Volume X Number 1 2015

Journal of Strategic and International Studies

EDITOR-IN-CHIEF
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Institute of Strategic and International Studies™
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E-RECRUITMENT IN LUXEMBOURG?

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ABSTRACT

The purpose of this study is to explain the cultural and language characteristics of Luxembourg that may influence the tendency of human resources specialists in Luxembourg to be reluctant to utilize new social networking technologies such as LinkedIn, Viadeo, Xing, Facebook and Twitter in recruitment. The study is the result of the link between language, culture and e-HRM (Martin and Reddington, 2010) in Luxembourg. Interviews and questionnaires have been used in 31 companies in Luxembourg. Luxembourg’s high score on Hofstede’s cultural dimension ‘Uncertainty Avoidance’ might be the reason for the reluctance to use e-recruitment. The fact that the Luxembourgish language is used as an identifier in the Grand Duchy might represent an amplifier for the reluctance in the adoption and use of digital social networking technologies.

Keywords: International Entrepreneurship, e-recruitment, Digital Social Networking, cross-cultural management, Hofstede’s cultural dimensions, Luxembourg

1. INTRODUCTION

This study explains the impact of social networking technologies on human resources practices in Luxembourg while analyzing the cultural pattern of Luxembourg. Digital social networks like LinkedIn, Viadeo, Xing, Facebook and Twitter have revolutionized human resources practices, not so in Luxembourg. The research will be undertaken within the specific political, economic and historical context of Luxembourg. Hofstede’s dimensions of culture are discussed: ‘Individualism/Collectivism’, ‘Power Distance’, ‘Masculinity/Femininity’, ‘Uncertainty Avoidance’, ‘Long-Term Orientation/Short-Term Orientation’, ‘Indulgence versus Restraint’ and ‘Monumentalism’. The hypothesis is discussed that this reluctance to use digital social networking technologies is founded in Luxembourg’s high score on ‘Uncertainty Avoidance’. Also the fact, that Luxembourgish language is used as an identifier in the Grand Duchy, might represent a brake to the extent of use of new social networking technologies. Human Resources practices have a historical background and have developed throughout the years. While standard HR management was for a long time exclusively about HR administration, it is nowadays still about HR administration but also about recruiting and staffing, best practices, talent management, and more and more about communication, new social technologies and e-HRM. The research question is: Why have human resources specialists in Luxembourg been reluctant to utilize new social networking technologies? Interviews and questionnaires have been performed in 31 companies in Luxembourg. Results are presented. Discussion and references follow.

2. LITERATURE REVIEW

2.1. Culture And Language

Kashima and Kashima (1998) studied the relationship between ‘culture and language’ by testing the use of first- and second-person singular pronouns (‘I’ and ‘you’) in correlation with individualism, and by doing so the correlating between language and culture. The relationship between ‘cultural background’, ‘language’, ‘geographic region’ and ‘ethnic identity’ was researched by Taylora et al. (1973), while Lewis (2006) focuses his research on ‘language programming’ in relation with cross cultural leadership. Sherzer (2009) investigates the relationship between grammar and culture, where language conditions thought, perception and world view. Bicultural’s ability of frame switching through language has been researched by Briley et al. (2005) and Hong et al. (2000). Language has been defined as a manipulator of consumers’ behavior (Briley et al., 2005; Hong et al., 2000) and as identifier by Schinzel (2012, 2013 a,b). As argued earlier, Luxembourg with its special Luxembourgish language as well as other official languages, and its unique demand for the command of Luxembourgish as a condition for citizenship, provides an...
appropriate background for testing the role of language as an identifier of culture. Luxembourg's language is described next, followed by the relevant hypothesis.

2.2 Luxembourgish Language

Today, 320,000 people are Luxembourgish native speakers. The Luxembourgish language has become the discriminating factor to distinguish between those who are able to benefit from Luxembourgish citizenship and those who are not. Luxembourgish possesses the characteristics of a dialect, proven by the fact that there is no translation of the Bible into Luxembourgish. Luxembourgish is a spoken language and does not have a long written tradition (Spizzo, 1995). The language defines the in-group (Briley, 2005) and the out-group. Those who speak Luxembourgish are part of the in-group and those who do not speak the language are part of the out-group. Official documents are in French or in German. Mostly, French is used for bureaucratic issues, and German is used for the religious ceremonies. This dialect has become the discriminating element for citizenship. In order to benefit from all of the advantages of the Luxembourgish nationality one has to be able to speak Luxembourgish. Citizenship is only awarded to people who speak Luxembourgish (Spizzo, 1995). The language, therefore, provides access to the advantages and rights associated with citizenship.

Luxembourgish authorities are an example of long-term orientation; they were able to adapt and react to some of the crises in the steelmaking industry and in the banking system, always with the objective of guaranteeing stability and wealth for the people. It seems as if there was an invisible line of stability and wealth that was guaranteed throughout the centuries. Typical words for the national identity are wealth, privileges, and stability through the maintenance of the attractiveness of the country compared to neighboring countries, because of its industry, its labor market, and its fiscal benefits, all key for the success of the country. Being part of this system and the feeling it gives is the glue of the country, the sense of being part of it (Spizzo, 1995).

Following the description of Luxembourg and its culture, it is argued that Luxembourg's dimensions of culture are not proxies for the average values found by Hofstede in France and Germany, but rather are unique and a result of Luxembourg's language, which is also the official country language since 1984.

2.3. Human Resource Management And Social Networking Technologies

Human Resources Practices have a historical background and have developed throughout the years and with the changing world of work. Twenty years ago, Human Resources Policies were mostly related to Administration (Mahoney and Deckop, 1986): salary, vacation, absence, work hours, headcount and accounting. In many companies, the accounting department was part of the Human Resources Department. Following this administrative trend, arrived a movement focused on motivation (Kuvaas and Dysvik, 2009). Human Resources became centered on motivation of employees, recruiting, training, evaluation, and recognition. More recently Human Resources is driven by communication (Bada and Madon, 2006), international HR (McLean and McLean, 2001), recruiting in the globalized HR world (Sparrow, 2007) and networking (Tixier, 2004; Slagter, 2009). Digital social networks like LinkedIn, Facebook (Kirkpatrick, 2010) and Twitter have revolutionized human resources practices. Google has changed the way we see our world (Auillet, 2009) and changes our habits (Jarvis, 2009), and the internet does modify our brain (Carr, 2010). Some even wish to make the internet stop (Zittrain, 2009). Due to the social technologies, we have to reconsider how we can live and win in a transformed world (Li and Bernoff, 2008), and how we interact in times of Facebook (Stengel, 2010), where the new digital generation grows up with naturally, contrary to the generations before them (Tapscott, 2009).

Hypothesis: HR specialists in Luxembourg are reluctant to utilize new social networking technologies due to their specific cultural identity. As a result, the practical techniques used related to recruiting, integration, evolution, training, talent management and the evaluation of employees remain largely unchanged.

What causes this reluctance? Specific cultural facts (American Chamber of Commerce, 2010; Dumont et al., 2008), differences in nationalities, or age, or gender or other facts (Reddington et al., 2010)? What has been the extent of the use of new social networking technologies in Luxembourg? Why have human resources specialists in Luxembourg been reluctant to utilize new social networking technologies? How do they do, HRM? How to make them use the new technologies?
My work will show that Luxembourg is different from other markets, confirming Greenwald and Kahn's (2005) "All Strategy is Local". Luxembourg has a specific work environment that is not in-line with the theories of the globalized world (IPSE, 2010; AmCham, 2010).

2.5. Dimensions Of Culture

Geert Hofstede (1980), in his monumental research on culture at IBM, has instigated worldwide research efforts. Culture has been found to have dimensions, the question is not if, but how many. Hofstede initially came up with four dimensions - Individualism versus Collectivism, Uncertainty Avoidance, Power Distance, and Masculinity versus Femininity. He later added a more dimensions: Long-term versus Short-term Orientation, Indulgence versus Restraint, and Monumentalism.

Hofstede (1980) defines culture as the "collective programming of the mind which distinguishes the members of one human group from another, see http://geert.hofstede.nl.

Today, Hofstede's work is known, accepted, praised, replicated, and also criticized. Some significant culture studies have followed Hofstede.

Geert Hofstede's research has not only been subject to enthusiasm but also to criticism, contestation and controversy. The five main criticisms of Hofstede's approach have been enumerated by Hofstede (2002) himself: (1) Surveys are not a suitable way of measuring cultural differences; (2) Nations are not the best units for studying cultures; (3) A study of the subsidiaries of one company cannot provide information about entire national cultures; (4) The IBM data are old and therefore obsolete; and (5) Four or five dimensions are not enough."

This study takes on the second challenge of Hofstede's criticism, namely, that national boundaries are not the best unit of analysis of studying culture, and uses the example of Luxembourg to demonstrate that language is a better identifier of culture rather than geographical boundaries of nations. It compares data collected in three subsidiaries of one company in Germany, France and Luxembourg, to demonstrate that Luxembourg's dimensions of culture are not proxies for the average values found by Hofstede in France and Germany, but rather are unique and a result of Luxembourgish, which, along with French and German, is one of the official languages of the Grand Duchy. Hence, the next section delineates background information about Luxembourg such as economic, geographical, political, social, historical and language, as well as some research reports about culture and happiness in Luxembourg, followed by a set of hypotheses.

3. METHODS

a) Collecting primary data via Participant Observation, following Saunders et al. (2009): participation at seminars, conferences, meetings, dinners, breakfasts, networking events. b) Collecting primary data via Face-to-Face Interviews. c) Collecting primary data via different questionnaires, in paper or online. My questionnaire has been used in paper and online to enquire about HRM practices and the impact of digital social networks on these HRM practices in Luxembourg and Hofstede's (2001) original questionnaire has been used to measure his cultural dimensions. The questions concerning HRM practices are: (1) 'What means is your company using in recruiting?' (2) 'Which digital social networks does your company use?' (3) During the recruitment process, how does your company gather information about a candidate?' (4) After the recruitment process, how does your company gather information about its employees?' (5) 'What are the advantages of digital social networks?' (6) 'What are the disadvantages of digital social networks?' (7) 'Did the use of digital social networks change the role of the human resource specialists in Luxembourg? If yes, how? If not, why not?' (8) 'Do you see any risks, dangers while using digital social networks in the human resource practices of recruiting, evaluation, evolution, training....' (9) 'Which internet pages are accessible in your company? (Is Facebook accessible?' (10) 'How is networking mainly done in Luxembourg?'

4. RESULTS

Human Resource Managers in Luxembourg are reluctant to use digital social networks, due to their cultural identity. Human Resources practices have a historical and cultural background and has developed throughout the years. The recruitment sector has been revolutionized by Facebook, LinkedIn,
Xing, Twitter and Blogger, but not so in Luxembourg. This is given by the high score in 'Uncertainty Avoidance' following Hofstede.

a) "What means is your company using in recruiting?" was answered as follows: Newspapers (25) and spontaneous applications (23), Monster (21), CV Database (20), Student Fair (14). Digital social networks (8) are far the less used mean in recruiting.

b) "Which digital social networks does your company use?" was answered as follows: LinkedIn (20), Facebook (12), Newsletter (10), and Xing (9), Twitter (1) Blogger (0), Viadeo (0).

c) "During the recruitment process, how does your company gather information about a candidate?" was answered as follows: using mainly the CV (36) and the Interview with the candidate (35), References (27), Telephone interview (26), Other employers (15), Hear-Say (13), Other employees (12), and digital social networks (7) and Friends (6) are the least used means.

d) "After the recruitment process, how does your company gather information about an employee?" was answered as follows: mainly through discussion with the employee (35) and the annual performance evaluation (21), less via other employees (6), Hear-Say (4), digital social networks (3) and Friends (2) and are the least used means.

e) "Which internet pages are accessible in your company? (is Facebook accessible?)" was answered as follows: most companies have restricted their internet access (21), compared to unlimited access (20).

f) "How is networking mainly done in Luxembourg?" was answered as follows: networking is mainly done through private contacts, (37), followed by meetings, events, seminars (33), clubs and associations (25) and leisure (19). Digital social networks represent only 8.

g) "What are the advantages of Digital Social Networks?" was answered as follows:

- You can grow your network, connect to former colleagues or friends out of contact.
- Increases network, spreads brand awareness, no cost.
- (Re) connecting to people; discover other social network forms. Contacting people without facing or calling them. Timeless networking (anytime in day and night).
- It can help to find someone who can answer you a specific question. Especially LinkedIn is very useful there.
- The world just got smaller!
- Easy to use and to find information you need.
- Speed.
- It gives you a first impression to be confirmed or not.
- I have 2 daughter: 24 and 22 years old who are on Facebook, with the style of life of the students' live, Erasmus contacts, their way of keeping contact in the entire world, with students they didn't see for some months. To find back friends that one wishes to find back. To exchange information.
- Faster creation of a network, widening of one's network.
- Broad database, normally quite actual information.
- Big space of information, fast work, easy communication.
- Accessibility, information available quicker.
- Being able to reach fast a number of people whom I couldn't contact by any other means. Our site: "Your future at Deloitte": We find them at their homes, they don't need to move. The number of people! The different profile of the people, their diversity, the entire world, the world is getting very small.
- Contact passive candidates.
- Contact candidates out of location.
h) "In your opinion, what are the disadvantages/dangers of DSN?" was answered as follows:

- The main risk is that it is so easy to use / make contact / that there is a temptation to leave "face-to-face" -contact by side.
- Preservation of private life.
- Low quality.
- If you allow too many details to be shown to public users there might be a lack in privacy.
- People may lie about their experience, job title...
- Lack of personal touch.
- Very little usage potential for finding the right staff. People tend to exaggerate their skills and don’t talk about deficiencies. Endorsements might help a bit, but when you look at them they don’t seem to be more than a friendly turn.
- It’s not always easy to control if information found is trustfully.
- No confidentiality.
- No control on distribution of information.
- Private info, not always accurate.
- The content is not trustful.
- It is an advantage and a disadvantage: fast communication, a lot of information.
- The contact has to be private, personal. I don’t want to make public what is private. It’s the illusion of transparency.
- To share too much information with everyone.
- One can create a profile that isn’t true. One can create an identity without being it.
- Information is not as complete as a CV. As a recruiter you have to be extra careful.
- This mix of private life - professional life. Facebook has a non-stop memory. You cannot delete the memory of Facebook. Even if I have nothing to hide, I don’t want to show it to everyone.
- The limits of the network: "ok, we are linked, yes, and what now?" The weak border between the private and the professional.
- Reliability of information, respect of personal data, standard demand driven streamlining of data, over-simplification of search = interesting profiles not taken into account.
- Risks in confidentiality. Risks of copies. Risks of discretion.
- Yes: reputation. Information is spread fast, without control. Not to be deleted: it is on the net, it will stay there forever.
- Privacy. Not suitable photos.

5. DISCUSSION AND IMPLICATIONS

The purpose of this study was to explain the cultural and language characteristics of Luxembourg that may influence the tendency of human resources specialists in Luxembourg to be reluctant to utilize new social networking technologies such as LinkedIn, Viadeo, Xing, Facebook and Twitter.

The study is the result of the link between literature on standard HRM practices, e-HRM (Martin and Reddington, 2010) and practice in Luxembourg business life (IPSE, 2010; AmCham, 2010).

The aim is to analyze Luxembourg and its way of business while continuing to evolve with changing technologies. The main question is: Who wants e-HRM? The questions discussed go deep into the analysis of everyday business life, cultural identity, language and international trade in Luxembourg (Horner, 2009; Kingsley, 2009; Davis, 2009). One must genuinely accept and understand the meaning of "Mir welle bleiwe wat mir sinn". If one does not make an effort to integrate into Luxembourg’s specific business culture, success in Luxembourg may never be possible (Background Notes, 2006; Neefs and Laures, 2010).

This research on 'who wants e-HRM' could be used by HR practitioners, recruiters, head-hunters and HR directors in Luxembourg who would like to consider evolving technologies and their potential use in Luxembourg's business environment with its cultural identity (Jameson, 2007) in international trade (Rauch, 2001). As the interviews and questionnaires were performed mainly in 2010 and 2011, things might have changed since then.
HR Managers will be made aware of the dangers of digital social networks and may potentially reflect on if and how to implement them into their current HRM Practices (Guler and Guillen, 2010). On the other hand, the question is asked: do we really want e-HRM? While internet security is in the core of the discussion by evoking the dangers of digital technologies, the traditional ways of HRM, forgotten for a while, regain their importance.

Future research could focus on dangers of e-HRM practices, confidentiality, data security and protection of our private life alongside with rising digital criminality. Traditional HRM practices have proven their quality over the years. Maybe HR practitioners were too fast in adopting new digital technologies?

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Dr. Ursula Schinzel, Doctorate in Business Administration, is an independent teacher, studied international business, management, and human resources in London (UK), Paris (France), Saarbrücken (Germany) and in the USA. She held different positions in leading American and European multinational corporations in the Grand Duchy of Luxembourg. She has been language teacher and sports instructor for the last 30 years. She publishes articles and books and delivers lectures at international conferences (AIB, ANZIBA, BAM, EIASM, EIBA, EURAM, EUROMED, InstituteSIS) in German, English, French, Italian, Spanish and Luxembourgish. She is author of „How to get a Doctorate – and more – distance learning“ „Quelles compétences à l'international – ou – Pourquoi les luxembourgeois sont-ils heureux?“ and “Challenges of our times”, Frieling-Verlag Berlin, and “Why are people in Luxembourg happy”, Journal of Customer Behaviour.