# USING GLOBE 2004 IN LIEU OF THE HOFSTEDE

For interested readers, we replicate our meta-regressions using the GLOBE 2004 cultural values (rather than practices) in lieu of the Hofstede’s six cultural value scores. The nine GLOBE 2004 value scores for the 62 GLOBE societies are obtained from [https://globeproject.com/study\_2004\_2007?page\_id=data#data](https://globeproject.com/study_2004_2007?page_id=data&data) in November 2019. Most

GLOBE societies are immediately matched with the countries in our sample. We match some of the GLOBE (sub)cultures in an ad hoc fashion: (1) Canada (English-Speaking) in GLOBE for Canada in ours; (2) England for U.K.; (3) Germany-West for Germany; and (4) South Africa (White Sample) for South Africa. Table B.1. The descriptive statistics of the nine values are displayed in Table B.1. Many of them are moderately correlated. Indeed, variance inflation factors (VIFs) are not negligible (Table B.2). The results of meta-regressions are contained in Table B.3, which corresponds to Table 4 in the main text. Models 3 and 4 in Table B.3 have the same specifications as in the main text. Model 5 is newly added here because STOCKM is found to be significant while using the GLOBE. Overall, the effects of the control variables seem consistent with the findings with the Hofstede in the main text. In our view, however, it is not straightforward to compare the results on the GLOBE values directly with those on the Hofstede: the GLOBE and Hofstede value dimensions do not fit squarely with each other because the two have been developed on the basis of different conceptualizations and measurement (House et al. 2004). It is also noteworthy that the nine values, collectively, are not jointly significant at the 5% level in Table B.3. Potential collinearity and their collective insignificance suggest some sort of dimension reduction to improve the meta-regression. Note that the data for Czech Republic were omitted in the analyses in House et al. (2004) as they note that the respondents in the country exhibited substantial response biases. The cultural value scores for Czech Republic are not omitted in our analysis. Even when we omit them, the results of meta-regression remain unchanged in their essence.

# REFERENCE

House, Robert J., Paul J. Hanges, Mansour Javidan, Peter W. Dorfman, and Vipin Gupta (2004), *Culture, Leadership, and Organizations: The GLOBE Study of 62 Societies*, Thousand Oaks, CA: Sage Publications.

Table B.1: Descriptive Statistics – GLOBE 2004 Cultural Values

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Variable | *M* | *SD* | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
| 1. Uncertainty Avoidance
 | 4.50 | .62 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1. Future Orientation
 | 5.37 | .53 | .601\*\*\* |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1. Power Distance
 | 2.74 | .40 | -.011 | -.401\*\*\* |  |  |  |  |  |  |  |  |  |  |  |  |
| 1. Institutional Collectivism
 | 4.69 | .49 | .469\*\*\* | .477\*\*\* | -.379\*\*\* |  |  |  |  |  |  |  |  |  |  |  |
| 1. Humane Orientation
 | 5.37 | .39 | -.039 | .434\*\*\* | -.725\*\*\* | .096 |  |  |  |  |  |  |  |  |  |  |
| 1. Performance Orientation
 | 5.84 | .60 | .239 | .689\*\*\* | -.625\*\*\* | .386\*\*\* | .671\*\*\* |  |  |  |  |  |  |  |  |  |
| 1. In-Group Collectivism
 | 5.61 | .40 | .333\*\* | .644\*\*\* | -.412\*\*\* | .240 | .357\*\* | .693\*\*\* |  |  |  |  |  |  |  |  |
| 1. Gender Egalitarianism
 | 4.54 | .51 | -.432\*\*\* | -.089 | -.592\*\*\* | .000 | .390\*\*\* | .324\*\* | .276\* |  |  |  |  |  |  |  |
| 1. Assertiveness
 | 3.80 | .69 | .170 | -.007 | .332\*\* | -.266\* | -.127 | -.081 | -.051 | -.246\* |  |  |  |  |  |  |
| 1. INCOME ($000s)
 | 21.45 | 19.09 | -.715\*\*\* | -.319\*\* | .082 | -.293\*\* | .159 | -.046 | -.277\* | .180 | -.098 |  |  |  |  |  |
| 1. STOCKM
 | .6394 | .8326 | -.055 | .058 | .212 | -.122 | .095 | -.005 | -.178 | -.074 | .271\* | .231\* |  |  |  |  |
| 1. FOS
 | .0926 | .0416 | -.079 | -.262\* | .027 | .138 | -.069 | -.114 | -.223 | .065 | .045 | -.049 | -.214 |  |  |  |
| 1. NOATS
 | 31.14 | 5.53 | -.473\*\*\* | -.351\*\* | .019 | -.320\*\* | .028 | -.168 | -.188 | .344\*\* | .172 | .160 | .229\* | -.115 |  |  |
| 1. INTENSITY (%)
 | .5950 | .2730 | -.256\* | -.068 | -.068 | -.366\*\* | .053 | .063 | .037 | .363\*\* | .218 | .145 | .132 | -.172 | .406\*\*\* |  |
| 1. ONLINEAD
 | .1087 | .0614 | -.417\*\*\* | -.477\*\*\* | .226 | -.473\*\*\* | -.039 | -.288\* | -.209 | .087 | -.100 | .482\*\*\* | -.059 | .076 | .236\* | .074 |

\* *p*<.10, \*\* *p*<.05, and \*\*\* *p*<.01.

INCOME is the sample average of real per capita income (constant 2017 price).

STOCKM is the sample average of the ratio of the stock market capitalization to GDP – both in local currency. FOS is the percentage of all listed firms in the country that are foreign-owned subsidiaries.

NOATS is the length of advertising expenditure series. INTENSITY is the sample average of 100\*ad expenditure/GDP.

ONLINEAD is the sample average of online spending divided by total ad spending.

Table B.2: Variance Inflation Factor – GLOBE 2004 Cultural Values

|  |  |  |
| --- | --- | --- |
| Predictor | With Regional Dummies | Without Regional Dummies |
| Asia Pacific | 7.68 |  |
| Eastern Europe | 5.63 |  |
| Latin America | 5.16 |  |
| Middle East | 2.92 |  |
| Western Europe | 10.02 |  |
| INCOME | 8.84 | 6.04 |
| Uncertainty Avoidance | 6.38 | 5.89 |
| Future Orientation | 8.46 | 6.33 |
| Power Distance | 7.60 | 6.13 |
| Institutional Collectivism | 6.70 | 3.46 |
| Humane Orientation | 5.65 | 5.19 |
| Performance Orientation | 5.22 | 5.13 |
| In-Group Collectivism | 4.08 | 3.68 |
| Gender Egalitarianism | 4.20 | 2.91 |
| Assertiveness | 3.00 | 1.87 |
| STOCKM | 2.14 | 1.97 |
| FOS | 2.29 | 1.61 |
| NOATS | 3.33 | 1.49 |
| INTENSITY | 3.57 | 2.20 |
| ONLINEAD | 2.78 | 1.98 |
| *All Predictors* |  |  |
| Max VIF | 10.02 | 6.33 |
| Min VIF | 2.14 | 1.49 |
| *GLOBE Variables* |  |  |
| Max VIF | 8.46 | 6.33 |
| Min VIF | 3.00 | 1.87 |

Table B.3: Meta-Regression using GLOBE in lieu of Hofstede

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Predictor | Est | Model 3*t p* | *η2* | Est | Model 4*t p* | *η2* | Est | Model 5*t p* | *η2* |
| Intercept | 19.405 | 4.82 | .000 |  | 14.749 | 4.07 | .000 |  | 18.486 | 4.98 | <.001 |  |
| Asia Pacific | -1.176 | -3.05 | .007 | .122 | -1.239 | -3.57 | .002 | .127 | -1.532 | -4.27 | .000 | .131 |
| Eastern Europe | -.574 | -1.10 | .286 |  | -1.394 | -3.43 | .002 |  | -1.184 | -2.90 | .008 |  |
| Latin America | -1.852 | -3.60 | .002 |  | -1.990 | -4.16 | .000 |  | -1.873 | -3.91 | .001 |  |
| Middle East | .037 | .06 | .953 |  | .165 | .30 | .765 |  | .012 | .02 | .982 |  |
| Western Europe | -1.092 | -2.54 | .020 |  | -.813 | -2.43 | .023 |  | -1.089 | -3.18 | .004 |  |
| INCOME | .009 | .64 | .530 | .002 |  |  |  |  |  |  |  |  |
| NOATS | -.130 | -3.27 | .004 | .043 | -.101 | -3.11 | .005 | .037 | -.111 | -3.43 | .002 | .046 |
| INTENSITY | 2.709 | 4.09 | .001 | .067 | 1.752 | 4.12 | .000 | .066 | 2.584 | 5.61 | <.001 | .122 |
| ONLINEAD | 6.874 | 2.99 | .008 | .036 | 4.906 | 2.48 | .021 | .024 | 7.689 | 3.63 | .002 | .051 |
| STOCKM | .490 | 3.92 | .001 | .061 |  |  |  |  | .477 | 3.98 | .001 | .062 |
| FOS | -2.799 | -1.03 | .316 | .004 |  |  |  |  |  |  |  |  |
| Uncertainty Avoidance | -.018 | -.06 | .954 | .000 | -.087 | -.34 | .737 | .000 | -.166 | -.64 | .527 | .002 |
| Future Orientation | -.680 | -1.45 | .164 | .008 | .474 | 1.27 | .215 | .006 | -.115 | -.29 | .771 | .000 |
| Power Distance | -4.051 | -7.01 | <.001 | .195 | -2.466 | -5.49 | <.001 | .117 | -3.625 | -6.99 | <.001 | .190 |
| Institutional Collectivism | 1.672 | 4.09 | .001 | .067 | .730 | 2.26 | .033 | .020 | 1.375 | 3.89 | .001 | .059 |
| Humane Orientation | -1.428 | -3.52 | .003 | .049 | -.831 | -2.28 | .032 | .020 | -1.284 | -3.37 | .003 | .044 |
| Performance Orientation | -1.893 | -6.44 | <.001 | .165 | -1.654 | -6.00 | <.001 | .139 | -1.984 | -6.96 | <.001 | .188 |
| In-Group Collectivism | 2.543 | 5.72 | <.001 | .130 | 1.149 | 3.23 | .004 | .040 | 2.214 | 5.19 | <.001 | .105 |
| Gender Egalitarianism | -1.112 | -3.16 | .005 | .040 | -.573 | -1.89 | .071 | .014 | -1.115 | -3.38 | .003 | .044 |
| Assertiveness | .402 | 1.92 | .070 | .015 | .331 | 1.70 | .103 | .011 | .363 | 1.86 | .076 | .014 |
| *F*: NOATS & INTENSITY |  | 9.85 | .001 |  |  | 13.29 | <.001 |  |  | 21.19 | <.001 |  |
| *F*: 9 cultural dimensions |  | 3.70 | .070 |  |  | 2.88 | .103 |  |  | 3.47 | .076 |  |
| *F*: STOCKM & FOS |  | 8.18 | .003 |  |  |  |  |  |  |  |  |  |
| Degrees of Freedom | 18 | 24 | 22 |
| *N* | 39 | 42 | 41 |
| *R2* | .635 | .519 | .606 |

North America is the base case for comparison. *η2* is computed for the collection of the regional dummies. *F*-test is conducted for the hypothesis that the coefficients are all zeros.