

Chinese Traditional Cultural and Cross-Cultural Management

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Abstract: Confucian culture is an ancient culture that has been circulating in China for thousands of years. It represents the value of most Chinese people and plays an important role in Chinese history. From state governance to family management, Confucian culture has influenced all aspects of Chinese people, and, of course, has a great influence on the management of Chinese enterprise managers. However, cultural differences and conflicts when managing multinational teams are inevitable. Therefore, in this article, we will discuss Confucian culture and how to integrate it into modern enterprise management to solve the adverse consequences of cultural differences and conflicts, and discuss the drawbacks of Confucianism to modern enterprise management.

Keywords: *Confucian culture, cross-cultural management, multinational teams, organisation management*

Introduction

Confucianism is a thought mainly based on the ancient Chinese educator Confucius. For thousands of years Confucianism has been adopted by Chinese rulers and managers as a kind of thought of governance and management.

Therefore if this theory would be combined with management science, it could provide a new management plan for the management of cross-cultural teams, thereby reducing unnecessary losses caused by cultural differences to the multinational team.

The relevance of the topic

In China, many multinational and cross-cultural companies sometimes cause obstacles in team management due to cultural differences. Although there have been many studies on cross-cultural management, it is still worth combining traditional Chinese Confucian culture with cross-cultural management. This article will explore the pros and cons of combining Confucian culture with cross-cultural management.

Problem investigation level

We analysed the Confucian culture under the following aspects: the core values of Confucianism are considered the foundation of human resource management in business organisations in East Asia (Hofstede & Bond, 1988; Romar, 2002). Its core content is Ren and Li, which can be elaborated from three specific aspects: the individual, society and the country, all reflect the close relationship between Ren and Li.

When talking about its impact on China, Confucius is regarded as interpreting, preserving and mediating the ancient heritage of China and, also with his disciples and followers, synthesising it into a system of principles, virtues and ideologies suitable for different aspects of life, society and politics (Hofstede & Bond, 1988). As such, Confucian values exert a significant influence on the work-related behaviour and attitudes of Chinese managers through workgroups (Lee, Tinsley, & Chen, 2000).

As for the impact on team management, Hill (2006) argues that the key Confucian principles have a significant influence on the Chinese leadership style, interpersonal relations, and personal values.

Research from Hofstede (2005), Shank, & Abelson (1977), Fiske, & Taylor (1991), Leung, & Bond (1984), Schein (1985), Adler (1999), Ani, & Camp (1996), explained theories about cultural differences. Our thesis was also analysed from multiple theoretical perspectives on how cultural differences affect multinational teams.

The essence of the problem

How to combine Confucianism with cross-cultural management to reduce the negative impact of cultural differences in multinational teams?

The object of the thesis

The feasibility of using Confucian cultural thoughts in cross-cultural management for international teams.

The aim of the thesis

Analysing theoretical aspects of using Confucian philosophy and describing this philosophy context in the management of international teams, prepare and check the theoretical model for giving recommendations for a better understanding of Chinese business culture.

Objectives of the thesis

1. To reveal Confucian cultural ideas that contribute to cross-cultural management.
2. To analyse the theory of cross-cultural management in order to clarify the main causes of problems in corporate cross-cultural management.
3. To describe the feasibility of using Confucian cultural thoughts in cross-cultural management for international teams.

After the assessment of the feasibility of incorporating Confucianism into modern cross-cultural management. to formulate some good methods and strategies that have been formulated for the management of multinational companies and international teams.

Methods of the article

Through the study of literature, understand the meaning of corresponding Confucian culture and cross-cultural management, learn about cross-cultural management theory and related theoretical knowledge of cultural conflict and cultural integration, and finally – summarise the characteristics of Chinese corporate management culture based on relevant theories.

1. Confucian culture and links with management of international teams

The theoretical part of the thesis provides the main aspects of Confucian culture values and believes. The information about the main principles of the management of international teams is also provided as the impact of Confucian cultural thoughts in cross-cultural management for international teams.

1.1 Confucian culture

Confucianism is a culturally specific factor in East Asian countries where people have been strongly influenced by Confucianism for thousands of years (Qian, 1976). Also, the core values of Confucianism are considered the foundation of human resource management in business organisations in East Asia (Hofstede, & Bond, 1988; Romar, 2002). Previous researchers have demonstrated that employees who value Confucian virtues are likely to perceive a stable, long-term relationship with their employer (Kickul, Lester, & Belgio, 2004). And the contours of Confucianism are sometimes delineated so widely that it is misleadingly confused with traditional Chinese culture itself (Goldin, 2015).

Impact on China's culture

Confucius is regarded as interpreting, preserving and mediating the ancient heritage of China and, together with his disciples and followers, synthesizing it into a system of principles, virtues and ideologies suitable for different aspects of life, society and politics (Hofstede & Bond, 1988). It is a set of principles and these principles shape individuals' behavioural patterns and act as a guide for those who live in Chinese culture (Hofstede, & Bond, 1988; Hwang, 2015). As such, Confucian values exert a significant influence on the work-related behaviour and attitudes of Chinese managers through workgroups (Lee, Tinsley, & Chen, 2000; Ralston, Egri, Stewart, Terpstra, & Yu, 1999).

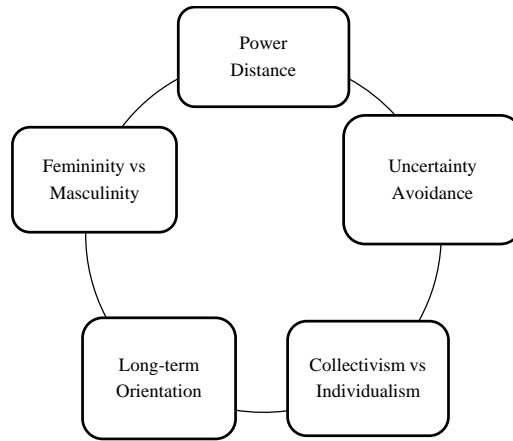
As Hill (2006) argues, the key Confucian principles have a significant impact on the Chinese leadership style, interpersonal relations, and individual values. The paternalistic leadership style and the regarding of the corporation as family, as well as the preservation of hierarchy and avoiding self-interest, can all be traced back to the principle of “Li(礼)” and to the rigid system of connections (Hill, 2006).

On the one hand, Confucian values and business ethics put greater emphasis on hierarchy, Guan-Xi which means interpersonal relationships and social harmony (Chan, 2008). The practice of Guan-Xi is based on the Confucian principles of reciprocity and interdependence and involves mutually beneficial social interactions (Chan, 2008).

On the other hand, the Confucian concept of Jun-Zi which means superior man is able to support the cooperation of people from different cultures working together in multinational corporations and provides a solid foundation for harmonious relations among the members of a diverse community in the long term (Lin – Ho, 2009).

1.2 Cultural dimensions

Culture serves as a socially shared knowledge scheme giving meaning the incoming stimuli and channelling outgoing reactions (Triandis, 1972). Most nations have their own unique culture as a result of sharing a common history and a series of common struggles and successes (Hofstede, 2005). Every national culture describes distinct beliefs about what are true values, what is important and what is appropriate that are deeply embedded in people’s minds and demonstrated in their behaviours accordingly (Trompenaar, 2004).

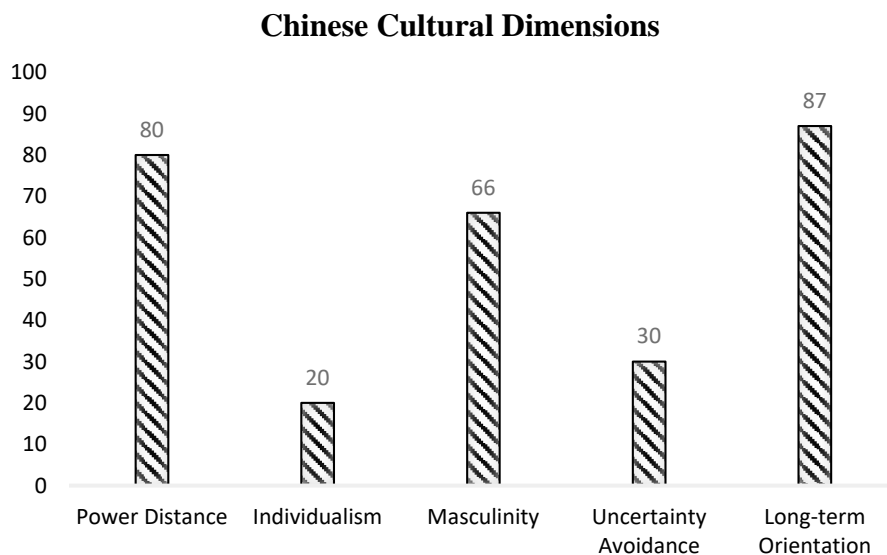


Source: created by the author

Fig.1 Five-dimensional model of culture

According to Hofstede’s research, Chinese culture (Table 2) is of high power distance, low individualism, high masculinity, low uncertainty avoidance and high long-term orientation.

Table 2



Source: Hofstede Insights, <https://www.hofstede-insights.com/country/china/>

1.3 The impact of Confucianism philosophy and values on the management of international teams in China

Influenced by Confucian culture, the management characteristics of the Chinese team are distinctive. Note the respect for authority in the business field, and respect for grades, titles, and qualifications (Hofstede, 1980). Buszynski (1993) and Yeung, & Tung (1996) explained that it had determined trust and relationship orientation. Redding (1984) showed that there is a close relationship between the

government, companies and workers. The last regional business activity that East Asian negotiators noticed, was the lack of emotional expression in business transactions (Buszynski, 1993).

Wood, & Lamond (2011) studied the existence of Confucian values in business ethics and how to achieve self-regulation through Confucian values. They concluded that today's Chinese business leaders still believe in "gentlemen" as a standard of personal integrity, which can be achieved by developing self-regulation. Confucian practices to achieve this goal include guidance, music, self-examination, and rituals. The etiquette of the organisation and the virtue of etiquette can help define the communication between people, also enhance their loyalty and integrity to the organisation. Confucians think that self-examination is significant, which practice includes reflection and thinking of his behaviours and attitudes for a day, which is also a major educational practice for developing moral management skills. Confucius believes that employee orientation, education, and career development are not enough to provide guidance in the organisation. It should include encouraging active discussion and encouraging and correcting participants' opinions (Wood – Lamond, 2011). The premise of being good at leadership is also self-cultivation. If a person has this ability, they will be able to shape and lead others (Yang – Peng – Lee, 2008).

2. Confucian Culture and Modern Enterprise Management Mode

The management model has its cultural heritage and origin. The modern management model of many Chinese companies is neither a purely Western model nor a purely traditional Chinese model. On the contrary, it forms characteristic modern management, which is the compatibility and balance of Chinese and Western management concepts. Confucianism is precisely the important cultural origin of modern Chinese business management.

2.1 Confucian culture enters modern management culture

According to Hui Shaoying (2010), it is suggested to build modern Confucian merchants. "Confucian business thought" is the Eastern values and thinking mode embodied in the Eastern style of management. It replaces the lack of tool rationality and analytical thinking in "Western business thought". The Confucian emphasise practical results and careful calculations complement each other, forming a corporate culture with Confucian merchant characteristics, and applying it to industrial and commercial practices. It is an ideal management method that meets the requirements of modern enterprise human resource management.

Confucianism advocates a people-oriented, harmony-oriented interpersonal relationship (Fan Hao 1992). Actively advocate the establishment of a harmonious internal and external operating environment of the enterprise, which is conducive to cultivating and fostering a harmonious team spirit within the enterprise. "Human Harmony" is outside the enterprise, pays attention to harmony to make money, healthy and fair competition, cultivates a harmonious relationship with the government and the public in the community where the enterprise is located, pays attention to environmental protection in the ecological environment, pays attention to the harmonious balance between the enterprise and nature, and Confucian management ethics can have a huge positive meaning.

2.2 Treat Confucian management thought dialectically

(1) It often conveys the idea of "great unification". This model emphasises administrative control, ignores the market, and depersonalises the enterprise, which makes the organisational structure of the enterprise overlap, the procedures are complicated, the information is slow, the vitality of the enterprise is obliterated, the sense of competition and risk is not strong, and it tends to be conservative and rigid.

(2) Depressive. Because Confucianism emphasises coordination, the behaviour of individuals must follow the behavioural norms of most members. In this way, individuals who do not follow the trend are often regarded as heterogeneous and subject to suppression, discrimination, or retaliation. The result can only be the mediocrity of the enterprise, the environment of fair competition is difficult to emerge, the individuality cannot be displayed, and outstanding individuals rarely have the opportunity to stand out.

(3) The pursuit of interpersonal harmony often results in vulgar interpersonal relationships. The closed nature of the development of corporate groups excludes newcomers, suppresses competition, and affects efficiency.

(4) There is a tendency for the whole society to emphasise political interests. All classes of society are overly concerned about politics. Many enterprises rely on the government and certain members of the government to obtain asymmetric and unfair competition benefits. Enterprises, especially public-owned enterprises, have become the state's administrative organisations or government departments. The value and target orientation of the enterprise is often centred on government politics rather than centred on the market.

(5) Confucian management is prone to autocratic tendencies. Many companies, whether private or state-owned, have personal decision-making arbitrariness, and personal worship is an obvious example.

Conclusions

(1) Confucian management thought, based on its humanist management philosophy, initially established an ethical management model centred on "loving others" and "honoring the people".

(2) Thus, it establishes its dominant position in the history of Chinese management thought. Confucian philosophy can be beneficial to enterprises' development and can provide more management strategic support.

(3) Therefore, managers must realise the bad impact contained in Confucian thoughts with a scientific point of view, and they should make appropriate transformations and conversions in accordance with the specific reality of modern society.

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