

# PERSONAL CULTURAL ORIENTATION AMONG MARKETING EMPLOYEES OF FINANCIAL SERVICE COMPANIES

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## **Abstract**

This study is trying to find out the interconnections between a few aspects of personal cultural orientations among the employees of Financial Service Companies. Personal Cultural orientation is related to cultural values like competence, achievement, individualism, autonomy etc. The purpose of this study is mainly to examine the relationship between risk aversion, prudence, and consumer innovativeness among the marketing employees of financial services companies based in the Sultanate of Oman. Personal cultural orientation is a major aspect that could benefit both employees and the organization towards productivity. The current research was conducted among 322 marketing employees, and the data collected was analyzed using descriptive and inferential statistical methods. The major finding of this study revealed a viable relationship between consumer innovativeness with prudence and risk aversion. Omani nationals and expatriates were found to be significantly different on risk aversion and consumer innovativeness, but no significant difference was found on prudence.

**Keywords:** Psychological wellbeing, risk, prudence, innovativeness, Geert Hofstede, customer innovativeness.

## **INTRODUCTION**

The concept of cultural orientation is strongly connected with the thinking, attitude, feeling, or how one acts as determined by the culture. The cultural dimensions are introduced by Hofstede (2001) with several aspects like individualism, power distance, uncertainty avoidance, muscularity, and long-term orientation. This concept was discussed and widely researched with various factors of several studies in the past (Steenkamp 2001). However, the dimensions related to the personal cultural orientation of employees are connected to the productivity of an organization, and it was rarely researched. Therefore, organizations need to carefully deal with culture and address their workforce's cultural orientation, which is a valuable asset.

A country like Oman has significant inherent differences from its existence. Many measures were taken to promote local talent rather than giving positions to expatriate employees (Ash wood et al., 2009). Studies in the past concentrated on researching cross-cultural behavior connected to employees, students, consumers and so on (Tsui & Windsor, 2001). This research aims to examine the interrelationships between risk

aversion, prudence, and consumer innovativeness among marketing financial services companies, which will enable us to understand the constraints and relationships employees are facing inside the Sultanate of Oman. Learning from this research will provide a more detailed understanding of the relationship between risk aversion, consumer innovativeness, and prudence which is unique in the context of the work culture of Oman.

## REVIEW OF LITERATURE

The studies concentrating on personal cultural orientation among the employees of the financial service organization are limited. Several research studies show that cultural influence leads to business ethics (Thomas & Au, 2002; Palau, 2001; Smith & Hume, 2005). Few other studies examined the interconnection between cross-cultural attitudes towards ethics and perception found a significant connection between national culture and ethical attitudes among individuals. (Christie et al., 2003). Culture explains different patterns of beliefs or thinking individuals possess, whereas understanding the difference among cultures explains cultural orientation. According to Kroeber and Parsons (1958), culture thrives from complex to simple cultural orientation as a framework for explaining cultural differences Geert Hofstede (2001). Oman is a country in the Arabian Peninsula with an approximate population of 4.5 million (NCSI 2018; Islam, et al., 2011) focus on economic development is based on oil reserves and associated resources. The country has moved so fast and reflected with its socio-economic development. The vision 2040 of Oman's economy is to double the current level of per capita income every year and focus on developing the economy by providing suitable conditions like an efficient health care system and education for the Omani citizens. Social well-being to overcome challenges by adopting a different culture and enhancing social participation by coping with global standards require cultural orientation. In the past, much considerable research has been conducted relating to the concept of culture and cultural orientation. Also, it was found that many studies focused on the individual aspects of cultural orientation and personal cultural orientation with few other factors, but an empirical examination was not conducted in these three variables, risk aversion, consumer innovativeness, and prudence.

## RISK AVERSION

An emerging interest has been found in the related studies of risk aversion during the last two decades. This study is associated with risk-bearing, which is generated by Kenneth Arrow (1970) from the wealth and attitude of customers. The characteristics of risk aversion and risk tolerance describe the reason behind the slump in the intake of existing resources even though the resources are increasing (Gollier 2001). Kimball and Weil (2004) state that the measures taken to save the elasticity of risk tolerance to the endowment impact the preventive saving motives. The risk aversion depends on

individuals' wealth, and this proposition was used for choosing insurance (Schlesinger 2013). According to Guo et al. (2016), there are two arguments: the individual's ultimate wealth and loss or gain are expected based on the level of reference.

## **CUSTOMER INNOVATIVENESS**

The concept of consumer innovation establishes the articulation of behavioral responses and emotions (Lin 2015). The intention of customers to buy available new products in the market instead of following their regular buying patterns (Rašković, M. et al. 2016). Al-Jundi et al. (2019) examined the relationship between consumer innovativeness and purchase intentions using the learning process as a mediating factor. New products innovative customers adopt are seeking more information about the product by using their network and social media to understand more about that product. The customer innovators tend to listen to advertisements and websites of companies to know more about the product. With that information, they start purchasing new products (Im et al., 2007).

## **PRUDENCE**

According to Marilen (2008), if a person is more prudent, they would be more risk cautious. The precautionary measures one takes to overcome a problem or a risk would be more and thus positively impact the relationship between prudence and risk aversion. These relationships can act as a change agent by effectively responding to diverse socio-economic conditions (Salim et al., 2020). An in-depth literature review revealed that previous studies had not investigated the relationship between risk aversion, consumer innovativeness, and prudence. The present study aims to enrich available literature with the importance of risk aversion, consumer innovativeness, and prudence among employees in organizations. These are important factors that would impact the total wellbeing of the organization, and they would reflect in society and thus benefit the country as a whole. This study is trying to examine the relationship between risk aversions, consumer innovativeness, and prudence to fill the gap found in the literature review and the impact of these factors on the sales employees working in the financial service organizations of Oman.

## **OBJECTIVES**

The objectives of the current investigation are:

- To review and understand the personal cultural orientation.
- To explore the most pertinent aspect of personal cultural orientation
- To identify the influence of nationality on various facets of personal culture orientation.

## **HYPOTHESES**

H1: There is no significant relationship between risk aversion, prudence, and consumer innovativeness among marketing financial services company's employees.

H2: There is no significant difference between Omani national and expatriate employees on various facets of personal culture orientation

H3: The male and female employees are not differing on various facets of personal culture orientation.

## **METHODOLOGY**

### **TOOLS USED FOR DATA COLLECTION:**

Construct used in this paper is an adopted questionnaire from previous research by Sharma (2010) in which the author conceptualized Hofstede's five national-level cultural dimensions to ten individual-level personal cultural orientations. From the Personal Cultural-Orientations scale, three variables were used to collect the data from the respondents as the data was collected from the Marketing employees of financial service companies such as banks, insurance companies, and financial institutions. The questionnaire was translated to vernacular language with the help of a language expert. Again the translated questionnaire was reversed to the English language to ensure no mistake occurred during translation. To measure, six items each were used for risk aversion and prudence, respectively, and four items were used for customer innovation. A five-point scale ranging from strongly agree to disagree strongly has been used in the questionnaire to get the response.

## **SAMPLE**

The current research was conducted on one 322 employees working in the marketing financial services companies in the Sultanate of Oman. The demographical variables such as age, gender, year of total work experience, and so on were taken into consideration by keeping in mind the varied degree of representation of the sample. The data were analyzed utilizing descriptive and inferential statistical methods.

## RESULTS AND DISCUSSION

### 1. Demographics

**Table-1 Demographic of the sample investigated**

| Variables       | Details               | Frequency | Per cent |
|-----------------|-----------------------|-----------|----------|
| Gender          | Male                  | 147       | 45.7     |
|                 | Female                | 175       | 54.3     |
| Nationality     | Omani                 | 152       | 47.2     |
|                 | Expatriates           | 170       | 52.8     |
| Social Status   | Married               | 179       | 55.6     |
|                 | Unmarried             | 143       | 44.4     |
| Age             | above 20- 29          | 115       | 35.7     |
|                 | above 30 and below 39 | 116       | 36.0     |
|                 | above 40- below 49    | 44        | 13.7     |
|                 | above 50 –below 59    | 47        | 14.6     |
| Work experience | less than 1 year      | 13        | 4.0      |
|                 | 1-5years              | 116       | 36.0     |
|                 | 5-10 years            | 186       | 57.8     |
|                 | more than 10 years    | 7         | 2.2      |

A total of 175(54.3%) female and 147 (45.7%) male respondents. Nationality 152 (47.2%) Omani employees and 170(52.8%) Expatriate employees. Regarding social status, 179 were married (55.6%), and 143 were unmarried (44.4%). Concerning age 115 (35.7%)respondents are above 29-29 years,116 i.e., 36% are above 30, and below 39 years, 44(13.7%)employees are above 40 -below 49 years, and 47 (14.6%) are above 50-below 59 years respectively. With respect to work experience, 13 respondents i.e., 4% are with less than a year experience, 116(36%) respondents are 1-5years, 186 (57.8%) are 5-10 years, and 7 (2.2%) respondents are of more than 10 years' work experience. Thus, the sample collected for the investigation has broad diversification and is henceforth symbolic in nature.

**Table-1 Mean, std. deviation, correlations matrix and rank order aspects of Personal Cultural Orientation**

| Variables               | Risk Aversion | Prudence | Consumer Innovativeness |
|-------------------------|---------------|----------|-------------------------|
| Risk Aversion           | 1             |          |                         |
| Prudence                | -.012         | 1        |                         |
| Consumer Innovativeness | -.125*        | .111*    | 1                       |
| Mean                    | 17.71         | 19.29    | 18.84                   |
| S.Ds.                   | 2.827         | 3.413    | 2.077                   |
| Rank Order              | III           | I        | II                      |

\*. Correlation is significant at the 0.05 level (2-tailed).

The above table shows Mean, Standard Deviation, and Pearson Correlation among the domains of the personal cultural orientation of employees working in the Sultanate of Oman. The Mean and SD observed for risk aversion is 17.71 & 2.827, prudence 19.29 & 3.413 and consumer innovativeness 18.84 & 2.077. Further, the result revealed that the relationship existed between consumer innovativeness & risk aversion and between consumer innovativeness & prudence, which are significant at the level of 0.05. Therefore, the proposed hypothesis Ho1 is partially accepted. Also, the result pointed that prudence is the most pertinent factor of personal culture orientation & ranked I, followed by consumer innovativeness and risk aversion with rank order II & III, respectively.

**Table 2: Mean, SD and t-value of employees' nationality on most pertinent variables of personal cultural orientation**

| Aspects                 | Group Categories | N   | Mean  | Std. Deviation | t-Value  |
|-------------------------|------------------|-----|-------|----------------|----------|
| Risk Aversion           | Omani            | 152 | 18.26 | 2.666          | 3.380*   |
|                         | Expatriates      | 170 | 17.22 | 2.883          |          |
| Prudence                | Omani            | 152 | 19.57 | 3.465          | 1.394 NS |
|                         | Expatriates      | 170 | 19.04 | 3.355          |          |
| Consumer Innovativeness | Omani            | 152 | 18.40 | 1.913          | 3.717*   |
|                         | Expatriates      | 170 | 19.24 | 2.142          |          |

Significant at \*P < .01

It can be observed from the table that the mean scores of Omani and expatriate employees on risk aversion were obtained 18.26 and 17.22 with SD 2.666 and 2.883, respectively. Thus, the calculated value of the t-test is 3.380, which is significant at  $P < .01$ . However, no significant difference was found with prudence, a domain of personal cultural orientation. But in terms of consumer innovativeness, the significant difference was observed at  $P < .01$  level, and the mean of expatriate employees is slightly high compared to Omani national employees. Henceforth, the proposed hypothesis H02 is partially accepted.

**Table 3: Mean, SD and t-value of gender on most pertinent variables of personal cultural orientation**

| Aspects                 | Group Categories | N   | Mean  | Std.Deviation | t-Value  |
|-------------------------|------------------|-----|-------|---------------|----------|
| Risk Aversion           | Male             | 147 | 17.80 | 2.740         | .492 NS  |
|                         | Female           | 175 | 17.64 | 2.905         |          |
| Prudence                | Male             | 147 | 19.29 | 3.227         | 0.030 NS |
|                         | Female           | 175 | 19.30 | 3.571         |          |
| Consumer Innovativeness | Male             | 147 | 18.67 | 2.339         | 1.382 NS |
|                         | Female           | 175 | 18.99 | 1.821         |          |

The results of the t-test show there is no significant difference between male and female employees regarding their perception of different aspects of personal orientation. Moreover, the mean of female employees is higher on prudence and consumer innovativeness except for risk aversion. Thereby, the proposed hypothesis H03 is accepted.

**Table 4. ANOVA Results based on nationality**

| Aspects                 | Group Categories | Sum of Squares | df  | Mean Square | F      | Sig.  |
|-------------------------|------------------|----------------|-----|-------------|--------|-------|
| Risk Aversion           | Between Groups   | 87.719         | 1   | 87.719      | 11.326 | <.001 |
|                         | Within Groups    | 2478.421       | 320 | 7.745       |        |       |
|                         | Total            | 2566.140       | 321 |             |        |       |
| Prudence                | Between Groups   | 22.643         | 1   | 22.643      | 1.950  | .164  |
|                         | Within Groups    | 3715.916       | 320 | 11.612      |        |       |
|                         | Total            | 3738.559       | 321 |             |        |       |
| Consumer Innovativeness | Between Groups   | 56.605         | 1   | 56.605      | 13.643 | <.001 |
|                         | Within Groups    | 1327.632       | 320 | 4.149       |        |       |
|                         | Total            | 1384.236       | 321 |             |        |       |

Table 4 indicated the analysis of variance and observed that the mean difference in employees' perception among the Omani and expatriate employees regarding risk aversion is statistically significant ( $F=11.326$ ,  $p<.001$ ). Also, it indicates that while there are significant differences in the perception of consumer innovativeness regarding nationality, no significant difference was observed concerning nationality on prudence.

## CONCLUSION

The objectives and hypotheses formulated by the investigators have been explored, and outcomes of the investigation revealed that prudence emerged as one of the most pertinent facets of personal culture orientation followed by consumer innovativeness and risk aversion. All the three hypotheses, set (H01, H02, and H03) for this study were accepted partially. This finding was also supported by Marilen (2008) in her research study. It is observed a viable relationship between consumer innovativeness with prudence and risk aversion. Omani nationals and expatriates had a significant difference in risk aversion and consumer innovativeness, but no significant difference was found in prudence. Although the result did not have any significant difference based on gender, the female mean score was high on prudence and consumer innovativeness whereas, the male gender had more mean on risk aversion.

## LIMITATION

The present investigation has been initiated to identify the most potent aspect of personal cultural orientation among employees working in the Sultanate of Oman. Therefore, the present investigation provides avenues for future research. However, the results obtained from the current investigation cannot be generalized to all the population. Therefore, it is essential to keep consideration of visible & most valid instruments to probe various other facets related to personal culture orientation. In addition, other statistical techniques can also be applied to understand personal cultural orientation. Based on the findings, it is suggested that the management may initiate better and most effective HR practices to increase the workplace's psychological well-being and mental health for organizational excellence (Allam & Shaik, 2020).

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