A Review on Western and Chinese Organization Culture: Similarities and Differences

Jing Chun Qi¹, Kar Ling Lee²

¹Faculty of Management, Xin Xiang University, Xinxiang city, Henan province, China.
²Faculty of Business, Communication, and Law, INTI International University, Nilai, Negeri Sembilan, Malaysia.

*Corresponding Author: I18014282@student.newinti.edu.my

Abstract

The paper provides a literature review on organizational culture by analyzing the different dimensions between Western and Chinese organizational culture to ascertain whether there are similarities or differences. The purpose of selecting a comparative review of Western and Chinese organization culture is due to the rise of China as an economic power house whereby more and more companies are beginning to query whether a Western or Chinese organization culture would better serve the organization given today’s global landscape. This study focuses on Trompenaar’s cultural dimensions as a representation of the Western organization culture as the cultural model is considered to be the most comprehensive as compared to other Western organization culture and China’s Zhangde’s dimensions of organizational culture since the latter’s organization cultural dimensions are distinctly Chinese in nature. Applied emic-etic research method to combine the specific cultural items of organizational culture between Western and China are adopted as the research methodology which is qualitative in nature to determine whether a revised form of organizational culture model which is suitable for both the Western world and China’s company can be explored as the global economic power continues to shift to China.

Keywords

Organizational Culture, Western and Chinese, Emic-etic methodology, Trompenaar; Zhangde

Introduction

One of the most significant features of the modern economy is that more and more companies are participating in global economic competition and engaging in business activities in a cross-cultural global environment (Dunning & Lundan, 2008). Economic globalization has also brought about globalization in many aspects of culture and politics whereupon, with the increasing integration of economic and cultural trends, culture and economy are continuously interacting with each other, promote each other, and integrating with each other (Song, 2007). Cultural factors have become an important variable that cannot be ignored in the process of developing from a domestic
enterprise to a multinational company as the company needs to transform from a simple domestic operation to a cross-cultural management environment (Trompenaar & Hampden, 2011). The need to seek a kind of moderate balance between nationalization, regionalization, and globalization, and between the culture of the home country and the culture of the host country has become the key to the success of many companies in the globally competitive business landscape (Jin, 2001).

In recent years, China has become the world’s second largest economy with the rapidly developing economy (Arthur, 2011), and increasingly been looked up to as the next economic power house. After joining the WTO in the early millennial years, Chinese enterprises have been actively participating in the international market competition to a greater extent, and the frequency of economic and technological cooperation with other countries has increased drastically whereby the forms of cooperation has also become very diversified (Yang, 2002).

In international operations, the differences between Chinese and Western organizational cultures are a problem that companies must face as Western and Chinese organizations are inevitably affected by different cultures at various stages of the internationalization process (Jin, 2001). Therefore, research on the cultural differences between Chinese and Western organizations, the establishment of Chinese and Western organizational culture influencing factors model, and the improvement of organizational cross-cultural business effectiveness are all crucial for the international companies (Wu, 2003), more so for Chinese companies that are investing in global markets after a long period of economic ‘hibernation’.

The earliest study of organizational culture began in the 1980s with the study of the successful business management experience of Japan by the American corporate management community and the reflection of the rapid growth of the Japanese economy after the war (Denison, 1996). In order to study the miracles created by the Japanese economy in the post-war recovery process, some scholars published literatures on organizational culture in the academic world which sign that the organizational culture has begun to be concerned and explored (Deal & Kennedy, 1982; Ouchi, 1981; Pascale & Athos, 1981; Peters, Waterman & Jones, 1982). According to Li and Sun (2008), there is one thing in common in these studies: Strong culture is the new “golden rule” for companies success, specifically for global companies.

In the past four decades, research on corporate culture has grown to a considerable scale and has yielded highly effective results (Song, 2012). Similarly, with the emergence of research results from different angles, the connotation of corporate culture has become more and more complete (Liu, 2012).

Regarding organizational culture, different scholars came to different conclusions based on different research perspectives (Ngo & Loi, 2008). According to Gordon & Tomaso (1992), the organizational culture were classified into different categories accounting the core concerns: the implicit, basic assumptions (Trompnaars, 1993; Schein, 1992); shared values (Wiener & Vardi, 1990; Calori & Sarnin, 1991; Peters & Waterman, 1982); beliefs (Lorsch, 1985; Davis, 1990); and norms of behaviors (Lepak, Takeuchi, Erhardt & Colakoglu, 2006). Chen (2005) points out that the basic assumptions involved the relationship of human-nature and human-human, such as human birthright, the value of human existence and
relationship between people and others. The basic principle on which people live is the basis for the unshakable existence of society (Zhang, 2002). Rosinski (2006) put out two dimensions: time and space, that related to the basic assumptions, moreover, he presents the relationship of human-nature as ‘control environment’ or ‘controlled by environment’. The organizational environment includes the external environment and the internal environment, also known as the big environment and the small environment (Zhao, 2004). Kluckhohn and Strodtbeck (1961) point out that 6 dimensions of basic assumptions: the nature of people, the relationship with nature, duty towards others, mode of activity, privacy of space and temporal orientation. Harris and Moran (2007) seen organizational culture as a kind of psychological procedure that like a thinking mode to make the behavior of people predictable. Hofstede (1996) as well as Smith and Dugan (1996), proposed that five of these namely individualism-collectivism, universalism-particularism, achievement-ascription, affectivity-neutrality and specificity-diffusenessness were derived directly from Parsons and Shils (1951). Furthermore, these dimensions were very much a part of Trompenaar’s organization culture dimensions. Nisbett (2001) believe that the thinking mode is indecipherable and ineradicable that can be one of the basic assumptions in organizational culture. In the perspective of thinking mode, westerner usually use analytic thinking, Chinese usually use holistic thinking. The thinking mode of Westerners is decomposed linear logic and focuses on aspects of things or things; the thinking mode of Chinese is overall non-linear and focuses on human aspects (Wang, 1992). Just as Schein (1984) said ‘the basic assumption is something taken for granted, invisible and preconscious.’

The basic assumption of culture about survival issues affects people’s value judgments, and different basic assumptions can lead to different value judgments (Wu, 2001). Thomas and Robert (1982) raised the 7-S model which considered the ‘Shared Value’ as the key element others soft factor going to sustain organization’s competitive advantage. This model including 7 dimensions which are more explicit as compared to the theory Z of Ouchi (1981), as follows: shared values, strategy, skills, style, staff, and systems. Deal & Kennedy (1986) opined that there were 8 different cultural dimensions: organizational values, heroic figure, ceremonies, cultural networks, organizational environment, that influences an organization’s culture whereupon these dimensions bear similarities with Kono’s (1998) dimensions although differences were also evident from the perspective of explicit behaviors. For beliefs and norms of behaviors, they were usually found with shared values together (Cui & Hu, 2012). Kono (1998) believe the organization culture as the shared values, shared thoughts, shared decision methods and shared pattern of behaviors. On the other hand, another Western organization culture author (Shalom, 1999) provided that in many corporate or organization culture, a total of 7 dimensions could be clearly identified and these dimensions were also aligned with Deal & Kennedy (1996). Furthermore, these dimensions were very much a part of Trompenaar’s organization culture dimensions too albeit couched in different terminologies and explanations.

The distinctive difference between the organizational culture of China and the culture of other countries and regions lies in the diversity of the organization’s own destiny and the particularity of its growing environment (Liu, 2012). Due to the combined influence of external factors such as traditional culture, zeitgeist ideology, political system, ownership structure, organizational attributes, and development stage, Chinese organizational culture shows two prominent characteristics that include, interpersonal relationships and political factors (Bao, 2012).
Oliver (1994) through the study of Hong Kong consumers, the Chinese people's cultural value dimensions are summed up in 5 dimensions: people and nature, people and self, relationship-oriented, time-oriented, personal activity-oriented.

Liao (2006) believes that in the selection of cultural dimensions, the study of the dimension of personality as a cultural dimension should be avoided as far as possible, especially the personality dimensions that are more difficult to apply to group characteristics. The value system of national culture is divided into five dimensions: power distance, uncertainty avoidance, individualism / communitarianism, masculinization / feminization, performance oriented (Tang, 2012).

Katz and Kahn (1978) believe that Confucianism has 4 Chinese characteristics and directly influences the dimensions of Chinese organizational culture: Socialization in the family; teamwork; awareness of hierarchy and the complementarity of human relationships which can lead people to work hard and turn increases productivity and promotes rapid socioeconomic development.


The purpose of selecting Zhangde (2009) as a representation of Chinese organization culture is because of the philosopher's ideology within the framework which mirrors and emulates Confucianism, yet is distinctly Western in some aspects. Hence, the study aims to further review via an emic-etic research methodology to extract the comparative organization culture dimensions from both the Western and Chinese culture in order to suggest a proposed research framework for future research work in related area.

Methodology

According to Kottak (2006), the emics and etics research methodology is an effective approach to cross-cultural research. The term emic and etic were coined by linguist, Pike (1967), who distinguished between phonemic and phonetic accounts of the sounds of language. Kottak (2006) believe the emic approach investigates how local people think which could provide improved insights into organization culture studies as the views are localized and specific to an organization. According to Ager and Loughry (2004), emic knowledge and interpretations was best described by a ‘native’ of the culture that were determined by local custom, belief and meaning.

Etic knowledge on the other hand, refers to generalizations about human behavior that are considered universally true, and commonly links cultural practices to factors of interest to the researcher (Morris et al., 1999). Therefore, when conducting a comparative organization culture review, both the emic approach and the etic perspective must be included as the latter would allow for the consolidation or
integration of the similarities inherent within specific cultures that might on surface seemed very different.

As Watson (1988) puts it: “Ethnographic analysis is not exclusively emic. Rather, a carefully done emic analysis precedes and forms the basis for etic extensions that allow for cross-cultural or cross-setting comparisons” Markee (2013) think that these two approaches should be combined for cross-cultural research studies as the combination would further strengthen the validity of the study since emic approach is distinctly qualitative whereas the etic perspective could adopt more quantitative measures to support the comparative review.

Przeworski and Teune (1966) suggest that the specific items of culture under different study would be written and designed. In order to tap the emic aspects of the relationship between in-group and out-group, these items must be designed based on the emic aspects. The interpretable statistical interrelations will be expected between culture specific items and culturally general items in order to cater to both the emic and etic related approaches. Due to the items were designed for each culture, there are no relationships between the emic items for different culture. The figure of procedure’s overview are shown as follows:

Figure 1: Overview of method involving core items (etic) and culture specific items (emics). Source: Brislin (1976)

In this paper, the emic-etic research method of cross-culture studies had been applied to review the specific cultural items of organizational culture between Western and China in order to ascertain the items or dimensions that could be aligned to form a new organizational culture framework which is suitable for both Western and Chinese perspectives. Using the proposed framework from the emic-etic qualitative study, further quantitative based researches could be carried out to verify the etic nature of the combined Western and Chinese cultural dimensions in order to strengthen the emic approach adopted earlier.
Results and Discussions

The management of the organization has a very close relationship with the country’s cultural (Song, 2007). It is because the cultural of different countries are not the same whereupon, the value trend, management model, and style characteristics of enterprise management in various countries in the world show great differences, thereby leading to perceived differences in organization culture practices where in reality, such differences may in fact be minimal or non-existence (Schein, 2009).

From the view of Luo (1999) in organizational culture, there are two very representative countries in the world today, whereby the first category is Western countries that advocate individualism, advocating analytical thinking and system-oriented culture and values, such as the United States, Britain, Germany, France, Netherlands, Sweden and so on. The main characteristics of corporate culture in these countries are: emphasizing the realization of individual independence and individual values, maintaining the relationship between individuals through contracts, and pursuing the management philosophy that individuals achieve their overall goals through the use of talents to achieve individual benefits. Therefore, it can form an organizational advantage with strong individual innovation ability, full of competition and vitality within the enterprise, and the ability to do their best. The second category comprise of Eastern countries that advocate collectivism, advocating integrated thinking and emotionally oriented culture and values, such as China, South Korea and Southeast Asian countries (Liu, 2005).

Due to the Trompennars’ 7 organizational culture dimensions and covered most of dimensions of Western organizational culture, it selected as the dimensions that represent Western organizational culture. In another hand, Zhangde’s 12 organizational culture dimensions were selected because of wide range and native Chinese characteristics.

According to Schein (1984), the organization culture is a pattern of shared basic assumptions. Although it fits in well with the organizational culture, it is hard to construct quantitative dimensions and items to measure the organizational culture reliable and valid (Cui, 2012). Due to the basic assumption is something taken for granted, invisible and preconscious, the qualitative analysis from emic perspective is fit in well with the research of different across cultures (Przeworski & Teune, 1966). In this paper, the emic-etic research method of cross-culture studies were used to measure the Trompennars’ 7 organizational culture dimensions and Zhangde’s 14 organizational culture dimensions, thus, combine a new structure of organizational culture consistent across different cultures by etics method. The same type culture dimensions would be find out and summarized.

Base on the 3 levels of organizational culture: basic assumptions; shared values; norms of behaviors which proposed by Schein (1985), Trompenaar and Hampden-Turner (1993) proposed the 7 organizational culture dimensions in the study on Western countries. In order to compare the differences between Chinese and Western organizational cultures, the paper selected ZhangDe’s (2009) 14 organizational culture dimensions that summed up according to Chinese traditional Confucian culture and have Chinese characteristics to combine with Trompenaar’s 7 dimensions as the following Table 1.
Table 1: The combine model of organizational culture dimensions between Trompenaars (2011) and Zhangde (2009)

<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Universalism / Particularism</td>
<td>Leadership Style; Mission and strategy</td>
</tr>
<tr>
<td>Individualism / Communitarianism</td>
<td>Team Spirit; Organizational Learning; Cohesion;</td>
</tr>
<tr>
<td>Emotional / Neutral</td>
<td>Interpersonal Harmony; Integrity; Scientific Realism</td>
</tr>
<tr>
<td>Specific / Diffuse</td>
<td>Social Responsibility</td>
</tr>
<tr>
<td>Achievement / Ascription</td>
<td>Excellence and Innovation; Awareness of Development</td>
</tr>
<tr>
<td>Sequential Time / Synchronous Time</td>
<td>Ability-Performance Orientation; Customer Orientation</td>
</tr>
<tr>
<td>Internal Direction / Outer Direction</td>
<td>Cultural Identity</td>
</tr>
</tbody>
</table>

From the table, it can be seen that the same type dimensions were put together. The dimensions of leadership style and mission have a link with Universalism-Particularism that can influence the type and directions of organizations. Team spirit, organizational learning and cohesion are about communitarianism of organization. Emotional-Neutral is the explicit artifacts which have a significant link to interpersonal harmony, integrity and scientific realism. A organization should considered social responsibility specifically assigned or diffusely accepted, thus, put them together. Moreover, excellence, innovation and awareness of development have a significant correlation with Achievement-Ascription. In addition, the ability-performance orientation is a manifestation of outer direction, the customer orientation also is a manifestation of internal direction.

**Conclusions**

In order to understand the differences between the Western and Chinese organizational culture, this study selected the organizational culture dimensions of Trompenaar (2011) and Zhangde (2009) to compare. Furthermore, The dimensions shared by both Trompenaar (2011) and Zhangde (2009) will be selected to construct a new framework for Chinese and Western organizational culture as the table 2.

Table 2: The dimensions model of Western and Chinese organizational culture

<table>
<thead>
<tr>
<th>Leadership Style; Mission and strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Team Spirit; Organizational Learning; Cohesion;</td>
</tr>
<tr>
<td>Interpersonal Harmony; Integrity; Scientific Realism</td>
</tr>
<tr>
<td>Specific / Diffuse</td>
</tr>
</tbody>
</table>
Excellence and Innovation; 
Awareness of Development 
Ability-Performance Orientation; 
Customer Orientation

References


Liu, M. (2012). The corporate culture changes in the corporate strategy affect the study. (Doctoral dissertation). Dalian University of Technology, Dalian, China.


Tagiuri, R., Litwin, G. H., & Barnes, L. B. (1968). Organizational climate: Explorations of a concept. Division of Research, Graduate School of Business Administration, Harvard University.