A Measure of Long-Term Orientation: Development and Validation

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Long-term orientation (LTO) is a salient aspect of national culture values and as such influences consumers' decision-making processes. This article describes the development and validation of measures to assess LTO. Scale development procedures resulted in a two-factor, eight-item scale that reflects the tradition and planning aspects of LTO. A program of studies involving more than 2,000 respondents in four countries demonstrated the psychometric properties of the measures, their discriminant and convergent validities, and the relationship of the measures to other important theoretical concepts (e.g., consumer frugality, compulsive buying, and ethical values). The measures are applicable for investigating individual differences in LTO both within and across cultures.

Keywords: measurement; culture; long-term orientation

To assess time orientation, academics have relied predominantly on Hofstede's (1980) indices regarding long-term orientation (LTO; Bond 2002). However, as previous researchers have noted, limitations of using Hofstede's approach include concerns surrounding the psychometric properties of Hofstede's scales (Spector, Cooper, and Sparks 2001), as well as the problem of applying aggregate-level measures to the individual level (Bond 2002). These concerns have prompted calls for improved measures of time orientation among individuals.

We herein describe the development and validation of measures to assess differences in long- and short-term orientations toward time. The motivation for our research was based on the need for reliable measures to assess time orientation, as well as the need to provide researchers with a tool to examine differences in behavior caused by time orientation variance among individuals. To address these needs, we have developed a scale that measures LTO with two subdimensions. By using more than 2,000 respondents in four countries, we have also addressed criticisms of previous measures developed primarily in North America for use in international research (Davis, Douglas, and Silk 1981).

This article begins with a review and analysis of how LTO has been conceptualized and empirically examined in the literature. Next, we report on a series of studies undertaken to develop a scale to measure LTO as a cultural value at the individual level. The first two studies employed multicountry samples, enabling tests of measurement equivalence across countries. Studies 3 through 6 present evidence of the validity, reliability, and initial applications of the LTO scale. Then, tests of a series of propositions regarding the construct's nomological network.
are described. Finally, we discuss the implications of our research.

CONCEPTUAL AND EMPIRICAL ISSUES REGARDING LTO

Much research has been dedicated to the ways in which individuals consider and value time and how individuals' views on time's passage vary across cultures. For example, Hall and Hall (1990) discussed "monochronic" cultures, in which life events are seen as lock-step sequences, compared with those with a "polychronic" view, in which activities are often pursued simultaneously (i.e., life is a collection of events that may not occur in sequence). Trompenaars and Hampden-Turner (1998) identified "sequential" time as a series of passing events, as opposed to "synchronic" cultural views of time (i.e., the past, present, and future are interrelated). An important and frequently cited perspective regarding time is Hofstede's (1980) LTO (Robertson and Hoffman 2000). In addition to cultural-level differences, attitudes toward time have been shown to vary systematically across individuals. For example, in consumer behavior, people tend to value immediate outcomes more than events that are delayed, although under certain conditions, consumers prefer "savoring" future outcomes in favor of present consumption (Prelec and Loewenstein 1998).

LTO Developed and Defined

In our research, we focus on what Hofstede and his colleagues initially labeled the "Confucian dynamic" (Hofstede and Bond 1988) and later referred to as LTO (Hofstede 2001). The LTO construct was formally developed in a study of 23 countries using the Chinese Value Survey (Chinese Culture Connection 1987). LTO has roots in Confucian values concerning time, tradition, perseverance, saving for the future, and allowing others to "save face."

LTO was first conceptualized as a forward-looking versus present- and past-looking attribute; that is, a "future" (long-term) versus a "now" (short-term) view (cf. Hofstede 1991). However, some attributes, such as respect for tradition and learning from the past, were initially theorized as consistent with the negative (or now) pole of LTO. Indeed, the Value Survey Module 94 questionnaire (Hofstede 1994), which was intended to update the original 40-country data collection instrument, indicated that "respect for tradition" is a short-term value and "perseverance" is a long-term value. These distinctions led to some confusion regarding the usage of the construct. Fang (2003) chronicled the development of LTO and the departure from the original intent of the measurement, which was alignment with poles of Confucian values. Hofstede (2001) himself stopped using the terms long-term orientation and Confucian dynamism interchangeably in his second edition of Culture's Consequences, simply labeling the construct of LTO as the fifth cultural dimension (Fang, 2003).

Hence, most researchers have come to use long-term orientation to refer to the tendency to focus on the "here and now" compared with a holistic view of the future and the past. Consistent with the evolution of the construct into a time-oriented concept (Earley 1997), we forward the following definition: LTO is the cultural value of viewing time holistically, valuing both the past and the future rather than deeming actions important only for their effects in the here and now or the short term. As such, individuals scoring high in LTO value planning, tradition, hard work for future benefit, and perseverance.

ITEM GENERATION AND CONTENT VALIDITY

To generate an initial pool of items for our LTO measure, data were first collected by two mailings to a sample of 1,145 graduates from a nationally (U.S.) ranked international MBA program. Two hundred ninety-two complete responses were obtained from both waves, for an effective response rate of 25.5 percent. Sixty-five percent were male; the median age was 35 years. The respondents represented 31 different countries of origin throughout Latin America, Europe, and Asia. Approximately 90 percent of the respondents were employed in managerial or professional positions. For the most recent fiscal accounting period, the median level of sales and the median number of employees represented by the respondents' companies were $600 million and 2,000, respectively.

Following recommended procedures (e.g., DeVellis 2003), an initial pool of 58 LTO items was generated from an open-ended question that began our survey. Respondents (n = 292) were asked to provide descriptive input regarding the cultures of the countries with which they strongly identified (hereafter, their reference countries). For each respondent, the reference country was the country that served as the respondent's focus for extensive language training and location for at least 6 months of full-time work experience. Responses were obtained for 37 different countries in total. That is, respondents had worked and/or lived in, or were otherwise very familiar with, 37 different reference countries. The countries serving most frequently as reference countries were Brazil, France, Germany, Japan, and the United States. The specific question used to elicit the initial items was "In one or two sentences, please describe the differentiating cultural values and behaviors that best describe the culture of the reference country. In other words, what is it that makes the culture unique?" Using procedures similar to those of Shimp and Sharma (1987:281) and Richins and Dawson (1992:308), these thoughts were converted to statements reflecting LTO. The statements gleaned from these descriptions were supplemented with items