The Values That Are Making Us Globally Competitive Could Be Killing Our Soul: A Study of Cultural Practices, Global and Digital Competitiveness, and Corruption

Cristian Sandoval

Our Lady of the Lake University

Traci Uribe

Our Lady of the Lake University

Jason Baker

Our Lady of the Lake University

Peter Soltys

Our Lady of the Lake University

Marna Murphy

Our Lady of the Lake University

Phyllis Duncan

Our Lady of the Lake University

Author Note

Cristian Sandoval, Department of Leadership Studies, Our Lady of the Lake University

Traci Uribe, Department of Leadership Studies, Our Lady of the Lake University

Jason Baker, Department of Leadership Studies, Our Lady of the Lake University

Peter Soltys, Department of Leadership Studies, Our Lady of the Lake University

Marna Murphy, Department of Leadership Studies, Our Lady of the Lake University

Phyllis Duncan, Department of Leadership Studies, Our Lady of the Lake University

Correspondence concerning this article should be addressed to Dr. Phyllis Duncan, Department of Leadership Studies, Our Lady of the Lake University, 411 S. W. 24th Street, San Antonio, TX 78207. Contact: paduncan@ollusa.edu

ABSTRACT

With the global landscape evolving at a rapid pace, countries are preparing their workforce to become globally competitive. Studies on business ethics have already identified the risks of building a win at all cost mentality which has created a new set of challenges around the world. The current study addresses the relationships between a country's cultural practices and its ranking on global competitiveness and corruption. Focusing on 60 countries that share data between the *GLOBE Study*, the *IMD Digital Competitive Index*, *The Human Development Index*, and the *Transparency International Corruption Perception Index*. Findings from the study show strong associations between the cultural practice of institutional collectivism, human development, and corruption perceptions. Could it be that those practices that make countries globally competitive may be responsible for increasing corruption or is corruption and independent variable preventing these countries from becoming even more competitive? The findings suggest that digital and globally competitive countries invest in human development, are effective controlling corruption and promote institutional collectivism.

Keywords: GLOBE cultural practices leadership practices, digital competitiveness, global competitiveness, human development, corruption, global leadership, culture, institutional collectivism, social capital

The Values That Are Making Us Globally Competitive Could Be Killing Our Soul: A Study of Cultural Practices, Global and Digital Competitiveness, and Corruption

Our group of researchers was first introduced to the idea of global competitiveness after coming across an article from the *Harvard Business Review* about the *Digital Evolution Index*. Based on a country's advancement and momentum of its digital economy, Chakravorti, Bhalla, and Chaturvedi were able to identify how countries are rated with their digital competitiveness by placing them in one of four quadrants.

According to Chakravorti, et al., (2017), stand out countries have a highly advanced digital technology and at the same time have great momentum which indicates they are likely going somewhere. Stall out countries are advanced but are starting to lose their momentum, and watch out countries have no advancement or momentum at all. Finally, break out countries are starting to build an advanced digital economy, but the momentum is slowing and something seems to be holding them back. Break out countries such as China, Colombia, Mexico, and the Philippines caught our attention merely due to their perceived corruption and human rights violations. The rise in digital technology has led these countries to break out and become potential leaders of the future (Chakravorti et al., 2017). In an interest to understand these break out countries better, our group of researchers ultimately opted to look at the various contributing factors of country competitiveness.

Chakravorti, et al., described four important conditions of a country's competitiveness: supply conditions, demand conditions, innovation and change, and the institutional environment. Of these four conditions, businesses, consumers, entrepreneurs, and the government play vital roles. However, a country's competitiveness has now spilled into the global arena and leaders are expected to understand a changing globalization paradigm as well. A country can no longer

only support domestic growth but must also encourage policies for international development.

The World Economic Forum defines economic growth as "the set of institutions, policies, and factors that determine the level of productivity of a country" (The Global Competitiveness Report, 2014–2015). Leaders must focus on factors that promote this productivity which eventually lends itself to enhanced human welfare. Both global and digital competitiveness is measured using similar components that ultimately contribute to not only a continued momentum of competitiveness but also the rate of a country's prosperity.

One example of digital technology is how it relates to data management and the ability of businesses and governments to collect massive amounts of data. While the collection of data is not unusual, the use of that data is vital to economic growth. New technologies have enabled analysts to engineer better processes and prevent waste, as well as to design ways of helping people to live better.

PwC's report on the workforce of 2030 argues that the work of the future is already occurring and that work in digital technologies "has the power to improve our lives, raising productivity, living standards and average [lifespan], and free people to focus on personal fulfillment. But it also brings the threat of social unrest and political upheaval if economic advantages are not shared equitably" (PwC, Workforce of the future: The competing forces shaping 2030).

A country's supply conditions, demand conditions, innovation and change, and the institutional atmosphere play critical roles in the distribution of economic rewards. While each of these factors helped increase a country's competitiveness, it is people that drive it. To help us understand people and the behaviors, culture became the center of our research design; specifically a country's societal practices.

This study aims to understand what practices affect a country's competitiveness. Leaders must be cognizant of how culture and competitiveness can lead to economic disadvantages and corruption. Transparency International reported in September 2018 that 22 countries with 39.6% of global exports had little or no enforcement (Transparency.org). This study will look at these possible consequences and identify a balance between a society's cultural practices and their rise in competitive advantages.

Literature Review

Fischer and O'Connor (2012) examined the influence of societal values, wealth and political institutions on corruption for 59 countries from 1980 to 2008. Corruption was measured using the *Corruption Perceptions Index* (CPI), which is designed to alleviate bias by gathering results of several surveys and rating systems covering the views of both in the country and out of country observers. Wealth was measured using inflation-adjusted GDP per capita data for 59 countries. Lastly, the strength of political institutions was measured using the degree of democracy from the *Index of Democratization* and government size from the *World Development Indicator Database*. Results indicate that wealth, government size, and self-expression societal values isolate those less corrupt countries from those which are more corrupt. Within countries, increasing wealth was the only one that related to an individual country's decreasing corruption.

Getz and Volkema examined the potential relationship between the economy, wealth, bureaucracy, culture and corruption. The instrument used the study to review the economy and wealth was the gross domestic product (GDP) from the World Bank that provided the 1997 calendar-year for 163 countries. In addition, they used the *Transparency International* (TI) and *Corruption Perception Index* (CPI) to study the corruption for a proximate measure of inflation, levels of uncertainty within the economy. Lastly, Hofstede's work on more than 50,000 people in

50 countries and three regions helped to evaluate the uncertainty avoidance, power distance, individualism, and masculinity.

For the cultures related to Hofstede's values, the results showed that the relationship between corruption and economic development or wealth was significant (β = -0.81, t = -9.72, $p < .001$); meaning the higher the corruption in a country, the lower the GDP per capita. The other variable to report from the study was the relationship between power distance (β = .53, t = 2.98, $p < .01$) and uncertainty avoidance (β = .49, t = 3.47, $p < .01$) to higher levels of corruption; the higher the power distance of a country the greater the level of corruption, and the higher the uncertainty avoidance the greater the level of corruption.

Nukić and Braje (2017) examined the relationship between the *Global Competitiveness Index* (GCI) and the country's national culture. Sixty-four countries were studied. Data to determine the *Global Competitiveness Index* (GCI) were pulled from the World Economic Forum. The cultural values were based on Hofstede' cultural dimensions (Hofstede et al., 2008).

Overall results indicate that the GCI is negatively correlated with power distance (r = -.445 at $p < .01$); positively correlated with individualism (r = .544 at $p < .01$); negatively correlated with uncertainty avoidance (r = -.457 at $p < .01$); positively correlated with long term orientation (r = .270 at $p < .05$); indulgence versus restraint (r = .771 at $p < .01$).

Svetlana Overbaugh (2018) examined the relationship between national culture and country level competitiveness. Countries studied were the post-communist nations that recently transitioned to the free market. Data for Global Competitiveness Index (GCI) was from the World Economic Forum 2005-2012. The cultural values were based on Hofstede' cultural dimensions (Hofstede et al., 2008). Two out of six cultural dimensions showed a significant

effect on GCI. Power distance and uncertainty avoidance indicated a significant negative relationship with GCI.

Seleim and Bontis (2009) examined the relationship between cultural values, cultural practices, and corruption. The instruments were *Global Leadership and Organizational Behavior Effectiveness* (GLOBE) and *Corruption Perception Index* (CPI). The GLOBE research project collected data from 18,000 managers in the telecommunications, food, and banking industries. The CPI contained survey results from business people and experts regarding corruption in 133 countries.

For cultural values, the overall results indicate a negative relationship between uncertainty avoidance and CPI (r = -.773 at $p < .01$); future orientation and CPI (r = -.429 at $p < .01$); and institutional collectivism and CPI (r = -.357 at $p < .01$), indicating the higher the cultural value the lower the CPI score, suggesting high corruption. Gender egalitarianism showed a positive relationship with CPI (r =.380 at $p < .01$), demonstrating the higher the gender egalitarianism the lower the corruption. Lastly, seven out of eight cultural practices were significantly related to CPI.

Selehan, Kim, and Lee (2018) examined the relationship between technology and national cultural values. Specifically, this study concentrated on explaining how Information and Communication Technologies (ICTs) influence or affect national cultural values around the world. The instrument used to measure national culture was based on reconstructed Hofstede' dimensions, wave 6. Technology was scored based on data from the *United Nations Global e-Government Readiness Report, INSEAD Global Innovation Index*, and the *World Economic Forum Global Competitiveness Report.*

Overall results showed negative relationship between ICT and power distance (r = -.67 at p < .001) and positive relationship between ICT and individualism (r =.75 at p < .001). Results suggest that technology does initiate a change in cultural values. Based on those results, higher technology drives higher individualism and less power distance.

Table 1 shows a summary of findings from the literature review. The strength of the relationship is not shown as this summary was designed to provide context.

Table 1. Associations between corruption and competitiveness and country indicators

Lower Corruption	• Higher wealth • Higher democracy • Larger government size • Higher Gender Egalitarianism
Higher Corruption	• Lower the GDP per capita • Higher Power Distance • Higher Uncertainty Avoidance
Higher Competitiveness	• Lower Power Distance • Higher Individualism • Lower Uncertainty Avoidance • Higher Long-term Orientation

Chakravorti & Chakravorti (2017), Fischer, R., & O'Connor, S. (2017), Schwab 2014; Getz, K.A., Volkema, R.J. (2001), House et. al (2004), IMD World Competitiveness Center (2018), Khalid, M. (2014), Nukic, S., Ivana & Braje, N., Ivana (2017) Overbaugh, N., Svetlana (2013), Schwab, K. (2014), Selehan, M., Kim, D.J, & Lee, J. (2018), Seleim, A., & Bontis, N. (2009), Transparency International (2014).

Theoretical Background

The following section highlights unique attributes of each of the indexes and measures used and reasoning behind using them in the study.

Digital Competitiveness

The IMD defines Digital Competitiveness as a country's ability to adapt and explore digital technologies leading to the transformation in government practices, business models and society in general. The IMD World Digital Competitiveness Ranking ranks 63 economies from the World Competitive Yearbook (WCY). The rankings are based on 30 hard criteria and 20 variables from survey data from the most to the least digital competitive. The IMD World Digital Competitiveness Ranking assesses the capabilities by evaluating three key areas Knowledge; Technology, and Future Readiness. The Knowledge Factor encompass three sub-factors: Talent, investment in Training and Education, and Scientific Concentration. The Technology Factor assesses the level of support from a country to provide and enforce a regulatory framework that allows for the efficient operation of business activities and supportive regulation to promote business development and innovation. The Future Readiness Factor examines attitudes toward adaptiveness, business agility and IT integration (Bris, Caballero, & Cabolis, 2018).

Global Competitiveness

The *Global Competitive Index* defines global competitiveness as the set of institutions, policies, and factors that determine the level of productivity of an economy, which in turn sets the level of prosperity that the country can achieve. The researchers used the *Global Competitive Index* (GCI) to measure global competitiveness. The GCI looks at 12 pillars which are grouped under three subscales. These subscales are weighted to produce the overall index, according to each economy's level of development as measured by its GDP per capita and share of exports

represented by raw materials. The 12 pillars measures institutions, infrastructure, macroeconomic environment, health, primary education, higher education and training, goods market efficiency, labor market efficiency, financial market development, technological readiness, market size, business sophistication, and innovation (Schwab, 2016).

Cultural Practices

Cultural practices refer to shared motives, values, beliefs, identities, and interpretations or meanings of significant events that result from everyday activities as defined by Robert J. House, team leader of the GLOBE Project. The GLOBE Project identified nine cultural practices, these being, uncertainty avoidance, assertiveness, humane orientation, gender egalitarian, performance orientation, future orientation, institutional collectivism, in-group collectivism, and power distance. Definitions of each of these cultural practices are included in Table 1. Definitions of variables were obtained from secondary data sources.

Human Development

Human development refers to how a country ranks in respect to the life expectancy of its citizens, the education, and per capita income. In this study, the researchers used the 2010 *Human Development Index* (HDI) which combines three dimensions: A long and healthy life, that takes into account life expectancy at birth. Education that considers mean years of schooling, and expected years of schooling. A decent standard of living that takes into account Gross National Income per capita and Purchasing Power in Parity in USD (Wikipedia).

Corruption perception

Corruption perception refers to the perceived levels of corruption in each country by its citizens as reported by expert opinion polls and surveys. The researchers chose the *Transparency International Corruption Perception Index (CPI)* as a measure of country corruption perception.

The CPI defines corruption as "the misuse of public power for private benefit". The *Corruption Perceptions Index* is compiled of thirteen surveys from experts from independent institutions in governance and business environment analysis covering expert opinions and perceptions of businesspeople.

Hypothesis

In their study, Brewer and Veniack (2010) found that there was surprisingly a negative correlation between practices and values for seven of the nine cultural dimensions identified by the GLOBE Project. Brewer and Veniack deduced that people's practices are contrary to their values; meaning if a culture believes that future orientation is a value they should be engaged in, the culture will not practice it. If these relationships hold true those values that would traditionally be associated with high-performance countries such as performance orientation, future orientation, and assertiveness would have no impact on global or digital competitiveness. The null hypotheses for the current study are:

H_{01}: There is no relationship between Performance Orientation, Assertiveness, Future Orientation, Humane Orientation, Institutional Collectivism, In-group Collectivism, Gender Egalitarianism, Power Distance, Uncertainty Avoidance societal practices and Digital Competitiveness, controlling for Human Development and Corruption.

H_{02}: There is no relationship between Performance Orientation, Assertiveness, Future Orientation, Humane Orientation, Institutional Collectivism, In-group Collectivism, Gender Egalitarianism, Power Distance, Uncertainty Avoidance societal practices and Global Competitiveness controlling for Corruption.

The researchers believe that the cultural practices of future orientation, gender egalitarianism, humane orientation, in-group collectivism, institutional collectivism, performance

orientation and lower assertiveness, less power distance, and less uncertainty avoidance are found in organizations and communities where competitiveness behaviors thrive.

Methodology

Secondary data were used in this analysis. The independent variables of interest were obtained from the 2004 Culture and Leadership Study conducted by the GLOBE Project and included nine societal values that were calculated from survey responses and ranked on a scale of 1 (lowest) to 7 (highest) (House *et.al*., 2014). Dependent variables used were taken from the 2014 *Digital Competitiveness Index* (DCI), which ranks economies between 1 (highest) and 63 (lowest) (Caballero and Cabollis, 2018) and the 2014 *Global Competitiveness Index* (GCI), which uses a scale of 1 (lowest) to 7 (highest) (IMD World Competitiveness Center, 2018). Two control variables were also included in this analysis: the 2014 *Human Development Index* (HDI) (Khalid, 2014) and the 2014 *Corruption Perception Index* (CPI) (Transparency International, 2018). All definitions of variables used in this study are presented in Table 2.

Table 2. Definitions of variables obtained from a secondary data source

Variable	Definition
Assertiveness	The degree to which individuals are assertive, confrontational, and aggressive in their relationship with others.
Future orientation	The extent to which individuals engage in future-oriented behaviors such as planning, investing in the future, and delaying gratification.
Gender egalitarianism	The degree to which a collective minimizes gender inequality.
Humane orientation	The degree to which a collective encourages and rewards individuals for being fair, altruistic, generous, caring, and kind to others.
In-group collectivism	The degree to which individuals express pride, loyalty, and cohesiveness in their organizations or families.
Institutional collectivism	The degree to which organizational and societal institutional practices encourage and reward the collective distribution of resources and collective action.
Performance orientation	The degree to which a collective encourages and rewards group members for performance improvement and excellence.
Power distance	The extent to which the community accepts and endorses authority, power differences, and status privileges.
Uncertainty avoidance	The extent to which a society, organization, or group relies on social norms, rules, and procedures to alleviate the unpredictability of future events. The greater the desire to avoid uncertainty, the more people seek orderliness, consistency, structure, formal procedures, and laws to cover situations in their daily lives.
Digital Competitiveness index (DCI)	The extent to which a country adopts and explores digital technologies leading to the transformation in government practices, business models, and society in general.
Global Competitiveness Index (GCI)	The set of institutions, policies, and factors that determine the level of productivity in a country.
Human development index (HDI)	The measure of the average achievement in key dimensions of human development.
Corruption Perception Index (CPI)	The perceived levels of public sector corruption.

(Chakravorti & Chakravorti, 2017; Schwab 2014; House et. al 2004; Khalid 2004; Transparency Intl, 2014)

A thorough descriptive analysis was performed to evaluate the frequencies for central tendency and skewness. All but three variables, the human development index, and the social practices of power distance, and gender egalitarianism showed slight negative skewness and to be multimodal. The effects were minimal allowing us to assume normality.

To measure the strength of the relationship between the continuous variables the researchers conducted a correlation analysis. Only cultural practices that were found to be significantly correlated with DCI or GCI in bivariate analysis were included to form two models. Table 3 shows the strength of the correlations.

Table 3. Correlations

Correlations

	Digital Competitive Index	Global Competitive Index	Corruption Perception Index	Human Development Index	Uncertainty Avoidanc Societal Practice	Future Orientatio Societal Practice	Power Distance Societal Practice	Institutional Collectivism Societal Practice	Humane Orientatio Societal Practice	Performance Orientation Societal Practice	InGroup. Collectivism Societal Practice	Gender Egaletarian Societal Practice	Assertiveness Societal Practice
Index													
Global. Competitive Index	-.899**												
Corruption Perception Index	-.744**	.653**											
Human Development Index	-.822**	.774**	.610**										
Avoidanc Societal Practice	-.687**	.697**	.477**	.390**									
Future Orientatio Societal Practice	-.590**	.607**	.361**		.758**								
Power Distance Societal Practice	.452**	-.415**	-.266*	-.471**	-.471**	-.443**							
Collectivism Societal Practice		.421**			.376**	.462**							
Humane Orientatio Societal Practice		-0.182		-.385**				.409**					
Orientation Societal Practice	-.449**	.495**			.575**	.640**		.413**					
Collectivism Societal Practice	.643**	-.590**	-.544**	-.670**	-.602**	-.401**	.633**						
Gender Egaletarian Societal Practice				.402**			-.314*			-.343**			
Assertiveness Societal Practice							.265*	-.417**	-.481**				

**. Correlation is significant at the 0.01 level (2-tailed).
*. Correlation is significant at the 0.05 level (2-tailed).

Model 1 includes the digital competitiveness index, corruption perceptions (r = -.744, p =.01), human development (r = -.822, p =.01), uncertainty avoidance (r = -.687, p =.01), future orientation (r = -.590, p =.01), power distance (r =.452, p =.01), performance orientation (r = -.449, p =.01), institutional collectivism (r = -.372, p =.01), in-group collectivism (r =.643, p =.01). Model 2 includes the global competitive index, corruption perceptions (r = -.653, p = .01), uncertainty avoidance (r =.697, p =.01), future orientation (r =.607, p =.01), power distance (r = -.415, p =.01) performance orientation (r =.495, p =.01), institutional collectivism (r = .421, p =.01), in-group collectivism (r = -.590, p =.01). Human development was not included in Model 2 as per its definition, global competitiveness already accounts in its subscales human development categories. Summary of the models is presented on Table 4.

Table 4. Variables in each of the models tested

Model 1	**Model 2**
➔ **Digital Competitiveness** Index ➔ GLOBE Cultural Practice scores ➔ Corruption Perception Index ➔ Human Development Index	➔ **Global Competitiveness** Index ➔ GLOBE Cultural Practice scores ➔ Corruption Perception Index

Finally, a stepwise regression analysis was conducted in order to determine the effect size of societal values on DCI ranking and GCI value while adjusting for the influence of HDI and

CPI. Societal values were found to be significantly correlated with DCI or GCI in bivariate analysis were included in the respective models.

Results

The researchers used stepwise multiple regression models to assess the relationship between competitiveness and a country's cultural practices controlling for human development and corruption perception. In the first model cultural practices (uncertainty avoidance (r = -.687, p = .01), future orientation (r = -.590, p = .01), power distance (r = .452, p = .01), performance orientation (r = -.449, p = .01), institutional collectivism (r = -.372, p = .01), and in-group collectivism (r = .643, p = .01) served as the dependent variable while digital competitiveness served as the independent variable set (Table 5). In the first model human development resulted in an adjusted R^2 = .675, corruption perceptions R^2 = .040, future orientation R^2 = .13 and institutional collectivism R^2 = .024. The model predicted 86% of the change in digital competitiveness.

Table 5. Model 1 Summary

Model Summary 1 (Digital Competitiveness)

				Change Statistics			
Model	R	R Square	Beta	R Square Change	df1	df2	Sig. F Change
1	.822a	.675	-.669	.675	1	38	.000
2	.845b	.715	-.052	.04	1	37	.029
3	.919c	.845	-.321	.13	1	36	.000
4	.932d	.869	-.869	.024	1	35	.015

a. Predictors: (Constant), Human Development Index
b. Predictors: (Constant), Human Development Index, Corruption Perception Index
c. Predictors: (Constant), Human Development Index, Corruption Perception Index, Future Orientation Societal Practice
d. Predictors: (Constant), Human Development Index, Corruption Perception Index, Future Orientation Societal Practice, Institutional Collectivisme Societal Practice

In the second model cultural practices (uncertainty avoidance (r = .697, p = .01), future orientation (r = .607, p = .01), power distance (r = -.415, p = .01), performance orientation

(r = .495, p = .01), institutional collectivism (r = .421, p = .01), in-group collectivism (r = -.590, p = .01) served as the dependent variable while global competitiveness served as the independent variable (Table 6). In the second model corruption perceptions resulted in an adjusted R^2 = .427, uncertainty avoidance resulted in an R^2 = .178, institutional collectivism resulted in an R^2 = .032 and humane orientation resulted in an R^2 = .030. The model predicted 66% of the change in global competitiveness.

Table 6. Model 2 Summary

Model Summary 2 (Global Competitiveness)

				Change Statistics			
Model	R	R Square	Beta	R Square Change	df1	df2	Sig. F Change
1	.653a	.427	.324	.427	1	57	.000
2	.778b	.605	.421	.178	1	56	.001
3	.798c	.637	.293	.032	1	55	.033
4	.816d	.667	-.209	.030	1	54	.032

a. Predictors: (Constant), Corruption Perception Index
b. Predictors: (Constant), Corruption Perception Index, Uncertainty Avoidance Societal Practice
c. Predictors: (Constant), Corruption Perception Index, Uncertainty Avoidance Societal Practive, Institutional Collectivism Societal Practice
d. Predictors: (Constant), Corruption Perception Index, Uncertainty Avoidance Societal Practive, Institutional Collectivism Societal Practice, Humane Orientation Societal Practice

When comparing the results of digital competitiveness and global competitiveness, the control variables (human development, and corruption perception) and the cultural practice of institutional collectivism predicted both dependent variables leading to the assumption that these variables are critical in the development of competitiveness across the countries evaluated in the model, a visual of this comparison is presented in Table 7.

Table 7. Scores for digital and global competitiveness.

	Digital Competitiveness	Global Competitiveness
Human Development	**.675**	.030
Corruption Perception	.040	**.427**
Future Orientation	.130	
Institutional Collectivism	.024	.032
Uncertainty Avoidance		.178

* Numbers represent R^2 Change

Limitations

Since one outcome was represented by an ordinal variable (DCI) and the other was an interval variable (GCI), it was not possible to compare and contrast the influence of societal values between the two models.

Implications and Conclusions

Investments in human development, the fight against corruption, and the development of collective efforts represent a coherent approach towards global competitiveness and development. The value of human capital was recognized at the World Bank Group's 2017 Annual Meetings, where seven countries committed to significant investments in people in their own countries or to help neighboring countries. In his address, Dr. Jim Yong Kim's president of the World Bank Group stated, "This year, for the first time, we are including human capital in

our measurement of the wealth of nations. Human capital is roughly 65% of the wealth in high-income countries and only 40% in low-income countries. We are helping low-income countries overcome this – and there is a sense of urgency – not only because we are facing several current human capital crises, but also because accelerations in technology will require countries to urgently invest in their people if they hope to compete in the economy of the future (World Bank Group President Jim Yong Kim's presentation of the Human Capital Project). On the other hand, corruption perceptions are on the rise and those countries with high levels of corruption or increasing levels of corruption, are seeing its effects. Countries with some Digital Competitiveness momentum and advancement, such as Mexico, are working hard to reduce corruption. During the 2018 Presidential Election, Mexico chose Andres Manuel Lopez Obrador (AMLO) who ran on the promise to get rid of corruption at all levels in government. (Guzman, 2016). In the same line, the impact of institutional collectivism can be observed as a variable enabling global competitiveness. Organizational and societal institutional practices are to encourage and reward, and the collective distribution of resources. Collective action has an empowering effect on the countries momentum. Realo, Allik, and Greenfield (2008), found that institutional collectivism exhibited positive correlations with social capital, trust, and participation in voluntary activities and organizations. The authors concluded that as social capital increases trust widens social networks that share norms, and helps society work together (Realo, et al., 2008). Institutional collectivism can play a big role in developing competitiveness as it aids in developing systems in the community that can work together for the greater good. It is often assumed that corruption is the outcome of greed and power which are the same elements that drive success. What this study shows is the contrary; it is the investment in human capital

and the systems that promote trust and collaboration, such as measures and institutional collectivism actions, that are driving digital and globally competitive countries.

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