

[Home](#) > [Resources](#) > [Management](#) > [Hofstede's Cultural Dimensions Theory](#)

# Hofstede's Cultural Dimensions Theory

A framework used to distinguish between different national cultures and cultural dimensions, and their impact on a business setting

Written by [CFI Team](#)

Published May 31, 2020

Updated March 13, 2023

## What is the Hofstede's Cultural Dimensions Theory?

Hofstede's Cultural Dimensions Theory, developed by Geert Hofstede, is a framework used to understand the differences in culture across countries and to discern the ways that business is done across different cultures. In other words, the framework is used to distinguish between different national cultures, the dimensions of culture, and assess their impact on a business setting.

Hofstede's Cultural Dimensions Theory was created in 1980 by Dutch management researcher Geert Hofstede. The aim of the study was to determine the dimensions in which cultures vary.

## Hofstede's Cultural Dimensions Theory

Hofstede identified six categories that define culture:

1. Power Distance Index
2. Collectivism vs. Individualism
3. Uncertainty Avoidance Index
4. Femininity vs. Masculinity
5. Short-Term vs. Long-Term Orientation
6. Restraint vs. Indulgence

Help

## 7. Power Distance Index

### Power Distance Index

The power distance index considers the extent to which inequality and power are tolerated. In this dimension, inequality and power are viewed from the viewpoint of the followers – the lower level.

A high power distance index indicates that a culture accepts inequity and power differences, encourages bureaucracy, and shows high respect for rank and authority.

A low power distance index indicates that a culture encourages flat organizational structures that feature decentralized decision-making responsibility, participative management style, and emphasis on power distribution.

### Individualism vs. Collectivism

The individualism vs. collectivism dimension considers the degree to which societies are integrated into groups and their perceived obligations and dependence on groups.

Individualism indicates that there is a greater importance placed on attaining personal goals. A person's self-image in this category is defined as "I."

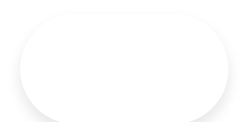
Collectivism indicates that there is a greater importance placed on the goals and well-being of the group. A person's self-image in this category is defined as "We."

### Uncertainty Avoidance Index

The uncertainty avoidance index considers the extent to which uncertainty and ambiguity are tolerated. This dimension considers how unknown situations and unexpected events are dealt with.

A high uncertainty avoidance index indicates a low tolerance for uncertainty, ambiguity, and risk-taking. The unknown is minimized through strict rules, regulations, etc.

A low uncertainty avoidance index indicates a high tolerance for uncertainty, ambiguity, and risk-taking. The unknown is more openly accepted, and there are lax rules, regulations, etc.



## **Masculinity vs. Femininity**

The masculinity vs. femininity dimension is also referred to as “tough vs. tender” and considers the preference of society for achievement, attitude toward sexuality equality, behavior, etc.

Masculinity comes with the following characteristics: distinct gender roles, assertive, and concentrated on material achievements and wealth-building.

Femininity comes with the following characteristics: fluid gender roles, modest, nurturing, and concerned with the quality of life.

## **Long-Term Orientation vs. Short-Term Orientation**

The long-term orientation vs. short-term orientation dimension considers the extent to which society views its time horizon.

Long-term orientation shows focus on the future and involves delaying short-term success or gratification in order to achieve long-term success. Long-term orientation emphasizes persistence, perseverance, and long-term growth.

Short-term orientation shows focus on the near future, involves delivering short-term success or gratification, and places a stronger emphasis on the present than the future. Short-term orientation emphasizes quick results and respect for tradition.

## **Indulgence vs. Restraint**

The indulgence vs. restraint dimension considers the extent and tendency for a society to fulfill its desires. In other words, this dimension revolves around how societies can control their impulses and desires.

Indulgence indicates that society allows relatively free gratification related to enjoying life and having fun.

Restraint indicates that society suppresses gratification of needs and regulates it through social norms.

## **Country Comparisons: Hofstede Insights**



Hofstede Insights is an excellent resource for understanding the impact of culture on work and life. It can be accessed here to understand how the different dimensions differ among countries under the Hofstede's Cultural Dimensions Theory.

## Related Readings

Thank you for reading CFI's guide to Hofstede's Cultural Dimensions Theory. To keep learning and advancing your career, the following CFI resources will be helpful:

[Demographics](#)

[Interpersonal Skills](#)

[Supportive Leadership](#)

[See all management & strategy resources](#)

## Share this article

We're hiring!

**Company**

**Certifications**

**Courses**



## Support

## Resources

---

---



© 2015 to 2023 CFI Education Inc.

[Privacy Policy](#) | [Terms of Use](#) | [Terms of Service](#) | [Legal](#)

