Title: Does a Culture Matter? :
The Influence of Collectivism on the Interorganizational Commitment: 
Korean Case

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ABSTRACT

Recent research by Hofstede shows Asian culture tends to have a long-term orientation (Hofstede 1991). Thus, the relationship between exchange parties in this area is longer than that in western countries. The high degree of long-term orientation is a very crucial factor for successful interorganizational relationships (Gundlach, Achrol, and Mentzer 1995), because long-term relationship, an implicit and explicit pledge of relational continuity between exchange parties (Dwyer, Schurr, and Oh 1987), fosters an understanding by each party that can lead to a cooperative relationship. Since a high level of long-term orientation between exchange parties is evident in Asian countries, a national culture could be a crucial factor that explains the unique phenomenon.

In the study, I hope to enhance knowledge helpful in gaining an understanding of collectivistic culture under which long-term orientation is developed. I propose that a collective culture, a society consisting of its members who see themselves as a part of groups (Triandis 1995), acts as a crucial factor for long-term orientation between exchange parties. Exchange parties with a high degree of collectivism expect their relationships to continue over a long period, though the relationships suffer from high conflict. The emphasis of harmonious relationship in a collective culture does not allow conflict to get in the way of their relationship. In the face of conflict, confrontation with other members is highly undesirable in a collective culture (Triandis et al 1988). Thus,
exchange parties with collectivism try to compromise (Kirkbridge, Tang, and Westwood 1991). Although compromising with each other is not an absolute solution to conflict, it does not lead to the termination of the relationship. Therefore, I hypothesize that an exchange party with a high degree of collectivism moderates the influence of conflict on long-term orientation. Specifically, a party’s conflict with its partner leads to increased long-term orientation for the party’s relatively high level of collectivism. 105 Korean manufactures verify our hypothesis.

Most inter-organizational theories do not consider the influence of culture on their relationships. Among those theories, the scope of relational contracting theory and social exchange theory are confined to two exchange parties; a buyer and its seller. Therefore the theory does not consider other macro factors such as industry environments or national culture. I introduce to the marketing channel literature a crucial component of culture; collectivism. Since many exchange parties operate globally, the understanding of the national culture is important. When a party decides to establish a branch in an East-Asian country, it should adapt its management practice to a collective culture, and come up with a long-term relationship strategy that fits well with the culture.

Figure 1. Conceptual Model
References


