

**RELATIONSHIP BETWEEN GRANT OF ESOPs AND CULTURE:
AN EMPIRICAL STUDY**

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ABSTRACT

Employee Stock Option Plans (ESOPs) have emerged as a non-cash compensation tool to retain employees. However, compensation policy has been impacted by cultural dimensions. Hofstede undertook a survey of more than 50 countries to analyze the various cultural dimensions. To study the impact of organization's culture on stock option, Hofstede's categorization of cultures becomes relevant. Thus, the broad objective of the study has been to verify whether there is any relationship between Hofstede's (1980) cultural dimensions and the grant of ESOPs in India. For this purpose, cultural dimensions have been measured through CVSCALE which has been adapted and modified according to Indian scenario. To meet the objective of the study, primary data has been collected from 500 employees. After running exploratory factor analysis (EFA) and confirmatory factor analysis (CFA), the four retained factors (power distance, uncertainty avoidance, individualism-collectivism and masculinity-femininity) have been further analyzed using chi-square for their impact on grant of ESOPs. The results highlight a negative relationship between the masculine cultural dimension and grant of ESOPs. The analysis of uncertainty avoidance cultural dimension, collectivism cultural dimension and power distance dimension showed a positive relationship with grant of ESOPs.

KEYWORDS: ESOPs; Culture; Exploratory factor analysis (EFA); Confirmatory factor analysis (CFA); Chi-square.

INTRODUCTION

Employees are the engine of growth of any organisation. In order to attract and retain them, they need to be appropriately remunerated and incentivised. One of the ways to do this is through Employee Stock Option Plans (ESOPs). It means a plan under which an organization grants shares to employees usually at a discounted price for a specified period of time. As against the traditional practice of remunerating employees in the form of salary alone, it has now become an acceptable practice for Indian corporates to remunerate employees, apart from salary, by way of granting options to acquire the shares of the company. Management can tailor the reward system using ESOPs as a compensation tool. However, the compensation policy is in turn influenced by cultural

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aspects. The concept of culture in context of an organization has been defined from various viewpoints and fields of study, such as anthropology, sociology, organizational behavior, to name a few. The term culture means “the way we do things around here”, “the reward system”, “beliefs” and so on (Madu, 2012). Thus, ESOPs being used as a tool to compensate employees will also be influenced by the culture of an organization.

REVIEW OF LITERATURE

Numerous studies have been undertaken related to various aspects of ESOPs such as financial, accounting, taxation, behavioral, among others. The researcher does not come across any study related to ESOPs and culture. In this section how different types of cultures influence compensation system has been discussed. Kerr and Slocum’s (1987) used the concepts of “clan culture” and “market culture” to suggest reward practices that seem appropriate for each—for example, performance pay is seen as appropriate for market cultures. Second, Flannery, Hofrichter, and Patten (1996) suggest that organization or “work” cultures can be divided into just four types—functionalist, time-based, process, and network. They then propose that some forms of reward (“compensation”) are more appropriate in some cultures than in others—for instance, they suggest that narrower job grades would be more suitable in a functional organizational structure. Singh, Mathew and Das (1977) examined the role of organizational culture vis-a-vis the demand for monetary compensation. It concludes that organizational culture plays a significant role in determining the level of economic demands.

Taking into account the importance of culture in shaping its organizational compensation strategy, it becomes imperative to find out the relationship between cultural factors influencing the grant of ESOPs.

OBJECTIVES OF THE STUDY

To study the impact of organization’s culture on stock option, Hofstede’s categorization of cultures becomes relevant. Hofstede undertook a survey of more than 50 countries to analyze the various cultural dimensions in year 1970, which was first published in the year 1980. Hofstede found that there is difference in values, perception, norms of the world by differing societies. His research studied these differences which led to the emergence of four dimensions of culture which have been used as basis in various researches related with cultural aspects (Rhyne, William J., 2008). In words of House et al. (2004), Hofstede’s study has been the best known study in the area of culture since more than 30 years. Hofstede’s dimensions have been a base for more than 100 studies (Hofstede, 2001). “The robustness of Hofstede’s model, in spite of growing criticism, is being acknowledged far beyond the academic world” (Magala, 2009).

Thus, the broad objective of the study has been to verify whether there is any relationship between Hofstede’s (1980) cultural dimensions and the grant of ESOPs in India. This objective has been elaborated as follows:

- ❖ To study the influence of power distance dimension on the grant of ESOPs.
- ❖ To assess the impact of uncertainty avoidance dimension on the grant of ESOPs.
- ❖ To investigate the association between individualism-collectivism dimension and the grant of ESOPs.
- ❖ To analyze the effect of masculinity-femininity dimension on the grant of ESOPs.

HYPOTHESES OF THE STUDY

On the basis of above objectives, the following null hypotheses (H_0) have been formulated to get empirical results for this study.

- H_{01} There is no influence of masculinity-femininity dimension on the grant of ESOPs in India.
- H_{02} There is no association between uncertainty avoidance dimension and the grant of ESOPs in India.
- H_{03} There is no effect of individualism-collectivism dimension on the grant of ESOPs in India.
- H_{04} There is no impact of power distance dimension on the grant of ESOPs in India.

RESEARCH METHODOLOGY OF THE STUDY

A questionnaire based on modified CVSCALE (list of variables included in study are given in table 1) has been personally administered on 500 employees working in different sectors such as information and communication, manufacturing and consumer, health care sector, banking & financial sector and others. Stratified convenient sampling method has been used in the study. In this study, the grant of ESOPs has been taken as the criterion to identify strata. Out of the 500 respondents approached, 373 responded. After dealing with missing values, only 361 respondents have been left. Out of 361 respondents, 231 are not being granted ESOPs by their organization while only 130 employees are being granted ESOPs by their organization.

Exploratory factor analysis (EFA) and confirmatory factor analysis (CFA) has been used in the study to explore and confirm the cultural dimensions. The EFA final model has been arrived after meeting the criteria of determinant, Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy, Bartlett's test and value of diagonal elements of anti-image correlation matrix. The principal component analysis (PCA) method of extraction with varimax rotation has been applied in the study. The CFA final model has been arrived after meeting the criteria of composite reliability, convergent validity and discriminant validity. Further, all the factors have at least two or more variables (Bollen, 1989; O'Brien, 1994). If the model is unable to meet these criteria's, then to achieve the model fit, arrows has been added and variables has been removed (Garson, 2009). The model has been modified using modification indices output (co-varying error terms) and estimates output (standardizes regression weights). If the model meets criteria of reliability, validity and at

least two or more variables per factor, then overall fitness of measurement model has been judged using normed chi-square (CMIN/DF), RMSEA, GFI and CFI (Kyle, 1999).

After running exploratory factor analysis (EFA) and confirmatory factor analysis (CFA), the four retained factors (power distance, uncertainty avoidance, individualism-collectivism and masculinity-femininity) have been further analyzed for their impact on grant of ESOPs. Each of the four cultural dimensions had been classified into low cultural dimensions and high cultural dimension. The impact of low cultural dimensions and high cultural dimension on categorical variable grant of ESOPs and non-grant of ESOPs had been studied in this paper. The grant of ESOPs had been coded as 1 and non-grant of ESOPs had been coded as 0. The average of variables extracted after CFA had been computed to calculate the mean score of each factor. A value less than or equal to three represented a low cultural dimension, while a value greater than three represented a high cultural dimension.

Statistical Package for the Social Sciences (SPSS) version 19.0 and IBM's Analysis of Moment Structure (AMOS) software version 22.0, apart from Microsoft Excel has been used in the study.

FINDINGS OF THE STUDY

The core objective of this paper is to explore the relationship between cultural dimensions which influence the grant of ESOPs in India. For this purpose, EFA, CFA and Chi-square have been used. The EFA final model has been arrived after meeting the criteria of determinant [.012 > .00001], Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy [.770 > .50], Bartlett's test [$p < .05$] and value of diagonal elements of anti- image correlation matrix [all variables > .40 (Lago, 2007)]. The principal component analysis (PCA) method of extraction with varimax rotation has been applied in the study [factor loadings $\geq .50$]. The CFA final model has sufficient reliability [Composite Reliability (CR) $\geq .70$], convergent validity [Average Variance Extracted (AVE) $\geq .40$]. Further, both Maximum Shared Variance (MSV), and Average Shared Variance (ASV) \leq Average Variance Extracted (AVE)] and yields good results (GFI .943 \geq 0.90, CFI .944 \geq 0.90, RMSEA .043 \leq 0.08). Moreover, all factor loadings are also significant. This indicates that the observed variable load highly on the factor, resulting in uni-dimensionality and convergent validity. Additionally, the four factors (F1, F2, F3 and F4) are not correlated.

The EFA and CFA resulted in four distinct cultural factors which impacts the grant of ESOPs in India, namely, as power distance, uncertainty avoidance, individualism-collectivism and masculinity-femininity. The first component (F1) individualism – collectivism had been most highly correlated with q11, q12, q13, q14, q15 and q16. The second component (F2) uncertainty avoidance had been most highly correlated with q6, q7, q9 and q10. The third component (F3) masculinity-femininity had been most highly correlated with q17, q18, q19 and q20. The fourth component (F4) power distance had been most highly correlated with q1, q2, q3 and q4.

To explore the core objective of the paper i.e. to establish linkages between the various extracted Hofstede's (1980) cultural dimensions and grant of ESOPs in India, chi-square has been used. The chi-square had been deployed to compare proportions between categorical variables. The grant of ESOPs was the categorical dependent variable and all the four cultural dimensions had been taken as categorical independent variable. Each of the four cultural dimensions has been classified into low cultural dimensions and high cultural dimension. The impact of low cultural dimensions and high cultural dimension on categorical variable grant of ESOPs and non-grant of ESOPs has been studied in the following section. The average of variables q6, q7, q9 and q10 has been computed to calculate the mean score of uncertainty avoidance factor. A value less than or equal to three represents a low uncertainty avoidance culture, while a value greater than three represents a high uncertainty avoidance culture. Similarly, the average of variables q11, q12, q13, q14, q15 and q16 has been computed to calculate the mean score of individualism-collectivism factor. A value less than or equal to three represents a low collectivism culture, while a value greater than three represents a high collectivism culture. Likewise, the average of variables q17, q18, q19 and q20 has been computed to calculate the mean score of masculinity-femininity factor. A value less than or equal to three represents a low masculinity culture, while a value greater than three represents a high masculinity culture. Similarly, the average of variables q1, q2, q3 and q4 has been computed to calculate the mean score of power distance factor. A value less than or equal to three represents a low power distance culture, while a value greater than three represents a high power distance culture.

All the high cultural dimensions have been coded as 2 while all the low cultural dimensions have been coded as 1 for all the four retained cultural dimensions after performing CFA. The grant of ESOPs has been coded as 1 and non-grant of ESOPs has been coded as 0.

The chi-square test has been deployed to compare proportions between categorical variables. The 2 x 2 contingency chi-square is applied to draw comparison between two groups with a dichotomous dependent variable. The chi-square test is applicable where each of the cell values is more than 5. In the following section, grant of ESOPs is the categorical dependent variable and all the four cultural dimensions have been taken as categorical independent variable.

a. Relationship between ESOPs and Masculinity-Femininity

This part of the paper tests the association between masculinity-femininity cultural dimension and the grant of ESOPs. Table 1.1.a shows the cross-tabulation results of masculinity and ESOPs grant.

As the number of respondents differs in each group, percentages have been calculated for easier pattern identification. Table 1.1.b shows column percentages in brackets. Table 1.1.c shows row percentages in brackets. Analysis of table 1.1.b. showing column percentage reveals that in case of the organizations not granting ESOPs, around 60% (58.9%) have high masculine culture. On other hand, in case of the organizations granting ESOPs, around 86.2% have low masculine culture,

thereby meaning high feminine culture. Analysis of table 1.1.c showing row percentage reveals that in case of the organizations low on masculine dimension, 54% grant ESOPs. On other hand, in case of the organizations high on masculine dimension, 88.3% do not grant ESOPs.

Table 1.1.d reveals the association between the masculine cultural dimension and the grant of ESOPs. Masculinity-femininity represents two different sides of the same continuum. If a respondent agrees with all the statements in masculinity-femininity cultural dimension, then it represents masculine orientation and vice-versa.

The grant of ESOPs has been taken as the categorical dependent variable and masculinity has been taken as categorical independent variable. The following are its null hypothesis (H_0) and alternate hypothesis (H_1).

H_{01} There is no influence of masculinity-femininity dimension on the grant of ESOPs in India.

H_{11} There is an influence of masculinity-femininity dimension on the grant of ESOPs in India.

The null hypothesis cannot be accepted as $p < .001$. It has been inferred that masculine cultural dimension influences grant of ESOPs in India. Thus, the association between the masculine cultural dimension and the grant of ESOPs is significant at 1% level of significance. The chi-square test is applicable when each of the cell values is more than 5. The Fisher Exact is applicable if cell value is less than 5. In the table of chi-square test, it is given that "0 cells (.0%) have expected count less than 5". However, Fisher Exact test has also depicted that the results are significant at 1% level of significance.

The Phi is a nonparametric correlation coefficient. It has similar interpretation as Karl Pearson's coefficient of correlation, showing strength and direction of relationship between two variables. In this case, $\Phi = -.437$, which shows a moderate negative relationship between the masculine cultural dimension and the grant of ESOPs. The Phi is significant at 1% level of significance. Phi (table 1.1.e) has the same p-value as was given in the chi-square test (table 1.1.d).

b. Relationship between ESOPs and Uncertainty Avoidance

This part of the paper tests the association between uncertainty avoidance cultural dimension and the grant of ESOPs. Table 1.2.a shows the cross-tabulation results of uncertainty avoidance and ESOPs grant.

As the number of respondents differs in each group, percentages have been calculated for easier pattern identification. Table 1.2.b shows column percentages in brackets. Table 1.2.c shows row percentages in brackets. Analysis of table 1.2.b showing column percentage reveals that in case of the organizations not granting ESOPs 67% have low uncertainty avoidance culture. On other hand, in case of the organizations granting ESOPs, 80% have high uncertainty avoidance culture.

Analysis of table 1.2.c showing row percentage reveals that in case of the organizations low uncertainty avoidance dimension, 86% do not grant ESOPs. On other hand, in case of the organizations high on uncertainty avoidance dimension, 58% grant ESOPs.

Table 1.2.d reveals the association between the uncertainty avoidance cultural dimension and the grant of ESOPs. The grant of ESOPs has been taken as the categorical dependent variable and uncertainty avoidance has been taken as categorical independent variable.

The following are its null hypothesis (H_0) and alternate hypothesis (H_1).

H_{02} There is no association between uncertainty avoidance dimension and the grant of ESOPs in India.

H_{12} There is an association between uncertainty avoidance dimension and the grant of ESOPs in India.

The null hypothesis cannot be accepted as $p < .001$. It has been inferred that uncertainty avoidance cultural dimension influences grant of ESOPs in India. Thus, the association between the uncertainty avoidance cultural dimension and the grant of ESOPs is significant at 1% level of significance. The chi-square test is applicable when each of the cell values is more than 5. The Fisher Exact is applicable if cell value is less than 5. In the table of chi-square test, it is given that "0 cells (.0%) have expected count less than 5". However, Fischer Exact test also depicted that the results are significant at 1% level of significance.

The Phi is a nonparametric correlation coefficient. It has similar interpretation as Karl Pearson's coefficient of correlation, showing strength and direction of relationship between two variables. In this case, $\Phi = .460$, which shows a moderate positive relationship between the uncertainty avoidance cultural dimension and the grant of ESOPs. The Phi is significant at 1% level of significance. The Phi (table 12.e) has the same p-value as was given in the chi-square test (table 1.2.d).

c. Relationship between ESOPs and Individualism-Collectivism

This part of the paper tests the association between individualism-collectivism cultural dimension and the grant of ESOPs. Table 1.3.a shows the cross-tabulation results of collectivism and ESOPs grant.

As the number of respondents differs in each group, percentages have been calculated for easier pattern identification. Table 1.3.b shows column percentages in brackets. Table 1.3.c shows row percentages in brackets. Analysis of table 1.3.b showing column percentage reveals that in case of the organizations not granting ESOPs 63.2% have low collectivism culture. On other hand, in case of the organizations granting ESOPs, 80.8% have high collectivism culture. Analysis of table 1.3.c showing row percentage reveals that in case of the organizations low collectivism dimension, 85.4% do not grant ESOPs. On other hand, in case of the organizations high on collectivism dimension, 55.3% grant ESOPs.

Table 1.3.d reveals the association between the collectivism cultural dimension and the grant of ESOPs. Individualism-collectivism represents two different sides of the same continuum. If a respondent agrees with all the statements in individualism-collectivism cultural dimension, then it represents collectivism orientation and vice-versa. The grant of ESOPs has been taken as the categorical dependent variable and collectivism has been taken as categorical independent variable.

The following are its null hypothesis (H_0) and alternate hypothesis (H_1).

H_{03} There is no effect of individualism-collectivism dimension on the grant of ESOPs in India.

H_{13} There is an effect of individualism-collectivism dimension on the grant of ESOPs in India.

The null hypothesis cannot be accepted as $p < .001$. It has been inferred that collectivism cultural dimension influences grant of ESOPs in India. Thus, the association between the collectivism cultural dimension and the grant of ESOPs is significant at 1% level of significance. The chi-square test is applicable when each of the cell values is more than 5. The Fisher Exact is applicable if cell value is less than 5. In the table of chi-square test, it is given that "0 cells (.0%) have expected count less than 5". However, Fisher Exact test has also depicted that the results are significant at 1% level of significance.

The Phi is a nonparametric correlation coefficient. It has similar interpretation as Karl Pearson's coefficient of correlation, showing strength and direction of relationship between two variables. In this case, $\Phi = .423$, which shows a moderate positive relationship between the collectivism cultural dimension and the grant of ESOPs. The Phi is significant at 1% level of significance. The Phi (table 1.3.e) has the same p-value as was given in the chi-square test (table 1.3.d).

d. Relationship between ESOPs and Power Distance

This part of the paper tests the association between power distance cultural dimension and the grant of ESOPs. Table 1.4.a shows the cross-tabulation results of power distance and ESOPs grant.

As the number of respondents differs in each group, percentages have been calculated for easier pattern identification. Table 1.4.b shows column percentages in brackets. Table 1.4.c shows row percentages in brackets. Analysis of table 1.4.b showing column percentage reveals that in case of the organizations not granting ESOPs, 76.2% have low power distance culture. On other hand, in case of the organizations granting ESOPs, around 76.2% have high power distance culture. Analysis of table 1.4.c showing row percentage reveals that in case of the organizations low on power distance dimension, 85% have not granted ESOPs. On other hand, in case of the organizations high on power distance dimension, 64.3% have granted ESOPs.

Table 1.4.d reveals the association between the power distance cultural dimension and the grant of ESOPs. The grant of ESOPs has been taken as the categorical dependent variable and power distance has been taken as categorical independent variable.

The following are its null hypothesis (H_0) and alternate hypothesis (H_1).

H_{04} There is no impact of power distance dimension on the grant of ESOPs in India.

H_{14} There is an impact of power distance dimension on the grant of ESOPs in India.

The null hypothesis cannot be accepted as $p < .001$. It has been inferred that power distance cultural dimension influences grant of ESOPs in India. Thus, the association between the power distance cultural dimension and the grant of ESOPs is significant at 1% level of significance. The chi-square test is applicable when each of the cell values is more than 5. The Fisher Exact is applicable if cell value is less than 5. In the table of chi-square test, it is given that "0 cells (.0%) have expected count less than 5". However, Fisher Exact test has also depicted that the results are significant at 1% level of significance.

The Phi is a nonparametric correlation coefficient. It has similar interpretation as Karl Pearson's coefficient of correlation, showing strength and direction of relationship between two variables. In this case, $\Phi = .508$, which shows a strong positive relationship between the power distance cultural dimension and the grant of ESOPs. The Phi is significant at 1% level of significance. Phi (table 1.4.e) has the same p-value as was given in the chi-square test (table 1.4.d).

DISCUSSION AND CONCLUSIONS OF THE STUDY

The core objective of this present paper is to establish linkages between the various extracted Hofstede's (1980) cultural dimensions (after EFA and CFA) and grant of ESOPs in India. Four factors were extracted, namely, as power distance, uncertainty avoidance, individualism-collectivism and masculinity-femininity after running EFA and CFA.

The findings showed that the association between the masculine cultural dimension and grant of ESOPs was significant at 1% level of significance. In this case, $\phi = -.437$, which showed a moderate negative relationship between the masculine cultural dimension and grant of ESOPs. This means that as masculinity decreases in the organization, the grant of ESOPs increases.

The chi-square showed that the association between the uncertainty avoidance cultural dimension and grant of ESOPs was significant at 1% level of significance. In this case, $\phi = .460$, which showed a moderate positive relationship between the uncertainty avoidance cultural dimension and grant of ESOPs. This means that as uncertainty avoidance increases in the organization, the grant of ESOPs also increases. Management in high uncertainty avoidance culture deploys those methods of rewards that leave less power in the hands of supervisors in awarding them. ESOPs are riskier in nature due to their dependence on volatile stock market. The organization's objective of granting ESOPs will be fulfilled when employees opt for ESOPs. Therefore, organizations take

steps to lower the risk associated with ESOPs by having a shorter vesting period, longer exercise period or even by re-pricing the under-water stock options.

Similarly, the association between the collectivism cultural dimension and grant of ESOPs was found to be significant at 1% level of significance. In this case, $\phi = .423$, which showed a moderate positive relationship between the collectivism cultural dimension and grant of ESOPs. This means that as collectivism increases in the organization, so does the grant of ESOPs. Thus, group or team culture promotes ESOPs in an organization.

Likewise, the chi-square showed that the association between the power distance cultural dimension and grant of ESOPs was significant at 1% level of significance. In this case, $\phi = .508$, which showed a strong positive relationship between the power distance cultural dimension and grant of ESOPs. This means that as power distance increases in the organization, the grant of ESOPs also increases. This happens because in India mostly personnel in higher-level management than lower-level management are being offered ESOPs.

Thus, high power distance, collectivism, high uncertainty avoidance and femininity based cultural organizations support stock options. On other hand, low power distance, individualism, low uncertainty avoidance and masculinity based cultural organizations do not support stock options. Therefore, it can be concluded that there is a relationship between Hofstede's (1980) cultural dimensions and grant of ESOPs in India.

APPENDIX: TABLES AND FIGURES

Table 1: List of Variables Included in the Study

| S. No. | Variables |
|--------|---|
| q1 | Managers should make most decisions without consulting their subordinates. |
| q2 | Manager should not ask the opinions of their subordinates too frequently. |
| q3 | Managers should avoid social interaction with their subordinates. |
| q4 | Subordinates should not disagree with their manager's decisions. |
| q5 | Managers should not delegate important tasks to their subordinates. |
| q 6 | It is important to have instructions spelled out in detail so that I always know what I'm expected to do. |
| q7 | It is important to closely follow instructions and procedures. |
| q 8 | Rules and regulations are important because they inform me of what is expected of me. |
| q 9 | Standardized work procedures are helpful to me. |
| q 10 | I prefer structured situations to unstructured situations. |
| q 11 | Individuals should sacrifice self-interest for the group. |
| q 12 | Individuals should stick with the group even through difficulties. |
| q 13 | If a coworker gets a prize, I would feel proud. |
| q 14 | Group success is more important than individual success. |
| q 15 | Individuals should only pursue their goals after considering the welfare of the group. |

| | |
|------|--|
| q 16 | Group loyalty should be encouraged even if individual goals suffer. |
| q 17 | It is more important for men to have a professional career than it is for women. |
| q 18 | Men usually solve problems with logical analysis; women usually solve problems with intuition. |
| q 19 | Solving difficult problems usually requires an active, forcible approach, which is typical of men. |
| q 20 | There are some jobs that a man can always do better than a woman. |

Table 1.1.a: ESOPs * Masculinity Cross-tabulation

Count

| | | ESOPs | | Total |
|------------------------|------------------|-------|-----|-------|
| | | No | Yes | |
| Masculinity-Femininity | Low Masculinity | 95 | 112 | 207 |
| | High Masculinity | 136 | 18 | 154 |
| Total | | 231 | 130 | 361 |

Source: SPSS output

Table 1.1.b: ESOPs * Masculinity Cross-tabulation (Column Percentage)

Count

| | | ESOPs | | Total |
|------------------------|------------------|-------------|-------------|-------------|
| | | No | Yes | |
| Masculinity-Femininity | Low Masculinity | 95(41.1%) | 112(86.2%) | 207(57.3%) |
| | High Masculinity | 136(58.9%) | 18 (13.8%) | 154 (42.7%) |
| Total | | 231(100.0%) | 130(100.0%) | 361(100.0%) |

Source: SPSS output

Table 1.1.c: ESOPs * Masculinity Cross-tabulation (Row Percentage)

Count

| | | ESOPs | | Total |
|------------------------|------------------|------------|------------|-------------|
| | | No | Yes | |
| Masculinity-Femininity | Low Masculinity | 95(45.9%) | 112(54.1%) | 207(100.0%) |
| | High Masculinity | 136(88.3%) | 18 (11.7%) | 154(100.0%) |
| Total | | 231(64%) | 130(36%) | 361(100.0%) |

Source: SPSS output

Table 1.1.d: Chi-Square Tests (ESOPs * Masculinity)

| | Value | df | Asymp. Sig. (2-sided) | Exact Sig. (2-sided) | Exact Sig. (1-sided) |
|------------------------------------|---------------------|----|-----------------------|----------------------|----------------------|
| Pearson Chi-Square | 68.951 ^a | 1 | .000 | | |
| Continuity Correction ^b | 67.123 | 1 | .000 | | |
| Likelihood Ratio | 75.163 | 1 | .000 | | |
| Fisher's Exact Test | | | | .000 | .000 |
| Linear-by-Linear Association | 68.760 | 1 | .000 | | |
| N of Valid Cases ^b | 361 | | | | |

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 55.46.

b. Computed only for a 2x2 table.

Source: SPSS Output

Table 1.1.e: Symmetric Measures (ESOPs * Masculinity)

| | | Value | Approx. Sig. |
|--------------------|------------|-------|--------------|
| Nominal by Nominal | Phi | -.437 | .000 |
| | Cramer's V | .437 | .000 |
| N of Valid Cases | | 361 | |

Source: SPSS Output

Table 1.2.a: ESOPs * Uncertainty Avoidance Cross-tabulation

Count

| | | ESOPs | | Total |
|------------------------------|-----------------------------------|-------|-----|-------|
| | | No | Yes | |
| Uncertainty Avoidance | Low Uncertainty Avoidance | 155 | 25 | 180 |
| | High Uncertainty Avoidance | 76 | 105 | 181 |
| | Total | 231 | 130 | 361 |

Source: SPSS output

Table 1.2.b: ESOPs * Uncertainty Avoidance Cross-tabulation (Column Percentage)

Count

| | | ESOPs | | Total |
|------------------------------|-----------------------------------|-------------|-------------|--------------|
| | | No | Yes | |
| Uncertainty Avoidance | Low Uncertainty Avoidance | 155(67.1%) | 25(19.2%) | 180(49.9%) |
| | High Uncertainty Avoidance | 76(32.9%) | 105(80.8%) | 181(50.1%) |
| | Total | 231(100.0%) | 130(100.0%) | 361 (100.0%) |

Source: SPSS output

Table 1.2.c: ESOPs * Uncertainty Avoidance Cross-tabulation (Row Percentage)

Count

| | | ESOPs | | Total |
|------------------------------|-----------------------------------|------------|------------|-------------|
| | | No | Yes | |
| Uncertainty Avoidance | Low Uncertainty Avoidance | 155(86.1%) | 25(13.9%) | 180(100.0%) |
| | High Uncertainty Avoidance | 76(42.0%) | 105(58.0%) | 181(100.0%) |
| | Total | 231(64.0%) | 130(36.0%) | 361(100.0%) |

Source: SPSS output

Table 1.2.d: Chi-Square Tests (ESOPs * Uncertainty Avoidance)

| | Value | df | Asymp. Sig. (2-sided) | Exact Sig. (2-sided) | Exact Sig. (1-sided) |
|------------------------------------|---------------------|----|-----------------------|----------------------|----------------------|
| Pearson Chi-Square | 76.246 ^a | 1 | .000 | | |
| Continuity Correction ^b | 74.343 | 1 | .000 | | |
| Likelihood Ratio | 80.502 | 1 | .000 | | |
| Fisher's Exact Test | | | | .000 | .000 |
| Linear-by-Linear Association | 76.035 | 1 | .000 | | |
| N of Valid Cases ^b | 361 | | | | |

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 55.46.

b. Computed only for a 2x2 table

Source: SPSS output

Table 1.2.e: Symmetric Measures (ESOPs * Uncertainty Avoidance)

| | | Value | Approx. Sig. |
|--------------------|------------|-------|--------------|
| Nominal by Nominal | Phi | .460 | .000 |
| | Cramer's V | .460 | .000 |
| N of Valid Cases | | 361 | |

Source: SPSS Output

Table 1.3.a: ESOPs * Collectivism Cross-tabulation

Count

| | | ESOPs | | Total |
|-----------------------------------|--------------------------|-------|-----|-------|
| | | No | Yes | |
| Individualism-Collectivism | Low Collectivism | 146 | 25 | 171 |
| | High Collectivism | 85 | 105 | 190 |
| | Total | 231 | 130 | 361 |

Source: SPSS output

Table 1.3.b: ESOPs * Collectivism Cross-tabulation (Column Percentage)

Count

| | | ESOPs | | Total |
|-----------------------------------|--------------------------|-------------|-------------|-------------|
| | | No | Yes | |
| Individualism-Collectivism | Low Collectivism | 146(63.2%) | 25(19.2%) | 171(47.4%) |
| | High Collectivism | 85(36.8%) | 105(80.8%) | 190(52.6%) |
| | Total | 231(100.0%) | 130(100.0%) | 361(100.0%) |

Source: SPSS output

Table 1.3.c: ESOPs * Collectivism Cross-tabulation (Row Percentage)

Count

| | | ESOPs | | Total |
|-----------------------------------|--------------------------|------------|------------|-------------|
| | | No | Yes | |
| Individualism-Collectivism | Low Collectivism | 146(85.4%) | 25(14.6%) | 171(100.0%) |
| | High Collectivism | 85(44.7%) | 105(55.3%) | 190(100.0%) |
| | Total | 231(64%) | 130(36%) | 361(100.0%) |

Source: SPSS output

Table 1.3.d: Chi-Square Tests (ESOPs * Collectivism)

| | Value | df | Asymp. Sig. (2-sided) | Exact Sig. (2-sided) | Exact Sig. (1-sided) |
|------------------------------------|---------------------|----|-----------------------|----------------------|----------------------|
| Pearson Chi-Square | 64.518 ^a | 1 | .000 | .000 | .000 |
| Continuity Correction ^b | 62.766 | 1 | .000 | | |
| Likelihood Ratio | 68.235 | 1 | .000 | | |
| Fisher's Exact Test | | | | | |
| Linear-by-Linear Association | 64.339 | 1 | .000 | | |
| N of Valid Cases ^b | 361 | | | | |

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 55.46.

b. Computed only for a 2x2 table

Source: SPSS output

Table 1.3.e: Symmetric Measures (ESOPs * Collectivism)

| | | Value | Approx. Sig. |
|--------------------|------------|-------|--------------|
| Nominal by Nominal | Phi | .423 | .000 |
| | Cramer's V | .423 | .000 |
| N of Valid Cases | | 361 | |

Source: SPSS Output

Table 1.4.a: ESOPs * Power Distance Cross-tabulation

Count

| | | ESOPs | | Total |
|-----------------------|----------------------------|-------|-----|-------|
| | | No | Yes | |
| Power Distance | Low Power Distance | 176 | 31 | 207 |
| | High Power Distance | 55 | 99 | 154 |
| | Total | 231 | 130 | 361 |

Source: SPSS output

Table 1.4.b: ESOPs * Power Distance Cross-tabulation (Column Percentage)

Count

| | | ESOPs | | Total |
|-----------------------|----------------------------|-------------|-------------|-------------|
| | | No | Yes | |
| Power Distance | Low Power Distance | 176(76.2%) | 31(23.8%) | 207(57.3%) |
| | High Power Distance | 55(23.8%) | 99 (76.2%) | 154 (42.7%) |
| | Total | 231(100.0%) | 130(100.0%) | 361(100.0%) |

Source: SPSS output

Table 1.4.c: ESOPs * Power Distance Cross-tabulation (Row Percentage)

Count

| | | ESOPs | | Total |
|-----------------------|----------------------------|-----------|------------|--------------|
| | | No | Yes | |
| Power Distance | Low Power Distance | 176(85%) | 31(15%) | 207(100.0%) |
| | High Power Distance | 55(35.7%) | 99 (64.3%) | 154 (100.0%) |
| | Total | 231(64%) | 130(36%) | 361(100.0%) |

Source: SPSS output

Table 1.4.d: Chi-Square Tests (ESOPs * Power Distance)

| | Value | df | Asymp. Sig. (2-sided) | Exact Sig. (2-sided) | Exact Sig. (1-sided) |
|------------------------------------|---------------------|----|-----------------------|----------------------|----------------------|
| Pearson Chi-Square | 93.177 ^a | 1 | .000 | | |
| Continuity Correction ^b | 91.050 | 1 | .000 | | |
| Likelihood Ratio | 96.245 | 1 | .000 | | |
| Fisher's Exact Test | | | | .000 | .000 |
| Linear-by-Linear Association | 92.919 | 1 | .000 | | |
| N of Valid Cases ^b | 361 | | | | |

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 55.46.

Table 1.4.d: Chi-Square Tests (ESOPs * Power Distance)

| | Value | df | Asymp. Sig. (2-sided) | Exact Sig. (2-sided) | Exact Sig. (1-sided) |
|------------------------------------|---------------------|----|-----------------------|----------------------|----------------------|
| Pearson Chi-Square | 93.177 ^a | 1 | .000 | | |
| Continuity Correction ^b | 91.050 | 1 | .000 | | |
| Likelihood Ratio | 96.245 | 1 | .000 | | |
| Fisher's Exact Test | | | | .000 | .000 |
| Linear-by-Linear Association | 92.919 | 1 | .000 | | |
| N of Valid Cases ^b | 361 | | | | |

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 55.46.

b. Computed only for a 2x2 table

Source: SPSS Output

Table 1.4.e: Symmetric Measures (ESOPs * Power Distance)

| | | Value | Approx. Sig. |
|--------------------|------------|-------|--------------|
| Nominal by Nominal | Phi | .508 | .000 |
| | Cramer's V | .508 | .000 |
| No. of Valid Cases | | 361 | |

Source: SPSS Output

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