THE FORREST GUMP PARADIGM:
IT'S NOT WHO YOU ARE, BUT WHO YOU KNOW THAT THEY KNOW

Social Networks as Key Components
of Cross-cultural Management Research in Latin America

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Paralleling the growing political stability and economic opportunity in Latin America is the

growing interest and involvement of North American companies in Latin America. Recent agreements between the U.S. and various Latin American countries--including President Bush's signing of the Rose Garden Agreement (Dandeker, 1992) and President Clinton's support of NAFTA (Zamora, 1993)-- have paved the way for southern movement of United States firms. In spite of corruption, crime and political instability in Latin America, the economic opportunities presenting themselves have won over many formerly reluctant companies (Galceran and Berry, 1995). Unfortunately, as is often the case, the academic community has been slow to begin developing a body of knowledge necessary for rigorous cross-cultural management research in Latin America.

The reasons for this slow development of theory specific to Latin America are, in many ways, no different than the problems generally associated with cross-cultural management research. As lamented by the researchers involved in a recent cross-cultural study, "cross-cultural research is not for the fainthearted" (Teagarden et al., 1995, p. 1265). Challenges presented by most cross-cultural research include access to representative samples as well as difficulties in language and concept equivalencies, administration, analysis and interpretation (Adler, 1983). Beyond these issues generally associated with cross-cultural management research, research in Latin America presents a number of unique challenges not often addressed in the management literature.

The purpose of this discussion is not to cover the full range of problems or methods specific to cross-cultural management research in Latin America, but to focus on one issue, i.e., the social network as a key component of the research paradigm in Latin America. This issue, while prevalent in all cross-cultural research, is particularly salient in Latin America. This discussion will focus on the role of social networks in establishing a research identity, in the provision of local knowledge relating to language, culture, meaning and context as well as the establishment of a framework for equivalency in the research

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process. These concepts will be buttressed by the presentation of a single case study of cross-cultural management research in Costa Rica. Obviously the generalizability of a single case study is limited, but as argued by Teagarden and associates (1995) our lack of current knowledge of research methods for cross-cultural management research and, in this instance, our lack of knowledge of Latin American-based management research methods, makes the knowledge gained from even a single case worthwhile.

CROSS-CULTURAL MANAGEMENT RESEARCH IN LATIN AMERICA

Cross-cultural and international management research primarily focuses on the behavior of individuals and organizations located in cultures and nations around the world. The purposes of such research are to provide descriptions of organizational behaviors that are unique to certain cultures (emic) as well as to provide comparisons of organizational behaviors across countries and cultures (etic) (Adler, 1983; Brislin, 1980; Earley and Singh, 1995; Nasif et al., 1991). Unfortunately our base of knowledge supporting cross-cultural research has been growing at a very slow pace (Nasif et al., 1991). Randal (1993) argues that management researchers are beginning to recognize that management theories developed in one culture are not likely to apply in other cultures--something that organizational managers have recognized for some time. The assumption, by many U.S. based researchers that management is the same or becoming the same around the world is naive at best, and generally reflective of the economic importance of the U.S. for the past twenty-five years (Hofstede, 1980; 1983). A review of the existing management literature reveals a paucity of cross-cultural research in general and the near non-existence of research specific to Latin America.

ESTABLISHING A RESEARCH IDENTITY IN LATIN AMERICA:

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A CASE STUDY IN LATIN AMERICA

The goal of the Costa Rica project was to survey Costa Rican based small- to medium-sized enterprises (SMEs) in an effort to identify the underlying determinants of cooperative behavior or strategic alliances between Costa Rican firms as well as between Costa Rican firms and firms external to Costa Rica. In order to better understand the choice to form alliances as well as the factors important to the success of these cooperative relationships individual level attitudes, values and behaviors were assessed. Based on the exhortations of a number of researchers familiar with cross-cultural management research (Adler, 1983; Brislin, 1980), I decided that if the project were to be successful it was important to establish both a network of support within Costa Rica as well as a research identity for the project.

Initial networking began with the Florida-Costa Rica Linkage Institute (FLORICA). FLORICA has been very active in supporting business relationships between United States based and Costa Rica based businesses. Through FLORICA's contacts, I was introduced to the Executive Director of CONSEJO NACIONAL DE RECTORES (CONARE), the oversight body for the state university system in Costa Rica. An initial meeting with Executive Director emphasized the importance of developing a Costa Rican-based identity for the project. In explaining to the Executive Director why I felt it was important to have the project identified with his organization, I stated that I was not at all sure that Costa Rican business managers would be familiar with my institution. At the time of the research I was completing requirements for a Ph.D. at the University of Alabama. His immediate reply was "Oh yes we are!" I began to get excited, thinking he would explain how Costa Rican's were familiar with the University of Alabama's reputation for strong research or for the university's outstanding executive MBA program. Instead, he concluded by saying, "We've all seen Forrest

Gump."[1] At that moment I realized that doing research in Latin America was going to be more difficult

than I had imagined. During the course of the project it became quite clear that no matter whom you

are (or who Latin Americans think you are) the most critical element to successful data collection is the

development of a local identity.

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[1]For the few readers who may not have seen the movie by the same name, Forrest Gump was a young
man of below average intelligence who was able to attend the University of Alabama due to a
particularly outstanding talent for running with a football. Although his teammates often had to point him
in the direction of correct goal line, he was able to eventually graduate from the university (miraculously
at the exact time his eligibility to play football expired).

How Who You Are (as Well as Who You are Not)
Matters in Latin America

Unfortunately, being identified as a North American-based researcher or organization is often a

greater detriment than a benefit. The history of the North American-Latin American relationship is one

characterized by many misconceptions (Pike, 1992). According to Pike (1992) Latin Americans have

often viewed North Americans as being intent upon destroying the Latin American culture by

assimilation into a particularly North American view of capitalism. As a result, many Latin Americans

resist anything identified as United States based--whether it be management practices or research

agendas. In the following sections several of the historical and cultural factors which underlie the

necessity for developing both a social network and a Latin American research identity will be explored.

Historical issues effecting perceptions in Latin America

While every Latin American country has a unique history, several general themes, which are particularly relevant to our discussion, can be drawn. Most of the Latin American colonies endured colonial rule for nearly three hundred years, far longer than did the colonies of North America or even Africa. Both Spain and Portugal emphasized absolutism and hierarchical decision-making, e.g., officials were sent out to oversee the colonies. From the very inception of the Latin American colonies an authoritarian tradition was established (Stein and Stein, 1970). In the past century, Latin America has seen the rise of a number of bureaucratic-authoritarian regimes which, according to Skidmore and Smith (1992), have four general attributes: (1) the granting of public office to people with highly bureaucratized careers, (2) the political and economic exclusion of the working class, (3) the reduction of political activity, and (4) the revitalization of the economic growth through international markets. The political history of Latin America has led many of its citizens to have a strong distrust of their own governments as well as any groups identified with those governments.

Latin Americans frequently distrust North Americans--certainly not an unsurprising phenomena given the United States' history of aggression in the region. From Theodore Roosevelt's incursions into Latin America to the Regan and Bush administrations' activities in Nicaragua, Grenada, and Panama, the U.S. in particular has engendered an image of aggression (Stein & Stein, 1970; Skidmore and Smith, 1992). Not only has the U.S. government and government supported groups often created ill will, but so too have other North American based groups. David Stoll (1990) portrays a North American religious community also intent upon assimilating Latin Americans. Stoll, speaking of the rising growth of U.S. based evangelical missions in Latin America, pictures a religious movement, which at best naively and at worst complicity, paves the way for the inculcation of U.S. values and security interests. All of these factors combine to create a situation in which many Latin Americans view any incursions by

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outside groups with concern.

Cultural orientations and perceptions in Latin America

Writings in cross-cultural psychology and cross-cultural management literature point out several cultural orientations of Latin Americans that are particularly salient to understanding why a local identity is critical for successful research in Latin America. The first is societal context. Hall (1976a, 1976b) has been particularly instrumental in stressing societal context as a critical determinant of behavior. For Hall, a high-context society, as he classifies Latin America, is one in which the key to understanding interpersonal communication is not the explicitly transmitted part of a message but the physical context of the message. High-context societies, by Hall's definition, are rooted in the past, slow to change, and at the societal level relatively stable. The high-context culture is one which functions on the basis of who you know more so than on preset rules or procedures.

A second cultural orientation identified with Latin America, that of collectivism, has import in understanding the importance of interpersonal networks. In his pioneering work mapping the cultural orientations of workers from over fifty countries, Hofstede (1980, 1984a) concluded that for those Latin American countries surveyed, collectivism was the predominant orientation. For Hofstede, collectivist cultures emphasize the importance of belonging to a stable select in-group, produce societies that are characterized by tight social frameworks in which people distinguish between in-groups and out-groups, value cooperation within the in-group but not necessarily with out-groups, and expect the in-group to help provide for the welfare of group members. Individuals from collectivist cultures, while exhibiting strong cooperation within the in-group feel very little compunction to cooperate with out-group members (Triandis et al., 1988).

A third cultural orientation labeled by Hofstede (1980; 1984b)--power distance-- emphasizes

the importance of interpersonal networks in Latin America. Individuals belonging to high power distance cultures generally expect an order of inequality to exist in the world. Power is assumed to be a basic fact of society in which the legitimacy of the role of the powerful is irrelevant. In high power distance societies, institutions tend to be hierarchical. A high value is placed on conformity and obedience and decisions are generally made autocratically and paternalistically. Individuals within high power distance cultures are generally very attentive to requests or demands made by power holders (Hofstede & Bond, 1989; McGrath et al., 1992). Each of these cultural orientations strongly suggests that in Latin America who you are is not as critical as who you know.

The Importance of Who You Know

Teagarden and colleagues, (1995) conclude that for organizations in such settings as Latin America, particularly in areas not accustomed to academicians nosing around, the development of trust is essential--such trust they conclude is built through social interaction and personal references from trusted acquaintances. Dealy (1977) brings the Latin American perspective into focus when he expounds the attributes of the "caudillo" or public man. Dealy believes that for Latin Americans, rational friendship provides the roots from which springs public power. He sees the predominate underlying motive for most behaviors to be the acquisition of friends. The caudillo acquires friends with much the same motivation as the "capitalist" man acquires assets. In a society in which the values of the caudillo are central, individual influence is often far more effective and reliable that institutional influence. Teagarden and colleagues, (1995) discovered that in Mexico a data collection methodology that depended upon the influence of personal contacts made by the researchers was far more effective than other more random modes of collection.

My own experiences in Costa Rica have convinced me of the practical importance of who you

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know. Through FLORICA's influence I was also introduced to the Executive Director of the Costa Rican-American Chamber of Commerce (AmCham). AmCham's Executive Director agreed to provide introductions to the directors of two of the major industry organizations in Costa Rica as well as the Costa Rican Chamber of Commerce. In every instance the response was the same, "If the Executive Director has recommended you we will provide you with our support." Each Chamber not only provided cover letters to be enclosed with any surveys sent to their members, but also agreed to contact their members independently to indicate that the research was supported by their organizations, thus the research began to take on a Costa Rican identity. Additional support and identification was provided for the project, based on Executive Director's suggestion, by a article published in Business Costa Rica, a professionally produced monthly business magazine published by AmCham and distributed to over two thousand Costa Rican businessmen.

THE IMPORTANCE OF LOCAL KNOWLEDGE

Thus far it may appear that the assumption has been made that Latin America as a whole comprises a culturally homogenous group. This is in fact quite far from reality. It is the cultural complexity of Latin America that is often the most daunting obstacle for organizational researchers. At a recent international management conference a North American researcher had just completed describing the results of a management survey project conducted in several Mexican provinces when an audience member rose to ask the how the translation of the survey instrument was accomplished. The researcher indicated that a back-translation procedure had been completed utilizing two Spanish speaking Mexican-Americans. When the researcher was unable to tell the audience the home regions of Mexico of the translators, a chorus of questions arose concerning the accuracy of the translation. Enlisting local knowledge in any cross-cultural management project in Latin America is critical not only

in terms of the accuracy of the language but also in understanding the cultural and historical context of the regions surveyed and in the accurate interpretation of the results.

Language

For my own project in Costa Rica I utilized a back-translation procedure as recommended by Brislin (1980). The initial translator was a native Colombian, studying for a doctorate in economics, who had both a strong fluency in English and a working knowledge of most of the concepts included in our survey. A United States translator who had been trained primarily by Panamanians conducted the back-translation. The translator had spent many years as a professional translator for the United States military, but was currently studying for a doctorate in management and thus also had a strong knowledge of the concepts contained in the survey. It was naively hoped that this combination would be able to produce a somewhat neutral translation that could be used in a number of Central American regions. Much to my chagrin I discovered that there were a great many differences of opinion as to the most appropriate translations for a number of concepts. Ultimately, it was decided that the only way to complete a survey that would be appropriate for Costa Rica was to have local groups drawn from both CONARE and AmCham to review the translation and through an iterative process to arrive at a version that most accurately expressed the concepts. Why such concern about language? Nasif et al. (1991) argues that language is never a neutral vehicle. A culture's thinking is to a great extent affected by the categories and words available in their language.

Cultural and Historical Context

Riordan and Vandenberg (1994) argue that while there is something called management in every country, its meaning differs greatly from country to country. They conclude that it takes considerable

historical and cultural insight into local conditions to understand the philosophies and processes underlying management behavior. Just thinking about "historical impacts on organizations and institutional, political, or religious changes that influence organizations and are influence by them, is important to cross-national organizational research" according to Roberts and Boyacigiller (1984, p. 431). They conclude that it is critical to uncovering clues "about the gamut of external organizational variables likely to influence organizational activity." It is a naive assumption, according to Hofstede (1983) to assume that management is the same or is becoming the same around the world. Understanding the cultural and historical context of the organizations and individuals that are the focus of research is critical to the development of appropriate questions, the production of accurate translations and, ultimately, the value of the interpretation of the responses elicited.

Interpretation

Randal (1993) believes that researchers have in the past generally underestimated "the extent to which culture profoundly influences management thought and practice" (p. 91). Understanding how to interpret management thought and practice is also profoundly influence by culture. It is very difficult for North Americans to avoid interpreting Latin American behavior in light of a multitude of stereotypes created by our own frames of reference (Pike, 1992). Pike argues that North Americans generally erroneously interpret Latin American behavior in light of our own values of individualism and capitalism. Both the development of a robust research instrument as well as the interpretation of the responses is contingent upon the inclusion of local knowledge.

UNDERSTANDING EQUIVALENCY IN LATIN AMERICAN RESEARCH

The methodological difficulties presented by Latin America can often be overwhelming. My

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initial plan was to utilize a random sampling approach in order survey Costa Rican SMEs. I soon

discovered, that unlike other countries in which I have conducted surveys, there were no readily

available computer-based lists of SMEs. In addition, as I began to collect lists of business firms from

various organizations within Costa Rica, I discovered that street addresses as we understand them in the

United States do not exist. Businesses without post office box addresses simply cannot be accessed by

mail. I present these examples not to argue that research in Latin America cannot be rigorous, but that

due consideration must be given to the development of equivalent methodologies if knowledge

acquisition in Latin America is to be accomplished. Determining what will work in Latin America is a

key contribution of local knowledge.

Developing Equivalent Methodologies

Nasif et al. (1991) argue that while the approach to research should be identical in all countries,

how it is carried does not necessarily have to be so. They conclude that equivalence of administration is

accomplished by making the setting, instructions and timing of the research equivalent. If a random

sampling is not possible, Brislin (1980) believes that certain nonrandom sampling techniques can lead to

good research if the sampling processes as well as the sample are described in considerable detail. Due

to particularly dismal results for a random sampling approach in Mexico, Teagarden et al., (1995)

concluded that a quasi-theoretical sampling would provide both equivalency and rigorous results.

Based on my experiences in Costa Rica I have concluded that rigorous organizational research in Latin

America is possible, but contingent upon a willingness to expand the range of methodologies utilized for

gathering data.

BUILDING RELATIONSHIPS AND NETWORKS IN LATIN AMERICA

Conducting research in Costa Rica has convinced me that any research project conducted in Latin America must begin with the development of a strong network of support providing both advice and identification. For this project three factors proved to be critical. First, the initial contact with FLORICA, an organization with strong ties to both the business and academic communities in Costa Rica, was important in establishing a support network. Second, the support and identification with several key individuals within the Costa Rican business community was essential to successful data collection efforts. Finally, the involvement at each stage of the project of individuals with specific knowledge relevant to Costa Rica was crucial to the developing a foundation for understanding the study results.

Building social networks within Latin America can begin with linkage institutes supported by states, municipalities or academic institutions. American Chambers of Commerce located within many Latin American countries may be able to provide introductions. Export-import organizations proved particularly helpful for this project. Academic associations provide opportunities for the development of project collaborators with local knowledge. Many universities have Latin American institutes whose faculty members have developed social networks within Latin America. One word of caution--do not assume that because a particular group has contacts within one region of Latin America that those contacts are transferable to other regions. The development of social networks within the specific regions selected for study is critical.

CONCLUSIONS

Research conducted in Latin America with little consideration of the importance of eliciting local support, identification, and interpretation can be, to paraphrase a very overused line from Forrest Gump, "like a box of chocolates--you never know what you're going to get." Teagarden and colleagues

(1995) conclude that while equivalency of meaning should be the goal of any cross-cultural management research it is not enough: "there must be some specificity, or local responsiveness, in each country, and often in different regions within a country" (p. 1263). The case study, from which the issues presented in this discussion are drawn, provides strong evidence for this conclusion. The high context nature of the Latin American culture as well as the collectivist orientations of the individuals within that culture require that researchers develop a strong social network for support, knowledge and identification. While initially this can be a difficult task, the positive side is that Latin Americans respond to personal appeals from respected friends and associates with a much greater enthusiasm than do North Americans. Rigorous cross-cultural management research is possible in Latin America and can yield important new understandings if we are willing to expand our methods and incorporate local support and knowledge in all stages of the research process.

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