces, compared with the rest of the managers.
- 4) Manipulative (success-oriented) preferences are most common among those managers who studied accounting, economics and engineering at university. They tend to work in small companies (with 51-250 employees) involved in accounting, information processing, manufacturing, and production in the mixed or private sectors. They are mostly department managers with limited work experience (i.e., up to seven years).
- 5) Sociocentric (society-oriented) tendencies are most evident among those managers who have been brought up in a village or state capital in a lower social class family. They earn low incomes and are likely to live in one of the state capitals, at present. They tend to work in large companies (with more than 2,000 employees) and serve mostly as department managers.
- 6) Existential (meaning-oriented) inclinations are most likely to be found among those who studied engineering or medical science. These managers prefer challenging jobs and are loyal to the company as long as it does not violate their principles. Money for them is not an end but a means. They consider company profit as a win-win opportunity for their workplaces and employees.

7) The data in Table 6.35 reveals that there is a strong and significant relationship between each of the value systems, on the one side, and either of the collectivism or individualism measures, on the other. The analysis of the correlation between the value systems and individualism/collectivism scales suggests that egocentric and manipulative tendencies among Iranian managers will be correlated with individualism while tribalistic, conformist, sociocentric and existential tendencies are likely to be correlated with collectivism.

An outline of managerial decision styles

The study also investigated the most common decision style of Iranian managers, their perceptions of the most effective decision style, and the style used by their immediate supervisors. These findings are summarized in Tables 6.36 to 6.38.

The results further support Ali (1993) and Ali, Taqi, and Krishnan (1995) on the existence of a relationship between decision styles and the status of individualism and collectivism of the decision makers. The findings indicated that:

- 8) Highly collectivistic managers are more participative while highly individualistic managers are more autocratic in their decision-making style.
- 9) More than one half of Iranian managers (54.9%) apply consultative means of decision-making, followed by 20.9% who are proponents of participative style, and 15.2% pseudo-participative. Delegative, autocratic and pseudo-consultative decision styles are the least preferred in Iran with 4.6%, 3.3% and 1.1% respectively.

Iranian managers' decision styles are ranked in descending order as: consultative, participative, pseudo-participative, delegative, autocratic, and pseudo-consultative. It is interesting to note that their perceptions as to the most effective decision style is exactly ranked in the same order.

- 10) The higher their level within the hierarchy, the more likely the managers are to be delegative and autocratic, and the less likely they are to be participative and consultative than their colleagues in the lower levels of managerial hierarchy.
- 11) It seems that there is limited congruity between the managers' own style and their perceptions of the most effective style in some of the decision style categories. There is even less congruity between the managers' own style and their perceptions of their immediate supervisors' style in all decision styles.

Research findings through the analysis of the case studies

The researcher attempted to match and compare quantitative and qualitative data. The idea was that a comparison of the quantitative data of the questionnaires within the context of the case study data would elucidate the relationships between the managerial value systems and decision styles of the managers and the broader management systems within which they operated. Extra copies of the questionnaire of this research were, therefore, distributed among the subjects of the case studies, Tehran Municipality and Watt Meter Company of Iran, as well. These specially-marked questionnaires were subjects of quantitative analysis twice. Once, together with the rest of the questionnaires, in the process of general statistical analysis of the data and the second time, for use in each of the case studies.

Case study of Tehran Municipality

The data in Table 7.8 indicates that managers at Tehran Municipality have the highest mean for the conformist value system (x=4.147), while the sociocentric value system is slightly lower, with lowest standard deviation (σ =0.427). The egocentric value system has the lowest mean (x=2.696).

The general construct of the value systems of the managers at Tehran Municipality are as follows:

Value systems	Percentage weights
Conformist	18.77
Sociocentric	18.30
Existential	17.10
Tribalistic	17.10
Manipulative	16.53
Egocentric	12.20

Comparison of managerial values between the general sample and the sample from TM is presented in Table 7.10. The data in this table indicates that both groups have the same order of value systems; and that the sample from TM have weaker values in all the value systems, compared with the general sample.

Comparison of managerial decision-making styles between the general sample and the sample from Tehran Municipality is presented in Table 7.11. The data in this table shows the following:

- Managers' own decision styles in both samples are similarly ranked as: consultative, participative, pseudo-participative, delegative, autocratic, and pseudo-consultative. Managers from TM, however, seem to be more consultative (62.5% versus 54.9%), more autocratic (6.3% versus 3.3%), more delegative (6.3% versus 4.6%), and less participative (12.5% versus 20.9%) than the managers from the general sample.
- Managers' perception of their bosses' decision styles indicate that managers from TM perceive their bosses' decision-making styles to be much more autocratic (33.3% versus 20.7%) and less participative (6.7% versus 11.2%) than the managers from the general sample.

As mentioned in the case study, the present mayor has delegated full decision-making authority to about 100 decision-making centers within the TM organization, releasing them from central control This was a breakthrough at TM and is widely considered to have created the favorable results as depicted in the case study.

Nonetheless, the comparative figures in Table 7.11 clearly show the failure of delegative or participative decision-making style to become part of the corporate culture at TM.

This clearly indicates one of the major problems of decentralization at TM, in which higher level managers retain an autocratic style despite the fact that the mayor, who usually uses a delegative style, has fully delegated authority to them.

This failure, as one of the deputies to the mayor said, may be attributed to a cultural trait of Iranians. He stated that: "we Iranians have been used to authoritarian style of management all through our long history." He continued, "Yes, we have been able to throw the Shah (the last monarch) out, being ousted, but the change of culture is not that easy. It takes some time".

Case study of Watt Meter Company of Iran

The data in Table 7.12 indicates that managers at Watt Meter Company of Iran have the highest mean for the conformist value system (x=4.260), while the sociocentric value system is slightly lower. The egocentric value system has the lowest mean (x=2.311).

The general construct of the value systems of the managers at the Company are as follows:

Value systems	Percentage weights
Conformist	19.17
Sociocentric	18.66
Existential	17.42
Tribalistic	17.11
Manipulative	17.23
Egocentric	10.40

Comparison of managerial values between the general sample and the sample from the Company is presented in Table 7.14. The data in this table indicates that the value systems among both groups are almost ranked similarly, suggesting that both groups have the same order of value systems. The only difference is that the manipulative value system is ranked fourth in the Watt Meter sample, but fifth in the general sample. The sample from the Company, however, has stronger values across the board, compared with the general sample, except in the tribalistic and the egocentric value systems, the latter being significantly lower (X= 2.789 versus 2.311).

Comparison of managerial decision-making styles between the general sample and the sample from the Company, presented in Table 7.15, shows the following:

- Managers' decision style at the Company is limited only to consultative, participative and autocratic, resting almost entirely on consultative and participative (54.5% and 36.4%). Participative decision style is much higher in the Company than in the general sample (36.4% versus 20.9%).
- While responding managers in the general sample perceive consultative decision style as the most effective style (43.2%), the managers who work at the Company are more inclined to pseudo-participative (36.4%), participative (27.3%), and consultative (27.3%) as the most effective styles. Furthermore, it is interesting to note that none of these managers nominated autocratic or pseudo-consultative as the most effective style.
- Compared with the managers from the general sample, the managers who work at the Company perceive their bosses' decision style to be almost two times more consultative and two times more participative. Furthermore, it is very interesting to note that the managers from the Company do not perceive their bosses' decision style as being autocratic, pseudo-consultative, or delegative at all a marked contrast to the situation at TM.
- Nine point one percent of the managers at the Company are autocratic almost
 three times more than the managers in the general sample. None of them,
 however, reported autocratic decision style either as the most effective style or the
 style used by their bosses. Possibly such managers need more time for cultural
 adjustment, before being able to apply more participatory decision styles.

Comparative cross-cultural analysis of the managerial value systems and decision-making styles

As mentioned before, one of the objectives of this study was to compare the management value systems and decision-making style of Iranian managers with their counterparts in other Middle Eastern countries. Tabulated in Tables 6.40 and 6.41 are the major findings of these comparative analyses, as follows:

- The dominant value systems of managers in the Middle East are conformist, sociocentric, and existential. Two of these, conformist and sociocentric value systems, are among the value systems labeled "other-directed" by Hughes and Flowers (1978). According to the above authors: "values, motivations, feelings, and thoughts of individuals within these systems come from an external source, be it another human being (tribalistic); rules, traditions, institutions, or religions (conformist); or their peer group (sociocentric)" (p.23).
- Egocentric and manipulative value systems are, except in Morocco, the least dominant value systems in the Middle East. Both of these value systems are among those labeled "inner-directed" by Hughes and Flowers (1978). According to these authors: "values of people operating in these systems come from within themselves," and "they focus on their external environment and attempt to control or master it" (p.24).
- Based on the above classification, Middle Eastern managers can be broadly
 classified as "other-directed" and meaning-oriented (existential). They are
 managers with high levels of tolerance who do not attempt to control their
 environment, but try to come to terms with it.
- Flowers et al. (1975) study of the value systems of U.S. managers and the most recent study on the value systems of the expatriate managers, mostly British and Indian, who work in U.A.E. (Ali, Azim, and Krishnan, 1995), both indicate, by contrast, that the manipulative (success-oriented) value system is the most dominant value system among the U.S. and expatriate managers.

more delegative than either the participants' style or the style the respondents consider to be the most effective one.

IMPLICATIONS

Contribution to the management literature in Iran

This study is the first of its kind to investigate the value systems and decision-making styles of managers in Iran. The findings of this study are expected to contribute to the enhancement of human resource management and management practices in Iran. It will also contribute to the management literature in the Middle East, a region where research, in general, and research in management science, in particular, is scarce.

Multiple value systems of Iranian managers

The study findings provide further support to contention of Flowers et al. (1975) that managers have more than one value system and that all managers display tendencies in varying degrees toward all six value systems according to what Graves (1970) describes as their opportunities for acquiring and assimilating knowledge and exercising and developing their talents.

Hofstede's national culture

Hofstede (1984) explored the differences in thinking and social action that exist between members of various countries, arguing that "people carry mental programs which are developed in the family in early childhood and reinforced in schools and organizations, and that these mental programs contain a component of national culture. They are most clearly expressed in the different values that predominate among people from different countries" (p.11).

On the basis of their scores on his "cultural dimensions" instrument, Hofstede further grouped countries into "culture areas." Hofstede pointed to historical reasons that are likely to have led to cultural differentiation, defining culture areas as "groups of countries with common or similar histories, on the basis of which we can explain a partly similar mental programming of their citizens" (1980:333).

He classified Iran with Greece, Turkey and Yugoslavia, labeled them "Near East" culture. These countries, according to Hofstede (1980:336) are "high in Power Distance and Uncertainty Avoidance, low in Individualism, and medium in Masculinity indexes." (For a discussion of these terms refer to Chapter two).

Of the four scales, the individualism index seemed to carry the most cultural weight and countries and societies could be readily demarcated on that basis. This is probably the reason that so much subsequent research has been conducted on the individualism/collectivism construct (e.g., Triandis et al., 1993; Hui & Vollareal, 1989; Bochner, 1994).

Hofstede's classification of selected countries is exhibited in Table 2.1. Iran is rated 41 (out of 100) in the individualism index, suggesting that Iranians are more collectivistic than individualistic. The present study also found that Iranian managers are more collectivistic than individualistic (see Table 7.16). These findings, therefore, support the individualism dimension of Hofstede's study.

Hofstede's (1983) indexes rated Iran as slightly higher than the Arab countries on the Individualism scale (41 versus 38), suggesting that Arab countries are somewhat more collectivistic than Iran. The results of the present study (Table 6.37), however, do not support this. They indicate instead that, compared with a sample of Arab managers (Ali, Taqi, and Krishnan, 1995), Iranian managers were significantly more collectivist.

Culture clustering

Ronen and Shenkar (1985) reviewed previous cross-cultural research and reclustered countries according to major dimensions accounting for similarities among them.

They suggest that:

The use of national units for clustering is logical because national boundaries delineate the legal, political, and social environments within which organizations and workers operate. Yet, to understand why certain countries cluster, one should look across national boundaries for the dimensions underlying the clusters. Three such dimensions are discussed here: geography, language, and religion. The differentiation of these dimensions is

mainly analytical, because geography, language, and religion are closely intertwined (1985:444).

Ronen and Shenkar (1985:446) further state that: "It is apparent that these three dimensions – geography, language, and religion – are not independent. In fact, it is likely (though not certain) that countries with one of these elements in common will share all three."

Ronen and Shenkar accepted Hofstede's clustering of Iran with Greece, Yugoslavia, and Turkey, labeled as "Near Eastern" in their study, mainly because the validity of this cultural clustering had not been challenged by other research. They do remind their readers that "aside from Hofstede's dimensions, geography appears to be the main dimension in common among these countries" and that the "diversity of language, religion, and history of these countries makes it a particularly complex grouping." (P. 451)

Findings of this study, as presented in Chapter six, indicate that Middle Eastern managers (either from Iran or other Arab countries studied) are generally consultative in their decision-making. Furthermore, their value systems follow a similar pattern. These similarities suggest, therefore, that Iran seems to fit in better with the grouping labeled "Arab," with whom it shares religion and geography, than "Near East," with whom it shares only geography. Thus, the present study suggests that the grouping labeled "Near East" in not only "complex" but probably unwarranted, probably inaccurate, and probably questionable and highly problematic. Further cross-cultural research among the so-called Near East countries will shed more light on this grouping.

The study findings, therefore, provide further support to Ronen and Shenkar (1985), who clustered countries based on their religion, language, and geography. This clustering system seems to explain the reasons of homogeneity of the value systems and decision-making styles of the managers from the Middle East.

developed a modified style to cope with both types of employees (Smith & Peterson, 1988). Therefore, while culture has a significant effect upon these measures, environment also has an impact.

As for the present study, it is an attempt, among others, to find an answer to the question whether advanced management practices like decentralization, delegation of authority, out-sourcing, detailed planning, total quality management, effective human resource management and strategic management, which are more widely used in the industrial countries, could be used, with effectiveness, in Iran despite its cultural differences.

The findings of this study give weight to the influence of both environment (e.g., political and economic characteristic) and culture (value systems of the managers and employees) on management practices in Iran. The findings indicate that if it was not for the political backing of the endeavors of the new mayor of Tehran (influence of "political context"), and if it was not for the high concern of the new managing director of the Watt Meter Company over its workforce and their values through application of effective human resource management (the influence of "culture"), none of them could have possibly succeeded in transforming the organizations they manage, as detailed in Chapter seven.

The findings of this study, thus, support both "universalists" and "culturalists" views toward management practices and propose that advanced management practices and continuous attention to human resource management may, as the case of the Watt Meter Company suggests, create an effective corporate culture. A corporate culture similar to what Ouchi and Jaeger (1978) suggest, may override community and even family identification. This is a culture change that Milton-Smith (1993) is convinced to be "notoriously difficult" to carry out and Hofstede (1985) features it as an "uphill battle" for the managers.

The leader's role is a very important variable in the issue of the cross-cultural transmission of management practices – especially in collectivistic societies like Iran and the rest of the Middle Eastern countries. In these societies, individuals and organizations identify strongly with their leaders. This is mainly due to their historical, socio-cultural and Islamic traditions and values. The case studies suggest that in traditional, hierarchical, and collectivistic societies like Iran, to be effective, organizational change should start from the very top. The vital common variables for success are visionary leadership with clear direction, effective human resource management, and empowerment of the workforce. All these seem to be essential for building the required corporate culture that fosters change.

RECOMMENDATIONS

The recommendations of this research are presented in two parts: recommendations for further research, and managerial and organizational recommendations.

Recommendations for further research

- Rapid changes in the socio-cultural and economic environment in Iran in the last
 three decades suggest that research on managerial values and decision styles be
 renewed every ten years, if not more frequently. Results of such research will
 provide valuable information for policy-makers at the national level and CEOs at
 the organizational level to set their priorities in line with shifts in managers'
 decision styles and value systems.
- It is recommended too that further research be conducted in order to examine the value systems of employees generally and to compare it with the value systems of managers. Results of such research would enable managers to understand their workforce better and to design personnel policies and other management systems in a way that are most appropriate to the value system of the workforce. This would help minimize the chances of conflicts and enhance organizational productivity.
- Also recommended are further research studies to examine the relationship
 between managerial value systems and decision styles on the one hand and
 organizational effectiveness, job satisfaction, leadership style, and motivation on
 the other. Results of such studies would be useful, among other things, in
 recruiting or educating managers with appropriate value systems to meet the
 desired ends.
- Research should be conducted to investigate the similarities and differences between the managers' value systems and those of employees' and to determine their effects on the job satisfaction.

- It is recommended to conduct a research on the managerial value systems and decision-making styles in various industries to examine the differences in the profile of managers.
- Some regions in Iran are famous for having cooperative workers and some are
 distinguished for having so-called "trouble-makers." Research on the value
 systems and decision-making styles of managers and employees in both such
 regions will help to investigate the root/s of such differences.
- More cross-cultural research is needed to compare the managerial values and decision-making styles of Iranian managers with their counterparts from Turkey, Greece, and Yugoslavia in order to test the validity of Hofstede's (1980) and Ronen and Shenkar's (1985) clustering of these countries together.

The cross-cultural comparative results of the managerial value systems in Chapter six (Table 6.40) indicate that U.S. and expatriate (mainly European) managers were predominantly manipulative (success-oriented). These nationalities are highly individualistic, according to Hofstede (see Table 2.1).

Manipulative tendencies of the managers from Watt Meter company – who seem to be among the most successful ones in Iran – are also higher than the general sample of Iranian managers and the sample from Tehran Municipality (see Tables 7.10 and 7.14). Watt Meter managers, however, were more collectivistic than the managers from the general sample or the sample from Tehran Municipality (see Table 7.16).

Based on the results of the above analysis, it is suggested that:

 Further research be conducted to examine the managerial values and decisionmaking styles of successful and less successful managers relative to job satisfaction and productivity. Results of such research is useful to profile the value systems that foster success in Iran. Similarly useful would be an examination of the relationship between "success" and tendencies toward either individualism or collectivism.

Recommendations with regard to managerial and organizational aspects in Iran

1- Low productivity of Iranian organizations is a major concern at both micro and macro levels. Graves (1966) suggests that to improve productivity there should be a congruency between the value systems of the employees and the managerial practices.

Organizational structure, job requirement, recruitment, evaluation, remuneration, and promotion policies that individualistic employees expect is quite different from what collectivist employees expect. Knowledge of the employees' value systems, cultural backgrounds, and especially their individualism or collectivism status will help managers to align their human resource potential capabilities with the organizational objectives.

To improve low productivity levels in Iran, it is advisable that the workforce be managed by principles which are harmonious with their value systems.

To achieve the above objective, managers are advised:

- to be self aware, understanding their own value systems as they are;
- to understand and accept others' value systems as they are; and
- to try, in the context of these similarities and differences in the value systems, to cope with problems. They may need to redesign systems for work, communication, compensation, and career development.
- 2- Iranian managers have a fairly even mix of the six value systems with about one half (46%) dominated by inner-directed values (egocentric, manipulative, and existential). People operating in these systems focus on their external environment and attempt to control or master it. Working in an authoritarian environment, where

decisions are centrally made, is contrary to the working values of the managers who hold these value systems.

The study findings help to explain the dislike of the respondents toward the autocratic decision style and their preference for more participative styles (for further details see the analysis of decision-making styles in Chapter six and Table 6.36).

Based on the above findings, it is highly recommended that the authority be delegated to middle managers and lower managers in the hierarchy in order to induce them to commit themselves to organizational goals. Centralized management, especially in the Iranian public sector, has left little scope for the development of managerial skills and knowledge.

3- Results of this study show that there is limited congruity between the managers' own decision-making style and their perceptions of either the most effective style or their immediate supervisors' style in all decision style categories (for further details look at the analysis of decision-making styles in Chapter six and Table 6.38).

This limited congruity, which is apparent all through the decision styles in Iran as well as among the samples from various Middle Eastern countries, clearly indicates the need for top management levels to formulate and promote appropriate decision-making strategies and procedures; and to become conscious role models for appropriate decision-making.

4- John Paul Jones (1967, cited in Flowers et al., 1975) emphasized the importance of considering the needs of employees when developing an organization. He stated that: "we must understand that people are motivated by their needs, not ours, and that one of our jobs is to create organizational conditions in which people will achieve organizational needs best by achieving their own." The majority of the employees interviewed, however, expressed a lack of concern on behalf of management toward their needs. They felt taken for granted and often sidelined, even in decisions related to their jobs.

It is recommended, therefore, to involve the workforce in designing the systems and procedures they will be following. Only then, will corporate mechanisms be in tune with the values of the people who will have to live with them.

One effective way to do this is through communication. What is right or wrong for management may not be right or wrong for all employees, depending on their value systems. Thus, communication plays a key role in accommodating the differences in employees' values. A multiple work, multiple channel, multiple process of communication must be found so that individuals with various value systems comprehend on their own psychological levels (Hughes and Flowers, 1978).

5- One of the most severe problems of managers in Iran, specially in the public sector (about 70% of the economy), is management inaction. Managers generally justify their inaction by blaming either the political and economic circumstances or unfavorable work attitudes within the workforce. There are two main reasons for such management inaction: first, the coexistence of numerous parallel organizations with no clear demarcation between them, and second, the reluctance of Iranian managers, despite their fair exposure to academic management, to apply their managerial knowledge in the real working environment.

As for parallel organizations, policy makers at the national level are recommended herewith to find appropriate measures to reorganize the fat bureaucratic administration by cutting workforce numbers, especially the unskilled, to dissolve parallel organizations, to support and accelerate privatization, to apply effective policies to involve people in their own affairs, and to increase deregulation.

A good starting point has been suggested by initiatives such as releasing municipalities from public sector control (of which the case of Tehran Municipality has been a resounding success).

Policy makers at the national level are further advised to look at managers as possible change agents. Empowerment of managers to set goals for their organizations and to

use their talents throughout the managing process are basic requirements for progress and development at the national level (Ali, 1982).

As for the weakness of Iranian managers in applying advanced management practices in their workplaces, it seems that there are some shortcomings in management education systems at the Iranian universities. It is recommended, therefore, that the syllabus and curriculum of studies of business schools be reconsidered, putting more emphasis on case method versus pure theoretical study and involving students in applied research projects as part of their degree requirements.

In the meantime, it is highly recommended that organizations attach urgent importance to training programs for their managers. On-the-job training should be oriented toward helping supervisors to modify their interpersonal relationships to reflect the structure of tasks to be performed. Managers should give consideration as well to their subordinates' perceptions of them, particularly in relation to decision-making style (Myers & Myers, 1974).

6- High rates of turnover among top managers have become a major dilemma in Iran (for more information in this respect see Chapter five and Table 5.19). One reason for this seems to be a mismatch between the value system of managers and their job contents. When such a mismatch exists, it is most likely that alienation and low productivity will result, leading either to their resignation or dismissal from top managerial positions.

It is recommended, therefore, that managers' values be determined and attempt be made to match value systems with job requirements as part of selection or redeployment process. It is also recommended that managers be educated to understand and appreciate the different value systems that exist in their workforce and attempt to accommodate others' values when they design management systems and procedures.

7- Flowers et al., (1975:40) suggest that "the task of management would be relatively simple if there were only one value system to be considered, but since there are several present in any employee population, the task is more complex." They further state that "managers are, with increasing frequency, finding themselves out of step with the people they supervise."

Based on the above analysis, it is recommended, therefore, that managers be educated to become flexible in their leadership style and optimize the efficiencies of their workforce through application of multi-faceted leadership style.

LIMITATIONS

- 1- Despite diligent effort in translating the questionnaire from English into Farci, the details of which is explained in Chapter four, a possibility exists that some original meanings of the questionnaires may be lost in this process.
- 2- This study is focused on the decision-making style and value of Iranian managers and not Iranian society in general.
- 3- Even though the study is a partial replication of Flowers et al. (1975), and Ali (1995a, 1995b), there are a few variations which may affect the comparability of the two studies. These include:
- This study used independent variables which are not found in Flowers et al., 1975 study (e.g., field of education, father's occupation, sector of enterprise, and degree of exposure to academic management). The last variable was not included in Ali's (1995) study either.
- Flowers et al. (1975) and Ali (1982, 1985, 1991) used a forced-choice technique in their questionnaires, asking respondents to show their preference for each question by assigning numerical weights to them. These kinds of questions can be difficult to respond to. Furthermore, they can pose difficulties in the process of statistical analysis. In his most recent study of the managerial values, Ali (1995) used a Likert-type (1-5) questions. Following Ali (1995), the same Likert-type (1-5) questions were used in the present study in order to avoid the inherent problems of forced choice technique.
- Flowers et al., 1975 study classified managers according to the relative strength of their value scores (e.g., highly tribalistic, egocentric, etc.). Ali (1982, 1985, 1991) used a total mean scores of managers in his earlier studies and average mean score in his most recent study in 1995. Following Ali (1995), average mean scores of

the responses were used in the present study in order to test the associations between the values and demographic and organizational variables.

CONCLUSION

This study was based on empirical investigation of managerial decision-making styles and values in Iran. Data analysis was performed by using quantitative and qualitative methods.

As for the quantitative methods, the survey data was analyzed by using one way and multivariate analysis of variance and multiple discriminant analysis. The analyses indicate that managerial values differ across a range of demographic and organizational variables. Furthermore, the most common decision style of Iranian managers together with their perceptions of the most effective style and the style used by their immediate supervisors were presented and analyzed.

The qualitative portion of this study comprises two case studies of two successful Iranian organizations. The main objective of these case studies was to provide indepth data as a supplement to the broad based quantitative analysis of the questionnaire survey. They also give a different perspective, resulting from a multidisciplinary and integrative inquiry.

A concise cross-cultural comparative study of the managerial decision-making styles and values of Iranian managers with their counterparts in selected Middle Eastern countries was presented as well. Also presented are an overview of the study, its implications and recommendations.

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Appendix A

Summary table

One-way MANOVA

Managers' values by organizational and demographic characteristics

	Tab	le 6.3					
	One-way MANOVA						
Managers' values by or	ganization	al and d	emograpl	nic chara	cteristics		
Personal and organizational variables Value systems							
	Socio	Ego	Conf	Exist	<u>Trib</u>	Manip	
Company size (number of							
employees)							
1) 50 or less	4.01	2.73	4.03	3.78	3.75	3.66	
2) 51 - 250	4.08	2.78	4.18	3.82	3.84	3.78	
3) 251 - 750	4.01	2.85	4.14	3.85	3.81	3.73	
4) 751 - 2,000	4.00	2.81	4.16	3.80	3.78	3.88	
5) 2,001 - 10,000	4.17	2.73	4.21	3.83	3.86	3.85	
6) 10,001 and more	4.14	2.83	4.17	3.95	4.00	3.90	
F (5, 497)	2.34*	0.71	1.48	0.64	0.90	2.52*	
	Socio	Ego	Conf	<u>Exist</u>	<u>Trib</u>	Manip	
Nature of ownership							
1) Public	4.06	2.78	4.14	3.80	3.83	3.75	
2) Mixed	4.08	2.81	4.21	3.89	3.83	3.85	
3) Private	3.95	2.83	4.15	3.85	3.70	3.91	
F (2, 502)	1.96	0.32	1.00	2.01	1.98	3.90*	
	Socio	Ego	Conf	<u>Exist</u>	<u>Trib</u>	Manip	
Type of business							
1) Manufacturing and production	4.04	2.82	4.18	3.83	3.80	3.87	
2) Finance and accounting	4.22	3.03	4.37	3.77	4.00	3.84	
3) Public service	4.13	2.82	4.23	3.84	3.99	3.63	
4) Training and education	4.12	2.69	4.37	3.69	4.31	3.69	
5) Marketing and distribution	4.10	2.65	4.09	3.84	3.76	3.77	
6) Engineering	4.09	2.80	4.13	3.95	3.75	3.84	
7) Information and legal	4.17	2.71	3.87	3.58	3.92	3.25	
8) Transportation and	3.94	3.00	4.25	3.84	3.87	3.78	
communication							
9) Others	4.01	2.73	4.08	3.77	3.75	3.67	
10) Those with more than one	3.93	2.69	4.05	3.76	3.76	3.66	
activity			- · 	= - • -		- /	
F (9, 493)	1.27	1.21	1.74	0.78	1.77	3.02**	

i	Socio	Ego	Conf	<u>Exist</u>	<u>Trib</u>	Manip
Work experience in present	50010	<u>n₽o</u>	<u>com</u>	LAISE	1110	<u>wamp</u>
position						
1) One year or below	4.00	2.75	4.12	3.77	3.76	3.75
2) Two to four years	4.03	2.75	4.11	3.82	3.77	3.76
3) Five to seven years	4.08	2.84	4.20	3.86	3.88	3.81
4) Eight to ten years	4.14	2.81	4.30	3.83	3.89	3.96
5) Eleven to fifteen years	4.07	2.98	4.16	3.82	3.86	3.74
6) Sixteen years or more	4.27	2.80	4.29	3.96	4.17	3.92
F (5, 499)	1.73	1.68	1.99	0.76	2.68*	1.83
- (-,)	, -					-,
	<u>Socio</u>	Ego	Conf	Exist	<u>Trib</u>	Manip
Gender		Ū				
1) Male	4.05	2.79	4.16	3.82	3.81	3.79
2) Female	4.08	2.75	4.12	3.90	3.87	3.65
F (1, 503)	0.18	0.16	0.16	1.22	0.55	2.59
	<u>Socio</u>	Ego	Conf	Exist	<u>Trib</u>	<u>Manip</u>
Age group						
1) Less than 30 years	4.08	2.89	4.11	3.97	3.86	3.93
2) 30 - 39 years	4.02	2.74	4.12	3.80	3.81	3.79
3) 40 - 49 years	4.06	2.80	4.17	3.82	3.81	3.77
4) 50 - 59 years	4.14	2.90	4.22	3.87	3.89	3.74
5) 60 years or more	4.19	3.73	4.37	3.87	3.94	4.19
F (4, 502)	0.81	1.77	0.83	0.89	0.34	1.00
	<u>Socio</u>	$\underline{\mathbf{Ego}}$	<u>Conf</u>	Exist	<u>Trib</u>	<u>Manip</u>
Level of education						
1) Intermediate school	4.12	2.96	4.50	4.04	4.50	3.75
2) High school	4.18	2.73	4.34	3.88	3.94	3.83
3) Diploma after high school	4.12	2.93	4.36	3.81	4.01	3.81
4) Bachelor's degree	4.06	2.77	4.14	3.81	3.81	3.81
5) Master's degree	4.01	2.81	4.13	3.84	3.78	3.77
6) Doctorate degree	4.04	2.81	4.14	3.80	3.86	3.57
F (5, 501)	0.82	0.45	2.14	0.33	2.45*	1.47
	<u>Socio</u>	<u>Ego</u>	Conf	Exist	<u>Trib</u>	<u>Manip</u>
Religion						
1) Moslem	4.05	2.79	4.15	3.82	3.81	3.78
2) Christian	4.50	2.12	4.25	3.62	4.00	2.87
3) Zoroastrian	4.50	2.57	4.50	3.12	3.87	3.87
F (2, 500)	1.23	0.96	0.37	1.62	0.09	2.00

	Socio	Ego	Conf	Exist	<u>Trib</u>	Manip
Ethnic group	<u> 50010</u>	<u>17\$0</u>	<u> </u>	TVISE	1110	<u>ivianip</u>
1) Fars	4.05	2.80	4.14	3.82	3.81	3.80
2) Turk	4.08	2.77	4.22	3.85	3.87	3.77
3) Arab	4.00	2.87	4.37	3.75	3.62	3.62
4) Kurd	3.96	2.74	3.94	3.47	3.65	3.39
5) Lor	4.07	2.74	4.16	3.90	3.78	3.79
6) Gilak	3.92	2.68	4.20	3.86	3.89	3.78
7) Armani	4.50	2.12	4.25	3.62	4.00	3.87
8) Others	4.26	2.42	4.42	3.90	3.83	3.79
F (7, 492)	0.61	0.65	0.89	0.97	0.40	1.39
1 (1, 1, 2)	0.01	0.05	0.05	0.51	0.10	1.57
	Socio	<u>Ego</u>	Conf	Exist	<u>Trib</u>	<u>Manip</u>
Field of study after high school	<u>50010</u>	<u> </u>	<u> </u>	Likiot	1110	<u> </u>
1) Administration and management	4.00	2.77	4.12	3.76	3.84	3.81
2) Accounting	4.07	2.85	4.18	3.79	3.86	3.82
3) Engineering	4.07	2.80	4.16	3.90	3.78	3.83
4) Fine arts	3.85	2.76	3.99	3.43	3.61	3.78
5) Economics	4.03	2.70	4.23	3.73	3.79	3.76
6) Other human sciences	4.06	2.79	4.18	3.79	3.92	3.80
7) Medicine, health, dentistry &	4.15	2.77	4.18	3.88	3.97	3.50
phar.		2.,,		5.00	3.57	3.00
8) Pure sciences	3.37	2.50	3.94	3.56	3.50	3.62
9) Agriculture	4.06	2.59	3.96	3.72	3.67	3.48
10) Those with two fields of study	3.97	2.77	4.02	3.69	3.66	3.73
or more	• 12 .	_,,,		,	2.00	
F (9, 467)	1.22	0.57	1.08	2.44**	1.68	2.30*
- (., /)				,,	1100	_,_,
	Socio	<u>Ego</u>	Conf	Exist	<u>Trib</u>	<u>Manip</u>
Where been raised in early						*
childhood						
1) Village	4.16	2.70	4.23	3.86	3.92	3.73
2) Township	4.04	2.74	4.12	3.73	3.95	3.71
3) City	4.06	2.74	4.13	3.80	3.75	3.78
4) State capital	4.11	2.81	4.24	3.88	3.86	3.88
5) Tehran	3.98	2.84	4.09	3.80	3.78	3.75
F (4, 498)	2.94*	1.38	2.85*	1.26	2.90*	1.71
	<u>Socio</u>	<u>Ego</u>	<u>Conf</u>	Exist	<u>Trib</u>	<u>Manip</u>
Present region of living						-
1) Township	3.69	2.12	4.50	4.00	3.86	3.75
2) City	4.06	2.70	4.17	3.90	3.77	3.82
3) State capital	4.14	2.80	4.22	3.84	3.88	3.80
4) Tehran	4.01	2.80	4.12	3.81	3.79	3.78
5) Countryside	4.15	2.97	4.27	3.71	4.00	3.62
F (4, 502)	3.20*	1.45	2.04	0.84	1.23	0.30

	Socio	Ego	Conf	Exist	Trib	Manip
Father's occupation						
1) Peasant	4.14	2.64	4.25	3.82	3.94	3.70
2) Factory worker	4.20	2.81	4.21	3.81	3.92	3.83
3) Landowner, contractor,	3.87	2.78	4.05	3.78	3.67	3.71
merchant						
4) Employee	4.00	2.80	4.10	3.82	3.56	3.79
5) Storekeeper	4.11	2.81	4.24	3.83	3.88	3.84
6) Medical doctor, dentist,	3.81	2.56	4.15	3.80	3.83	3.51
pharmacist						
7) Union member	3.96	2.88	4.11	3.87	3.81	3.79
8) Specialist	4.14	2.79	4.29	3.89	3.93	3.79
9) Clergy	4.31	2.82	4.16	3.77	3.91	3.81
F (8, 488)	3.70**	0.77	1.95	0.14	2.02*	0.81
						į
	<u>Socio</u>	<u>Ego</u>	Conf	<u>Exist</u>	<u>Trib</u>	Manip
Gross annual income (1,000)						
1) Below 700 Tomans	4.11	2.82	4.21	3.82	3.94	3.79
2) 700 to 1,000 Tomans	3.98	2.74	4.11	3.81	3.75	3.79
3) 1,000 to 1,300 Tomans	4.12	2.80	4.15	3.81	3.83	3.80
4) 1,300 to 1,600 Tomans	3.99	2.66	4.09	3.81	3.59	3.71
5) 1,600 to 2,000 Tomans	3.98	2.81	4.14	3.93	3.65	3.80
6) More than 2,000 Tomans	4.00	2.89	4.13	3.81	3.74	3.79
F (5, 499)	2.70*	1.21	1.25	0.42	6.82**	0.25
	<u>Socio</u>	<u>Ego</u>	<u>Conf</u>	<u>Exist</u>	<u>Trib</u>	<u>Manip</u>
Level of exposure to academic mgt.						
1) Nil	4.04	2.90	4.22	3.76	3.94	3.77
2) Little	4.07	2.79	4.16	3.79	3.88	3.72
3) Average	4.04	2.83	4.14	3.87	3.79	3.82
4) High	4.06	2.75	4.17	3.84	3.79	3.78
5) Very high	4.05	2.72	4.10	3.84	3.73	3.81
F (4, 502)	0.12	1.79	1.11	1.09	3.28*	0.76

^{*} $p \subseteq 0.05$ ** $P \subseteq 0.01$

Appendix B

English and Farci versions of the questionnaire

RESEARCH ON IRANIAN MANAGERS' DECISION-MAKING STYLES AND VALUE SYSTEMS

Managers of companies, institutions, or organizations in private, mixed, or public sectors are the subjects of this research.

IMPORTANT NOTES

- This questionnaire is to be filled out by any member of the management team (managing director, functional managers, department managers, section managers, and/or supervisors) of your company, organization, or ministry.
- Please photocopy this questionnaire and give a copy of it to each of the management levels of your company, organization, or ministry for filling out.
- Please carefully read the covering letter of this questionnaire before filling it out.

Filling out of this questionnaire takes about 45 minutes of your time

Please put the filled out questionnaire inside the enclosed stamped envelope and post it to Industrial Management Institute at Tehran, Vali-e- Asr Avenue, Jam-e- Jam Street, 19994 by:

Saturday January 28,1995.

If you have any questions on this questionnaire or this research please contact Mirahmad Amirshahi, Industrial Management Institute, through telephone number 2043000 in Tehran.

RESEARCH ON IRANIAN MANAGER'S DECISION-MAKING STYLES

AND VALUE SYSTEMS

PART I:

This part of the questionnaire consists of two sections in which some questions about yourself as well as the company or organization you currently work for are asked. Please specify your replies by circling around the numbers of your choice, provided for each question. Please put your additional comments, if needed, in the specified places.

ABOUT YOURSELF:

- 1. What is your gender?
 - 1- Male
 - 2- Female

2. what is your age group?

- 1- Less than 30 years
- 2- 30-39 years
- 3- 40-49 years
- 4- 50-59 years
- 5- 60 or more

3. What is the highest level of education you completed?

- 1- Elementary school
- 2- Intermediate school
- 3- High school
- 4- Diploma after high school
- 5- Bachelor's degree
- 6- Master's degree
- 7- Doctorate degree

4. What is your religion?

- 1- Moslem
- 2- Christian
- 3- Jew
- 4- Zoroastrian
- 5- Others, Please specify

5. What is your ethnic group?

- 1- Fars
- 2- Turk
- 3- Arab
- 4- Kurd
- 5- Lor
- 6- Afghani
- 7- Others, please specify ____

6. What is your field of study after high school? (If any) 1- Business administration 2- Accounting 3- Engineering 4- Fine arts 5- Economics 6- Other human sciences 7- Others, please specify 7. Where have you been raised during your early childhood? 1- Village 2- Township 3- City 4- State capitals 5- Tehran

8. Where do you live now?

- 1- Township
- 2- City
- 3- States' capital
- 4- Tehran
- 5- Countrysides

9. What is (was) the occupation of your father?

- 1- Peasant
- 2- factory worker
- 3- Landowner, feudal, contractor and/or company owner
- 4- Employee
- 5- Storekeeper
- 6- Others, please specify

10. what is your gross annual income? (including your salary, benefits, etc.)

- 1- Less than 700,000 Tomans
- 2- 700,000 to 1,000,000 Tomans
- 3- 1,000,001 to 1,300,000 Tomans
- 4- 1,300,001 to 1,600,000 Tomans
- 5- 1,600,001 to 2,000,000 Tomans
- 6- More than 2,000,000 Tomans

11.	Have you read a book or article on management, written by	foreign	<u>authors,</u>
	during the last one year?		

- 1- Yes
- 2- No

If yes, please specify the name/s of the book/s or journal/s you read during the last one year together with the name/s of the authors.

12. Have you read a book or article on management, written by <u>Iranian</u> authors, during the last one year?

- 1- Yes
- 2- No

If yes, please specify the name/s of the book/s or journal/s you read during the last one year together with the name/s of the authors.

13. Have you taken part in a public lecture or seminar on management during the last one year?

- 1- Yes
- 2- No

If yes, please give additional information including the topic of the lecture or seminar, date and place of the session, and name/s of the speaker/s.

14. Please name below the local/foreign journals of management you routinely study?

21. How many management levels (according to the organization chart of the company) are above you?

- 1- One level
- 2- two levels
- 3- Three levels
- 4- Four levels
- 5- Five levels
- 6- Six levels
- 7- Seven levels
- 8- Eight levels or more

22. How long work experience do you have? (consider all your work experiences in different organizations)

- 1- One year or less
- 2- 2-4 years
- 3- 5-7 years
- 4- 8-10 years
- 5- 11-15 years
- 6- 16 years or more

23. How long have you served in your present position? (Where you are currently employed)

- 1- One year or below
- 2- 2-4 years
- 3- 5-7 years
- 4- 8-10 years
- 5- 11-15 years
- 6- 16 years or more

PART II:

A:	Please indicate the most preferred style, for you, of the following decision-making styles by checking the number in front of the most preferred statement.
1.	Most often, I solve the problems or make my decision using information available to me without consultation with my subordinate(s).
2.	Most often, I consult with my subordinate(s), but that does not mean that I give consideration to his/their ideas and suggestions. (The intent is not to create a situation of real consultation, but rather to create a feeling of consultation.)
3.	Most often, I have prior consultation with subordinate(s). Then I make decisions that may or may not reflect my subordinate's influence.
4.	Most often, I share and analyze problems with my subordinate(s) as a group, evaluate alternatives, and come to a majority decision.
5.	Most often, I share and analyze problems with my subordinate(s) as a group, evaluate alternatives to determine the right decision, but I inform them in advance of what I think is the right one, and then come to decision vote.
6.	Most often, I ask my subordinate(s) to make decisions on his/their own.
В:	Please indicate the decision-making style (in part A) that you practice the most. Please check the corresponding number. 123456
C.	In your opinion, indicate the most effective style. Please check the corresponding number. 123456
D.	What is the style most often used by your immediate supervisor at work? Please check the corresponding number. 123456

PART III:

The following questions pertain to work attitudes. Please indicate your agreement or disagreement by circling the appropriate number according to the following scale.

- 1. Means strong disagreement.
- 2. Means mild disagreement.
- 3. Means neither agreement nor disagreement.
- 4. Means mild agreement.
- 5. Means strong agreement.

			ongly agree	Strongly <u>Agree</u>		
1.	Working in a group is better than working alone.	1	2	3	4	5
2.	Better decisions are made in a group than by individuals.	1	2	3	4	5
3.	It is best to have a job as part of an organization where all work together, even if you do not get individual credit.	1	2	3	4	5
4.	One should work hard to improve the status of one's workgroup, even if it means sacrificing some individual credit.	1	2	3	4	5
5.	Complying with group beliefs is a virtue.	1	2	3	4	5
6.	The group is the most important entity in any organization.	1	2	3	4	5
7.	One's contributions to the group is the most important thing about one's work.	1	2	3	4	5
8.	Work is necessary to have and develop close friendships.	1	2	3	4	5
9.	Work is a means to foster group interest.	1	2	3	4	5
10.	The approval of my work by my peer group and associates is not very valuable to me.	s1	2	3	4	5
11.	It is not necessary to protect my work group and be proud of its achievement.	1	2	3	4	5

		Strong <u>Disagr</u>	•		Stron Ag	gly ree
12.	Loyalty to an organization that is concerned with the needs of its employees is a virtue.	1	2	3	4	5
13.	Work supervisor should provide an environment that facilitates group interaction and harmony.	1	2	3	4	5
14.	Materialistic gain (money) is essential as long as it enables me to enjoy friendships and to support my relatives and needy people	1 e.	2	3	4	5
15.	Organizations should be more concerned with the welfare of community.	1	2	3	4	5
16.	Organizations should not be involved active in promoting social and economic justice.	ly1	2	3	4	5
17.	One should be proud of his own achievements and accomplishments.	1	2	3	4	5
18.	Individual incentives and rewards should be given priority over group incentives and rewards.	1	2	3	4	5
19.	One's loyalty should be first and foremost to himself and his family.	1	2	3	4	5
20.	A man is the best judge of his own best interests.	1	2	3	4	5
21.	Giving personal orders may hurt an individual's feelings and dignity.	1	2	3	4	5
22.	To be successful one has to rely on himself.	1	2	3	4	5
23.	loyalty to one's superior is necessary for an organization to survive.	1	2	3	4	5
24.	When faced with a difficult personal problem, it is better to decide what to do myself, rather than follow the advice of other	l rs.	2	3	4	5

			ngly igree		Strongly Agree		
25.	It does not matter to me how my country is viewed in the eyes of other nations.	1	2	3	4	5	
26.	What happens to me is my own doing.	1	2	3	4	5	
27.	I would rather struggle through a personal problem by myself than discuss it with my friends.	1	2	3	4	5	
28.	The most important things in my life is to make myself happy.	1	2	3	4	5	
29.	One should live one's life independently of others as much as possible.	1	2	3	4	5	
Please	add any additional comments:		-				

PART IV: Questions 1 to 8 relates to values for working. Each question has six statement. Please indicate your disagreement or agreement as you did above.

1. To 1	me, company loyalty means:	Strong Disagn			Strongly Agree		
*	supporting the goals of the company as long as they don't go against one's principles.	1	2	3	4	5	
*	sticking with the company through good years and bad, and making sacrifices when necessary to keep the company strong.	1	2	3	4	5	
*	giving up my freedom and not questioning what I am told to do.	1	2	3	4	5	
*	being on the job as much as I can and doing what I'm told.	1	2	3	4	5	
*	commitment to a company that is concerned with the needs of its employees.	1	2	3	4	5	
*	supporting the organisation that lets me succeed.	1	2	3	4	5	
2. The	kind of boss I like is one who:						
*	tells me exactly what to do and how to do it, and encourages me by doing it with me.	1	2	3	4	5	
*	is tough but allows me to be tough too.	1	2	3	4	5	
*	knows what he wants and isn't always changing his mind, and sees to it that everyone follows the rules.	1	2	3	4	5	
*	doesn't ask questions as long as I get the job done.	1	2	3	4	5	
*	gets us working together in close harmony by being more a friendly person than a boss.	1	2	3	4	5	
*	gives me access to the information I need and lets me do my job in my own way.	1	2	3	4	5	

3. Money is important to me because:

J. 1410	ncy is important to me occause.	Stro	ngly gree			ongly Agree
*	it enables me to enjoy many friendships and to support worthwhile causes.	1	2	3	4	5
*	it provides freedom and the opportunity to be myself; having money is not as important as what I do with it.	1	2	3	4	5
*	it allows me to buy the things I need, such as a sharp car and clothes and makes me feel like somebody.	1	2	3	4	5
*	it allows me to save for a rainy day, to aid the less fortunate, and to have a decent standard of living.	1	2	3	4	5
*	it pays for groceries, the rent, and other things I need to keep going.	1	2	3	4	5
*	it is a measure of my career success in my company and community.	1	2	3	4	5
4. In n	ny opinion the profit a company makes:					
*	it is primary reason for existing and is the most important measure of success.	1	2	3	4	5
*	goes to the people who already have a lot of money.	1	2	3	4	5
*	keeps the company strong so the employees can continue to have good jobs.	1	2	3	4	5
*	is important but there isn't much I can do about it.	1	2	3	4	5
*	is not as important as its products and services and the way it treats its people.	1	2	3	4	5
*	will be greater in the long run when the needs of the employees and the company are both considered.	1	2	3	4	5

5. My	work:	Strong Disagr			Stron	igly gree
*	prefer work of my own choosing that offers continuing challenge and requires imagination and initiative, even if the pay isn't high.	1	2	3	4	5
*	I don't like any kind of work that ties me down, but I' ll do it if I have to in order to get some money, then I' ll quit and do what I want until I have to get another job.	1	2	3	4	5
*	the kind of work I usually do is OK. as long as it's a steady job and I have a good boss.	1	2	3	4	5
*	I have worked hard for what I have and think I deserve some good breaks. I believe others should realise it is their duty to be loy to the organisation if they want to get ahead.		2	3	4	5
*	I am responsible for my own success, and I am always on the lookout for new opportunities which will lead to a more responsible position and greater financial rev	1 ward.	2	3	4	5
*	I believe that doing what I like to do, such as working with people toward a common goal, is more important than getting caught up in a materialistic rat race.	1	2	3	4	5
6. Job	freedom, for me means:					
*	the opportunity to work where I want and have a steady job.	1	2	3	4	5
*	the opportunity to do interesting and challenging work, to be able to express myself openly, and the freedom to change jobs if I want to.	1	2	3	4	5
*	having enough independence so I won't be pushed around by higher-ups in the company	1 y.	2	3	4	5
*	the opportunity to be friends with anyone without worrying about where they fit into the company.	1	2	3	4	5
*	not having to worry about my job, sickness, paying bills and other problems.	1	2	3	4	5
*	the opportunity to stand on my own two feet and to pursue success without too much interference from supervision or anything els		2	3	4	5

7. I believe that big companies:		Strongly Disagree			Strongly Agree	
*	and their employees should be dedicated to the goal of maximising profits because both "win" when this goal is achieved.	1	2	3	4	5
*	are doing their duty when they provide steady jobs and pay enough to allow employees to maintain a decent standard of living.	1	2	3	4	5
*	make fat profits at the expense of most workers.	1	2	3	4	5
*	are probably necessary in our world, but they must be more concerned with better balance between organisational and individual needs.	1	2	3	4	5
*	should take good care of employees by giving them good pay, hours, and working conditions.	1	2	3	4	5
*	should support the causes of social and economic justice, provide a pleasant work climate, share profits with employees, and b selective in choosing their products and cust			3	4	5
8. In 1	my opinion, company rules are:					
*	useful only if they promote social and economic justice.	1	2	3	4	5
*	necessary to keep employees from doing the wrong things and protect us from people who want to break the rules.	1	2	3	4	5
*	best when they are few, and effective if they succeed in putting the burden of responsibility on the employees.	1	2	3	4	5
*	made by the top management for the top management and many rules don't give the employee a chance.	1	2	3	4	5
*	necessary as guidelines, but sometimes it seems necessary to look for loopholes in order to get the job done.	1	2	3	4	5
*	necessary to preserve order in the company, and employees who violate the rules should be told how important it is to follow the rules. THANK YOU FOR YOUR CO-OPE	l RAT	2 TON W	3 / ITH U	4 S	5



همكار ارجمند

موضوع: تحقیق در مورد روشهای تصمیمگیری و سیستمهای ارزشی مدیران در ایران

باسلام و دعای خیر، تحقیق در مورد سیستمهای ارزشی مدیران و اثرات آن در فرآیند تصمیمگیری آنها در حل مشکلات سازمانی از جمله تحقیقات پایهای در زمینه مدیریت است که موضوع این تحقیق قرار گرفته است. آشنائی با سیستمهای ارزشی دارای تأثیر مستقیم در برقراری سیستم ارتباطات مؤثر با کارکنان، طرح شغل، مدیریت روشها، سیستمهای ارزیابی و تشویق کارکنان، سیستمهای حقوق و دستمزد و غیره می باشد. تحقیقات مشابه در جوامع پیشرفته صنعتی، مدیریت کارآمد منابع انسانی آنها را پایه گذاری کرده است.

از جنابعالی درخواست میگردد تا با مساعدت خود، نسبت به تکمیل این پرسشنامه اقدام نموده و ما را در جهت تحقق اهداف این تحقیق یاری فرمائید.

در این پرسشنامه نامی از شما ذکر نشده است، از شما نیز تقاضا می شود که نام خود را در آن می قوم نفر مائید و آن را امضاء نکنید. به این ترتیب می توانید سئوالات را براساس نظر واقعی، شناخت و تجربه خود پاسخ دهید. لطفاً توجه فرمائید که پاسخ صحیح یا غلط وجود ندارد؛ پاسخ سئوالات بصورت جمعی تجزیه و تحلیل خواهند شد؛ کاملاً محرمانه تلقی می شوند؛ و صرفاً به منظور تحقیق مورد استفاده قرار خواهند گرفت.

ضمن قدردانی از صرف وقت گرانبهای شما، خلاصهای از نتایج این تحقیق جهت اطلاع جنابعالی و همکارانتان ارسال خواهد گردید. خلاصه مزبور شامل طبقهبندی سیستمهای ارزشی مدیران در ایران براساس نتایج این پرسشنامه خواهد بود.

مستدعی است پرسشنامه تکمیل شده را در پاکت تمبردار ضمیمه که آدرس گیرنده آن قبلاً روی آنها تایپ شده قرار داده و آنرا در صندوق پست بیاندازید. ضمناً در صورت هرگونه پرسش می توانید با سازمان مدیریت صنعتی تلفن ۲۰۴۳۰۰ (میراحمد امیرشاهی) تماس بگیرید.

ضمن تشكر از مشاركت شما در اين تحقيق، در انتظار دريافت پرسشنامه تكميل شده ضميمه هستيم.



تحقیق در مورد روشهای تصمیم گیری و سیستمهای ارزشی مدیران در ایران

مديران شاغل در شركتها، سازمانها، و باتشكيلات خصوصي، مختلط وياعمومي منتخبموضوع اين تحقيق هستند.

نكات مهم

- * تکمیلکننده این پرسشنامه عضو یکی از ردههای مدیریت آن شرکت، سازمانویا وزار تخانه (مدیر عامل، مدیرامور، رئیس اداره، دایره یا شعبه، و یا سرپرستقسمت) میباشد.
- * لطفاً از این پرسشنامه به تعداد کافی فتوکپی تهیه نموده و جهت تکمیل دراختیار ردههای مختلف مدیریت آن شرکت، سازمان و یا وزار تخانه قرار دهید.
 - *لطفاً نامه ضميمه اين پرسشنامه را قبل از تكميل آن بدقت مطالعه فرمائيد

تكميل اين پرسشنامه تقريباً ۴۵ دقيقه از وقت شمارا ميگيرد

لطف السيفاً پرسشنامه تک ميل شده را درون پاکت ضميمه نهاده و آنسرا تا تاريخ شنبه هشتم بهمن ماه ۱۳۷۳ به آدرس مندرج در روی پاکت (سازمان مديريت صنعتی - تهران - خيابان وليعصر، خيابان جام جم، کدپستی ۱۹۹۴) ارسال فرمائيد

لطفاً هرگونه سئوال در مورد این پرسشنامه و یا این تحقیق را با سازمان مدیریت صنعتی ایران، تلفن ۲۰۴۳۰۰ (اقای میراحمد امیرشاهی) مطرح فرمائید.

بخش ١

این بخش از دو قسمت تشکیل شده و طی آنها سؤالاتی در مورد جنابعالی و همچنین شرکت یا سازمانی که در حال حاضر در آنجا مشغول بکار هستید مطرح میگردد. لطفاً پاسخ خود را به هر سؤال با علامت (×) داخل مربع مربوطه مشخص نموده و توضیحات اضافی را در صورت لزوم در محلهای مخصوص قید فرمائید.

در مورد خودتان

() جنسیت؟
۱۔ 🗆 مذکر
٢ـ ◘ مؤنث
۲) در کدام یک از ردههای سنی زیر هستید؟
۱ـ 🗖 کمتر از ۳۰ سال
۲۔ □ ۳۹ ـ ۳۰سال
۳ـ 🗖 ۴۹ _ ۴۹ سال
۴_ ۵۰ ـ ۵۰ سال
۵۔ 🗖 ۶۰ سال به بالا
۳) بالاترین رده تحصیلی که به اتمام رسانیدهاید؟
۱_ 🗖 ابتدائی
۲ـ 🗖 دورهٔ راهنمائي تحصيلي
٣ـ 🗖 ديپلم دبيرستان
۴ـ□ کاردانی
۵ـ□ کارشناسی
عـ□ کارشناسی ارشد
۷ـ □ دکتری

۱) دين؟	>
۱_ مسلمان	
۲ـ □ مسیحی	
۳ـ□ کلیمی	
۴ـ □ زرتشتی	
۵ـ 🗖 غيره، لطفاً قيد نمائيد	
€) قوميت؟	3
۱ـ □ فارس	
۲ـ□ ترک	
٣ـ□عرب	
۴_□ کرد	
هـ□ نر	
عـ □ افغاني	
٧ـ 🗖 غيره، لطفاً قيد نمائيد	
ر) در صورتی که تحصیلات عالی (بعد از دیپلم دبیرستان) دارید، در چه رشته ای تحصیل نموده اید؟	ĵ
۱۔ ای مدیریت بازرگانی	
یوی ۱۰و۰ ی ۲_□ حسابداری	
۰ - ۳ - ۳ مهندسی	
۰ ۴ـ □ هنر	
۵ـ □ اقتصاد	
۵۔□ اقتصاد ع۔□ سایر علوم انسانی	
۵۔□ اقتصاد ۶۔□ سایر علوم انسانی ۷۔□ غیرہ، لطفاً قید نمائید	
عـ□ ساير علوم انساني	
عـ□ ساير علوم انساني	*
عـــ □ ساير علوم انسانى ٧ــ □ غيره، لطفاً قيد نمائيد	∀
عــــــــــــــــــــــــــــــــــــ	*
عـ □ سایر علوم انسانی ۷ـ □ غیره، لطفاً قید نمائید	*
عــ □ سایر علوم انسانی ۷ـ □ غیره، لطفاً قید نمائید ۱) در دوران طفولیت در کجا بزرگ شدهاید؟ ۱ـ □ ده ۲ـ □ ده ۲ـ □ بخش	*

۱۸) هما کنون در خجا رندگی میکنید؟
۱۔ □ بخش
۲ـ □ شهر
٣ــ□ مركز استان
۴_□ تهران
۵۔ 🗖 شبهرک اقماری
٩) پدرتان چه کاره است (چه کاره بوده)؟
۱_ □ دهقان
۲ـ□ کارگر کارخانه
٣₋ ◘ملاک، پیمانکار، صاحب شرکت
۴_□ کارمند
۵ـ□ مغازهدار
عــ □ غيره، لطفاً قيد نمائيد
1) درآمد ناخالص سالیانه شما (شامل حقوق، پاداش،) چقدر است؟
۱_ 🗆 کمتراز ۷۰۰،۰۰۰ تومان
۲_ ۱٬۰۰۰٬۰۰۰ تومان
۳ــ ۱٬۳۰۰٬۰۰۱ ـ ۱٬۳۰۰٬۰۰۱ تومان
۴_ ۱٬۶۰۰٬۰۰۱ تومان
۵ـــ ۲٬۰۰۰٬۰۰۱ تومان
عـ□ بیشتر از ۲٬۰۰۰،۰۰۰ تومان
۱) آیا در طول یکسال اخیر کتاب یا مقاله ای که در باب مدیریت توسط نویسندگان خارجی نوشته شده
اشد مطالعه کردهاید؟
۱_□ آري
۲ـ□خير
گر پاسخ شما «آری» است لطفاً نام کتاب/کتب و نشریه/نشریات مورد مطالعه و یا نام نویسندگان آنها را
يلاً قيد نمائيد:

۱۲) آیا در طول یکسال اخیر کتاب یا مقاله ای که در باب مدیریت توسط نویسندگان ایرانی نوشته شده
باشد مطالعه کردهاید؟
۱_ 🗖 آری
۲ـ□خیر
گر پاسخ شما «آری» است لطفاً نام کتاب/کتب و نشریه/نشریات مورد مطالعه و یا نام نویسندگان آنها را
ذيلاً قيد نمائيد:
۱۳) آیا در طول یکسال اخیر در سخنرانی یا سمیناری در مورد مدیریت شرکت نمودهاید؟
۱۔ □ آری
۲ـ□خیر
 گر پاسخ شما «آری» است لطفاً اطلاعات اضافی شامل عنوان سخنرانی یا سمینار، تاریخ و محل تشکیل و نام
سخنران/سخنرانان را دیلاً قید نمائید. سخنران/سخنرانان را دیلاً قید نمائید.

در مورد شرکتی که در آن کار می کنید

۱۵) در شرکتی کههما کنون شاغل هستید چند نفر به کار اشتغال دارند؟
۱ـ □ ۵۰ نفر یا کمتر
۲_ ۵۱ ـ ۲۵۰ نفر
٣ـ 🗖 ٧٥٠ ـ ٢٥١ نفر
۴_ ۲۰۰۰ ـ ۷۵۱ نفر
۵_ ۱۰۰۰۰ نفر
عـ□ بیشتر از ۱۰۰۰۰ نفر
۱۶) وضعیت مالکیت شرکت محل کار شما چیست؟
۱ـ 🗖 عمومي
۲_ 🗖 مختلط
٣۔ 🗆 خصوصى
444
۱۷) نوع فعالیت شرکت محل کار شما چیست؟ —
۱_ 🗖 صنعتی، تولیدی
۲۔ □ مالی، حسابداری
٣۔ 🗖 خدمات عمومی
۴ــ □ آموزشنی
۵ـ□ بازرگانی، توزیع
عــ □ مهندســی
٧_□ حقوقي /اطلاعاتي
۸-□ حمل و نقل و ارتباطات
٩_ عيره، لطفاً قيد نمائيد

۱۸) عنوان شغلی شما در شرکت محل اشتغالتان در حالحاضر چیست؟
لطفاً قيد نمائيد
19) وظیفه اصلی مدیریتی جنابعالی در محل کارتان در چه زمینهای است؟
۱_ ابازرگانی، توزیع
۲۔ 🗆 صنعتی، تولیدی
۳۔ 🗖 مالی، حسابداری
۴_ □ حمل و نقل
۵ـــ حقوق
عــ □ اموراداری
۷_ 🗖 مهندسی
۸ـ□ عمومي
٩_ 🗖 غيره، لطفاً قيد نمائيد
۲۰) مدیریت شما در چه ردهای است؟
۱۔ 🗆 مدیرعامل، یا عضو هیئتمدیره
۲_ معاون مديرعامل
٣ـ ◘ مدير امور
۴۔ □ رئیس ادارہ، دایرہ یا شعبه
۵۔ 🗖 سرپرست
۲۱) چند رده مدیریت شرکت (طبق نمودار سازمانی) مافوق شما هستند؟
۱۔ 🗖 یک ردہ
۲_ 🗆 دو رده
٣ـ 🗖 سه رده
۴_ 🗖 چهار رده
۵_ 🗖 پنج رده
۶ـ □ شش رده
۷− 🗖 هفت رده
۸ – 🗖 هشت ر ده یا پیشیر

۲۲) جمعاً و با احتساب مجموعه سنوات خدمتتان در شركتهاى مختلف چه مدت سابقه كار داريد؟
۱۔ 🗖 یکسال یا کمتر
۲ـ□ دو الی چهار سال
٣۔ ◘ پنج الى هفت سال
۴_□ هشت الی ده سال
۵ـ□ یازده الی پانزده سال
عـ□ شانزده سال یا بیشتر
٢٣) چه مدت در پست فعلی خود (در شركتي كههما كنون شاغل هستيد) انجام وظيفه نمودهايد؟
۱_□ یکسال یا کمتر
۲ـ □ دو ا لی چ هار سال
۲_□ دو الی چهار سال ۳_□ پنج الی هفت سال
· ·
۳_ <mark>لی هفت سال</mark>
٣_ الى هفت سال ۴_ الى ده سال

الف) روشهای مختلف تصمیمگیری در این پرسشنامه بشرح زیر در شش مورد تعیین گردیده است:

- ادر اغلب موارد با استفاده از اطلاعات موجود و بدون مشورت با زیردستانِ خود نسبت به حل مشکل و اتخاذ تصمیم مقتضی اقدام مینمایم.
- ۲ـدر اغلب موارد با زیردستان خود مشورت میکنم اما مشورت من به معنی توجه به نظرات و پیشنهادات زیردستانم نیست (هدف من مشورت واقعی نیست، بلکه میخواهم احساس مورد مشورت گرفتن را در زیردستان بوجود بیاورم).
- سیس تصمیم مقتضی از اتخاذ تصمیم با زیردستان خود مشورت نموده و سپس تصمیم مقتضی را اتخاذ میکنم. این تصمیم ممکن است بدون تأثیر از نظرات آنها اتخاذ گردد.
- ۴-در اغلب موارد مسائل و مشکلات را بصورت گروهی با زیردستان خود مورد مشارکت و تجزیه و تحلیل قرار میدهم، راه حلهای مختلف را ارزیابی میکنم و تصمیمگیری را براساس آرای اکثریت بعمل می آورم.
- ۵ در اغلب موارد مسائل و مشکلات را بصورت گروهی با زیر دستان خود مورد تـ جزیه و تـ حلیل قرار میدهم و راه حلهای مختلف را به منظور انتخاب تصمیم درست ارزیابی میکنیم. امّا من قبلاً نقطه نظرم در مورد تصمیم درست را به زیر دستانم اطلاع میدهم و سپس تصمیمگیری براساس رای کثریت بعمل می آید.

۶در اغلب موارد از زیر دستان می خواهم تا خودشان رأساً تصمیم مقتضی را اتخاذ نمایند.

	,		_		
خالی ششگانه ذیل	ت (×) در مربعهای ـ	ِدہ با گذاردن علامہ	د (الف) توجه فرمو	رد یک تا شش بن	ب) لطفاً به موا
. مشخص فرمائید.	، نحو عمل مىنمائيد	، که شماا کثراً به آن	روش تصمیمگیری	در مورد بهترین ه	نظر خودتان را د
۶ 🗆	🗆 ه	۴ 🗆	٣ 🗆	۲ 🗆	\ \
وش تصمیمگیری	(الف) مـؤثرترين ر	ری یک تا شش بند	رشهای تصمیمگیر	الی کدامیک از ر	ج) بنظر جنابع
					أسبت.
۶ 🗆	۵ 🗆	4 🗆	٣ 🗆	۲ 🗆	\ \
تقيم شما در محيط	نع توسط رئيس مس	د (الف) درا كثر مواة	یری یک تاشش بند	وشهاي تصميمگ	د) کدامیک از رو
					کار بکار گرفته،
۶ 🗆	□ ه	۴ 🗆	٣ 🗆	۲ 🗆	\ \

بخش ٣

سؤالات مندرج در این بخش مربوط به رفتارهای کاری است. لطفاً مراتب موافقت یا مخالفت خود با موارد نیل را با کشیدن دایره به دور عدد مناسب طبق تعاریف ذیل مشخص فرمائید:

ت شدید	مخالف	۱ بمعنی	عدد
ت نسبی	مخالف	۲ بمعنی	عدد
فقت و نه م خالفت	نه مواذ	۳ بمعنی	عدد
ت نسبی	موافق	۴ بمعنی	عدد
ت شدید	موافق	۵ بمعنی	عدد
1			

					. , .
شديدأ				شديدأ	
<u>موافق</u>				مخالف	
۵	۴	٣	۲	1	۱) کار گروهی بهتر از کار انفرا <i>دی</i> است
۵	۴	٣	۲	1	۲) تصمیمهای گروهی بهتر از تصمیمهای انفرادی است
۵	۴	٣	۲	1	۳) بهترین کار، کار در سازمانیست که در آن همه با هم همکاری میکنند
					حتی اگر امتیاز فردی به آنها داده نشود.
۵	۴	٣	۲	١	۴) هر فرد باید با تلاش بسیار مرتبت و موقعیت گروهی را که با آن همکاری
					میکندار تقاء دهد،حتی اگراین کار به قیمت از دست دادن بعضی امتیازات
					شخصىي وى باشد.
۵	۴	٣	۲	1	۵) پیروی از عقاید گروهی ارزش زیادی دارد.
۵	۴	٣	۲	1	۶) گروه مهمترین بخش هر سازمان است.
۵	۴	٣	۲	١	 کمکهای هر فرد به گروهی که در آن کار میکند مهمترین جنبه کار او
					را تشكيل مىدهد.
۵	۴	٣	۲	١	 ۸) روابط دوستانه و توسعه آن در محیط کار ضروری است.
۵	۴	٣	۲	١	۹) کار وسیلهای برای رسیدن به منافع گروهی است.
۵	۴	٣	۲	١	۱۰) برای من تأییدکارم توسط همکاران و وابستگان سازمانی ارزش
					چندانی ندارد.
۵	۴	٣	۲	1	11) لازم نیست گروهی را که با آنها کار میکنم مورد حمایت قرار داده و به
					توفيقات آنها مباهات نمايم.
۵	۴	٣	۲	1	۱۲) و فاداری نسبت به سازمانی که به نیازهای کارکنان خود توجه میکند
					امر بسیار با ارزشی است.
۵	۴	٣	۲	١	۱۳)سرپرست کار باید محیطی را بوجود آورد که تسهیل کننده روابط
					گروهی و همآهنگی باشد.

شدیداً موافق				شدیداً مخالف	
۵	۴	٣	۲	١	۱۴) منافع مادی(پول) تاهنگامی ضروریست که مرا قادر سازد از روابط
					دوستانه خود لذت برده و بستگان خود را حمایت نموده و به نیاز مندان
					کمک کنم.
۵	۴	٣	۲	١	1۵) سازمانها باید به رفاه جامعه بیشتر توجه نمایند.
۵	۴	٣	۲	١	18) سازمانهانبايدبصورت فعالانه درگيرتأمين عدالت اجتماعي واقتصادي
					شوند.
۵	۴	٣	۲	١	۱۷) فرد باید به موفقیتها و دست آوردهای خود مباهات نماید.
۵	۴	٣	۲	١	۱۸) پاداشها و برانگیزندهای فردی باید مقدم بر پاداشهاو برانگیزندهای
					گروهی باشند.
۵	۴	٣	۲	١	۱۹) و فاداری هر فرد باید در درجه اول به بیشترین میزان متوجه خود و
					خانوادهاش باشد.
۵	۴	٣	۲.	١	۲۰) هر فرد بهترین تشخیص دهنده بیشترین منافع خویش است.
۵	۴	٣	۲	١	۲۱) محوّل نمودن کارهای شخصی ممکن است بغرور و احساسات فرد
					لطمه وارد سازد.
۵	۴	٣	۲	١	۲۲) شخص باید برای موفقیت متکی به خودش باشد.
۵	۴	٣	۲	١	۲۳) و فاداری هر فردبه مافوقشبرای تداوم حیات یک سازمان ضروریست.
۵	۴	۲	۲	١	۲۴) هنگام مواجهه با یک مسئله شخصی، بهتر است در عوض پیروی از
					رهنمود دیگران، خودم تصمیم بگیرم که چه بکنم.
۵	۴	٣	۲	١	۲۵) برای من مهم نیست که کشورهای دیگر با چه دیدی به کشورمن
					نگاه میکنند.
		٣			۲۶) آنچه برایم اتفاق میافتد ناشی از عملکرد خودم است.
۵	۴	٣	۲	١	٢٧)من ترجيح ميدهم شخصاً با مشكل خود دست پنجه نرم كنم تا آنكه
					آنرا با دوستانم مورد بحث قرار دهم.
		٣		١	۲۸)مهمترین چیزها در زندگی من این است که خود را خوشحال سازم.
۵	۴	٣	۲	١	۲۹) فرد باید تا آنجا که ممکن است مستقل از دیگران زندگی کند.
					لطفاً هر گونه نظرات اضافی خود را در این قسمت مطرح فرمائید:

سؤالات ۱ تا ۸مندرج در این بخش در ارتباط با ارزشهای کاری است. هر سؤال شش عبارت دارد. لطفاً مراتب موافقت و یا عدم موافقت خود را بهمان نحو که در سؤالات قبلی اظهار نمودید، مشخص فرمائید.

شديداً مخالف	شديداً مخالف				شدیداً موافق
<u>موت</u> برای من وفاداری به شرکت عبارتست از:					<u> </u>
یری می رود و می به مترکت تا هنگامی که آن اهداف مغایر ارزشهای ۱ ۲ ۳ ۳ ۲ ۳ ۲ ۳ ۲ ۲ ۳ ۲ ۲ ۳ ۲ ۲ ۲ ۲ ۳ ۲	١	۲	٣	۴	۵
فردی نباشد.					
* همراهی با شرکت در سالهای خوب و بد آن و در صورت نیاز برای ۲ ۱ ۳ ۳	1	۲	٣	۴	۵
قوت بخشیدن شرکت از خودگذشتگی لازم را نشان دادن.					
 * صرفنظر نمودن از آزادی خود و انجام بدون اعتراض آنچه که از من ۱ ۲ ۳ 	1	۲	٣	۴	۵
خواسته می شود.					
* در حد توان کارکرده و آنچه که از من خواسته شده است انجامدهم. ۱ ۲ ۳	١	۲	٣	۴	۵
* متعهد بودن در مقابل شرکتی که به نیازهای کارکنانش توجه دارد. ۲ ۱ ۳ ۳					
* حمایت از سازمانی که بمن اجازه موفقیت میدهد. ۲ ۲ ۳	1				
ا آن رئیسی مورد علاقه من است که:					
 * دقیقاً بمن میگوید که چکار کنم و کارم را چگونه انجام دهم و با ۲ ۲ ۳ 	١	۲	٣	۴	۵
مشارکت در آن مرا تشویق به انجام کار میکند.					
 * سختگیر است، ولی به من نیز اجازه می دهد که سختگیر باشم. 	١	۲	٣	۴	۵
* میداند که چه میخواهد و مدام نظرش را عوض نمیکند و مراقب ۲ ۲ ۲ ۳	١	۲	٣	۴	۵
است که همه کارکنان مقررات را رعایت کنند.					
است که همه کارکنان مقررات را رعایت کنند. * تا هنگامی که من کار خود را انجام میدهم، مرا مورد سؤال ۲ ۱ ۳	١	۲	٣	۴	۵
	1	۲	۲	۴	۵
 * تا هنگامی که من کار خود را انجام میدهم، مرا مورد سؤال ۱ ۲ ۲ 					
 * تا هنگامی که من کار خود را انجام میدهم، مرا مورد سؤال * قرار نمیدهد. * از ما میخواهد که با رفتار دوستانه (نه رئیس مآبانه) با ۲ ۱ ۳ ۲ ۳ کدیگر همکاری و هماهنگی کامل داشته باشیم. 	`	۲	٣	۴	۵
 * تا هنگامی که من کار خود را انجام میدهم، مرا مورد سؤال * قرار نمیدهد. * از ما میخواهد که با رفتار دوستانه (نه رئیس مآبانه) با ۲ ۱ ۳ ۲ ۳ کدیگر همکاری و هماهنگی کامل داشته باشیم. 	`	۲	٣	۴	۵
 * تا هنگامی که من کار خود را انجام میدهم، مرا مورد سؤال * قرار نمیدهد. * از ما میخواهد که با رفتار دوستانه (نه رئیس مآبانه) با * یکدیگر همکاری و هماهنگی کامل داشته باشیم. 	`	۲	٣	۴	۵

شديداً ممافق				شدیداً مخالف	
<u>موافق</u>					۳) پول برای من مهم است زیرا:
۵	۴	٣	۲	١	* مرا قادر میسازد از دوستیهای زیادی برخورد شده و کارهای خیر را
					حمایت نمایم.
۵	۴	٣	۲	١	* آزادی مرا تأمین میسازد و امکان این را به من میدهد که خودم
					باشم. مهمتر از پولدار بودن اینست که با پول خود چه میکنم.
۵	۴	٣	۲	١	 * بەمن اجازەمىدھد ھرآنچە كەنيازدارم(ازقبيلاتومبيلتندرووالبسه)
					را خریداری نموده و احساس کنم که برای خود کسی هستم.
۵	۴	٣	۲	١	* بهمن اجازه پسانداز برای روز مبادا، کمک به نیازمندان، و
					برخورداری از یک سطح زندگی آبرومندانه را میدهد.
۵	۴	٣	۲	١	* هزینه خول ک، کرایه خانه، و سایر مخارج لازم برای
					ادامه زندگیام را تأمین مینماید.
۵	۴	٣	۲	١	 معیار موفقیت شغلی من در محل کار و جامعه است.
					۴) بنظر من سودی که یک شرکت ایجاد میکند:
		٣			* دلیل اولیه و جودی و مهمترین معیار موفقیت است.
		٣		١	* نصیب افرادی می شود که از قبل پولدار هستند.
۵	۴	٣	۲	١	* قدرت شركت را حفظ نموده و لذا كاركنان آن مىتوانند مشاغل
					خوب خود را ادامه دهند.
		٣			* مهم است، امّا من در این زمینه کار زیادی نمی توانم انجام دهم.
۵.	۴	٣	۲	١	* كم اهميتتر از محصولات، خدمات و نحوه برخورد با كاركنان آن
					مىياشد.
٥	۴	٣	۲	١	* هنگامی در بلند مدت افزایش خواهد یافت که به نیازهای کارکنان و
					شرکت هر دو توجه لازم مبذول گردد.

شديداً موافق				شديداً مخالف	
					۵) کار من:
۵	۴ ،	٣	۲	١	 من ترجیح میدهم کاری را انتخاب کنم که دائماً جنبه رقابتی داشته
				د.	و مستلزم داشتن قوه تخیل و ابتکار باشد،ا گر چه حقوق آن زیاد نباش
۵	۴	٣	۲	١	
					پول آن را انجام خواهم داد. سپس آنکار را کنار خواهم گذشت و تا
					زمانی که مجبور به انجام کار جدیدی نباشم هر کاری که بخواهم
					انجام مىدهم.
۵	۴	٣	۲	1	* مادامی که کار با ثبات و رئیس خوبی داشته باشم، کار معمول خود
					را خوب تلقى مىكنم.
۵	۴	٣	۲	1	* برای آنچه که دارم سخت تلاش کردهام و فکر میکنم استحقاق
					مرخصیهای خوبی را دارم. معتقدم آن کسانی که میخواهند در کار
					خود پیشرفت نمایند باید به وظیفه خودشان در مورد وفادار بودن
					به سازمان توجه نمایند.
۵	۴	٣	۲	١	* من مسئول موفقیت خودبودهو همیشهدرجستجویموقعیتهای
					جدیدی که منجر به اخذ پست پر مسئولیتتر و پاداش مالی
					بیشت <i>ری ب</i> اشد هستم.
۵	۴	٣	۲	1	 معتقدم کارهائی که علاقمند به انجام آنها هستم (از قبیل
					همکاری با مردم به منظور حصول اهداف مشترک) پراهمیت تر از
					درگیری در مسابقه برای اهداف مادی است.
					۶) آزادی در کار برای من بمعنی:
۵	۴	٣	۲	١	* اشتغال داشتن در جای مورد علاقه و نیز داشتن کار ثابت است.
۵	۴	٣	۲	١	* داشتن موقعیت برای انجام کارهای جالب و پررقابت، توانائی
					اظهار عقیدهام بصورت باز، و آزادی در تغییر شغل در صورت
					تمایل است.
۵	۴	٣	۲	1	* داشتن استقلال کافی است به نحوی که تحت فشار مدیریتهای
					مافوق در شرکت قرار نگیرم.
۵	۴	٣	۲	١	* داشتن موقعیت جهت برقراری روابط دوستانه با افراد سازمان
					بدون نگرانی از رده آنهاست.
۵	۴	٣	۲	١	 * نداشتن نگرانی در مورد کارم، بیماری، هزینهها و سایر
					مشكلاتاسيت.
۵	۴	٣	۲	١	 « داشتن موقعیت برای مستقل بودن و پیمودن راه موفقیت بدون
					مداخلات نظارتی بیش از حد و غیره میباشد.

			شدیداً مخالف	
,				۷) معتقدم شرکتهای بزرگ:
۴	٣	۲	1	* و کارکنان آنها باید همه تلاشهای خود را متوجهبحدا کثر رسانیدن
				سود شرکت نمایند، زیرا با حصول این هدف هر دو «برنده» میشوند.
۴	٣	۲	1	* با ارائه کار ثابت و پرداخت حقوق مکفی جهت تامین یک سطح زندگی
				آبرومندانه برای کارکنانشان وظیفه خود را ایفاء مینمایند.
۴	٣	۲	•	* با استثمار اغلب کارکنان خود سود سرشاری میبرند.
۴	٣	۲	١	* احتمالاً در دنیای ما صروری هستند، امّا آنها باید در ایجاد
				تعادل بین نیازهای سازمانی و شخصی توجه بیشتری مبذول نمایند.
۴	٣	۲	1	* باید با پرداخت حقوق خوب، ساعات کار مناسب، و شرایط کاری
				مطلوب از کارکنان خود خوب مراقبت نمایند.
۴	٣	۲	1	 باید از عواملی که منجر به عدالت اجتماعی و اقتصادی می گردند
				حمایت نموده، جوّکاري مطبوع ایجاد کرده، منافع شرکت را با
				كاركنان تقسيم نموده، و محصولات و مشتريها را با دقت
				انتخاب نمایند.
				٨) بنظر من قوانين شركت:
۴	٣	۲	1	 * فقط هنگامی مفیدهستندکه عدالت اجتماعی و اقتصادی را ارتقاء دهند.
۴	٣	۲	1	* برای جلوگیری ازخلاف کارکنان و نیز حمایت از ما در مقابل افرادی
				که میخواهند قوانین را نقض کنند ضرورت دارند.
۴	٣	۲	1	 وقتی بهترین قوانین هستند که کم باشند و در صورتی مؤثر خواهند
				بود که موفق شوند بار مسئولیت را بگردن کارکنان بیاندازند.
۴	٣	۲	1	 بوسیله ردههای بالای مدیریت و برای خودشان و ضع شدهاند و در
				اغلب آن قوانین شانسی برای کارکنان قائل نیستند.
۴	٣	۲	١	* بعنوان راهنما ضرورت دارند، ليكن بنظر مىرسىد بعضى اوقات لازم
				باشد برای انجام کارها در جستجوی نقاط باز آن قوانین باشیم.
۴	٣	۲	١	* به منظور تأمین نظم شرکت ضروری هستند و باید اهمیت رعایت آن
				قوانین به کارکنان خاطی گوشزد شود.
	., 4 4 4 4 4	* * * * * * * * * * * * * * * * * * *	* * * * * * * * * * * * * * * * * * *	ママリ、ママリ、ママリ、マママリ、マママリ、マママリ、マママリ、マママリ、

از همکاری شما در تکمیل این پرسشنامه قدردانی مینمائیم.

APPENDIX C

Two-dimensional plots

Multiple discriminant analysis (MDA)

Managerial value systems and demographic and organizational variables

Figure 1
Tribalistic values and managerial position

Symbol	Group	Label
1	1	MD
2	2	deputy MD
3	3	functional mgrs
4	4	depts mgrs
5	5	supervisors
0		Group centroids

Territorial Map (Assuming all functions but the first two are zero)

		Car	onical Dis	scrimina	nt Functio	n 1	
	-3.0	-2.0	-1.0	.0	1.0	2.0	3.0
С	+ 3.0 +	13	+	+-	+		+
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n	İ	13					j
0	j	1.	3				1
n	•	1	3				1
i			13				1
C	2.0 +		13 +	+	+	+	+
a	ļ		13				!
1			13 13				ŀ
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i	Ì		13				i
s	1.0 +	+	13 +	+	+	+	+
С	1		13				1
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m			13	_	_		
i	1		13	2	_		
n	,0 +	+	13	1 +	5 +	+	+
a	1		13				
n	[13		4	٠	
t	ļ		13				ļ
_	ļ		13				7222
F u	-1.0 +		1: + 1:				33334 + 3334444
n	-1.0 +	+		3 + 13	+		333444
C	!			13		3334	
t				13		333444	
i	j			13	3	333444	j
0	ĺ			13	3334	1444	ĺ
n	-2.0 +	+	+	13 +		+	+
	ļ				333444		ļ
2	ļ			1333			
	1			1444 14			}
	! 			14			ł
	-3.0 +			14			
	+		+	+-	+-	+-	+
	-3.0	-2.0	-1.0	.0	1.0	2.0	3.0

This Figure 1 indicates that the first discriminant function (C1), discriminates group 1 from groups 2, 3, 4 and 5, while the second discriminant function (C2), discriminates groups 4 from groups 1, 2, 3 and 5.

Figure 2 tribalistic managers versus number of management levels above in the organizational hierarchy

Symbol	Group	Label
1	1	BOD or 1 level
2	2	two levels
3	3	3 levels
4	4	4 levels or more
0		Group centroids

Territorial Map (Assuming all functions but the first two are zero)

			nonical Disc		unction		
		-2.0	-1.0 	.0	1.0		3.0
С	3.0 +	+		+	+	•	+ 4 +
a	i						24
n	i						24
0							24
n							24
i	1						24
С	2.0 +	+	+	+	+	+	
a							24
1							24
D	ļ						24 24
í							24
s	1.0 +	+	+	+	+	+	24 +
c	i	•	·	,	,	·	24
r	j						24
i	j						24
m							24
i					4		24
n	.0 +	+	+	① ②+	+	+	24+
a				3			24
n							24
t	ļ						24
_							24
F	1 0						24
u n	-1.0 + I	+	+	+	+	+	22334+ 2233 3
C							2233
t	1					22	,
i						2233	
0	ĺ					2233	Ì
n	-2.0 +	+	+	+	+	2233 +	+
	2				2	233	
2	2				223	3	ļ
	12				2233		į
	12 12				2233		}
	-3.0 + 12			2233	33		į.
	-3.0 + 12			2233			+
	-3.0		-	.0	-		3.0
		,					

This Figure 2 indicates that the first discriminant function (C1) discriminates group 4 from groups 1, 2, and 3, while the second discriminant function (C2) does not discriminate the groups thoroughly.

Figure 3
Tribalistic value versus length of current managerial position

Symbol	Group	Label
1	1	up to 1 year
2	2	2-4 years
3	. 3	5-7 years
4	4	8-10 years
5	5	more than 11 years
0		Group centroids

	-3.0				Function 1 1.0	2.0	3.0
С	+ 3.0 +			422		25	+
a	3.0 +		4422			25	+
n			44422	-			55
0	i		44222				225
n	i	44	122				25
i	j	44422	2				25
C	2.0 +	44222	+	+	+	+	255+
а		4422					22
1	•	14422					ļ
	442	222					ļ
D	4422						ļ
i	22						1
s	1.0 +	+	+	+	+	+	+ 1
c r	<u> </u>						
	1			4			1
i	2			(4)			ļ
m	2			ŵ	æ		!
i	32			1	(5)		
n	.0 +32	+	+	+	+	+	+
a	32			3 2			
n	32						
t	32						
F	32						!
r u	-1.0 + 32	· •	_	_	_	_	1
n	32		•	Ψ.	*	т	Ī
C	3						i
t	3						i
i	ĺ	32					İ
0		32					j
n	-2.0 +	32 +	+	+	+	+	+
		32					ļ
2	,	32					
		32					ļ
		32					
	-3.0 +	32 32					!
	-J,U # +	JZ 4	4	+			+
	-3.0	-2.0	-1.0	.0	1.0	2.0	3.0

This Figure 3 indicates that the first discriminant function (C1) discriminates group 5 from groups 1, 2, 3 and 4, while the second discriminant function (C2) discriminates group 4 from groups 1, 2, 3, and 5.

Syı	mbol Group	Label					
	1 1 2 2 3 3 4 4	before uni bachelors masters de	_	-			
	0	Group cent	roide				
	Ü	Group cent		itorial Map)		
	(Assuming all				re zero)	
				criminant E			
	-3.0			. 0	1.0	2.0	3.0
C	3.0 +	+	•			•	+
a	3.0 + I	444442 444422222	222			21 21	+
n	4444	442222				21	ļ
0	222					21	
n						21	i
i						2	1 j
C	2.0 +	+	+	+	+	+ 2	1 +
a							21
1							21
_							21
D							21
i							21
ន	1.0 +	+	+	+	+	+	21 +
С	ļ			<i>(</i> 1)			'
r				4			21
i							21
m	ļ				①		21
i				0.0	1		21
n	.0 +	+	+	32	+	+	21+
a							21
n							21
t							21
F							21
u	-1.0 +	+	+	+	+	_	2 2+
n	1.0 +	т	7	т	τ	Τ-	27
C	i						i
t	İ						i
i	j						i
0	ĺ						į
n	-2.0 +	+	+	+	+	+	+
2							
	3 0						
	-3.0 +						+
	-3.0	-2.0	-1.0	.0	1.0	2.0	3.0

This Figure 4 indicates that the first discriminant function (C1) discriminates group 1 from groups 2, 3 and 4, while the second discriminant function (C2) discriminates group 4 from groups 1, 2 and 3.

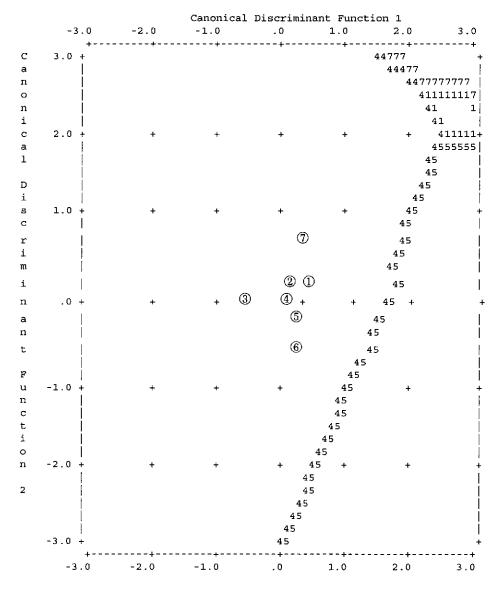
Symbo	l Gr	coup	Label					
1		1	village					
2		2	township					
3		3	city					
4		4	states capi	tal				
5		5	Tehran					
0			Group cent:					
		(<i>I</i>	Assuming all		torial Ma but the		are zero)	
			Cano	nical Disc	criminant	Function 1		
	-3,		-2.0 +	-1.0	. 0	1.0	2.0	3.0
С	3.0 +			+	+		 51	+
a	i						51	
n	i						51	
0	j						51	
n	ĺ						51	
i	1						5	1
C	2.0 +		+	+	+	+	+	51 +
a	ļ							51
1	ļ							51
	ļ							51
D								51
i								51
	1.0 +	•	+	+	+	+	+	51+
C 	ļ							5
r i		55						5 54
m m		3355						544
	 				(1)			
i	I		555		_			542
n	.0 +		333555+	+	54	+	+	5442+
a			333555		3			5442
n			33355			2		5442
t	ĺ		335	55				5442
]		3	33555			5	442
F				333555			54	
u -	1.0 +	•	+	+3335	5 +	+	+54	
n	ļ			3:	3555		54 4	2
С	ļ				333555		54 42	
t	ļ				333555		54 42	ļ
i	ļ				333	355	54 42	
0						33555		
n -	2.0 +	•	+	+	+	333555		+
2							554 42 34 42	ļ
2						33	342	
							32	ļ
							32	
-:	3.0 +						32	
	_	+		+	+			+
	-3.	U	-2.0	-1.0	. 0	1.0	2,0	3.0

This Figure 5 indicates that the first discriminant function (C1) discriminates group 2 from groups 1, 3, 4, and 5, while the second discriminant function (C2) does not discriminate the groups well.

Figure 6
Tribalistic values versus father's occupation

Symbol	Group	Label
1	1	peasant
2	2	factory worker
3	3	landowner/merchant
4	4	empolyee
5	5	storekeeper
6	6	specialist
7	7	union member
0		Group centroids

Territorial Map (Assuming all functions but the first two are zero)



This Figure 6 indicates that the first discriminant function (C1) discriminates group 3 form groups 1, 2, 4, 5, 6, and 7, while the second discriminant function (C2) discriminates groups 6 and 7 form groups 1, 2, 3, 4, and 5.

Figure 7
Tribalistic values versus gross annual income

Symbol	Group	Label
1	1	< 700,000 tomans
2	2	700,000-1,000,000
3	3	1,000,000-1,300,000
4	4	1,300,000-1,600,000
5	5	1,600,000-2,000,000
6	6	above 2,000,000
0		Group centroids

Territorial Map (Assuming all functions but the first two are zero) Canonical Discriminant Function 1

				scriminant :	Function 1		
	-3.0		-1.0	. 0	1.0	2.0	3.0
С	3.0 +		+	21	+		+
a	1			21			1
n	ļ			21			
0				21			
n	}			21			}
i	ł			21			!
C	2.0 +	+		21			!
a	2.0 +	т	+	21	+	+	1
1				21			-
_	ł			21			
D	I I			21			
i	ļ			21			-
	1 0 .					_	ŀ
s	1.0 +	+	+	21 +	+	+	+
C	ļ			21			
r	ļ			21			į
i	ļ			21			
m	l ,			21			ļ
i				21⑥			
n	.0 +	+	+	21 ② +③	① +	+	+
a	ŧ			24			1
n				21			!
	!						
t	ļ			2⑤			ļ
	ļ .			1			ļ
F	l			1			
u	-1.0 +	+	+ 2		+	+	+
n	ļ		21				ļ
С	ļ		21				ļ
t			21				ļ
i			21				ļ
0			21				
n	-2.0 +	+	+21	+	+	+	+
			21				
2	2222		21				
	5555	52222	21				
	ļ	555522222	21				
		5555522					
	-3.0 +		55521				+
	+		•		+	+	+
	-3.0	-2.0	-1.0	.0	1.0	2.0	3.0

This Figure 7 indicates that the first discriminant function (C1) discriminates group 1 form groups 2, 3, 4, 5 and 6, while the second discriminant function (C2) discriminates groups 5 and 6 from groups 1, 2, 3 and 4.

Figure 8
Tribalistic values versus level of exposure to academic management

Symbol	Group	Label
1	0	nil exposure
2	1	low exposure
3	2	medium exposure
4	3	high exposure
5	4	very high exposure
0		Group centroids

Territorial Map (Assuming all functions but the first two are zero)

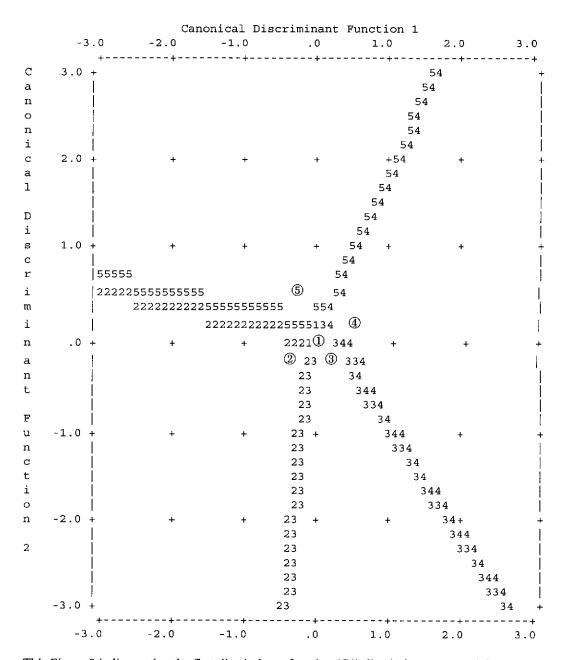
			onical Disc			ion 1		
		-2.0		. 0		0	2.0	3.0
C a n o n	3.0 +	-			51 51 51 51 51	+***	+	+
i c a 1	2.0 +	+	+	+	51	+	+	
D i s	1.0 +	+	+	+	51 51 51 51	+	1	
c r i m		·	·		51 5331 53 31 53 31	1	Ť	
n	.0 +	+	+	510			+	l +
a n t		,	5	534 554 544 4	43 43	31 31 31 31		
u	-1.0 +	+		+			31+	+
n c			554 5544		43 4		31 31	[
t		55 544	44		4	3	31	
0		544 554				43 43	3	31
n	-2.0 +	5544	+	+		+43		31 +
2		5544 5544 544				43 43 43		31 31 311
	55- 544 -3,0 +4					43 43 43		33 +
						+	+	
	-3.0	-2.0	-1.0	.0	1.	0	2.0	3.0

This Figure 8 indicates that both discriminant function (C1 and C2) discriminate the same groups, i.e., groups 0 and 4 form groups 1, 2 and 3.

Figure 9
Egocentric values versus current managerial position

Symbol	Group	Label
1	1	MD
2	2	deputy MD
3	3	functional mgrs
4	4	depts mgrs
5	5	supervisors
0		Group centroids

Territorial Map (Assuming all functions but the first two are zero)



This Figure 9 indicates that the first discriminant function (C1) discriminates group 4 from groups 1, 2, 3 and 5, while the second discriminant function (C2) discriminates group 5 from groups 1, 2, 3 and 4.

Symbol	Group	Label
1	1	village
2	2	township
3	3	city
4	4	states capital
5	5	Tehran
0		Group centroids

Territorial Map (Assuming all functions but the first two are zero)

		Can	onical Dis	criminant			
	-3.0			. 0	1.0	2.0	3.0
С	3,0 +		+	+	+ 54		+
a					5 4		Ī
n					54		i
0	j				5 4		i
n	ĺ				54		i
i	1				54		j
С	2.0 +	+	+	+	54 +	+	+
a					54		ļ
1					54		
-					54		ļ
D i					54		!
s	1.0 +			,	54 54 +		Į.
C	1.0 +	7	+	+	54 + 54	+	+ !
r					54		!
i					54		1
m					54		
i	Ì			(5)	4 54		i
n	.0 +	+	+	1	54 +	+	+
a				3	54		
n	1			2	54		i
t	j				54		i
	ĺ			55	55534		į
F	1			55555333	333 34		j
u	-1.0 +	+			34	+	+
n			55555333	33	34		
C	ļ		55533333		34		
t i	 555	555553333 55533333	33		34 3		
0	5333				=	34	!
n	-2.0 +3	+	+	+	+	34 +	! - +
			•	-	,	344	i
2	ĺ					334	j
	İ					34	į
	!					34	į
	_ {						444444
	-3.0 +						222222+
	-3.0	•	-1.0	.0	1.0	2.0	3.0

This Figure 10 indicates that the first discriminant function (C1) discriminates groups 2 and 4 from groups 1, 3 and 5, while the second discriminant function (C2) discriminates group 2 from groups 1, 3, 4, and 5.

Figure 11
Manipulative values versus size of the company

Symbol	Group	Label
1	1	50 or less
2	2	51-250
3	3	251-750
4	4	751-2000
5	5	more than 2000
0		Group centroids

Territorial Map (Assuming all functions but the first two are zero)

	-3.0	Can	onical Dis	criminant 1		2.0	3 0
		-2.0			1.0	Z.U +	J.U +
С	3.0 +			·		42	•
а					4	12	
n]				442	2	
0	ļ				422		
n					42		
i	_				42		
C	2.0 +	+	+	+	42+	+	
a 1	ļ I				42 42		
Т	ł			4	42 42		
D	· ·			42			
i	i			42	~		
s	1.0 +	+	+	+42	+	+	
С				42			
r	İ			42			
i				42			
m				444			
i	Ì			422 ⑤			
n	.0 +4	+		2 + 2	+	+	-
a	1444	444	4443	2 ③			İ
n	1111	111444444					
t			444333	32			'
		13	.113	32			
F				32			
u	-1.0 +	+		32 +	+	+	•
n			13	32			
C			13	32			
t i			13	32			
O T			13 13				
n	-2,0 +	_	1 13	32	4.	_	
	2.0	•		3 32	7	т	
2				13 32			
	i			13 32			
	İ			13 32			
				13 32			
	-3.0 +			13 32			
	+			+	· ·		· +
	-3.0	-2.0	-1.0	.0	1.0	2.0	3.0

This Figure 11 indicates that the first discriminant function (C1) discriminates groups 2 from groups 1, 3, 4 and 5, while the second discriminant function (C2) does not discriminate well.

Figure 12
Manipulative values versus nature of ownership

Symbol	Group	Label
		
1	1	public
2	2	mixed
3	3	private
0		Group centroids

			onical Disc				
	-3.0	-2.0	-1.0	.0	1.0	2.0	3.0
C a n o n	3.0 +		7			12 12 12 12 12	+
i c a l	2.0 +	+	+	+	+	122 + 11	12 12
D i s c	1.0 +	+	+	+	+	+	12 12 12 12+ 1
i m i n a n t	.0 +	+	+	② ①+	+ 3)	+	1 13 13 + 13 13 13
F u n c	-1.0 +	+	+	+	+	+	13 13 13 13 + 13 13
i o n	-2.0 +	+	+	+	+	+ 1 13 13 13	13 13 13 + 3
	-3.0 + + -3.0	 -2.0	-1.0	. 0	1.0	13 13 	+ + 3.0

This Figure 12 indicates that the first discriminant function (C1) discriminates group 1 from groups 2 and 3, while the second discriminant function (C2) discriminates group 2 from groups 1 and 3.

Figure 13
Manipulative values versus type of business

Sym	nbol	G	roup	Label					
1	2 3 4 5 6 7	-	2 3 4 5 6	finance, public s	ions	a			
			(Z		all function		first two		
		- 3	. 0	-2.0	nonical Dis	. 0	1.0	2.0	3.0
C a	3.	0 -			-	-			+
n o n i			1 1 1						
c a l D	2.		+31 31 31 31 31	+	+	+	+	+	†
i s c r	1.	0 -	31 + 31 31 31	+	+	+	+	+	
i m i			31 31 31			⑤			
n		0 -	,		+	34 +	+	+	+
a n			31	1		⑦ ②			
t			3	1		6			1
F u n c t	-1.	0 - - -	-	1 31 + 31 31 31	+	+	+	+	
i o				311 33661111	111111				į
n 2	-2.	0 + - - 		66 6666	666666611111	6666611111	6666661111	6666666111	111111
	-3.	0 +	 -						+
		-3.	. 0	-2.0	-1.0	.0	1.0	2.0	3.0

This Figure 13 indicates that the first discriminant function (C1) discriminates groups 3, 4, and 7 from groups 1, 2, 5, and 6, while the second discriminant function (C2) discriminates group 5 from groups 1, 2, 3, 4, 6, and 7.

ymbol	Group	Label		_			
1	1	MD					
2		deputy MD					
3		functional	mgrs				
4		depts mgrs					
5	5	_					
0		Group cent					
	(Assuming all		itorial Ma s but the		are zero)	
					Function 1		
	-3.0	-2.0 +	-1.0	. 0		2.0	
3	.0 +		• • +	+		2233344	+
						33 334	
	1				2233		L
					22233	· ·	:4
					22333	_	34
	i				2233		34
	.0 +222	+	+	+ 22	33 +	+	344
	11112			2233			334
	į i	L111222		2233			34
	Ì	111222		22233			
	į	111222	2 22	:333			
	į	111	2222 2233				
1	.0 +	+	1111233	+	+	+	
			13				
			13				
			13				
	1		13	2			
	i		13				
	.0 +	+	13	(5)	4 +	+	
		т		① ③		т	
			13	T. @	,		
	}		13				
	ļ		13				
	ļ		13				
-1	.0 +		13		_	_	
-1	.U + I	+	13 13	+	+	+	
	ļ						
	ļ		13 13				
	1		13				
	i		13				
-2	.0 +	+	13	+	+	+	
-	1	•	13		•	•	
	İ		13				
	į		13				
	j		13				
	j		13				
-3	.0 +		13				
	+					+	
	-3.0	-2.0	-1.0	.0	1.0	2.0	3.0

This Figure 14 indicates that the first discriminant function (C1) discriminates groups 1 and 4 from groups 2, 3 and 5, while the second discriminant function (C2) discriminates group 2 from groups 1, 3, 4 and 5.

Figure 15
Manipulative values versus number of management levels above

Symbol	Group	Label
-		
1	1	BOD or 1 level
2	2	two levels
3	3	3 levels
4	4	4 levels or more
0		Group centroids

Territorial Map (Assuming all functions but the first two are zero)

				criminant F	unction 1		
		-2.0		.0		2.0	
a	4 3.0 +		+	10	+		+
C a	3.U +			12 12			+
n	ł			12			
0	•			12			
n	i			12			}
i	i			12			
C	2.0 +	+	+	12 +	+	+	I +
a	ĺ			12		,	i
1	ĺ			12			ì
				.2		•	i
D	Ì			.2			i
i	ĺ		1	.2			į
s	1.0 +	+		2 +	+	+	+
С			1	.2			
r				.2			ĺ
i			12	?			
m			12	4			1
i	ĺ		12	2			j
n	.0 +	+	+ 12	1 +2	+	+	+
a	I		12	3			1
n	i		12				1
t	i		12				i
			12				i
F	į		12				i
u	-1.0 +	+	+ 12	+	+	+	+
n	j		12				
C	1		12				
t			12				
i			12				
0			12				
n	-2.0 +	+	+12	+	+	+	+
_			12				1
2			12				ļ
			12				!
			12				
	-3.0 +		12 12				
	-3.U + ⊥		12 				+
	-3.0	-2.0	-1.0	.0	1.0	2.0	3.0
						* *	

This Figure 15 indicates that the first discriminant function (C1) discriminates group 1 from groups 2, 3 and 4, while the second discriminant function (C2) discriminates group 4 from groups 1, 2, and 3.

Figure 16
Manipulative values versus total length of work experience

1 1 up to 4 years 2 2 5-7 years 3 3 8-10 years 4 4 11-15 years 5 5 16 years or more O Group centroids Territorial Map (Assuming all functions but the first two are zero) Canonical Discriminant Function 1 -3.0 -2.0 -1.0 .0 1.0 2.0 3.0 C 3.0 + a	Symbol	Group	Label					
2	1	1	up to 4 ye	 ars	_			
3 3 8-10 years 4 4 11-15 years 5 5 16 years or more O Group centroids Territorial Map (Assuming all functions but the first two are zero) Canonical Discriminant Function 1 -3.0 -2.0 -1.0 .0 1.0 2.0 3.0 C 3.0 + 51 a	2	2						
5	3							
O Group centroids Territorial Map (Assuming all functions but the first two are zero) Canonical Discriminant Function 1 -3.0 -2.0 -1.0 .0 1.0 2.0 3.0 C 3.0 +	4	4	11-15 year	s				
Canonical Discriminant Function 1 -3.0 -2.0 -1.0 .0 1.0 2.0 3.0 C 3.0 +	5	5	16 years o	r more				
Canonical Discriminant Function 1 -3.0 -2.0 -1.0 .0 1.0 2.0 3.0	0		Group cent	roids				
Canonical Discriminant Function 1 -3.0 -2.0 -1.0 .0 1.0 2.0 3.0 +								
-3.0 -2.0 -1.0 .0 1.0 2.0 3.0		(Assuming al	l function	ns but the f	irst two	are zero)
-3.0 -2.0 -1.0 .0 1.0 2.0 3.0			Cano	nical Dis	criminant F	unction 1	L	
C 3.0 + a 51 + 51 51 51 51 51 51 51			-2.0	-1.0	.0	1.0	2.0	
a 51 51 51 51 51 51 51 5	С 3			+		+	•	•
n 51 o 51 n 51 i 51 c 2.0 + + + + + + + + + + + + + + + + + + +								
O 51 n 51 i 51 c 2.0 + + + + + + + + + + + + + + + + + + +								
1 51 1 51 2.0 + + + + 51 51 - - 51 - - - 51 - <	0	i						!
C 2.0 + + + + + + + + + 51 + 4	n	j						
a 51 51 51 51 51 51 51 5	i	j						51
1	c 2.	.0 +	+	+	+	+	+	51 +
51 51 51 51 51 51 51 51		1						51
D 51 51 51 51 51 51 51 5	1							,
i	_							!
s 1.0 + + + + + + 551 c 55444 i								:
C								
T		.U + I	+	+	+	+	+	
i 5544 m ② ① 55544 i								
m								
i 3 55444 n .0 + + + + + + + + + + + + + + + + + +		1			<u></u>	①		'
n .0 + + + + (5) + + \$544 + + a 5544 n 5544 5544 5544 F 5544 1						T)		.'
a 5544 n 5544 t 5544 F 5544 u -1.0 + + + + + + + + + + + + + + + + + + +		_						.
1		0 +	+	+	(3)+	+		+
t 5544 5544 F 5544 u -1.0 + + + + 5544 + + + + + 5544 c 5544 t 5544 o 5544 n -2.0 + + + 5544 + + + + + + 5544 2 5544 5544 5544 5544 -3.0 + 5544	a				•			ļ
F		ļ			(4)			Ļ
F	t	ļ					1	1
u -1.0 + + + + 5544 + + +	ť	l I						!
n 5544 c 5544 t 5544 i 5544 o 5544 n -2.0 + + + 5544 + + + + + + 5544 2 5544 5544		η <u>+</u>		1	, 5			
c 5544 t 5544 i 5544 o 5544 n -2.0 + + + 5544 + + + + + + + + + + + + + +		Ī	•	т			+	1
t 5544 i 5544 o 5544 n -2.0 + + 5544 + + + + + 5544 2 5544 5544 5544 5544 5544 -3.0 + 5544		İ				-		
i 5544 o 5544 n -2.0 + + + 5544 + + + + + + 5544 2 5544		i						ŀ
0 5544 n -2.0 + 1 5544 + 2 5544 2 5544 4 5544 5544 5544 -3.0 + 5544		i						i
5544 2 5544 5544 5544 674 6	0	j						i
2	n -2.	0 +	+	+ 55	644 +	+	+	+
5544 5544 5544 -3.0 + 5544 +				5544	•			
5544 5544 -3.0 + 5544 +	2							Ì
5544 -3.0 + 5544 +								
-3.0 + 5544 +								ļ
++	~	١		14				
	-3.							+
				•	,	•	2.0	3.0

This Figure 16 indicates that the first discriminant function (C1), discriminates group 1 from groups 2, 3, 4 and 5, while the second discriminant function (C2), discriminates group 4 from groups 1, 2, 3, and 5.

Figure 17
Manipulative values versus field of study

Sy	mbol Gr	oup Label					
	1 2 3 4 5 6 7 8	2 account 3 engines 4 arts ar 5 economic 6 medical 7 agricul 8 combina Group	ering and other human acs a health and p atture attion centroids	torial Maŗ		are zero)	
	-3.		Canonical Disc			2.0	3.0
C a n o n i	3.0 +						+
c a 1 D	2.0 +	+	+	+	+	+	
i s c r i	1.0 +	+	+	+	+	+	+
m	I			⑤ ®			
i				① ③			1
n a	.0 + I	+	+	4	+	+	+
n t	į		7		2		į
	į		(6			į
F u n c t	j: 	+ 3 3 73	+	+	+	+	 -
i o		7633 6 66333					3
n 2	-2.0 + 	66633 + 6633 663	+ 3 633 6633 6633	+	+		32 332 + 322 32 2
	-3.0 +	++-	66333			32	+
	-3.	-2.0	-1.0	.0	1.0	2.0	3.0

This Figure 17 indicates that both discriminant functions (C1) and (C2) discriminate groups 6 and 7 from the rest of the groups.

Figure 18
Sociocentric values versus company size

Ѕут	mbol	Group	Label					
	1 2 3 4 5	3 4	50 or less 51-250 251-750 751-2000 more than Group cent	2000 roids	-			
		(Assuming al		ritorial M ns but th		o are zero)	
						Function		
	-	-3.0	-2.0	-1.0	. 0	1.0	2.0	3.0
C a n o n	3.0					52 52 52 52 2		+ +
c a 1 D i	2.0) + 	+	+	+52 52 52 52 52 52	+	+	+
s c r i m	1.0) + 	+	554	52 + 52 52 552 552 442 42 ⑤	+	+	+
n a n t	. () + 	5554 555444 55444	5444 4 4 42 42	12 2 ① 2	2 +	+	+
F u n c t i	-1.0		5544 1444444444444444444444444444444444	111111113	2 +	+	+	+
n 2	-2.0		+	+	122 112		+	+
	-	4 3.0	-2.0	-1.0	. 0	1.0	2.0	3.0

This Figure 18 indicates that the first discriminant function (C1) discriminates group 2 from the rest of the groups, while the second discriminant function (C2) discriminates groups 1 and 5 from the rest of the groups.

Figure 19
Sociocentric values versus managerial position

Symbol	Group	Label			
1	1	MD			
2	2	deputy MD			
3	3	functional mgrs			
4	4	depts mgrs			
5	5	supervisors			
0		Group centroids			
		Territorial Man			

(Assuming all functions but the first two are zero)

		-2.0	-1.0	.0		2.0	
С	+ 3.0 +		+	13		· ;4	+
a	3.0 , I			13		4	Ĭ
n				13		4	i
0	į			13		34	
n	j			13		34	į
i				13		34	i
C	2.0 +	+	+ 1	3 +	+	34 +	+
а			1	3		34	
1				3		34	
	ļ		1	=		34	
D			13			34	!
i	_		13			34	1
s	1.0 +	+	+ 13		+	34 +	+
C			13 13			34	-
r	ļ			æ.		34	1
i			13	⑤		34	Ļ
m			13			34	- 1
í			13	1	4	34	
n	.0 +	+	+13	+3	+	34	+
а	1		13			34	- 1
n	1		13	2		34	1
t	j		13			34	ĺ
	1		13			34	ĺ
F	1		13			34	- 1
u	-1.0 +	+	13	+	+	+34	+
n	ļ		11133	_		34	ļ
C	ļ		112222233			34	!
t	ļ		22 22			34	
i	ļ	11222		22333		34	į
o n	1 2 0 1	11122 111222		222333		34	!
11		111222	+		333 + 22233	+ 34 34	+
2	1111			•	22333	34	
_	222				22333		i
	122					333 34	
	i					22233 34	i
	-3.0 +					22333 34	+
	+		+	+		+	+
	-3.0	-2.0	-1.0	. 0	1.0	2.0	3.0

This Figure 19 indicates that the first discriminant function (C1) discriminates group 4 from the rest of the groups, while the second discriminant function (C2) discriminates group 5 from the rest of the groups.

-	nbol	Group	Label						
	1	1	village						
	2		township						
	3		city						
	4		states cap	ital					
	5		Tehran						
	0		Group cen	troids					
			-		rritori	al Mar			
		(Assuming al	l functi	ons bu	t the	first t	wo are zero	o)
		-3.0		onical D: -1.0	iscrimi		unction		2.0
			-2.0					2.0	
С	3.	0 +	•	544		•	•	•	41 +
a		1		554					41
n		Ì		544					41
0		Ì		554					41
n		Ì		5	4				41111
i		ĺ			544				4433333
C	2.	0 +	+	+	554	+	+	+ 4	1433 +
a		ļ			544			4443	3
1					554	1		44333	
					į	544		4433	1
D		İ				554		4433	1
Ĺ						544		133	
3	1.	0 +	+	+		+ 55		+	+
3							544433		ļ
<u>-</u>							533		ļ
Ĺ							53		!
n							53		ı
Ĺ							53		
1		0 +	+	+	(5)	+2	53 +	+	+
ì		1				3	53		1
1		i				53			ή
:		j				50			i
		İ				5.3	3		i
7						53			j
ı	-1.	0 +	+	+		+ 53	+	+	+
ì						53			1
:						53			ĺ
:						53			I
						53			I
)		1				53			1
1	-2.	0 +	+	+		+53	+	+	+
						53			ļ
2						53			ļ
		l I				53			ļ
		-			_	53			ļ
	7]				53 - 2			ļ
	-3.0	J + ,				53			+
		+			~~	+	+	~+	+

This Figure 21 indicates that the first discriminant function (C1) discriminates group 5 from the rest of the groups, while the second discriminant function (C2) does not discriminate well.

Sy 	mbol Group 1 1 2 2 3 3 O	townships states cap	d its subur troids				
				torial Ma			
	-3.0		onical Disc -1.0	riminant .0	Function 1 1.0	2.0	3.0
С	3.0 +					32	+
а						32	
n	ļ					32]
0						32	
n						32	!
i	_					32	
С	2.0 +	+	+	+	+	32	+
a	ļ					32	!
1						32	ļ
_	1					32	!
D ·	!					32	!
i						32	
s	1.0 +	+	+	+	+	32	+
C	ļ					32	
r i	ļ					32	l
	ļ					32	
m	ļ					32	
i	F				5	32	
n	.0 +	+	+	3+	4) +	32	+
a						32	
n				1		32	
t						32	Ì
						32	j
F						32	į
u	-1.0 +	+	+	+	+	32+	+
n						32	
C						32	
t	ļ					32	
i	ļ					32	ļ
0						32	
n	-2.0 +	+	+	+	+	32+	+
	ļ					32	ļ
2						32	
	1					32	ļ
	ļ					32	ļ
	3 0 -					32	1
	-3.0 +			_		32	+
	-3.0	-2.0	-1.0	.0	1.0	2.0	3.0

This Figure 22 indicates that the first discriminant function (C1) discriminates group 2 from groups 1 and 3, while the second discriminant function (C2) discriminates groups 1 from groups 2 and 3.

Figure 23
Sociocentric values versus father's occupation

Syr	mbol	Group	Label					
	1 2 3 4 5 6 7	3 4 5 6	peasant factory we landowner, empolyee storekeepe specialist union memk Group cen	merchant r c c c c troids	-			
		(2		1 function	ritorial Map ns but the f scriminant F	irst two		
		-3.0	-2.0	-1.0	.0	1.0	2.0	3.0
C a n o n i	3.	+ 0 + 		+	45 455 445 445 45 45	+	+	+
c a l D	2.	0 +	+	+	+ 45 45	+ 155 445 45 45	+	
s c r i m	1.	o 	+	+	+ ② ⑦ \$6	45 45 45 4	+ 55 145 45	+
n a n t	. () 	+	+	3 + 4	+	45+ 45 45 45 45	+
F u n c t	-1.(+	+	+	+		5 5555 4551111+ 111
n 2	-2.0			+	+	4 41 41	41+ 441 411	
	-3.(+	 -2.0		. 0	41 + 1.0	•	3.0

This Figure 23 indicates that the first discriminant function (C1) discriminates groups 3, 4, and 7 from groups 1, 2, 5, and 6, while the second discriminant function (C2) discriminates groups 1 and 2 from groups 3, 4, 5, 6 and 7.

Figure 24
Sociocentric values versus gross annual income

Symbol	Group	Label
1	1	< 700,000 tomans
2	2	700,000-1,000,000
3	3	1,000,000-1,300,000
4	4	1,300,000-1,600,000
5	5	1,600,000-2,000,000
6	6	above 2,000,000
0		Group centroids

	Canonical Discriminant Function 1										
		-2.0	-1.0	.0	1.0	2.0	3.0				
С	+ 3.0 +	·+·		+			+				
a	3.0 +	6					1				
n		61									
0	Ì	61					ł				
n		61	-				ł				
i		61					1				
c	2.0 +	+ 61	+	+	+	+	+				
а		61					ĺ				
1	j	61					i				
	j	61					į				
D		61									
i		6621					į				
s	1.0 +	6622+211	+	+	+	+	+				
С	6	622 221					1				
r	662	2 21	.1				ĺ				
i	622	2	221				ĺ				
m	62		21	6			1				
i	12		211	⑤ ③			1				
n	.0 +	+	221		1 +	+	+				
a	1	,		4 2	•	•	ì				
n	ł		213				1				
t	i i		42	211			I I				
C	i			221			-				
F	İ			211			ļ				
u	-1.0 +	+	+	221	+	+	+				
n	İ			21	•	•	i				
С	j			21	1		1				
t	j				21		i				
i	İ				211		į				
0	j				221		į				
n	-2.0 +	+	+	+	211+	+	+				
	1				221						
2					211		1				
	ļ				223						
	ļ				:	211					
						221	l				
	-3.0 +					21	+				
	+	2 0	•	+	•		+				
	-3.0	-2.0	-1,0	.0	1.0	2.0	3.0				

This Figure 24 indicates that the first discriminant function (C1) discriminates group 1 from the rest of the groups, while the second discriminant function (C2) does not discriminate well.

Figure 25 existential value system versus field of study

Symb	ool	Gro	up L	abel								
3 4 5 6 7 8	2 3 1 5 5		2 ad 3 ed 4 ad 5 ed 6 me 7 ad 8 co	dminis ccount nginee rts ar conomi edical gricul	stratio cing ering nd othe cs healt	n and m er human h and p						
		Territorial Map (Assuming all functions but the first two are zero) Canonical Discriminant Function 1										
		-3.		-2	. 0	-1.0	.0	1.0	2.0	3.0		
C a n o n	3.		22222	22222 11111 1:	233 23 223 13				+	+		
i c a l D	2.	0 + 		13 13 13 13 .3	+	+	+	+	+	 - 		
i s c r i m	1.	į	13 13 13 13 3	ì	+	+	+	+	+	+		
i n		0 +	-				① ② ④ ⑦ + ③					
a n	•	 			+	+	5 8	+	+	 		
t F u	-1.0 -	į			+	+	+	+	+	, +		
n c t i			53 53 53									
o n 2	-2.			53 53 53 53 53 53	+	+	+	+	+	+		
	-3.		+	53 -2	-+	1 0	+	+		+		
		-3.	U	-2.	. u	-1.0	. 0	1.0	2.0	3.0		

This Figure 25 indicates that the first discriminant function (C1) discriminates groups 3 and 6 from groups 1, 2, 4, 5, 7 and 8, while the second discriminant function (C2) discriminates groups 5 and 8 from groups 1, 2, 3, 4, 6, and 7.