

THE PRACTICES OF MANAGERS IN A CHINESE SHAREHOLDING ENTERPRISE

by

JIA WANG

(Under the Direction of Jay W. Rojewski and Wendy E. A. Ruona)

ABSTRACT

The purpose of this study was to explore the practices of managers in a Chinese shareholding enterprise in the broad context of China's transition from a central planning economy to a free market economy. Factors that influenced managers' practices were also examined. A Western management functions model was used as the analytical basis for the study.

Management practices were explored from a qualitative perspective and a social constructivist framework, and through extensive open-ended individual interviews, document review, and non-participatory observations. Seven middle managers from a shareholding company in southwestern China were purposefully selected. This particular organization was considered representative of Chinese enterprises under transformation. The constant comparative analysis method was employed for data analysis and result interpretations.

Four major coding categories with multiple themes directly related to managers' practices emerged from the data: (a) individual management philosophy, (b) four basic functions, (c) communication, and (d) critical factors influencing management practices. Findings confirmed that the managers under study were involved in all four functions as specified in the management functions model, namely, planning, organizing, leading, and controlling. However, within each

functional area, results showed a wide range of variation. Myriad factors shaped and influenced the practices of Chinese managers including, among other things, the management system, transformed ownership, organizational culture, communication channels, Western influences, and personal issues.

A cross-cultural communication model and a holistic framework of management were proposed to understand the practices of managers under China's transitional economy. Implications for HRD theory and practice were drawn and specific future research directions discussed. This study provides insight that may inform HRD professionals when designing and implementing human resource/organization development interventions that are most effective in unleashing and maximizing managerial capacity in Chinese and cross-cultural organizational settings.

INDEX WORDS: Management Practice, Management Functions, China, Economic Transformation, International HRD

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CHAPTER 1

INTRODUCTION

This chapter presents the background of the study, the problem, purpose, and research questions. A brief overview of the conceptual framework that informed this study is described. The focus and significance of the study are also discussed.

Background of the Study

This study was conducted in the setting of a Chinese shareholding enterprise that was previously state-owned in the People's Republic of China (hereafter referred to as China). Generally speaking, the managers' practices I investigated are rooted in the dynamics of the changing political, economic, social, institutional, and cultural systems of China and therefore need to be understood in those contexts.

China's economic reforms since 1978 have propelled China into one of the fastest growing economies in the world. Recent years of the economic reform have involved a fundamental restructuring of the relationship between the state and economic organizations (Cao, 2001). After some experimentation in the early 1980s, the Chinese government implemented a series of reform policies aimed at instituting a market economy. Despite significant variations across regions and industrial sectors, the general direction of the reform was unambiguous—to reduce governmental control and promote organizational autonomy under a market economy (Chow, 2000).

Economic reform has transformed China from a central-planning economy to a free market system in general. In fact, China is one of very few communist countries that have made

such a successful transition (Lau, 2002a). China's recent entry into the World Trade Organization (WTO) has been expected to lead to further improvement in the health of the growing economy and the living standards of the Chinese people (Zhang, Yang, & Zhang, 2002). At the same time, Chinese companies are being forced to get in shape and adopt international standards of performance (Reyes, 2001). For many multinational companies, China's membership in the WTO warrants more promising investment opportunities. It is not surprising that even with the global economic slowdown, China remains one of the hottest investment spots in the world.

Along with major economic reform initiatives, enterprise reforms have ignited the transformation of many Chinese state-owned enterprises (SOEs) from a central planning government allocation system to private and collective ownership. Dubbed *gu-fen-zhi-gai-zao* (transformation to the shareholding system), this reform is designed to create a modern and efficient enterprise system by restructuring state-owned enterprises (SOEs) into limited liability or joint stock companies (Blayney, 2001). The reform also aims to give SOEs progressively greater autonomy from the state while imposing more responsibility for profits and losses and requiring greater agility to respond to market signals in organizational operations. By 2000, state-owned enterprises accounted for 24% of total gross industrial output, while collective-owned, private-owned, and other types of enterprises (e.g., foreign-owned or joint ventures) accounted for 14%, 6%, and 56%, respectively (Lau, 2002b).

Another dimension that is crucial to the understanding of the subject under study, managers' practices, is the Chinese cultural system. Culture has long been considered one of the significant determinants for organizational behavior and managerial practices (Adler, 2002; Hofstede, 1980; Tan & Akhtar, 1998). According to Yang (2002), there are three major

competing and merging ideologies that co-exist in contemporary China: Confucianism, socialism, and capitalism. In comparing these three ideologies, Yang concluded that managerial philosophies and practices appear to be drastically different under the influence of each cultural force. The Chinese culture today is evolving and presenting multiple facets. Confucianism (firmly established as a predominant ideology in Chinese history) and socialism (the dominant ideology since 1949 when the communist party assumed power) have been challenged and began to fade with the introduction of capitalism in the late 1980s when China initiated economic reforms and open-door policies. The influence of capitalist values is inevitable in China's adoption of the free market economic system and financial incentives. Today, these three cultural forces are jointly changing and shaping managerial practices in China.

China's economic, institutional, and cultural transition has shifted millions of Chinese managers from being mere bureaucratic administrators to strategic decision-makers (Branine, 1996). For example, managers under the market-oriented shareholding system have operated under independent accounting systems (*du-li-he-suan*; Guthrie, 1999) and the policy of "self-responsibility for gains and losses" (*zi-fu-ying-kui*; Hassard, Sheeham, & Morris, 1999). In other words, managers have been charged with sufficient autonomy and responsibilities for making budgetary decisions, setting operational goals, and enjoying more economic freedom, while they were left with little room to do so under the central planning management system, because production quotas were pre-established by central and local governments (Krone, Chen, & Xia, 1997; Newell, 1999; Wang & Ruona, 2004). Furthermore, the practice of organizations providing their employees with guaranteed lifetime employment (*iron rice bowl*) and cradle-to-grave welfare (e.g., free medical care and heavily subsidized housing) is being replaced by time-specific employment contracts (Cao, 2001; Guthrie; Ip, 1995; Wang, Ruona, & Rojewski, 2003).

Managers have also been further exposed to tougher global competition and higher standards of competencies as a result of China's globalization efforts (e.g., open-door policies and WTO membership). In light of these changes, attracting and developing qualified managers has become a pressing issue among Chinese organizations (Wang, 2002). Management education and development has been promoted rapidly over the past two decades in response to the enormous and urgent demand for competent managers. Even so, there is still a critical shortage of experienced and well-trained managerial personnel. In fact, it is widely recognized today that the paucity of management resources is a major obstacle to China's endeavor toward modernization (Frazer, 1999; Newell, 1999; Wang, 2002).

The process of globalization has also stimulated Chinese managers' adoption of Western practices. This is evidenced in China's experiments with Western shareholding management systems and the promotion of Western management training programs, particularly Masters of Business Administration (MBA) programs. On the positive side, China's shareholding experiments have proved to be successful in creating greater autonomy for managers and enterprises, increasing productivity, and diversifying ownership (Hassard et al., 1999). Further, the introduction of Western management programs has led to a wide awareness of Western management concepts and techniques among Chinese managers (Sun, 2000). In spite of these successes, a number of empirical investigations reveal that Chinese companies struggle in transplanting Western practices in the Chinese context. For instance, in examining Chinese adoption of Western human resource management practices in 38 Sino-Western joint ventures, Goodall and Warner (1999) noticed that Chinese human resource professionals tend to stick to the old mindset due to their training in the old ways. Similarly, Chinese managers were also found to make compensation or bonus decisions and evaluate subordinates based more upon

relationships than work performance (Zhou & Martocchio, 2002). Or, they may be engaged in informal (which may be regarded in the West as illegal) business activities (Whitcomb, Erdenei, & Li, 1998). Yan and McLean (1997) remind us that the Chinese are strongly influenced by their 5,000 years of history and culture. Moreover, given that Chinese people have received little cross-cultural education, they tend to respond uncritically when confronting different cultures and different models and norms of behavior.

On the other hand, Western managers have continuously reported frustrations when working with their Chinese counterparts. O'Keefe and O'Keefe (1997) analyzed culture-oriented differences in communication and negotiation styles between Westerners and Chinese. Björkman and Lu (1999) noted that the management of human resources and the recruitment, development, and retention of high-performing Chinese professionals and managers is widely recognized as the biggest challenge for Western firms operating in China. The foreign executives in 65 Chinese-Western joint ventures in their study were strongly dissatisfied with Chinese management practices, particularly in Human Resources Management (HRM). A number of expatriates felt frustrated with the failure to introduce Western HRM practices that they believed to be more effective than Chinese approaches (Björkman & Lu, 2001). Similarly, factors like *guanxi* (literally, relationships) were attributed to Western managers' dissatisfaction with the performance of international joint ventures (Sanyal & Guvenli, 2001). Regarding management training in China, Bu and Mitchell (1992) listed several problems Western experts experience, such as a lack of two-way communication in classroom activities, inefficiency of trainees' group discussion, incompatible areas of interests between Western and Chinese instructors, and confusion and inefficiency of administrative support.

Problem of the Study

Management practice has been explored by researchers from many different perspectives, such as managers' roles, skills, styles, functions, or activities. Unfortunately, although many serious attempts have been made to unfold the myth of this central phenomenon, no agreement has been reached on what the concept really means and how it can be most effectively investigated in reality. This imposes challenges on human resource development (HRD) scholars and practitioners. As managers are taking an increasingly important part in the overall success of organizations in an era of unprecedented globalization (Adler, 2002), it becomes imperative for HRD professionals to build a solid knowledge base for management practice.

More specifically, the environments in which Chinese managers and organizations are operating have been unstable and turbulent. While organizations are striving to legitimize management practices during transformation, how to transform the so-called civil servants (*gong-pu*) of SOEs into professional managers under a market economy appears to be a critical issue (M. Li, 2003). Within these evolving situations, organizational behaviors and management practices in Chinese organizations are likely to be unsettled as well (Lee, 2002). In fact, the dynamic environment requires HRD practitioners and researchers to muddle forward. Such muddling also requires us to cast a broad net and to avoid overly parochial views about the value of specific topics, empirical studies, and research methods.

Furthermore, given China's increasingly important role in the global economy and the growing interest of multinational companies in starting operations in the country, it is HRD researchers' responsibility to begin exploring the patterns of Chinese management practice. Three factors make it more imminent that HRD professionals provide deeper insight and systematic investigation to the situation. First, a majority of Westerners do not understand

Chinese management culture which stresses human relationships, personal connections or *guanxi*, and trust (Su, Zhang, & Hulpke, 1998). Second, Chinese managers follow an enterprise management model which may not be common in the West (Tan, 1996). Third, Western managers have continuously reported their failure in conducting business with their Chinese counterparts (e.g., in the form of joint ventures).

All of these challenges continue to emerge in China, and yet there are strikingly few studies available that inform the HRD field to really understand the day-to-day practices and challenges that Chinese managers experience. The limited literature on organization management and management development in China reflects the formative state of the country's research in these areas (Lau & Roffey, 2002). Moreover, few researchers have made systematic investigations to examine Chinese managers' practices from their own perspectives, or to understand how their practices are informed by their daily interactions with the unique and dynamic domestic and global environments. HRD professionals working with Chinese managers need a clearer and richer understanding of the unique and complex managerial and organizational issues facing Chinese managers. If HRD professionals are to facilitate the development of people and systems under globalization situation, they must be more fluent in these issues and ground their HR/OD practice in the understanding of manager's daily operations and challenges in a cross-culture scenario.

Purpose and Research Questions

The purpose of this study is to take a qualitative approach to explore and analyze the practices of managers in a Chinese shareholding enterprise that was previously state-owned. Two major areas comprise the focus of this inquiry: (a) managers' perceptions about their

management practices, and (b) factors that have shaped or influenced managers' practices.

Formally, the following two questions will be used to guide these efforts.

1. How do Chinese managers describe their management practices?
2. What has shaped and influenced the practices of Chinese managers?

Given the sparse existing theory and little empirical knowledge about Chinese management (Lee, 2002), this study is a timely effort in providing a new empirical evidence that may enable HRD professionals to better understand issues confronting Chinese managers today. It builds on what is known (mostly from Western literature) and adds new insight from the organizational context in China. It also helps to form a basis to address what we need to learn about managing people in Chinese enterprises. As such, HRD professionals may be better informed and positioned when designing HR/OD interventions that are most appropriate to Chinese managers and their organizational settings.

Conceptual Framework

This section discusses the conceptual framework that informed this study. The philosophical orientation that influenced this study is also presented.

Conceptual Framework: Management Functions

A synthesis of management literature reveals the widely adopted view of management functions. Schermerhorn, Hunt, and Osborn's (2000) conceptual framework of four management functions informed this study and are cited throughout. This framework represents one way of understanding managers' work from a functional perspective. The management functions view was originated by Henry Fayol (1949) in the early 1920s when he first proposed that all managers performed five primary functions: planning, organizing, commanding, coordinating, and controlling. These five functions were later condensed by many management scholars into

four: planning, organizing, leading, and controlling (Baird, Post, & Mahon, 1990; Robbins, 1996, 2001; Schermerhorn et al., 2000).

A number of management scholars believe that managers perform jobs that directly support the work efforts of others, regardless of the career direction and the entry point within organizations. Schermerborn et al. (2000) defined an effective manager as “one whose organizational unit, group, or team consistently achieves its goals while members remain capable, committed, and enthusiastic” (p. 10). This definition focuses on two key issues: task performance (the quality and quantity of the work produced or the services provided by the work unit as a whole) and job satisfaction (how people feel about their work and the work setting). The job of any manager is largely one of adding value to the work setting by doing things that help others to accomplish their tasks.

The four functions of management are widely recognized in Western literature as the primary functions by managers at all levels although studies have also reported these functions as classic (Mintzberg, 1973) and are fading in modern organizations (Schermerborn et al., 2000). Figure 1 depicts the relationship between the four different managerial functions. Planning involves defining goals, setting specific performance objectives, and identifying the actions needed to achieve them. Organizing refers to creating work structures and systems, and arranging resources to accomplish goals and objectives. Leading occurs when managers create enthusiasm by communicating with others, motivating them to work hard, and maintaining good interpersonal relations in order to accomplish tasks successfully. Controlling entails monitoring performance and taking any needed corrective action to ensure that things go well. These four functions form a framework for managerial activities. However, it is important to note that managers in today’s changing workplace take the helping and supporting role rather than

traditional functions of directing and controlling. Indeed, the word *manager* is increasingly being linked to such notions as coordinator, coach, or team leader (Schermerhorn et al.).

A review of management literature indicates that today's Chinese managers are increasingly adopting Western managerial practices in areas such as motivation, performance evaluation, and human resource management. It is therefore my assertion that Western management concepts and practices have direct influences on organizational and managerial behaviors in China. In this line of thinking, Schermerhorn et al.'s (2000) framework of management functions may serve as a good lens from which to look at the Chinese management practices. This Western model is used to guide my interviews with Chinese managers during the initial stage of the data collection. However, it may not prove to be applicable given the nature of Chinese management reality and potentially different perceptions and interpretations provided by individual Chinese managers.

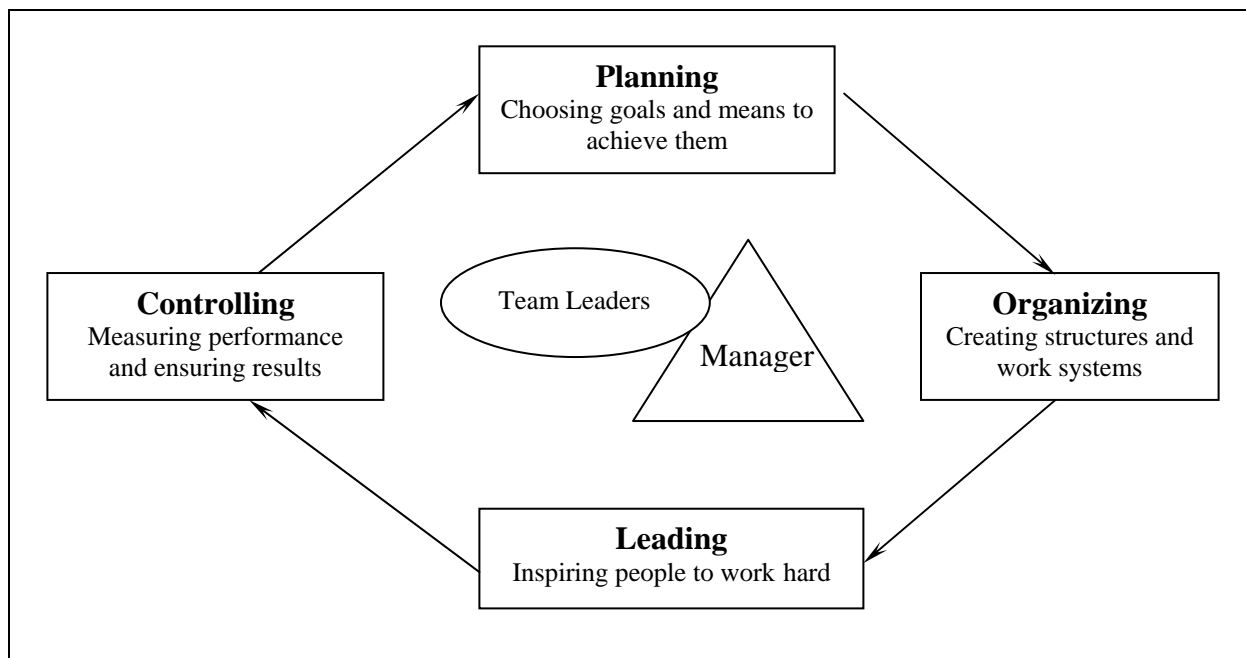


Figure 1. Four Functions of Management (Adopted from Schermerhorn et al., 2000)

Philosophical Orientation: Social Constructivism

Taking a qualitative approach, this study was also informed by the constructivist perspective, particularly social constructivism (Schwandt, 1994). Constructivism is one of the four major paradigms (positivism, postpositivism, critical theory, and constructivism) in research for social sciences. It assumes a relativist ontology (multiple realities), a subjective epistemology (knower and subject create understanding), and a naturalistic (in the natural world) set of methodological procedures (Guba & Lincoln, 1994). Social constructivists believe that the reality is socially constructed by the individuals who participate in it, rather than having an existence apart from the meanings that are constructed. These constructions take the form of interpretations, the ascription of meanings to the social environment. Social constructivists also believe that these realities cannot be studied by the analytical methods of positivist research (Gall, Gall, & Borg, 2003). Instead, these multiple constructed realities “can be studied only holistically” (Lincoln & Guba, 1985, p. 37). The philosophical perspective discussed here warrants a qualitative approach.

Boundary of the Study

Because of constraints in time, financial resources, and access to organizations, this study is bounded to one organization. The selection of both the research site and participants represents a method of purposeful sampling (Merriam, 2001; Patton, 2002). The organization under investigation must be a shareholding company that was previously state owned. Given the convenience of access, I select one company that is located in a large city of southwestern China. Regarding the participants, I focus on middle managers of the selected company rather than managers at all levels. Participant selection is also based on predetermined criteria which are discussed in Chapter 3. My intent was to develop an in-depth understanding of selected

managers' practices. As such, any generalization of this study's findings should be done with caution.

Significance of the Study

This study contributes to the field of human resource development (HRD) in the following aspects. First, most conceptual and empirical research in the field of HRD is currently conducted from the perspective of developed countries. This study provides a much needed perspective and empirically extends the existing knowledge and research on organization management and HRD to an international setting. By focusing on a developing country like China where radical changes have taken place in the last two decades, the study presents a comprehensive picture of one case that is full of high ambiguity and uncertainty and that HRD professionals may encounter under the trend toward globalization.

Second, this study contributes to HRD theory building. As a practice-oriented interdisciplinary field, HRD is still in the process of building sound theories. Particularly, the theoretical foundation of Chinese management literature is at its inception stage. Given the dearth of Chinese management theory as well as the minimal empirical research in China over the past fifty years (Ralston, Egri, Stewart, Terpstra, & Kaicheng, 1999), this study adds to the ongoing development of much-needed Chinese management theories as well as to current literature of cross-cultural management.

Third, the significance of the study can also be examined in the field of international HRD. If we truly believe that managers own HRD processes through day-to-day influences on employees, and HRD interventions are stemmed from organization systems and business needs, the role of HRD professionals should be to facilitate the development of people and improve organization systems so as to achieve organizational goals. By providing a most recent profile of

Chinese managers and a micro-level examination of the nature of their work under China's organization transformation, this study may reveal ways to augment and support management development in China. It may also strength cross-culture HRD research and assist HRD professionals in designing and implementing culture-sensitive HR/OD interventions that are not only appropriate to the Chinese organizational context but also maximize managerial capacity.

Summary

This chapter described the context in which this study was conducted. The problem of the study was discussed, followed by the purpose and research questions that guided this research effort. This chapter also briefly introduced the conceptual framework that informed the study and set the boundary of the study. Finally, this chapter addressed the significance of this study to the field of human resource development.

CHAPTER 2

LITERATURE REVIEW

This chapter begins with an overview of the Chinese context in which the practices of Chinese managers are grounded. It continues with the review of the literature in management practices both in the West and China. It also discusses management reality in China and Chinese cultural impact. Finally, this chapter synthesizes studies on management development in China and addresses the issue of transferring Western management know-how to the Chinese organizational context.

The Chinese Context

Few countries in recent history have experienced the number and magnitude of socioeconomic changes China has gone through. Many of these changes were deliberately designed to open up the system to ad hoc innovation and experimentation in business organizations and radically reshape beliefs and attitudes influencing the values of the Chinese workforce including managers (Ralston et al., 1999). Throughout this process of experimentation, Chinese government remains firmly committed to the course of economic reform, expansion, and integration to the world's economy. While rejecting capitalism as a political system, the government has also recognized the need to selectively adopt Western practices to ensure the proper functioning of the markets.

In brief, the practices of Chinese managers are grounded in five major transitions resulted from China's various change initiatives (Wang & Ruona, 2004): (a) transition of economy from being rigidly planned to becoming free market oriented, (b) transition of the country from being

rural and agricultural to becoming urban and industrialized (Zhang et al., 2002), (c) transition of the society from being closely self-contained to becoming more actively involved in the global community (Zhang et al.), (d) transition of enterprises from being state-owned allocation system to representing private or collective forms of ownership (Blayney, 2001; Lau, 2002a), and (e) transition of culture from being Confucian dominant to be more diverse with emerging socialism and capitalism (Yang, 2002). Under this macro background, this section addresses three interrelated issues: (a) economic reforms, (b) change of enterprise ownerships, and (c) the evolving culture.

Economic Reforms

Since the initiation of economic reforms in 1978, China has attempted to create the so-called socialist market economy with Chinese characteristics within the framework of state-owned enterprises (SOEs) and state management of industry (Selmer, Erdener, Tung, Worm, & Simon, 1999). The purpose is to develop commodity markets, reform the property rights of state enterprises, establish production factor markets for labor and capital, and convert state-owned enterprises to modern corporate enterprises (Myer, 1995). China's economic reforms have generated rapid and sustained economic growth, unprecedented rises in personal income and living standards, and transformed what was once one of the world's most insular economies into a major trading partner of many countries (Walder, 2000).

Changes of Enterprise Ownerships

China's economic reforms have ignited the transformation of many Chinese state-owned enterprises (SOEs) from a central planning government allocation system to a free market oriented shareholding system (Blayney, 2001). A large number of organizations have been created and present diverse ownerships (Fan, Lau, & Wu, 2002). Generally, Chinese enterprises

can be classified into three different types of governance pattern: (a) government-oriented governance pattern, (b) family-oriented governance pattern, and (c) corporation-oriented governance pattern (Chen & Huang, 2001). Table 1 summarizes the characteristics of each type from three angles: stock ownership structure, internal governance mechanism, and external governance mechanism.

Table 1. Characteristics of Three Types of Governance Patterns of Chinese Enterprises

Item \ Pattern	Government-oriented	Family-oriented	Corporation-oriented
Ownership & equity structure	<ul style="list-style-type: none"> • Primarily state-owned and state holding enterprises • Equity structure features high degree of centralized control 	<ul style="list-style-type: none"> • Private and some collectively-owned enterprises • Equity is mainly held by family members 	<ul style="list-style-type: none"> • Enterprises introducing the legal person holding system • Equity is relatively concentrated
Internal governance	<ul style="list-style-type: none"> • Control by insiders • No separation of decision-making between the board of directors and managers • Low degree of participation in decision-making by small- and medium-sized shareholders • Lack of effective incentive and constraint mechanism for operators and managers 	<ul style="list-style-type: none"> • Decision mainly made by individual enterprise proprietors or by family members • Source of operators and managers featuring the characteristic of closure and becoming family-oriented • Great attention to the remuneration encouragement for managers 	<ul style="list-style-type: none"> • Legal person shareholders taking an active part in making decisions by the board of directors • Relatively effective internal governance mechanism • Great attention to remuneration incentive for managers • Power to dismiss and change operators and managers
External governance	<ul style="list-style-type: none"> • Authority to appoint operators and managers • Authority to examine and approve enterprises' major decisions • Authority to exercise external supervision and constraint over operators and managers 	<ul style="list-style-type: none"> • Rarely relying on the role of the external market mechanism • Competition in the product market, the capital market, and the labor market 	<ul style="list-style-type: none"> • Rarely relying on the role of external market mechanism and yet higher in the degree of relying on the external market mechanism than the government-

Item \ Pattern	Government-oriented	Family-oriented	Corporation-oriented
	<ul style="list-style-type: none"> Merge, acquisition, takeover, and other components of a market mechanism seldom playing a role 	bringing an enormous pressure to family-run enterprises as a whole	oriented pattern

Note: Adapted from Chen and Huang (2001)

The organization selected for this study is a shareholding enterprise that was previously state-owned. It is a representative of a large number of enterprises that are in the process of transforming from government-oriented ownership structure to corporation-oriented governance system. The management pattern of the selected company is characterized by corporation orientation.

The Evolving Culture

The impact of Chinese culture on organization and management practices is well documented (e.g., Chang, 1998; Cheng, 1998; Ebrahimi, 1999; Hofstede, 1980, 1997; Jiang, 1998; Liu, 1998; Redding, 1990; Trompenaars & Hampden-Turner, 1998; Yang, 2002). Some studies on values in Chinese cultural contexts suggest that the process of modernization may foster some Chinese cultural characteristics at the expense of others (Yang, 1996). Indeed, Chinese economy has witnessed traditional cultural values being challenged by, and mingled with emerging communist and capitalist cultures in contemporary China.

Confucianism, generally recognized as traditional culture, has been the most dominating culture in Chinese history (Fan, 1995; Jacobs, Gao, & Herbig, 1995; Lockett, 1988; Wang et al., 2003). Confucian principles such as hierarchy, harmony, group orientation, *guanxi*/relationships, *mianzi*/face, provide the basis for most current organization management practices in China (Buttery & Leung, 1998). These include organizational bureaucracy, respect for seniority, rituals

of etiquette and ceremony, and business relationships (Fan, 1995). However, empirical evidence reveals that Confucian values are fading out among new generation of Chinese managers (Raston et al., 1999).

Communist ideology has become influential since the founding of the People's Republic of China in 1949 (Barth, 1997). Communist values such as collectivism, commitment to communism, concern about equity, and preference of the long-term future, have dominated organization and management practices under the central planning system (Yang, 2002). Communist culture was challenged when China launched economic reforms in the late 1970s.

Capitalist ideology was introduced to China as a direct result of the government's open-door policies. Rooted in the Western culture, capitalism is characterized by a strong individual orientation and emphasis on participatory fairness, contractual duty, and equality instead of equity. In spite of the rejection to Western cultural values (Selmer et al., 1999), there is ample evidence of some assimilation of values associated with individualism, materialism and capitalism (Erdener, 1998). This can be traced in Chinese government's effort in making a transition to a free market economy, provision of financial incentives, and increasing social welfare programs (Yang, 2002).

Chinese culture is evolving and should be seen as dynamic rather than static. Currently, Confucian, communist, and capitalist ideologies are jointly shaping and reshaping managers' values and beliefs. The co-existence of multiple cultural values is likely to create cultural clashes and confusions, which may significantly influence Chinese managers' daily practices in organizations.

Studies on Management Practices

This section presents a synthesis of literature in management. I first provide an overview of existing conceptual and empirical studies on management practices. I will then move to a review of management practices particularly in the Chinese context. Finally, I discuss the framework that has informed this study.

Overview of Management Practices

Management practice has been explored by researchers both conceptually and empirically from many different angles: including managers' functions (Baird et al., 1990; Banerjee, 1981; Fayol, 1949; Robbins, 2001; Schermerhorn et al., 2000), skills (Katz, 1974), roles (Fox, 1992; Mintzberg, 1973; Snyder & Wheelen, 1981), and styles or activities (Adler, Campbell, & Laurent, 1989; Luthan, Hodgetts, & Rosenkrant, 1988; Stewart, 1982). Although there is no description of managers' jobs, roles, and functions that is universally accepted, it is generally agreed that there is a process of management applicable to *any* organization consisting of functions that *every* manager should perform. A review of the current literature does suggest that much effort has been made at the conceptual level in understanding management practice in terms of functions (Fayol) and skills (Katz), even though no consensus has been reached on what exactly these functions and skills should be.

Management functions. One popular, and perhaps the most widely adopted, view of management is in terms of functions. This view was originated by Henri Fayol, a French industrialist, in the early twentieth century. Fayol (1949) proposed that all managers performed five primary functions: planning, organizing, commanding, coordinating, and controlling. Due to the fact that the function of coordinating is not used as often as the other four, many management scholars today have condensed Fayol's five functions into four, i.e., planning,

organizing, leading, and controlling (e.g., Baird et al., 1990; Mescon, Albert, & Khedouri, 1981; Robbins, 2001; Schermerhorn et al., 2000).

Sharing the functional view, Baird et al. (1990) emphasized that all the four functions must be performed by managers if the organization is to be successful over time. However, the nature and focus of these functions may vary according to individual managers' responsibilities. These responsibilities were further categorized as technical, administrative, and institutional. Technical responsibility involves work that directly produces goods and services; administrative responsibility involves coordinating the work of others; and institutional responsibility, unlike the former two, involves guiding, directing, and organizing. According to Baird et al., different levels of management tended to take different responsibilities, for top managers, most institutional, for middle managers, most administrative, and for first-line managers, most technical.

In short, the conception of management functions has been so dominating in the Western management thinking that it has been widely used to analyze management jobs, construct management training programs, draw up selection criteria (Carroll & Gillen, 1987; Fox, 1992), as well as serve as the basis for most management textbooks today (Luthans & Martinko, 1979; Mescon, Albert, & Khedouri, 1981; Robbins, 2001; Schermerhorn et al., 2000).

Management skills and competencies. Another dimension of understanding practices of managers is to look at the skills or competencies required for managers to successfully achieve their goals. A number of studies discuss the relationship between management knowledge and effective administration. Katz (1974) identified three skills essential to effective administration: technical, human, and conceptual skills. According to Katz, technical skills are primarily concerned with working with things. They represent “an understanding of, and proficiency in, a

specific kind of activity, particularly one involving methods, processes, procedures, or techniques” (p. 91). Human skills refer to “the ability to work effectively as a group member and to build cooperative effort within the team he leads” (p. 91). It is primarily concerned with working with people. Conceptual skills involve the “ability to see the enterprise as a whole” and include “recognizing how the various functions of the organization depend on one another, and how changes in any one part affect all the others; and it extends to visualizing the relationship of the individual business to the industry, the communication, and the political, social, and economic forces of the nation as a whole” (p. 93). Katz further reasoned that the relative importance of these three skills varies with the level of administrative responsibility. At lower levels, the major need is for technical and human skills. At higher levels, the administrator’s effectiveness depends largely on human and conceptual skills. At the top, conceptual skills become the most important of all for successful administration. Katz’s model represents an understanding of managers’ practices being not uniformed and varies with the level of management.

In comparison to the efforts made to understand management practices conceptually, much less empirical research has been conducted. Among the sparse studies, Carlson’s (1951) is considered the first significant empirical study of managerial work (Mintzberg, 1973). With intent to find common behaviors, particularly communication patterns, Carlson studied nine Swedish company presidents using a diary method. Based on daily activities recorded by these senior managers for five weeks, three types of conclusions were reached. First, in terms of working time, the managers had very little uninterrupted work time, heavy workload, and little control over the design of their workdays. Second, in terms of communication patterns, managers spent an average of 3.5 hours per day with visitors. Third, different interpretations were made by

different managers regarding work content. A major finding of this study was that production questions were more common than organization and planning questions; sales questions were usually defined as policy, and financial questions were usually defined as application.

In a later study, Sayles (1964) examined the behaviors of 75 lower and middle level managers in a large American corporation by means of interviews and unstructured observations. His analysis revealed three aspects of managerial work: (a) manager as participant, (b) manager as leader, and (c) manager as monitor. First, managers participated in some basic relationships with people outside of his immediate managerial responsibility. Second, managers presented three types of leadership behavior, including providing directions, responding to initiation from subordinates who are seeking support, and acting as representation/intervention for subordinates in contact with other parts of the organization. Finally, managers monitored their internal and external relationships and looked for situations requiring their interventions.

Stewart (1967) also conducted a diary type study. For the purpose of discovering similarities and differences in the way managers spend their time, Stewart studied 160 senior and middle managers. The study found that most managers exhibited a number of common work characteristics. For example, managers averaged 42 hours of work per week, spent 75% of their time in their own establishment, 51% of time in their offices, 60% of time in discussion, 34% of time alone, 25% of time with immediate subordinates, 8% with their supervisors, and 30% with peers and others. Second, managers' work varied in terms of location, activities, and content.

Perhaps the most frequently cited study in this area is Mintzberg's study in 1968. Unlike Fayol (1949), Mintzberg (1968) explored the roles managers played on their job functions. By studying five chief executives through structured observations, Mintzberg identified ten different yet highly interrelated roles the managers played. The study grouped the roles under three broad

categories: (a) interpersonal roles (figurehead, leader, and liaison), (b) informational roles (monitor, disseminator, spokesperson), and (c) decisional roles (entrepreneur, disturbance handler, resource allocator, negotiator). These roles are not independent of one another; instead, they are interrelated to form an integrated whole. Specifically speaking, the interpersonal roles arise out of the manager's authority and status in the organizational unit and interactions with people. These interpersonal roles may make the manager a focal point of information, enabling and compelling the manager to play the informational roles, and in effect to act as an information processing center. By playing interpersonal and informational roles, the manager is able to play the decisional roles: allocating resources, resolving conflict, seeking out opportunities for the organizations, and negotiating on behalf of the organization. Mintzberg (1973) later concluded that the tasks managers carry out are remarkably similar in six respects: (a) quantity and pace, (b) patterns in activities, (c) relationship between action and reflection, (d) use of media, (e) relationships to a variety of contacts, and (f) interplay between rights and duties. Based on his empirical investigations, Mintzberg characterized managerial activities as "brevity, variety and discontinuity" (1973, p. 50).

To a similar extent, Kotter (1982) studied 15 successful general managers with a combined method of observation, questionnaires, and interviews. Kotter identified six job demands on managers he studied: (a) setting basic goals and policies in an uncertain environment, (b) balancing the allocation of scarce resources among a wide range of users while protecting long-term goals, (c) monitoring and controlling complex activities, recognizing and extinguishing "fires" quickly, (d) getting information, cooperation, and support from upper level management to do the job, demanding support without alienating upper level managers, (e) getting cooperation from corporate staff, unions, and big customers to overcome resistance, red

tape, and other obstacles, and (f) motivating subordinates an controlling unacceptable performance and interdepartmental conflicts. Like Mintzberg (1968, 1973), Kotter found that managers spent a great deal of time networking and he believed that the quality of managers' networks influenced their performance through contributions to, and implementation of an agenda.

Taking a different perspective, Luthan and his associates (1988) explored managers' daily work by asking three central questions: What do real managers do? What do successful managers do? What do effective managers do? Using unstructured free observation and systematic participant observation, intensive interviews, and standardized questionnaires, Luthan et al. studied more than 450 managers and found that the managers were all engaged in four managerial activities: (a) traditional management, (b) communication, (c) human resource management, and (d) network. They also noted that the amount of time and effort that different managers spent on those four activities varied a great deal. The study concluded that managers who were successful (in terms of the speed of promotion within their organization) had a very different emphasis than managers who were effective (in terms of quantity and quality of their performance and satisfaction and commitment of their employees). Among successful managers, networking made the largest relative contribution to success, and human resource management activities made the least relative contribution. Among effective managers, communication made the largest relative contribution and networking the least.

While the functions, roles, skills, and activities are quite different from the above reviewed studies, they represent at least one common trend. This commonality is summarized by Robbins (2001).

Each recognizes the paramount importance of managing people. Regardless of whether it's called "the leading function," "interpersonal roles," "human skills," or "human resource management, communication and networking activities," it's clear that managers need to develop their people skills if they're going to be effective and successful. (p. 6)

The review of the literature also indicates that the prevailing conceptual frameworks have been challenged by a number of empirical studies. Take the four functions model as an example. A number of scholars have questioned its usefulness and validity in describing managerial work activities. Among critics, Mintzberg's (1968) work is considered to be the most prominent in that the findings of Mintzberg's study is seen as contradicting to traditional beliefs about what managers should do (Carroll & Gillen, 1987). Mintzberg (1971) contended that Fayol's fifty-year description of managerial work is no longer useful. He further described the functional model as *folklore* (Mintzberg, 1975).

However, it is necessary to point out that the ten basic managerial roles identified by Mintzberg (1968) can actually be categorized into any one of the four basic functions of management. In this sense, Mintzberg's empirical evidence was not inconsistent with the functional model. Rather, it represents the different approach and perspective adopted by different researchers (M. Lankau, personal communication, January 20, 2003). In this line of thinking, Carroll and Gillen (1987) supported the validity of the functional view.

There appears to be sufficient evidence to say that managers do perform a wide variety of specific activities which can be classified under the functional typology developed by Fayol and others in the classical management school; also, greater

managerial success (organization and unit performance and management mobility) is related to skill and time in the functional responsibilities. (p. 43)

My comprehensive review of the literature revealed that there have been far less empirical studies than conceptual research in the past decade or so. One glaring issue that seems to be missing in all the conceptual and empirical literature in the Western community reviewed in this study is the recognition of cross-cultural management practices. In other words, the answers to the following questions have not been sufficiently explored: to what extent do the organizational and national cultural factors impact managers' day-to-day practices? To what extent have managers adapted their practices to the constantly changing workplace? It is imperative for HRD professionals to seek the answers in order to cope with the fast-paced process of globalization.

Studies on Chinese Managers

Compared to research on Western management practices, the study of Chinese management is relatively young (Lee, 2002). Consequently, there is minimal empirical evidence that will inform us of Chinese managerial behavior and values. Moreover, the far-reaching changes that have taken place in China during the past two decades have not only presented Chinese managers with challenges, but also made it even more difficult for researchers to keep up with updated knowledge of contemporary management practices of Chinese managers. Despite the paucity of related literature, the overview of Chinese economic, institutional, cultural, and social systems earlier illuminates the context in which the managers of Chinese enterprises are situated and the ways they are likely to operate in that context.

To that end, Child (1994) predicted the modes of behaviors of Chinese managers that likely differ from those of managers in other countries. He pointed out that Chinese managers

might have a stronger vertical orientation, especially upwards to the industrial and other bureaus. They may attempt to accommodate the demands placed on them through personal relationships for exchanging informal favors and maintaining harmony. Chinese managers are likely to deal with issues arising in a more personal and informal manner, and delegate less, and consequently to work longer hours. Their location within a close-knit, socio-political community may lead them to make less of a distinction temporally and socially between work and non-work life than in Western countries. Child (1994) further noted that Chinese managers may “lack some of the systematic and formal techniques for running a business that are now well-established in the developed countries” (p. 145).

In spite of the scarcity of Chinese management research, growing efforts have been made to understand various aspects of work activities carried out by Chinese managers under the transitional economy. For example, Hildebrandt and Liu (1988) conducted a survey of 436 Chinese middle managers in a range of specialist areas in 31 manufacturing industries. Chung (1990) used questionnaires with follow-up interviews to study the motivation of 76 senior managers who were Chinese enterprise directors and division chiefs. Stewart and Chong (1990) replicated Mintzberg’s study (1973) by interviewing 26 senior executives from 17 enterprises in the Chinese electronics industry. Boisot and Xing (1992) also modeled Mintzberg’s research procedure (1973) and observed and measured the activities of six Chinese enterprise directors in the mechanical construction sector for a period of six days each. Findings of these studies enable us to make a comparison between Chinese and American managers in three areas: (a) working time and distribution, (b) relationships, and (c) management styles.

Working time and distribution. Results of Hildebrandt and Liu’s (1988) survey revealed that the middle managers put in an average of 52.3 hours per week, or 8.72 hours each day. More

senior managers studied by Boisot and Xing (1992) and Stewart (1992) worked longer hours with averages of 9.67 hours and 11.7 hours per day, respectively. Boisot and Xing also found a substantial difference in the average working hours between the directors of large and small enterprises. Specifically, senior managers in large firms worked an average of 11.35 hours each day, compared to 8.1 hours in the smaller enterprises. Although American top managers are noted for their long working hours (Child, 1994), comparisons by Boisot and Xing with Mintzberg (1973) and by Hildebrandt and Liu with survey findings indicate that Chinese senior managers tend to work longer hours than their American counterparts.

Mintzberg (1973) reported a high degree of brevity and variety in the work of the American chief executives he studied. Stewart (1992) noted based on her observations that Chinese managers were in a better position than their American counterparts to focus on one task at a time. “Most of them seemed to concentrate on their desk work or on personal improvement for a solid period during the day, and apparently with few disturbances” (p. 178). However, the detailed direct observations made by Boisot and Xing (1992) led to a contrasting finding that the Chinese enterprise directors in their study dealt with a large number of separate issues during work day. They averaged 28 different activities every day, each lasting an average of 21 minutes. This comes close to the activity time-profile of Mintzberg’s (1973) senior managers. Further, comparing Mintzberg’s (1973) findings with those from the two equivalent studies of Chinese managers (Boisot & Xing; Stewart, 1992) using Mintzberg’s breakdown of managerial activities (desk work, scheduled meetings, unscheduled meetings, telephone calls and tours), Chinese top managers were engaged in much fewer scheduled meetings and spent more time on informal personal contacts.

Findings of Chung's (1990) study shed some light on how regional locations could impact managerial activities. In exploring how managers distributed their weekly working hours between political affairs, administrative and personnel matters, and basic business activities, Chung found that the managers working in Beijing and Shanghai tended to spend more time on political activities and administration/personnel issues than those in Guangdong. Guangdong managers devoted more time to getting on with running the business, with apparently more freedom from political and administrative obligations imposed by external governmental and political bodies.

Relationships. Findings of these studies unfold relationship which Chinese managers had to manage and how they went about it. When comparing Chinese managers and their American counterparts in Mintzberg (1973) studied, Boisot and Xing (1992) noticed that the Chinese managers spent four times as long in contact with their superiors (27.4% of total contact time) than the American managers did, and only half the time of the Americans (23.5% compared with 44%) in contacts with outsiders and peers. Further contrasts between the Chinese and American managers were provided by an analysis of mails received and sent. For example, almost 30% of mails the Chinese managers received originated from government departments or supervisory bureaus compared with the 6% that Mintzberg's managers received from higher levels. Under 1% originated from customers, suppliers or bankers, compared to Mintzberg's 13% from these sources. A similarly tiny proportion of the mail sent out went to these groups. This means that the Chinese enterprise directors were engaged far less than their American counterparts in market-based relationships. Even when they were, it was on the basis of personal rather than impersonal contact. The fact that they spent under half the time of the Americans on the telephone also indicated that such contact, when it did take place, was person-to-person in China.

The dominance of personal relationships allowed the Chinese managers to exercise influence in accord with Chinese cultural norms of due deference to authority (Child, 1994).

Management Style. Research shows that Chinese managers tend to personalize communications and relationships (Child, 1994). This personalized management style may lead to Chinese managers' reluctance to delegate. Boisot and Xing (1992) suggested two reasons based on findings of their study. First, the directors they studied did not trust their own organization to implement decisions. Second, directors could not delegate even if they wanted to because everyone both within the enterprise and above it wanted to deal with them personally.

Both employees and external stakeholders look to him [director] for personal guarantees that their own particular interests will be properly attended to. If the director does not trust his organization to deliver, others do not either. (p. 175)

Other empirical studies also provide insight into Chinese management values and practices. Comparing the work goals of U.S. and Chinese managers, Shenkar and Ronen (1987) found that modern economy would encourage convergence, and the national culture would suggest divergence, in managerial work goals. They found both similarities and differences and could not resolve the convergence versus divergence debate. Walder (1989) attempted to explain the puzzling managerial behavior during the reform in the 1980s. He observed that managers, while faced with administrative control on cash disbursements, turned to distributions through welfare funds, rapid construction of housing, and other strategies to distribute income to their workers. He concluded that it is China's social and political institutions that simulated the observed managerial behavior. Adler, Brahm, and Graham (1992) observed more similarity than difference in the negotiation behavior of U.S. and Chinese managers. Both groups of managers used a problem-solving approach, but the Chinese managers asked a much higher percentage of

questions than did their American counterparts. Child and Markoczy (1993) also observed similarity in local managerial behavior in joint ventures in China and Hungary, both undertaking market and economic reform. Both groups of managers exhibited defensive, conforming behavior, respect for authority, and maintenance of good relationships with higher-level officials.

Management Development in China

This section starts with the review of identifying the needs for management development in China. Current solutions at the national, organizational, and individual levels are discussed next. The issue of transferring Western management knowledge to the Chinese context will be covered subsequently.

Needs for Management Development in China

Constant changes in China have made Chinese managers' previous management know-how increasingly inadequate and obsolete (Newell, 1999). Many managers have realized that the skills they acquired a decade ago are no longer sufficient for them to cope with the fast changing socioeconomic and organizational environments. In this regard, competencies such as problem-solving, strategic decision-making based on a realistic understanding of market competition, and business English are most desired by employers (Shi, 2000). However, the majority of Chinese managers, particularly the older generation, hold no education beyond high schools (Lau & Roffey, 2002). They have been promoted from workers or appointed because of their political and military background. The primary training they have received on the job is usually in areas such as production or finance. Thus there is a serious need for managers with knowledge in HRD, marketing, and organizational analysis (Branine, 1996; Wang & Ruona, 2004).

Additionally, China's globalization process has exposed Chinese managers to higher international standards for competencies. A recent study conducted using Managerial Proficiency

Assessment, revealed that among 70,000 global managers from 17 different countries, over 7000 Chinese manager under investigation scored much lower in managerial skills including: listening and information processing (20%), clearly thinking and analyzing (32%) and performance evaluation (34%; Ma, 2002). It is clear that Chinese managers are not ready to get on track with the international standards (*yu-guo-jie-gui*; Guthrie, 1999) as the Chinese government has called for.

Another closely related concern in Chinese management field is about professionalizing and standardizing managerial conduct. A recent survey of 300 middle Chinese managers shows that 86% of respondents agreed that it has become imperative for organizations' leaders and managers to professionalize their practices (Q. Li, 2003a). The president of the China Institute of Professional Managers made an analogy with regard to the challenges facing Chinese managers as the experience of a person learning how to drive a car: Before he/she even knows the rules, he/she was already pushed on the roads (M. Li, 2003). A more recent survey on Chinese managers conducted in Beijing, Shanghai, Guangzhou, and Shenzhen, four most economically advanced cities in China, disclosed six areas that managers felt mostly frustrated: (a) objectives being too ambitious to achieve, (b) unclear directions of organizational development, (c) high turnover of human talents, (d) unbalance between heavy workload and little compensation, (e) unfair competition in the labor market, and (f) lack of credit from organizations (Q. Li, 2003b). The results of this survey partly reflect the current situation of Chinese managers. Further, inadequacies in both laws and enforcement have weakened professional morality and social responsibility in China (Wright, Szeto, & Cheng, 2002). It is predicted that it will take at least another 8-10 years before the market of professional managers in China reaches maturity.

Current Solutions for Management Development in China

As the critical shortage of management resources was recognized as one of the major barriers to China's endeavor towards modernization, the Chinese government has been confronted by a daunting task of developing more than seven million Chinese administrators, most of whom have no formal management education and training or professional qualifications beyond high schools (Lau & Roffey, 2002). To accomplish this massive task, the government has adopted various strategies which can be categorized at three levels: national, organizational, and individual.

National level. The central government has made substantial efforts in addressing issues facing Chinese managers. These efforts are reflected by national regulations, policies, and strategies. The purpose is to establish effective professional management systems, management development programs, and collaborate with some Western countries.

First, the central government has stipulated adequate national regulations and policies as a reaction to the critical shortage of managerial resources in reformed China, for instance, the Labor Law, the Regulation of Professional Education, the Enterprise Law, to name a few. A series of training policies have also been formulated to provide specific guidance for training management staff in large and medium enterprises. The *Guidelines for Training National Enterprise Managerial Personnel during the Ninth Five-Year Plan* explicitly regulates that during the planned five-year period of 1996-2000, all the enterprise managers must attend a three-month training on business administration which consists of 12 subjects such as Corporate Finance, Marketing, International Business and Finance, Economics, and Human Resource Development. In the meantime, they must also complete a minimum of seven-day training on newly formulated laws/regulations, policies, and other pressing issues during enterprise reforms.

Second, in an effort to establish effective professional management systems within enterprises, a series of strategies have been adopted by the central government. Typical examples include recently established China Professional Managers Research Center (CPMRC) and China Institute for International Professional Managers (CIIPM) under the administration of China Economy and Trade Commission (CETC). These organizations are charged with central tasks such as conducting professional management related research, providing accreditation for managers, and promoting life-long learning among managers (Wen, 2003). The founding of such organizations demonstrates the government's commitment to the growth of professional managers in the country. The government has also proposed six specific strategies to build effective professional management systems including (a) continuing research on professionlization by CPMRC, (b) strengthening collaboration between CPMRC and CIIPM, (c) cooperating between China International Professional Qualification Accreditation Center and government agencies, (d) collaborating between relevant Chinese bodies and International Professional Managers Association, (e) developing Chinese professional managerial talents pool, and (f) building long distance education networks for Chinese managers. In addition, multiple channels have been used to provide the latest information and practical tools related to organization management at home and abroad. The primary goal of such an initiative is to creat as many opportunities as possible to facilitate the learning and development of Chinese managers and government administrators at all levels.

Third, the central government has played a key role in management education by actively seeking international assistance, especially from the Western countries. A typical example is the development of Western-style MBA (Masters of Business Administration) programs. Since the central government views MBA programs as an effective way to improve the quality of

managerial personnel, the planning and implementation of MBA programs in Chinese universities are closely monitored by the Ministry of Education (MOE) and the Academic Degree Commission (ADC), the highly ranked government authority supervising the award of academic degrees at universities in China (Shi, 2000). In addition to requiring individual universities to follow specific guidelines for designing an MBA program, the MOE and the ADC also set up the National Guidance Committee for MBA degrees to supervise academic standards and evaluating the teaching quality of MBA programs offered by universities at different levels. For this purpose, China has imported MBA programs from the United States, Canada, Australia and European countries and these programs are delivered by foreign educators in Chinese business schools.

Finally, the Chinese government has also made a special effort in developing Chinese managers into WTO experts. A result of this effort is a special training program, jointly initiated by China Professional Managers Research Center and the China International Economy and Trade University. With 18 carefully designed subjects of study, this program has been ranked the top one among international business programs nationwide.

Organizational level. In the context of on-going economic reforms, Chinese organizations have gone through continuous adaptation and re-alignment. These continuous transformations are evidenced by organizations' effort in restructuring, technological upgrading, and human resource development (Yiu, Wu, & Saner, 2000).

China's SOE reform has led to many fundamental changes in organization management. The gradual reduction of organizational hierarchy and bureaucracy requires managers to understand the market economy and hold accountability for their stakeholders while entitling them to more autonomy in decision making. Organizations' effort in separating managers from

business owners has paved the way for the professionalization of management in China (Wen, 2003). With the establishment of modern organizational systems, the selection of managers has shifted from the government's appointment to openly competitive hiring. In effect, as a result of economic reforms, management training and development programs have been given top priority and widely adopted by Chinese organizations as a core strategy for the organizations' growth (Branine, 1996; Wang, 1999; Wang & Ruona, 2004). Accordingly, the Chinese training market has witnessed a rapid expansion in recent years. For example, the domestic training expenses in 2001 were RMB30 billion yuan (approximately US\$3.8 billion) and amounted to RMB40 billion yuan (approximately US\$4.8 billion) in 2002 (Qu, 2003).

As the primary channel of management development, training has taken a variety of forms. Frazer (1999) identified five training options for companies in China, including in-house training, the use of regional training centers, local outsourcing training, overseas work and study programs, and the local MBA programs. Similarly, Wang (1999) highlighted on-the-job technical training programs, formal management development programs (e.g., academic programs in economics and management), MBA programs, and management personnel on-the-job training programs. Although training has been given great importance, to what extent such an intervention has been sufficient and effective remains unclear. Branine (1996) characterized the process of introducing and implementing training programs in China by a great emphasis on quantitative rather than qualitative knowledge and by a poor appreciation of training priorities. He further critiqued the Chinese approach to management training and development being not selective because training priorities are not clearly defined at the outset and being over-ambitious because the majority of managers have no education beyond high schools and their management knowledge and skills are limited to the strict socialist central planning economy model.

Individual level. Few studies have been found in the current management literature exploring how Chinese managers prepare themselves to deal with challenges day to day. However, it is apparent that Chinese managers are increasingly committed to lifelong learning in both formal and informal settings. There is ample evidence that MBA education has gained and is increasingly gaining prominence among Chinese managers (Newell, 1999; Wang, 2003). Other means of learning include on-the-job training, management development programs, and experiential learning, in other words, learning from personal experiences and mistakes, learning from the media, from networking with other, and from joining professional associations.

It appears that training has been adopted as a primary means to address the need for quality managers in China. Despite the government's effort in quality control, a number of Chinese and Western researchers have continuously reported problems associated with domestic and imported management programs. For example, Frazer (1999) stated the developing a quality in-house training program is one of the most difficult tasks for HR professionals in China. Shi (2000) found that the lack of qualified instructional staff, inappropriate learning materials, and ineffective teaching approaches are three major problems associated with MBA education in China. Yiu et al. (2000) cautioned that there is little evidence that training actually leads to better managerial and organizational performance. Among these problems, cultural discrepancies (Fan, 1998; Lau & Roffey, 2002; Newell, 1999) and unqualified management educators (Frazer; Shi; Zhang et al., 2002) are widely accepted as major obstacles to the transfer of learning. Compared to that of developed countries, Chinese management development appears to have a less coherent strategy (Zhang, et al.) and has a long way to go to meet the international standard and the need for management resources in China (Qui & Zeck, 2001).

Transfer of Western Management Knowledge to China

Studies on the transfer of Western management know-how to China are few (Fan, 1998). However, an increasing number of scholars have begun to address this issue. At the macro-level, Jaeger (1990) compared the characteristics of cultures of developing countries to those of developed countries. He cautioned us that an uncritical adoption of Western management theories and techniques in developing countries could contribute not only to organizational inefficiency and ineffectiveness but also a resentment and other negative feelings associated with the perception of being subject to what he called “cultural imperialism,” that is, being forced to accept practices that run counter to deeply rooted values and assumptions of the local culture. Tsang (1999) noted while transferring physical technologies across border is problematic, transferring social technologies is even more complex because social technologies are less codified and more interdependent with the social context.

Through their experiences in training Chinese managers to use American management techniques, Lindsay and Dempsey (1985) found that traditional Chinese culture and modern socialist development have merged to produce unique forms of management behavior which do not match Western models. Bu and Mitchell (1992) highlighted five major problems facing Western educators and consultants who participated in management development programs in China. These problems include (a) difficulties experienced by the western experts in understanding the realities of management in China, (b) lack of student participation in classroom activities, (c) inefficiency of trainees’ group discussions, (d) incompatible areas of interest between western and Chinese faculty, and (e) inefficient administrative support on the Chinese part. They further provide an in-depth analysis of factors that may affect the transfer of

western knowledge, for example, the nature of management, traditional pedagogy, classroom culture, beliefs and attitudes towards foreign experts, and research orientation.

In a similar vein, Fan (1998) made an in-depth examination of the transferability of Western management knowledge to China's SOEs. He identified factors influencing management transfer to China as environmental, organizational, cultural, and behavioral. He concluded that China cannot depend on the West for solutions to its problems but must develop her own indigenous theory and practice by blending the best of both the East and the West.

In addressing the challenge with transferring knowledge from the West to China, Newell (1999) provided a viable explanation.

The manager in China faces a very different set of problems from his/her Western counterpart...and has a very different set of underlying assumptions and values. Recognising the importance of developing a new cadre of managers, but relying on transferring explicit management knowledge from the West, may ironically impede economic development, by over-emphasising simple mechanistic tools, which bear little relation to reality and will not really help to solve the organizational problems in China. (p. 291)

Chinese Cultural Impact on Management Practices

This section addresses the impact of Chinese culture on organization management practices. Although my primary focus is on Confucian impact, it does not indicate my ignorance of the influences of other cultural values. In fact, it is my intention to disclose, through a systematic and empirical investigation, how the recently emerging cultures (i.e., socialist and capitalist values) have reshaped managerial practices in today's organizations. I start with characterizing Chinese management culture in general. The discussion will then move to a

specific one about Chinese cultural impact on organization management from four perspectives: working relationships, decision-making processes, ruling by man verse ruling by law, and human resource practices.

Management Culture in China

In any culture, behavior can be placed on a continuum so that not all individuals are stereotypical. However, compared with managers in many other cultures, Chinese managers tend to place more value on maintaining harmony and on fostering long-term relationships within an intimate workgroup. The influence of face and the need for cooperation and group welfare further affect work relationships and lead to a managing philosophy based more on loyalty, nepotism, collectivism, and a high tolerance for ambiguity than universal laws and principles (Wright, Szeto, & Geory, 2000). These attributes are subject to elements such as age, seniority and status, in which, status gained as a result of seniority and/or age, can translate into legitimate authority and power.

Generally, Chinese management can be characterized by being “hierarchical and benevolently autocratic” (Ebrahimi, 1999, p. 206), as well as paternalistic (Farh & Cheng, 2000; Redding, 1990). The management culture in China relies on benevolent styles of dealing with subordinates which result in a relationship-based system akin to the Confucian ethics (Yang, 1991). Most stakeholders in Chinese firms are bound by a resolute commitment to collective values and accept an unequal distribution of organizational power (Wright et al., 2000). One result of this orientation is that Chinese managers are inclined towards authoritarian leadership styles, tending to reject employee participation in day-to-day operations. Indeed, it has long been known that Chinese managers are likely to prefer strong, family-style or family-based company

cultures comprised of rigid hierarchies, with a resultant centralized decision making. This preference runs counter to current Western theories of management employee effectiveness.

Chinese management culture has been molded by ideas from many schools of thought, which still shape the perceptions of Chinese managers today. Deeply influenced by traditional Confucian values, Chinese management culture stresses human relationships, personal connections, and trust (Su et al., 1998). Specifically, three characteristics stand out.

Characteristic 1. People focus and relationship building. Chinese management philosophy centers around people (Pun, Chin, & Lau, 2000). In other words, the human is the most important element. This is well reflected in teachings from ancient China that stress the importance of followers, not only leaders. For example, “People are the foundation of the country, and the country will be steady only after the people are stable” (from *Shang Shu*); “The people are the most important. The country is less important, and the emperor is least important” (from *Xun Zi*). The focus on the relationship between people is defined by five virtues: (a) humanity/benevolence, (b) righteousness, (c) propriety, (d) wisdom, and (e) trustworthiness (Watt, 1999). They are seen in Chinese management culture as an ideal state in relations among people (Su et al., 1998). In addition, the individual does not exist independently but in a network of relationships or *guanxi* in Chinese tradition. *Guanxi* means more than just networking and relationship. It refers to the establishment of a connection between two independent individuals to enable a bilateral flow of personal or social transactions.

Characteristic 2. Morality and organizational citizenship behavior. Chinese management culture stresses that morality is the foundation of all things (Pun et al., 2000). *Daxue*, from the Five Classics attributed to Confucius, holds that “humanity exists only by relying on morality.” The individual operating from the basis of morality will do more than simply follow job

requirements. Although the term “organizational citizenship behavior” does not appear in these ancient texts, the idea certainly does (Su et al., 1998). Another concept with roots in ancient China is the notion of non-specific behavior. An effective leader will not set out specific demands, but rather would set general guidelines and goals, allowing followers considerable leeway for task accomplishment. This appears consistent with the concepts of empowerment and self-management that are widely adopted in Western management. Su et al. (1998) argues that these ideas may actually fit Chinese management better.

Characteristic 3. Human ethnic and nature. Human behavior can be seen as part of, or separate from, human nature (Pun et al., 2000). Under Chinese tradition, human nature can be both good and bad, or can be molded. The important idea is that human nature can be molded, and human behavior can be changeable (Su et al., 1998). According to Confucianism, “The human being is by nature good, so if one can receive proper training and education, one can become a perfect man” (Lo, 1997, p. 960).

In summary, to understand Chinese management thoughts, one must consider how a Chinese manager thinks. Given the influence of thousands of years of history, a Chinese manager is likely to think that the human is the most important element, morality is above all, and human nature does not necessarily dictate human behavior. These ideas are central in Chinese management culture and deserve special attention even in modern days. Specifics of cultural impact on organization management practices are discussed below.

Working Relationships

The strong emphasis on hierarchy and harmony of Confucian values has a two-sided impact on interpersonal relationships in the workplace. On one side, with a strong preference to harmony, Chinese managers and employees rarely have an openly adversarial relationship.

Confrontation between and within work units is not considered acceptable. Through their lens, this respect for harmony helps reduce conflict and ensures a smooth running of business and organizations by cooperative and supportive relationships in the workplace.

On the other side, a high respect for hierarchy and a clear-cut identification of one's social status may destroy a sense of participation. In effect, a lower degree of participative management in Chinese organizations is found to be associated with the higher respect for hierarchy or positional authority in Confucian culture (Huo & von Glinow, 1995). Employees' reluctance to share their ideas is best explained by a Confucian motto that is still widely accepted in China today: "If you are not in an administrator's position, you should not mind the administrative business (*bu-zai-qi-wei, bu-mou-qi-zheng*).” This distinction between managers and non-managers is much more evident in China than in the West. Chinese employees care more about their welfare and want to have their voices heard by the management, but they may feel less comfortable if it means they have to be involved in those decisions that are traditionally defined within the realm of management. This lack of work initiative is a principle factor contributing to what Westerners would consider to be low efficiency in Chinese organizations, particularly in state-owned enterprises (Jacobs et al., 1995).

Decision-Making Processes

Unlike Western managerial philosophy that emphasizes goal achievement and individual accountability, Chinese managers tend to be less concerned about taking personal responsibility for tasks and actions and more concerned about group efforts. In Chinese organizations, offering one's opinions without invitation is often interpreted as a lack of confidence in the manager or even as insubordination. Chinese managers and employees tend to adhere to traditional values such as maintaining harmony in the decision-making process and are more likely to consult their

superiors even for ordinary tasks. In addition, they are highly sensitive to give, gain or protect face in social settings (Ng, 1998). Chinese managers show a greater inclination to be motivated by their sense of self-esteem. Generally, Chinese management is more indirect than the Western management (Li, 1999). Being more past-oriented than future-oriented, Chinese managers tend to spend much more time than their Western counterparts in the decision-making process.

Ruling by Man vs. Ruling by Law

The Confucian values have fostered a Chinese management style known as *ruling by man* (*ren-zhi*). The prevalence of *ruling by man* explains many aspects of Chinese organizational and management practices. The unique feature of *ruling by man* is reflected in the decision-making process in which top decision-makers have the final authority and their decisions are unquestionable. The problem often recurring in organization management, then, is that top decision-makers have unlimited power and there are few mechanisms to ensure that this power is not abused. This explains why *ruling by man* has fostered paternalism and has become a problem for modernization of China's enterprises (Jacobs et al., 1995).

Further, the principle of *ruling by man* is also applied in business transactions. Giving much emphasis on trust and *renqing* (human feelings), Chinese managers often seek to establish *guanxi*, instead of commercial/business laws, to secure business deals and settle problems through friendly interactions. Business contracts are often specified in legal terms yet implemented on the basis of trust and relationships between parties involved (Fan, 1995). This practice is against Western business conventions and ethics. Li and Wright (2000) report in a recent study with Chinese managers that *guanxi* in China depends more on face and reciprocity than on the law, whilst the Western concepts of building strategic alliances often depend heavily on explicit legal contracts. Further, Chinese *guanxi* respects face and that implies faults may be

excused by friendship or *renqing* (human feelings). In contrast, Western business rules stress independent responsibilities in which everyone has to face consequences (Su & Littlefield, 2001). However, with the increasing influence of Capitalism ideology, more and more organizations are pushed to accept legal and contractual systems and rule by law instead of by man (Guthrie, 1999).

Human Resource Practices

Human resource (HR) is still a fairly new concept being introduced to China after the major economic reforms of the late 20th century. As a result, we can still trace the Confucian imprint in traditional and even some of the current HR practices. After conducting a three-way comparison of HR practices in U.S.A, Taiwan, and mainland China, Huo & von Glinow (1995) found that Chinese organizations still use more biased procedures for staff selection, promotion, and performance evaluation than American organizations. Similarly, Yang and Zhang (2002) identified drastic differences between HR practices in China and America. In these practices, we see the heavy influence of *ruling by man*. Some of its manifestations include: (a) Employee selection is based more on morality and *guanxi* than on personal competence; (b) Promotion is conducted on the basis of loyalty and social acceptance; (c) Compensation is largely established on seniority rather than performance; (d) Performance evaluation is largely qualitative and tend to be subjective; (e) HRD emphasis is placed on management and utilization rather than training and development; and (f) HR functions toward social harmony.

However, Guthrie's (1999) research on factory directors and managers of 84 organizations in China revealed a change in hiring procedures. Instead of having the state assign new workers, organizations now have freedom to follow the formalized hiring procedure. A number of managers interviewed by Guthrie expressed that since the economic reform, *guanxi* and introductions are no longer that important as it used to be. Hiring now is based on the talent

market (*ren-cai-shi-ichang*) more than anything else. This shift in hiring practice is not only the result of economic reform but also the result of the changing Chinese culture.

The above comprehensive review of the literature in management studies revealed several glaring gaps. First, the classical model of management functions continues to be influential despite its inconsistency with empirical findings. There is a clear gap between what we perceive managers do and what managers actually do. While much conceptual work has been done, little empirical effort has been made in this area. It is clear that more empirical evidence is needed to validate and substantiate the conceptual research. Secondly, although we may know what managers do in reality, we have much less knowledge about why they do what they do, which is also a gap between the literature and the reality. Additionally, there has been no study integrating the topics of management practice, management development, and cross-culture context under one umbrella. Such study, from the literature review, may yield some fruitful results for international HRD and management practices.

Summary

This chapter overviewed the Chinese economic, institutional, and cultural contexts with which Chinese managers interact day-to-day. It is evident that China's changing economy, organization transformation, and the evolving culture have had a significant impact on management practices of Chinese managers. The review of related literature also indicated that there are some glaring gaps between what we know about managers and what they actually practice. The paucity of empirical investigation into management practices in the cross-cultural settings makes the current study necessary. Also reviewed in this chapter is management development in China as a direct result of China's change initiatives during the past two decades.

CHAPTER 3

METHOD

This chapter deals with methodological issues related to this study. It begins with a restatement of the purpose and research questions, along with a discussion of why a qualitative approach is appropriate for answering them. It then provides a research paradigm for the study and its direct methodological implications. The chapter concludes with research design considerations, including methods for sampling, data collection, and analysis, as well as the provisions taken to ensure trustworthiness in research findings.

Restatement of Purpose and Research Questions

The purpose of this qualitative study was to explore and analyze the practices of managers in a Chinese shareholding enterprise that was previously state-owned. Two major areas comprise the focus of this inquiry: (a) managers' perception about their management practices, and (b) factors that have shaped or influenced managers' practices. The following questions were investigated:

1. How do Chinese managers describe their management practices?
2. What has shaped and influenced the practices of Chinese managers?

The study begins with a fairly general subject: the management practice of Chinese managers. This initially broad, encompassing view of a research topic is informed by Agar's (1980) notion of funneling the scope of interest during ongoing research. An initially broad scope is more likely to produce a comprehensive description of the topic of interest. Through analysis, it is also more likely to generate a wide variety of ideas that can be refined or conceptualized later in the study.

Rationale for Qualitative Research Methods

The choice between different research methods and approaches should depend on the subject, purpose, the scope of a research, and the objective of the study (Silverman, 2001). This study applies a qualitative approach with the intent of exploring a phenomenon so as to interpret and analyze the data that have been gathered on the defined subject. Because the goal is to inquire into managers' thinking, understand their stories and experiences, and to gain insight into the world they live, this study is a naturalistic inquiry (Lincoln & Guba, 1985). Patton (2002) explains the notion of naturalistic inquiry as being

...naturalistic to the extent that the research takes place in real world settings and the researcher does not attempt to manipulate the phenomenon of interest (*e.g.*, a group, event, program, community, relationship, or interaction). The phenomenon of interest unfolds naturally in that it has no predetermined course established by and for the research such as would occur in a laboratory or other controlled setting. Observations take place in real-world settings and people are interviewed with open-ended questions in places and under conditions that are comfortable and familiar to them. (p. 39)

Due to the complicated economic, organizational, and cultural contexts in which Chinese managers live and work, multiple factors may impinge on the experiences and perspectives of managers under study. This situation may or may not be similar to those suggested in the existing literature. The complex interaction of multiple factors warrants an in-depth and open examination of the phenomenon.

Because qualitative research is an inquiry approach useful for exploring and understanding a central phenomenon (Creswell, 2002), it is appropriate for this study to seek and

obtain qualitative data that offer rich and trustworthy descriptions of, and meaning making about, a phenomenon. As Merriam (1998) highlighted, qualitative studies are forms of inquiry that seek to explain the meanings of a phenomenon with a minimum of intrusion to the natural setting of events.

Along the same line, Denzin and Lincoln (2000) offered a generic definition of qualitative research.

Qualitative research involves an interpretive, naturalistic approach to the world. This means that qualitative researchers study things in their natural settings, attempting to make sense of, or interpret phenomena in terms of the meanings people bring to them. Qualitative research involves the studied use and collection of a variety of empirical materials-case study; personal experience; introspection; life story; interview; artifacts; cultural texts and productions; observational, historical, interactional, and visual texts-that describe routine and problematic moments and meanings in individuals' lives. (p. 3)

The key concern in qualitative research is how researchers understand the phenomenon of interest from an *emic* or insider's perspective, as opposed to an *etic* or outsider's view (Merriam, 1998). The best informants in terms of perceptions and practices associated with the management of organizations and employees in an ever-changing environment are the managers themselves. Hence, qualitative research will allow for the managers' own interpretation of a phenomenon.

In addition, qualitative research can help understand a particular setting as Patton (1990) suggested,

This understanding is an end by itself, so that it is not attempting to predict what may happen in the future necessarily, but to understand the nature of that setting—

what it means for participants to be in that setting, what their lives are like, what's going on for them, what their meanings are, what the world like in that particular setting - and in the analysis to be able to communicate that faithfully to others who are in that setting. (p. 1)

The socially constructed knowledge that is evident in Chinese enterprises under transformation also calls for an in-depth examination of the process. Basically, I sought to understand a contextual and contemporary phenomenon over which researchers have no control, especially in the behaviors and thoughts of participants. The phenomenon under investigation is unique to Chinese culture. As such, the qualitative approach will be especially useful in gaining a deep insight into the unique phenomenon deeply embedded in the changing Chinese cultural and organizational settings.

A number of researchers identify a variety of characteristics of qualitative research (Creswell, 2002; Lincoln & Guba, 1985; Merriam, 1998; Patton, 2002). No single definitive list of features exists. However, there is a great deal of agreement about what makes qualitative research distinctive from quantitative research. This includes naturalistic inquiry, researcher as the instrument, emergent design, purposive sampling, fieldwork, inductive approach, and descriptive representation.

Qualitative researchers conduct research in the natural setting because naturalistic ontology suggests that realities are wholes that cannot be understood in isolation from their contexts, nor can they be fragmented for separated study of the parts (Lincoln & Guba, 1985). Therefore, unlike quantitative research that takes apart a phenomenon to examine its components, qualitative research attempts to reveal how well parts work together to form a whole (Merriam, 2001).

Secondly, qualitative researchers are the primary instrument for data collection and analysis. Data are mediated through the researcher rather than through a nonhuman instrument such as questionnaire or computer. In this sense, the researchers are responsive and adaptive to the context.

Thirdly, qualitative approach embraces an emergent design (Lincoln & Guba, 1985). This type of design adds flexibility and allows findings to emerge rather than be constructed preordinately. This is consistent with the unpredictability of the nature of qualitative inquiry.

Moreover, unlike random sampling in quantitative research, sampling of research sites and participants in qualitative research are always purposeful because this helps increase the scope or range of data exposed as well as the likelihood that the full array of multiple realities will be uncovered.

Additionally, qualitative research usually involves fieldwork. The researchers must physically go to the field (people, institutions) in order to gather the data and understand the phenomenon of interest in the natural setting.

Furthermore, qualitative research prefers to an inductive analytical approach to a deductive approach. That is, qualitative researchers build toward theory from understanding the phenomenon gained in the field rather than testing existing theory.

Lastly, but not least, findings of qualitative study are often represented in rich descriptive narratives. Qualitative researchers use words, pictures, or diagrams instead of numbers to report their findings and understanding about a phenomenon.

Several strengths associated with qualitative research were applicable and important to this study. First, being the instrument of the study, I was able to seek clarifications to ambiguities and look for social constructs in the environment. The phenomenon was then gauged through my

empathy, knowledge, and consciousness. Second, collecting data in the natural setting (field) provided me an intimate association with the phenomenon and the opportunity to make an authentic assessment of the context, thus garnering a more situated response from the participants. Third, the inductive strategy allowed explanations to emerge out of the data obtained from interviews, observations, and documents that reflected managers' own perspectives and interpretation. Finally, rich explorative findings spelled out my understanding of the phenomenon as a researcher. In short, qualitative research offered me the adaptability to make an empirical investigation within the dynamic nature of the Chinese organizational environment.

However, the following two issues need to be addressed. One is that qualitative research findings have limited generalizability. Aiming to get an in-depth understanding of the central phenomenon, the study was bounded by one organization and purposefully selected participants. Results may only be generalized within this boundary. In this sense, it is more sensible to use the findings for guidance rather than for prescriptive advice (Gall et al., 2003).

The second issue is the subjectivity that I may have brought into this study given my role as the research instrument. Gall et al. (2003) stated that "theories and research are value-laden; there is no such thing as purely objective research" (p. 10). My definitions, descriptions, analysis, and interpretations of Chinese managers' perceptions and practices may be biased toward my personal values, experiences, and education background which are grounded in my fundamental beliefs about what managers should practice. Hence, it is likely that other researchers, with different values, experiences, and philosophical orientations using different definitions and research methods, may arrive at different interpretations and conclusions.

Research Paradigm and Implications for the Study

This section presents the social constructivist research paradigm and how this philosophical orientation has informed my methodological choices. Merriam (2001) pointed out that “qualitative research is designed to inductively build rather than to test concepts, hypotheses, and theories” (p. 45). However, this does not mean that theory has no place in a qualitative study. In fact, researchers’ methodological choices are not only informed by the nature and organizational context of the phenomenon to be investigated, but also are determined by the philosophical assumptions researchers implicitly and explicitly make (Gill & Johnson, 1997). In other words, our philosophical orientation regarding the nature of human action and its explanation has direct methodological implications. The importance of a theoretical framework in any research is well summarized by Merriam (2001).

A theoretical framework underlies all research. Theory is present in all qualitative studies because no study could be designed without some question being asked (explicitly or implicitly). How that question is phrased and how it is worked into a problem statement reflect a theoretical orientation. (p. 48)

This qualitative study was grounded primarily in the constructivist stance, particularly social constructivism. As one of the four major paradigms (positivism, postpositivism, critical theory, and constructivism) in social sciences research, constructivism assumes a relativist ontology (multiple realities), a subjective epistemology (knower and subject create understanding), and a naturalistic (in the natural world) set of methodological procedures (Guba & Lincoln, 1994). Social constructivists believe that individuals gradually build their understanding of the world through their experiences and maturation; and that the world is subject to different understanding and interpretation among individuals. Reality is socially

constructed by the individuals who participate in it (Gall et al., 2003). In this sense, there is no absolute truth and the central phenomenon under examination may be interpreted differently by different individuals. Given that, social constructivists believe that multiple realities cannot be studied by the analytical methods of positivist research, but only holistically (Lincoln & Guba, 1985). This philosophical orientation suggests that my research is theory-and value-laden. My choice of theory determines questions that I asked participants, documents that I chose to review, and things that I observed in the field. Furthermore, how I collected, analyzed, and interpreted data and findings also reflects the concepts, languages, models, and theories that have informed this study in the first place (Merriam, 2001).

Several major methodological consequences can be drawn from my philosophical orientation. The first one is that researchers must find ways to have individuals reveal their constructions of social reality. Typically, interviews are used to achieve this purpose. The underlying philosophical assumption that undergirds this practice is that individuals construct themselves as well as their social environment. Secondly, constructivist researchers study particular cases or instances of the phenomenon of interest within a particular time frame because they believe that the study of individuals' interpretations of social reality must occur at the local and immediate level. Additionally, constructivist researchers use a verbal, visual, inductive approach to avoid the tendency of quantification. Kvale (1996) mentioned three possible reasons for the strong demands for quantification in current social sciences. One is the ontological assumption that the social world is basically a mathematically ordered universe in which everything exists in number form. The second is an epistemological demand that research data should be quantitative in order to be commensurable across theories. There may also be a technical interest in quantification in that statistical techniques are powerful tools for handling

large amounts of data. The use of numbers may be rhetorical when it comes to convincing a modern audience: the hard quantified facts may appear more trustworthy than qualitative descriptions and interpretations. However, given the complexity of the phenomenon under study, it is unlikely to quantify human practices, thoughts, and behaviors. The nature of the central phenomenon warrants a qualitative approach to understanding. Lastly, assuming that individuals' interpretations of situations cause them to take actions, constructivist researchers investigate individuals' interpretations of social reality to discover causal patterns of social phenomena (Gall et al., 2003).

My choice of a qualitative research design is also consistent with the interpretivist framework. Under a social constructivist epistemology paradigm, individuals co-construct social realities during their social interactions with one another. Meanwhile, individuals interpret the social realities based on their own assumptions, perceptions, and experiences. Thus, social realities become multiple when each person provides his/her own interpretations. The practices of Chinese managers in the selected shareholding enterprise will be best described and interpreted by managers themselves. At the same time, I, as the researcher, make interpretations and representations of the collected data based on my own beliefs, values, experiences, and understanding. As such, the interpretation becomes multifaceted. Qualitative research methods will help to ensure an *emic* perspective of participants while allowing the opportunity to present who I am and where I am coming from as a researcher.

Design of the Study

This study falls into the broad category of generic qualitative study (Merriam, 2001). The purpose of the study is to discover and understand a phenomenon, a process, and the perspectives of the people who are involved. To this end, this study is also explorative, inductive,

constructive, and subjective in nature. The research starts with a broad question and then is refined as I gather more and more data through field activities. Thus, it may be also be considered a field study, which is more holistic in its orientation than many other types of research (Mehan, 1979). Considering the nature of qualitative research, I have also incorporated the paradigm assumptions of an emergent design, a context-dependent inquiry, and inductive data analysis (Lincoln & Guba, 1985; Merriam, 2001; Patton, 2002) to understand how human beings construct and give meanings to their actions in concrete social situations, and look for “culturally derived and historically situated interpretations of the social life-world” (Crotty, 1998, p. 67).

Lincoln and Guba (1985) provided a rationale for an emergent design in qualitative research.

to allow the research design to emerge (flow, cascade, unfold) rather than to construct it preordinately (a priori) because it is inconceivable that enough could be known ahead of time about the many multiple realities to devise the design adequately; because what emerges as a function of the interaction between the inquirer and phenomenon is largely unpredictable in advance; because the inquirer cannot know sufficiently well the patterns of mutual shaping that are likely to exist; and because the various value systems involved (including the inquirer’s own) interact in unpredictable ways to influence the outcome. (p. 41)

Lincoln and Guba (1985) further explained why inductive data analysis is suited for qualitative inquiry:

[The] process is more likely to identify the multiple realities to be found in those data; because such analysis is more likely to make the investigator-

respondent (or object) interaction explicit, recognizable, and accountable; because this process is more likely to describe fully the setting and to make decisions about transferability to other settings easier; because inductive data analysis is more likely to identify the mutually shaping influences that interact; and because values can be an explicit part of the analytic structure. (p. 40)

Because I had little control over the research site and participants, I was flexible and open to adapt the inquiry to my discovery as themes emerged and as my understanding of the phenomenon became deeper or situations changed.

Sampling Procedures

Merriam (2001) described two basic types of sampling: probability and non-probability sampling. The former is commonly used in quantitative studies. It is focused on sample size and selection that allow for generalization of results from a sample to population. The latter, however, focuses on selection that provides the researcher with specific and often unique information. Findings are not intended to be generalized to a larger population. Thus, nonprobability sampling is often the choice of qualitative researchers.

In nonprobability sampling, purposeful sampling (Merriam, 2001; Patton, 2002) is the most common form and was adopted for this study. Purposeful sampling is based on the assumption that researchers want to “discover, understand, and gain insight and therefore must select a sample from which the most can be learned” (Merriam, 2001, p. 61). Similarly, Patton (2002) articulated the strength of this technique.

The logic and power of purposeful sampling lie in selecting *information-rich cases* for study in depth. Information-rich cases are those from which one can learn a great deal about issues of central importance to the purpose of the inquiry, thus the term *purposeful* sampling.

Studying information-rich cases yields insights and in-depth understanding rather than empirical generalizations. (p. 230)

To begin purposeful sampling, researchers must first determine the essential selection criteria for choosing the site and the people to be studied (Merriam, 2001). LeCompt, Preissle, and Tesch (1993) preferred the term *criterion-based selection* to purposeful sampling. In this study, I adopted criterion-based sampling at two levels, sites and individuals. It is my intent to “create a list of the attributes essential” to my study and then “proceed to find or locate a unit matching the list” (p. 70). I discuss the procedures of site and participant selection in the next sections.

Site selection. With the considerations of time, financial resources, and access to the site, I first bounded this study to one organization located in a large capital city in southwestern China. Southwestern regions of China are currently the strategic focus of the central government. In an effort to close the economic gap between inland provinces and coastal areas, the central government launched the Great Western Development Strategy (*xi-bu-da-kai-fa*) in January, 2000. The purpose of this initiative is two-fold: (a) to attract and allocate investment and other resources for the development of China’s poorer, and historically more neglected, central and Western regions, and (b) to introduce the people of Western China to new ways of doing things because it is recognized that a key intangible obstacle holding back development in Western China is the business philosophy that underlies the region’s economy (Sims & Schiff, 2000). This government initiative has been expected to develop new markets and bring advanced management and innovative production styles to less-developed enterprises in Western regions. The city where I chose the company for the study is one of the most important commercial and financial centers in the country. Many private companies - more flexible, creative, and market-

driven than most traditional state-owned enterprises - are based here. Thus, in many ways, this city represents a new market within China. Given the dynamic changing environment this city presents, it was my assertion that companies here may experience more drastic changes than those in many other cities.

Regarding the sampling of a particular organization for this study, two criteria were used to guide this effort. First, the company needed to be a shareholding enterprise that was previously state-owned. In other words, the company should represent a mix of state and private ownership. China's economic reforms since the late 1970s have transformed many companies from a state-owned allocation system to private and collective forms of ownership (Blayney, 2001). This transformation through a shareholding system has resulted in a shift of practices by organizations (Cao, 2001; Guthrie, 1999; Krone et al., 1997) and managers (Branine, 1996; Newell, 1999). Therefore, I expected to see a dynamic presentation of changing managerial practices. Many companies met this criterion of sampling. This led to my second criterion—access. The company I chose for study needed to be one that I had good connections with and that was easily accessible to me. This criterion ensured the richness and depth of data I would obtain.

Participants selection. The second level sampling relates to participants. Lincoln and Guba (1985) recommended sampling to the point of saturation or redundancy. They stated, “In purposeful sampling the size of the sample is determined by informational considerations. That means, “sampling is terminated when no new information is forthcoming from newly sampled units” (Lincoln & Guba, p. 202). Kvale (1996) suggested that the number of participants necessary depends on a study's purpose and researchers need to interview as many participants as necessary to find out what they need to know.

The sampling of participants for this study was guided by four criteria. First, participants needed to be middle managers. I focus on middle management primarily because that the place of middle managers in management thinking has always been ambivalent (Livian & Burgoyne, 1997). On one hand, research suggests that middle managers make critical contributions to organizational performance and change (Buchanan & Badham, 1999; Eccles, 1994; Mintzberg, 1994; Vouzas, Burgoyne, & Livian, 1997; Westley, 1990). On the other hand, they are almost absent as objects of analysis and prescriptions (Livian & Burgoyne) and diminishing in many organizations today (Dopson & Stewart, 1990, 1992). During the last decade, middle managers have been under massive attack. They have been blamed for being unmotivated and inflexible status quo defenders in organizational change processes. They have even become victims of downsizing and outsourcing (Newell & Dopson, 1996; Thomas & Dunkerley, 1999). Hence, for HRD professionals who are also change agents within organizations, it may be useful to take a fresh look at middle managers and their jobs. Second, participants needed to have prior work experience with a state-owned enterprise so that they can better relate their practice under the market-driven shareholding system to their practice under the central-planning management system. Third, the selection pool had to represent diversity in gender because my review of Chinese management studies indicated that gender impacts individual manager's values and practices (Ralston et al., 1999). Lastly, participants had to be easily accessible for data collection.

To select participants, I first contacted the human resource director of the company. She screened the pool of about 30 middle managers of the company according to the above criteria and suggested a list of middle managers who fully met the criteria. Then, I contacted the potential participants via email to provide an initial introduction to the study and myself. They were then sent an Informed Consent Form (see Appendix A). Informed consent was used to

protect the rights of participants and ensure voluntary participation. The informed consent form outlines the overall purpose of the study, its main features, any possible risks and benefits of participating, and clarifies that involvement in this study is voluntary and the participant has the right to withdraw from the study at any time.

Probably the most contentious issue with protection of the participants was that of confidentiality. It appeared to be particularly important to explicitly address this issue in this study due to the fact that all participants were selected from the same organization. This issue was dealt with in three ways. First, I clarified to all the participants regarding what would not be disclosed in the final report and relevant future publications: (a) names of the city and company where the study was conducted, (b) names of participants, and (c) names of organizations and individuals mentioned by participants during the interviews. Second, the interview questions I developed were overly non-threatening, in other words, they would not prevent me from receiving honest responses from the participants. Third, the final report of this research was prepared in English which few of the participants have the knowledge of. Additionally, I have no plans to publish the final report in the native language of the participants, or distribute it in China. Prior to the actual individual interviews, I went over the informed consent form and the three aspects above with each participant face-to-face and offered them the opportunity to address any of their concerns and related questions. All participants agreed to these three aspects before the actual interview were scheduled. Each was offered time to review the materials and decide whether to participate. The final sample was composed of seven managers between the ages of 34 and 55, including three females and four males. They represented seven different functions ranging from business development, public relations, office of the board of directors, president's office, capital management, futures & stocks, and human resource management.

Methods of Data Collection

Two methods were used for data collection in order to achieve a good understanding of managers' practices under study, and to increase the richness of data and the credibility of findings. Participant observations were also used but to a limited extent.

Interviews

Interviewing is the major source of qualitative data needed for understanding a phenomenon under study (Merriam, 2001). Purposive qualitative interviewing allowed me to capture how those being interviewed view their world, to learn their terminology and judgment, and to capture the complexities of their individual perceptions and experiences (Patton, 2002). Patton further described the value of interviewing,

We cannot observe feelings, thoughts, and intentions. We cannot observe behaviors that took place at some previous point in time. We cannot observe situations that preclude the presence of an observer. We cannot observe how people have organized the world and the meanings they attach to what goes on in the world. We have to ask people questions about those things. The purpose of interviewing, then, is to allow us to enter into the other person's perspective... We interview to find out what is in and on someone else's mind, to gather their stories. (p. 341)

Similarly, Crotty (1998) posited, "Only through dialogue can one become aware of the perceptions, feelings and attitudes of others and interpret their meanings and intent" (p. 75). During interviews, respondents are permitted to "move back and forth in time-to reconstruct the past, interpret the present, and predict the future, all without leaving a comfortable armchair" (Lincoln & Guba, 1985, p. 273). It is a method that is "particularly suited for studying people's

understanding of the meanings in their lived world, describing their experiences and self-understanding, and clarifying and elaborating their own perspective on their lived world” (Kvale, 1996, p. 105). Rooted in the belief that the participant’s words best reflect the understanding of the experience, the task of qualitative research interviewing is to find patterns in these words.

I employed interviewing, specifically individual semi-structured, open-ended interviews (Merriam, 2001), as the primary source of data not only because of its strengths, but also because of its flexibility and adaptability (Kerlinger, 1986). The flexible nature of interviews is especially crucial because not much is known about the practices and perspectives of the selected managers. I also modeled Hollway and Jefferson’s (2000) narrative approach to interviewing where the agenda is open to development and change, depending on the narrator’s experience.

First-round interviews. In order to generate as much useful information as possible within a limited time frame, I developed an interview guide (see Appendix B) that focused on certain themes and included related questions (Kvale, 1996). Patton (2002) pointed out two advantages of the interview guide: (a) to make sure that the interviewer “has carefully decided how best to use the limited time available in an interview situation,” and (b) “helps make interviewing a number of different people more systematic and comprehensive by delimiting in advance the issues to be explored” (p. 343). The first-round interview guide consisted of seven open-ended questions designed to elicit stories. The importance of asking open-ended questions is highlighted by Patton (2002),

Qualitative inquiry--strategically, philosophically, and therefore, methodologically--aims to minimize the imposition of predetermined responses when gathering data. It follows that questions should be asked in a truly open-ended fashion so people can respond in their own words. (p. 353)

In short, open-ended questions permit interviewees to take whatever direction and use whatever words they want to express whatever they want to say (Patton, 2002).

The first-round interview guide was given to each participant one week before the scheduled interview so that they had the opportunity to reflect on the questions they would be asked. I used first-round interviews as a time to get acquainted and build rapport with participants. My questions were broad and open enough to elicit descriptive information about participants themselves and the phenomenon of interest (Merriam, 2001). This information “lays the foundation for questions that access the interviewee’s perceptions, opinions, values, emotions, and so on” (p. 82). All these interviews were conducted face-to-face in the individual manager’s office. They lasted between 60 and 90 minutes each. All interviews were audio taped with the participants’ prior written consent. This practice ensures that everything said is preserved for analysis. Meanwhile, I also took short notes during interviews to help me record key words or notions for further probing, and to check out things said earlier by interviewees (Patton, 2002).

Immediately after each interview, I wrote memos capturing my observations on the setting, my feelings, hunches, impressions, speculations, and ideas regarding the interview process. This reflection provided a basis for follow-up interviews. I listened to each taped session after the interview. Questions for clarification and probes were written down and also became input for second-round interviews.

Second-round interviews. Based on the initial review of first-round interview data and my personal reflections, I developed the second-round interview guide (see Appendix B) with more targeted questions to follow my earlier inquiry. Questions for this round of interviews were primarily based on the management functions model that informed the study. Each manager was asked to describe his/her practices around each one of the four components in the model. They

were also encouraged to share unique practices that were not addressed by the model. All interviews were audio-taped, each lasting between 60 and 90 minutes. The data generated from this round of interviews were primarily new ideas, despite that they appeared to be duplications of some information acquired from the initial interviews. I also kept research memos for future references.

It is necessary to mention that the third-round of interviews was conducted with four of the seven managers face-to-face. While the rest of participants were not physically available, extensive telephone calls were made for further probes, clarifications, and confirmation. This final round of interviews was not guided by a formal interview guide but conducted in a rather informal fashion. Each interview lasted from 30 to 45 minutes depending on the data from the first two interviews with each participant. All the interviews during the three rounds were conducted in the language of Mandarin Chinese, the native language of the managers interviewed.

Document Review

Documents and records are also useful sources of information (Lincoln & Guba, 1985). Documents include “a wide range of written, visual, and physical material relevant to the study at hand” (Merriam, 2001, p. 112). Three major types of documents are usually available to researchers for analysis: public records, personal documents, and physical materials. Public documents include agency records, association manuals, program documents, mass media, government documents, and previous studies. In contrast to public sources of data, personal documents include personal diaries, letters, photo albums, autobiographies, and travel logs, in other words, information related to a person’s attitudes, worldview, beliefs, and experiences. These personal documents are highly subjective in that the writer is the only one to select what

he/she considers important to record. However, they reflect a participant's perspective that is what most qualitative research is seeking. Physical material refers to physical objects or artifacts found within the research setting including the tools, implements, utensils, and instruments of everyday living.

Merriam (2001) also identified another type of document that she called "researcher-generated documents." These are documents prepared by the researcher (*e.g.*, photographs taken by the researcher) or for the researcher by participants after the study has begun. The purpose for researchers to generate documents is to learn more about the situation, person, or event under study.

During my two months in the field, I gathered a variety of relevant documents to get a comprehensive picture of the company and participants under study. The major documents I collected include the company mission statement, organizational chart, company's brochures, internal journals, CD of the 10th anniversary of the company, and work-related documents developed by individual managers. All the collected documents were reviewed and important information was recorded in the format of research memos as supplements for the interview data.

Observation

Observation can provide in depth "here-and-now experience" (Lincoln & Guba, 1985, p. 273). Silverman (2001) described the role of participant observation in ethnographic research by proposing that an ethnographer should pursue what people actually do, leaving what people say they "think" and "feel" to the skill of media interviewers. By looking, listening, and recording, the observer captures direct quotations, or as near as possible recall of direct quotations during fieldwork, which provides an *emic* perspective, the insider's perspective that is at the heart of qualitative study (Patton, 2002).

Similarly, Merriam (2001) highlighted four reasons that researchers may want to gather data through observation. First, as an outsider an observer will notice things that have become routine to participants themselves, things that may lead to understanding the context. Second, observations are used in conjunction with interviewing and document analysis to substantiate emerging findings. Third, observations are conducted to provide some knowledge of the context or specific incidents and behaviors that may be used as reference points for subsequent interviews. Finally, observation is the best technique to use when an activity, event, or situation can be observed firsthand, when a fresh perspective is desired, or when participants are not able or willing to discuss the topic under study. Merriam further provided a checklist of things to observe including the physical setting, participants, activities and interactions, conversation, subtle factors (*e.g.*, informal and unplanned activities, nonverbal communication), and researchers' own behavior.

In this study, observations were conducted but to a limited degree. I tried to use observation after first-round interviews with each participant to check if the manager “walked the talk,” but these observations did not generate as much useful information as I expected for two reasons. First, the majority of managers' work content varied a great deal on a daily basis. Second, and perhaps the more important reason, managers did not feel comfortable being observed at work. Therefore, I was able to observe managers only through two management meetings. On the other hand, I did extensive observations on things like the company setting, and office settings of individual managers. These observations, although not providing data directly related to the research questions, did help me better understand the managers in terms of their style and personality beyond interviews. I recorded observational data using Creswell's (2002)

observational protocol (see Appendix C). My descriptive field notes were useful in portraying the profile of each manager in the final report.

To sum up, I relied on multiple sources for data collection because no single source of information can be trusted to provide multiple facets of the issues under investigation. By using a combination of interviewing, document review, and observation, I was able to utilize different data sources to validate and crosscheck findings (Patton, 2002). This data triangulation also helped to provide a holistic view of the phenomenon I studied (Merriam, 2001).

Data Analysis Process

Data analysis is a process that involves “working with the data, organizing it, breaking it into manageable units, synthesizing it, searching for patterns, discovering what is important and what is to be learned, and deciding what you will tell to others” (Bogdan & Biklen, 1992, p. 153). Data interpretation and analysis is the process that involves “making sense out of what people have said, looking for patterns, putting together what is said in one place with what is said in another place, and integrating what different people have said” (Patton, 2002, p. 380). Regarding interview data, Kvale (1996) proposed five analytical approaches: categorization meaning, condensation of meaning, structuring of meanings through narratives, interpretation of meaning, and ad hoc methods for generating meaning. Similarly, Ryan and Bernard (2000) described methods that require the reduction of text to codes. These include grounded theory, schema analysis, classical content analysis, content dictionaries, analytic induction, and ethnographic decision models. In this study, data analysis was comprised of two separate processes: data transcription and the actual data analysis through the constant comparative method.

Data Transcription

All the audio-taped interviews were thoroughly transcribed verbatim in the language of Chinese by the researcher. Transcriptions were entered into the computer database using a Chinese Word software and organized in the plain text format as recommended by Ruona (1999). Three rounds of interviews for each participant were merged into one complete Word document for the purpose of coding in a table format.

Data Analysis Procedure

In this study, I adapted Ruona's (1999) analytical process to ensure the rigor of data analysis. The data analysis was divided into three phases as summarized in Table 2.

Table 2. Overview of Data Analysis

Phase One	1. Transcripts read and meaningful segments of the text highlighted and segmented. 2. Interviewed text formatted for sorting and coding. 3. Three interviews analyzed in-depth. 4. First coding scheme developed and applied to first three interviews. 5. Peer review #1
Phase Two	6. Remaining four interviews coded. Coding scheme evolved, and interviews re-coded as needed. 7. Summary sheets created and sent to all participants for their review.
Phase Three	8. Re-analysis and re-coding. 9. Peer review #2 10. Coding scheme finalized. 11. All codes with supporting data printed to facilitate reporting of outcomes.

Note: Adapted from Ruona (1999)

Phase one. All text of the interview transcription was put into table format using Microsoft Word, according to the key provided in Table 3. A few pages of an interview in this format are provided in Appendix D as an example for illustration. All interviews were formatted in this manner.

Table 3. Data Organization Format: Qualitative Research

Code	ID	Q #	Turn #	Data	Notes
Emerging themes coded on master list	Indicating who is speaking at the time Used pseudonyms	Recording the number of the question that was asked	Sequencing text in each interview to help quickly locate and track interview information within the original interview to review context	Transcribed text from interviews, divided into meaningful segments	Space to record personal notes, hunches, insights, etc.

Note: Adapted from Ruona (1999)

Once the interview data was organized in the above format, the text of the interview was read again for better understanding and additional sorting. Meaningful segments of data (a phrase, sentence, and paragraph) were each given a separate row in this format to allow for initial categorizing and coding. These segments were referred to as data strips and reported in terms of their frequency of occurrences. The Notes column was used as space to (a) synthesize what the participants were saying, (b) write down potential questions for participants, and to (c) record my own ideas, hunches, questions, and reflections.

Each set of interview data was analyzed thoroughly and nine coding categories were identified with nine different colors. The constant comparative method of data analysis was developed by Glaser and Strauss (1967) as a means of developing grounded theory. Although this analytic method is often associated with grounded theory research, it is also used in other types of qualitative studies. “Because the basic strategy of the constant comparative method is compatible with the inductive, concept-building orientation of all qualitative research, the constant comparative method of data analysis has been adopted by many researchers who are not seeking to building substantive theory” (Merriam, 2001, p. 159). While each set of interviews was analyzed and coded using the computer, I also took substantial notes regarding the major

themes that emerged out of the single interview data. A few pages of the within-case analysis are provided in Appendix E.

Both single-case and cross-case analyses were conducted with the first three sets of data. Based upon these three in-depth data analyses, the initial coding scheme was developed. This scheme served as the basis on which the rest of four interview data were coded. At this point, a peer check was conducted. This is critical given the feature of researcher as instrument in qualitative studies. An experienced researcher in the field of HRD and a Ph.D. student were invited to review my analysis of the first three interviews. Their feedback was incorporated to improve the following analysis technique.

Phase two. The second phase of data analysis involved coding the remaining four interviews. As each was coded, the coding scheme evolved and re-defined. At this stage, a summary sheet of single-case analysis was developed for each interview analyzed (see Appendix E). These summary sheets were sent to participants for their feedback. In addition, nine summary tables were created to demonstrate cross-case analysis, each centering on one major coding category defined up to this stage (see Appendix F).

Phase three. All the summary sheets were further analyzed based on the feedback from participants, and codes were adjusted and merged into the final six major themes. A second peer review by the same two persons was conducted at this phase. All codes were finalized and each assigned a number instead of the color applied at the previous two stages. The finalized coding scheme is provided in Appendix G. Final sets of all cross-case analysis summary tables for each theme with supporting data was printed out to facilitate results presentation.

Given the interactive and inductive nature of data collection, data analysis, and data representation, my analysis of data was an ongoing process starting from the stage of data

collection. The criterion that I used for selecting data for coding is that phrases or sentences had to do with managers' perceptions and practices of organization management, as well as influences on their practices. When possible, these phrases or sentences were coded using *emic* codes (Strauss, 1987) or codes taken verbatim from texts. Key quotes, examples, and stories that were particularly demonstrative or representative of emerging themes were highlighted.

Through constant comparison, the initial codes and categories were redefined, re-examined, merged with other codes, or dropped for theoretical overlaps and redundancies (Lincoln & Guba, 1985). This process of defining and refining codes was recursive as my understanding of the issues under study increased. It continued until I felt that saturation was reached. In other words, data reached the point of saturation when the same or similar issues emerged from data repeatedly. From there I could portray connection and interconnections of themes (Creswell, 2002).

Reporting the Findings

Data interpretation and representation involve making sense of the data, or the *lesson learned* (Lincoln & Guba, 1985). Glesne and Peshkin (1992) likened the role of a report to (a) an artist who can shape the data and form imaginative connections, (b) a translator of culture into meaningful accountings using his/her knowledge and understanding, and (c) a transformer or educator who provides accounts that can stimulate reflection. The subsequent three chapters are the demonstration of my effort in providing such creative, descriptive, and interpretative accounts that are aimed to be rich in meanings and authentic in interpretation.

Data collected for this study are in the language of Chinese as my participants were all Chinese. Accordingly, data was analyzed in Chinese only. However, the final report of the

findings was presented in the language of English and only direct quotes were translated into English.

For data verification, member checks (Lincoln & Guba, 1985) occurred continuously throughout the research to test interpretations and warrant the authenticity of data. Considered as the most crucial technique for establishing credibility, member checks mean that data, interpretations, and conclusions are tested with members of those shareholding groups from whom the data were originally collected. Specifically, a summary of an interview can be played back to the person who provides it for reaction, the output of one interview can be played for another respondent for comment; insights gleaned from one group can be tested with another. Such immediate and constant checking serves a number of purposes. First, it provides the opportunity to assess the respondent's intention. Second, it gives the respondent an immediate opportunity to correct errors of fact and challenges what are perceived to be wrong interpretations. Third, it provides the respondent the opportunity to volunteer additional information, to summarize along the way to data analysis. Further, it provides the respondent an opportunity to assess the authenticity and trustworthiness of data.

In order to minimize the potential loss of some original meanings in translation, and errors or cases where there is a lack of English words to make the adequate translation, a Chinese American HRD professor with extensive corporate practitioner experience was requested to check the accuracy of my translations from Chinese to English. Moreover, my descriptions and interpretations of data were sent back to participants for their confirmation. Their feedback was incorporated into the final report.

Trustworthiness

In this section, I use “trustworthiness” (Lincoln & Guba, 1985) as an overarching term to include validity and reliability issues. The term is used because it is more appropriate to naturalistic studies.

Conventionally, the criteria for judging the quality of research are termed internal validity, external validity, reliability, and objectivity (Lincoln & Guba, 1985). It is evident that all research is concerned with producing valid and reliable knowledge in an ethical manner (Merriam, 2001) even if the criteria for assessing validity and reliability appear to be dramatically different in quantitative and qualitative research. For example, Firestone (1987) explained how the quantitative and qualitative paradigms employ different rhetoric to persuade consumers of their trustworthiness. The difference in assessing qualitative and quantitative work may be incurred by the different nature, purpose, and philosophical assumptions about reality and the world between these two types of research. “The quantitative study portrays a world of variables and static states” (p. 19), while “the qualitative study describes people acting in events” (p. 19). Janesick (1994) suggested that validity in qualitative research has to do with description and explanation, and whether or not a given explanation fits a given description; in other words, the issue of credibility. Unlike quantitative research, the validity, meaningfulness, and insights generated from qualitative inquiry have more to do with the information richness of the cases selected and the observational/analytical capabilities of the researcher than with sample size (Patton, 2002).

In their treatment of the problem associated with conventional criteria for assessing the overall quality of research, Lincoln and Guba (1986) took constructivist and interpretivist perspectives and proposed four terms that have a better fit with naturalistic inquiry: *credibility* in

place of internal validity, *transferability* in place of external validity, *dependability* in place of reliability, and *confirmability* in place of objectivity. With this replacement, Lincoln and Guba (1986) vividly differentiated the criteria for studies informed by different theoretical orientations. These criteria together address the issue of *trustworthiness*. They also proposed certain operational techniques that the naturalist can use to establish trustworthiness. Chief among these are (a) prolonged engagement and persistent observation, triangulation, peer debriefing, negative case analysis, and member checking to establish credibility; (b) thick description to facilitate transferability, and (c) auditing to establish dependability and confirmability (Lincoln & Guba, 1985). In the succeeding few paragraphs, I tackle the issue of validity from two aspects, internal validity and external validity.

Internal Validity

Merriam (2001) defined internal validity with a question, “How congruent are the findings with reality?” (p. 201). To put it another way, she is concerned about the trustworthiness of findings. Kvale’s (1996) attention to craftsmanship is perhaps the most important issue here when addressing trustworthiness. He notes that establishing the trustworthiness of a study reflects a researcher’s craftsmanship, ability to communicate with others, and ability to produce findings with practical value. According to Kvale, validity in this sense is addressed at several stages throughout the study including thematizing, designing, interviewing, transcribing, analyzing, validating, and reporting.

Merriam (2001) proposed six strategies to elevate internal validity: (a) triangulation (multiple investigators/sources of data/methods), (b) member checks, (c) long-term observations, (d) peer examination, (e) participatory or collaborative modes of research, and (f) clarifying researcher’s biases. Similarly, Patton (2002) outlined five ways to address the validity of and

confidence in findings. These include (a) triangulation options, (b) multiple data sources, (c) multiple methods, (d) multiple perspectives, and (e) multiple investigators.

Different from Merriam (2001) and Patton (2002), Silverman (2001) contended that data triangulation and member validation are usually inappropriate to validate field research. Instead, he suggested five ways of validating such research: (a) analytic induction, (b) the constant comparative method, (c) deviant-case analysis, (d) comprehensive data treatment, and (e) using appropriate tabulations. To push this issue even further, Wolcott (1990) provided a provocative discussion about seeking and rejecting validity by developing a case for no single “correct” interpretation. While recognizing different focuses in alternative options, I strived to establish a sense of internal validity by using strategies suggested by Merriam (2001) with an attempt to capture and report multiple perspectives rather than seek a singular truth (Patton, 2002).

First, I triangulated data by using multiple data sources. Methods I utilized for data collection included interviews, document reviews, and observation. In this way, information derived from one source was checked against other sources (Lincoln & Guba, 1985), which eventually contributed to a holistic understanding of the phenomenon under study.

Second, I conducted member checking (Lincoln & Guba, 1985) in two ways. One was to send interview transcripts to participants for their checking. The second was to share my analysis and interpretation of the data to participants for their reaction, verification, clarification, and correction. Feedback from them was incorporated in my final report of research findings.

Finally, I devoted one section in this chapter to the articulation of my potential biases. As research instrument, my subjectivity was likely to influence the outcomes. Hence, the clarification of my role at the outset of the study is necessary and meaningful. Such clarification will also help readers to see how I play out my role as research instrument throughout the study.

All these techniques contribute to an increased credibility of the study. Not only did I make my potential biases clear upfront, but also I further addressed my subjectivity by sharing some personal reflections in the final report.

External Validity

External validity revolves around generalizability, which is concerned with whether the findings of one study can be applied to other situations. Overall, “the issue of generalizability centers on whether it is possible to generalize from a single case, or from qualitative inquiry in general, and if so in what way?” (Merriam, 2001, p. 208). Gall et al. (2003) made the distinction that quantitative researchers strive for generalization from a sample to a larger population, while qualitative researchers are more concerned with whether people have learned something about a particular case that might inform them about another similar case. A number of qualitative researchers have made an attempt to address the generalizability issue. For example, Silverman (2001) provided three ways to obtain generalizability. They are (a) combining qualitative research with quantitative research measures of populations, (b) purposive sampling guided by time and resources, and (c) theoretical sampling. Kvale (1996) emphasized the importance of providing “rich, dense, thick descriptions of the case” (p. 233). To further enhance the possibility of generalization of qualitative research findings, Merriam (2001) recommended three strategies: (a) rich, thick description (providing enough description so that readers will be able to determine how closely their situations match the research situation, and hence, whether findings can be transferred, (b) typicality or modal category (describing how typical the program, event, or individual is compared with others in the same class so that users can make comparisons with their own situation, and (c) multi-site designs (using several sites, cases, situations to maximize

diversity in the phenomenon of interest so that readers can apply results to a greater range of other situations).

However, it is necessary to point out that generalizability is an inappropriate criterion to qualitative inquiry because of the different basic philosophical assumptions qualitative research is informed (Lincoln & Guba, 1985). Donmoyer (1990) went further by rejecting the notion of generalizability for researchers concerned with individuals and meanings in their lives by contending that the traditional ways of thinking about generalizability are inadequate. Therefore, qualitative researchers should strive to establish trustworthiness in their findings rather than make efforts to address issues of validity which is the major concern of quantitative research. In my study, the intent was to get an in-depth understanding of the phenomenon of interest, so no attempts were made to generalize findings.

Reliability

The key concepts undergirding the conventional definition of reliability are those of stability, consistency, and predictability (Lincoln & Guba, 1985). Within conventional studies reliability is typically demonstrated by replication; that is, if two or more repetitions of essentially similar inquiry processes under essentially similar conditions yield essential similar findings, then reliability is achieved. This notion of reliability is rooted in the assumption that there is a single reality and that studying it repeatedly will yield the same result, and it appears to be problematic in the social sciences simply because human behavior is never static (Merriam, 2001). This point is well illustrated by Bednarz (1985),

If the researcher's self is the prime instrument of inquiry, and the self-in-the-world is the best source of knowledge about the social world, and social reality is held to be an emergent property of interacting selves, and the meanings people

live by are malleable as a basic feature of social life, then concern over reliability – in the postpositivist sense – is fanciful. (p. 303)

Reliability in qualitative research has to do with whether the results are consistent with the data collected (Merriam, 1998). Lincoln and Guba (1985) offered an alternative to the concept of reliability in qualitative research. Instead of trying to get the same findings, a researcher should strive for dependability or consistency. They suggested that consistency should not be from study to study but that the findings of a study should be consistent with the data collected.

To ensure greater consistency, Kvale (1996) reminded us that this issue needs to be addressed in both the transcribing and analysis of data. Merriam (1998) listed three strategies that may help ensure the dependability of the data: (a) articulating the investigator's position, (b) triangulating the data, and (c) creating an audit trail. Silverman (2001) posited that reliability in field research can be addressed by using standardized methods to write field notes and prepare transcripts. In the case of interview and textual studies, dependability can be improved by comparing the analysis of the same data by several researchers.

It is evidenced that the conventional notions of validity and reliability are inappropriate criteria to qualitative inquiry. However, qualitative researchers need to strive to ensure the overall credibility and dependability of findings. In an effort to do so, I used multiple sources for data collection, interpretation, and presentation. For data analysis, I applied the constant comparative analysis method to constantly compare data within and across sources, and refine categories and sub-categories. These classifications in turn will reflect the sophistication of experiences participants unfold. As a result of multiple strategies used, a holistic and dependable reporting of findings may be warranted.

Issues Influencing the Study

Two major issues had direct influences on this qualitative study. One was researcher as instrument, that is, the role I played throughout the research process. The other was the potential problems associated with using two different languages in this study. In the following sections, I address these two issues, respectively.

Researcher and the Role

In qualitative study a researcher is the primary instrument for collecting and analyzing data (Merriam, 2001). Kvale (1996) argued that the integrity of the researcher – his/her honesty and fairness, knowledge, and experience – is the decisive factors. On the positive side, researchers may obtain rich and meaningful information by being responsive and adaptive to the research setting. On the down side, researchers as human instrument is limited by being human, that is, mistakes are made, opportunities are missed, and personal biases interfere. Since researchers play such an integral part in the research, they must be highly aware of personal biases incurred by human factors and their potential influence on the findings of the research.

My experiences, education, and career life. I was raised in a traditional Chinese family. Having spent the first twenty years of my life in mainland China, my personal worldview, values, and beliefs were deeply rooted in Chinese culture in which such personal qualities as honesty, loyalty, diligence, and responsibility are highly valued. Since 1993, I have been living in English-speaking countries. However, Chinese culture and traditions remain an important part of my life.

Compared to people my age, I have been fortunate to have diverse cultural experiences. I obtained my undergraduate degree in China, an MBA degree in England, and am now completing a PhD degree in America. I am a determined career woman with work experiences in

China, East Africa, West Africa, England, and North America. On one hand, the wide exposure to different cultures has broadened my views and fostered me into a highly culture sensitive person; on the other hand, it may marginalize my Chinese way of thinking.

Philosophical assumptions. My life experiences so far have not only significantly shaped who I am but also influenced the way I view the world. Looking through a social constructivist lens, I believe that the world is socially, politically, and psychologically constructed. In this sense, I embrace subjectivity as a pathway into understanding the human dimensions of the world in general as well as whatever phenomena they are examining (Patton, 2002). I am more interested in deeply understanding specific events or incidents within a particular context than in making generalizations across time and space. This Western epistemology is, to some degree, in line with Chinese Confucian ideology that is characterized by nonlinear thinking and subjectivity (Fan, 1995). My philosophical orientation has informed my methodological choice and continues to influence my data collection, analysis, and interpretation.

Advantages and threats to validity. Management practices have long been one of my research interests. My current knowledge base of management philosophy and practices is built primarily on Western literature due to my educational background. Even if I take a dual role of participant and observer in the development of research in China, I present my findings based on interviews with, and observations of, managers in a Chinese shareholding enterprise. I start with reviewing and utilizing Western theories and models with an intent to discover to what degree Western managerial practices and ideas have influenced Chinese ones. In addition, as an MBA graduate from the U.K., and a PhD candidate in Human Resource and Organization Development in the U.S., I have preconceptions of what constitutes best management practices. My familiarity with Western management concepts and practices may be both an advantage and

disadvantage. On one hand, I may be in a position to better engage participants in the interview process and make more effective observations; on the other hand, my prior knowledge of Western management may lure me to make quick judgment that may not be appropriate in the Chinese context. Being a Chinese who is familiar to the culture as well as a scholar who has strong interest in Chinese management practices, I see myself differentiated from non-Chinese researchers. In this sense, it is appropriate to state that I am playing a dual role of insider and outsider.

Language

Although this study was conceptualized and reported in English, it was conducted in Chinese and the data was gathered and analyzed in Chinese as well. The related literature reveals that language is the most commonly mentioned area of concern in cross-cultural studies. The translation literature is abundant in approaches and debates about different ways of translation ranging from transformation of a text including creation and manipulation to a faithful adherence to the original text. As Berman (1992) described,

The domain of translation has always been the site of a curious contradiction. On the one hand, translation is considered to be purely intuitive practice – in part technical, in part literacy – which, at bottom does not require any specific theory or form of reflection. On the other hand, there has been – at least since Cicero, Horace, and Saint Jerome – abundance of writings on translation of a religious, philosophical, literacy, methodological or, more recently scientific nature. (p. 1)

Although these debates proved useful in raising our awareness of the difficulty involved in making decisions about how to translate a text, they failed to offer the guidance necessary for conducting multilingual studies (Cseh & Arato, 2003).

Specifically, researchers are concerned with the lack of similarity in conceptual meanings of similar words from culture to culture (Patton, 1990, 2002). Patton (2002) warned us “cross-cultural inquiries add layers of complexity to the already-complex interactions of an interview. The possibility for misunderstandings is increased significantly as documented in materials and training schemes aimed at cross-cultural sensitization” (p. 391). A second language concern is the inability to translate certain words or phrases. Words have been introduced into the language that simply has no meaning outside of the cultural context where they are found (Patton, 1990, 2002).

In this study, although it was impossible to achieve a word-for-word translation, the Chinese American professor and I strived to keep the rendering as consistent as possible while still conveying the meaning of the original message. Some of the interviewed managers were very eloquent in describing their management practices and demonstrated good knowledge of Chinese culture-based proverbs and stories, but this translation for meaning rather than word-for-word gave even more coherence of the translated sentences and phrases.

Summary

This chapter presented the research methodology, research design, data collection and analysis procedures. A qualitative approach was selected in order to answer the two research questions of the study. A social constructivist approach to the semi-structured, open-ended interviewing was used as the primary method for data collection. A data analysis process was described in depth. This chapter also addressed the issue of validity and reliability, and concluded with a discussion of the researcher’s subjectivity and the language/translation issue associated with the study.

CHAPTER 4

CONTEXT OF THE STUDY

This chapter presents the context of the study with descriptions of the organization and the participants selected. I introduce the company and its structures that existed when I was on site in China. A profile of each of the seven middle managers interviewed is offered. Their educational backgrounds, work experiences, and major workplace functions are described. I also provide my personal observations of each participant.

The participants for this study comprised seven middle level managers, four male and three female. In an attempt to maintain confidentiality, both the names of the company and participants have been changed. Further, given that the company can be easily identified through its location, history, products, and services, a generic description of the company is provided. Pseudonyms are also used when participants identified their colleagues by name or other organizations during the interviews. The titles of participants' positions at the company, however, are maintained.

The Company

This section provides a broad description of the company involved in this study. The organization was selected for two reasons. It represents a typical type of organization that has emerged from China's economic and enterprise reforms (i.e., a mixture of state and private ownership), and it also provided ready access to such informants. The general profile of the company is summarized in Table 4.

Table 4. Company Profile

Core areas of business	Infrastructure construction, real estate development, domestic and international trade, investment and technology consultancy, domestic trade, import and export agent in the areas of biomedicine, communication, network, electronics and hi-tech materials
Registered capital	RMB190 million+ yuan (US\$ 21+ million)
Total assets	RMB 2 billion yuan (US\$ 240 million)
Years in business	11 (since 1992)
Number of employees	2000+
Shareholding structure	20.19% (the state) 51.08%(legal entities) 28.73%(individuals)

Located in a state-level High- and New-Technology Development Zone in a southwest province of China, SuperGrand Development Group Corporation (SuperGrand) was originally founded in the early 1990s by the Administrative Committee of the Development Zone. High- and New-Technology Development Zones are an extension of China's successful model, Special Economic Zones (SEZs). The SEZ model was introduced in 1979 as China's initial attempt to implement market-oriented economic reforms and to open the doors to foreign investment and technology. While SEZs proved to be successful overall in attracting foreign investment, they did not attract the desired high-tech industries as intended. To encourage additional, more advanced forms of foreign investment, Chinese leaders expanded on the SEZ model by announcing the formation of several new types of investment zones including the one for this study. From 1984 to 1995, 53 state-level high-tech development zones were established nationwide to attract foreign-invested enterprises, Sino-foreign joint ventures (JVs), and wholly

foreign-owned enterprises (WFOEs). In these zones, enterprises designated as new or high-technology firms enjoy preferential treatment in terms of state funding, construction loans, customs and tax rates, and other financial incentives.

In 1996, SuperGrand was reformed by four local Chinese enterprises from being state-owned into one of China's first experimental limited liability companies in the SEZs. It combines applied research and technology with product development and marketing strategies for the purpose of accelerating the commercialization and practical application of science and technology results. In the same year, the company was authorized to issue its first 18 million "A" Share stocks in the ShenZhen Stock Exchange of China, and became a publicly traded company. With registered capital of RMB190+ million yuan (US\$21+ million) and total assets exceeding RMB2 billion yuan (US\$240+ million), SuperGrand is a large joint-stock group corporation with a diversified shareholding structure (see Table 4).

Since its establishment, SuperGrand has been appraised by the state authority as one of "China's Top 100 High-Tech Enterprises." It was also appraised by the provincial government as one of the "Top 30 Enterprises of the Province" in terms of total assets, "Top 50 Enterprises of the Province" in terms of operation scale, and "Top 10 High-Tech Enterprises" of the city.

Based in the Hi-Tech Development Zone, SuperGrand has been committed to the development of high technologies. Over the past 10 years, the group has formed two pillar industries – infrastructure construction in the hi-tech development zone and real estate development. These two base industries, supplemented with domestic and international trade, financial investment, applied science and technology, have led SuperGrand to gain substantial economic and social benefits.

Management Structure

The management structure of SuperGrand is designed to reflect the characteristics of a modern shareholding enterprise. The legal entities of SuperGrand are composed of four local institutions that are either state or privately owned. As Figure 2 depicts, at the highest-level of the organization are the shareholders who are made up of representatives from major investors. The primary functions of the shareholders include making crucial decisions on issues such as investment, restructuring, acquisitions, and electing of the chairman of board of directors and the board of supervisors. At the second level are two parallel bodies, the board of directors and the board of supervisors, both of whom are responsible for the annual shareholders' meeting. The chairman of the board also serves as the legal representative of the company. The board of directors is empowered to make all major decisions at the company level. The key function of the board of supervisors is to evaluate the decisions made by the board of directors and monitor the implementation of those decisions by senior management. At the next level are the president and his management team including four vice presidents and chief accountant. The president is appointed by the board of directors. Together with his management team, the president is accountable to the board of directors, as well as responsible for making all daily operations-related decisions.

What is unique about this corporate structure is that the president and his four VPs also serve as the general managers of SuperGrand's subsidiaries or holding companies. Each one of them takes charge of one area of core businesses of the group, for example, the president takes charge of real estate development, and his four VPs are in charge of pharmaceutical product development, industrial development, financial investment, and information technology, respectively.

The shareholders, the board of directors, and board of supervisors work independently from, as well as collaboratively with, senior management to ensure smooth day-to-day operations and to balance the decision-making and responsibilities among them as specified by company laws and regulations. Unlike situations in many government-oriented enterprises, the chairman of the board of directors and the president of the company are different persons at SuperGrand, and the decision-making function is separated from managers who must implement decisions.

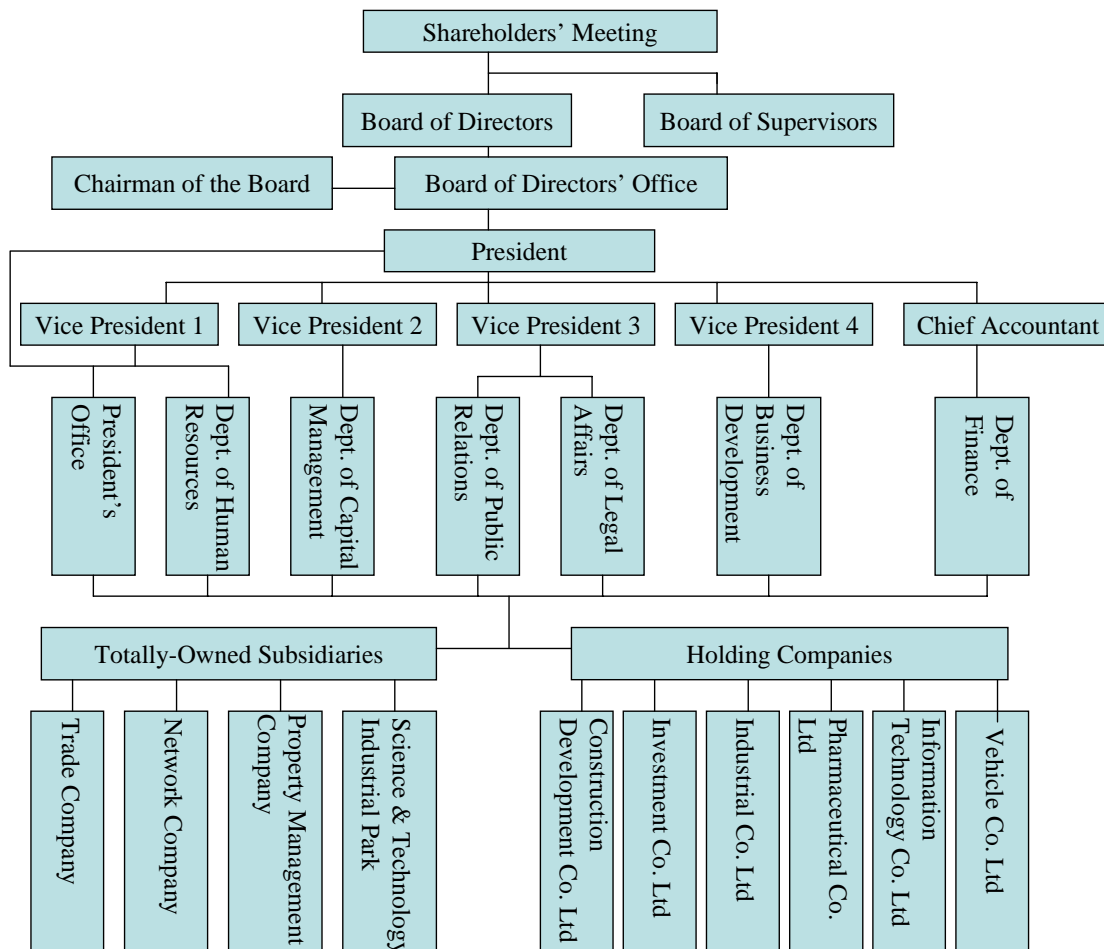


Figure 2. Structure of the Company

At the corporate level, SuperGrand is organized under the structure that is locally named “six departments and one office.” Those are: (a) the Department of Human Resources (HR), (b) Department of Finance, (c) Department of Business Development (BD), (d) Department of Legal Affairs (LA), (e) Department of Capital Management (CM), (f) Department of Public Relations (PR), and (g) President’s Office. The HR Department searches for, manages, and develops talent for the company. The Department of Finance is responsible for accounting, auditing, and managing corporate financial affairs. The Department of Business Development oversees the implementation of the company’s annual operational plan and conducts strategic analysis of the company’s medium- and long-term development scheme. The Department of Capital Management monitors the utilization of fixed and working capital company-wide, and the Department of Legal Affairs provides legal services and consultation before, during, and after various corporate operational activities and developmental initiatives. PR takes charge of the overall design of the corporate image and promotes key products and services of the company.

Major Areas of Business

SuperGrand has diversified interests in both manufacturing and economic sectors. Its core businesses include real estate development, import and export, manufacturing and marketing of pharmaceutical products and medical equipment, kitchen and office furniture, motorized vehicles, high-tech product development, property management, and financial investment. Since its beginning, SuperGrand has continuously expanded the scale of its operations through product development and asset acquisitions. At present, the company wholly owns four subsidiary companies and controls over six other limited liability companies. Each company represents one of the core businesses of SuperGrand (see Table 5).

Table 5. Major Areas of Business of the Company

Major areas of business	Company	Relationship to SuperGrand
Conducting domestic and international trade	Trade Company	Wholly owned subsidiary
Developing network technology	Network Company	Wholly owned subsidiary
Managing restaurants and recreational plaza	Property Management Company	Wholly owned subsidiary
Developing and managing land and standard factories for over 100 hi-tech enterprises within the municipal high-tech development zone	Science and Technology Industrial Park	Wholly owned subsidiary
Real estate development (pillar industry) including land development and residential quarters development	Real Estate Development Co. Ltd	Holding company
Financial investment including stock investment, futures investment, and investment consultation	Investment Co. Ltd	Holding company
Manufacturing and selling of bio-pharmaceutical, hygiene, chemical products and medical equipment	Pharmaceutical Co. Ltd	Holding company
Manufacturing and selling kitchen cupboards, modern teaching equipment, office equipment, and laboratory equipment	Industrial Co. Ltd	Holding company
Developing, manufacturing, and selling hi-tech products, e.g., electronic information technology, telecommunications, network transmission, and software products	Information Technology Co. Ltd	Holding company
Manufacturing and selling motor vehicles	Vehicle Co. Ltd	Holding company

Today, SuperGrand has developed into a transregional and multi-industry corporation with more than 2000 employees. With the expansion of production and management scale as well as the increase of market share, SuperGrand is moving toward being an industrialized and internationalized group.

Organizational Culture on Paper

It is necessary to note that the organizational culture described here is *culture on paper*. In this study, I define *culture on paper* as the stated mission, vision, values, and beliefs that are espoused but may or may not be implemented in organization management practices. The following management philosophies are taken directly from SuperGrand's company brochure, however, whether they are all practiced in daily business operations remains unclear to me.

At the core of SuperGrand's culture is the notion of love or compassion. With the firm belief that love can ultimately lead to progress, SuperGrand has proposed the slogan, "We are a family." An orientation to humanism and its employees are central to the management philosophy of the company. Humanism as a philosophy is concerned with meeting the needs of both individuals and society, being committed to human rights, fostering participatory democracy in the workplace, seeking new knowledge, and exploring new options (Edwards, 1989). Embracing this humanist perspective to guide its management thinking and practice, SuperGrand strives to treat people as its most valuable asset by providing employees with as many opportunities as possible for personal and professional development. The company has made a strong effort to foster an interpersonal atmosphere of mutual respect, cooperation, fair competition, and lifelong learning.

Integrity and trustworthiness are the moral standards abided by every member of the company staff. This does not stop at what employees say but is incorporated in the minute details

of their practice. Following the principles of “be hopeful, be ethical, be healthy, be responsible, and be innovative” and “self-respect, self-reliance, self-confidence, self-restraint, and self-possession,” the people of SuperGrand go about their daily work with gratitude for life, a willingness to cooperate, candor, and mutual trust.

Innovation is strongly emphasized at SuperGrand. In this spirit, the company strives to nurture a culture in which people work closely with one another as they engage in innovations in systems, management, products, and service. In addition, such concepts as cooperation and equality permeate the daily operations of SuperGrand. In the past few years, the company has established strong interactive relations with investors, business partners, news media, and government agencies. Within the company itself, an open and transparent two-way communication system is in place to facilitate vertical and horizontal communications. Employees are treated equally regardless of their positions or seniority. They are strongly encouraged to share different opinions with colleagues and senior management.

The appreciation for love has not only shaped the behavior of the organization and each one of its members, but also made a significant impact on the corporate mission, strategic goals, and management philosophy, as well as the products and services it provides. Envisioning itself as a comprehensive international corporation through the continuing development of real estate, high technologies, and financial securities, SuperGrand has established three core missions: (a) to produce quality products that will enhance quality of living, (b) to provide quality service that adds value and exceeds customers’ expectations, and (c) to create a learning organization that is highly flexible and adaptable to the changing environment. To achieve these goals, the company has worked to establish modern corporate systems that guide everyday operations and the managers responsible for them.

Finally, this humanism is also reflected in SuperGrand's remuneration system which provides competitive incentives for its operators and managers, compared to a majority of enterprises in the province. Based upon the information provided by the human resource director, a middle manager at SuperGrand receives twice as much pay as their counterparts in state-owned enterprises. Furthermore, every manager above the entry-level is equipped with a company car. As long as the manager stays with the company for a minimum of five years, the company car then becomes his/her private property. As a couple of managers interviewed commented, for a company with over 2000 employees, the provision of more than 200 vehicles to its managerial staff is quite phenomenal. In addition to the incentives described above, each manager is also entitled to enjoy company-sponsored housing and certain percentage shares depending on their accomplishments and the number of years with the company. The human resource director described this incentive system as "Americanized."

The Participants

This section provides a description of the participants involved in the study. Seven middle level managers at SuperGrand volunteered to participate. They represented both genders and seven different functions of the company. All interviews were conducted in Mandarin Chinese, the native language of the managers, and in each participant's office. Table 6 presents the profiles of each of the seven managers interviewed and provides information on title, department, gender, age, education, years at SuperGrand, and numbers of employees supervised (NES). The titles of the managers are consistent with the titles listed on their business cards. In order to maintain confidentiality, I gave each of the managers a pseudonym. These pseudonyms are used in the analysis and final report of findings.

Each of the following participants was interviewed at least twice face-to-face. Each interview lasted from 60 to 90 minutes. With four managers (Sun, Yang, Yi, and Yue), third-round interviews were also conducted for further probing. These third-round interviews lasted, on average, 40 minutes each.

Table 6. Profile of Managers Participating in the Study

Manager	Title	Department	Gender	Age	Education	Years at SG	NES
Sun	Investment manager	Business Development	M	37	MBA	3	4
Yang	Director	Public Relations	M	39	Master of Law	11	6
Ji	Director	Board of Directors Office	F	40	BS	12	4
Yi	Director	President's Office	M	34	MBA	5	7
Liao	Director	Capital Management	F	40	MS	10	5
Xiong	Project manager	Real Estate	M	36	BS	12	8
Yue	Director	Human Resources	F	50	BS	12	6

Sun

Sun, in his late 30s, is the Investment Manager within the Department of Business Development and has worked at SuperGrand for over 3 years. After graduating from a Chinese

university in 1990 with the degree of Bachelor of Science in Chemical Engineering, Sun started his career in a large state-owned factory as a technician and later as an assistant engineer. Two years later, Sun left the factory for a state-owned trading company, the largest manufacturer of agricultural and mechanical equipment in the province. During the five years between 1993 and 1997, Sun was promoted from a sales position to sales manager. In 1998, Sun quit his job to pursue a Masters of Business Administration (MBA) at a local university. His major was in Strategic Management. After completing his MBA degree in 2000, Sun obtained the position of Investment Manager within the Department of Business Development at SuperGrand. Currently, Sun's major responsibilities include: (a) conducting feasibility research on potential projects for investment, (b) monitoring all the investment activities company-wide, and (c) making strategic plans for SuperGrand's future development. As the Investment Manager, Sun has three staff members working directly for him at headquarters. At the same time, he supervises personnel who are in charge of investment-related issues in all of the SuperGrand subsidiaries and holding companies.

My first meeting with Sun occurred in his 13th floor office at 10:30am on a Tuesday morning. Sun was sitting in the right corner of the room working on his computer when I walked into his office. In the middle of the room were two desks facing each other; each desk was piled up with documents and books. Sun explained that he shared the office with another person who happened to be away on a business trip. On the left side of the office was a long file cabinet against the wall. At the end of the room was a big glass door to the balcony overlooking part of the Development Zone. When he saw me, Sun immediately stopped typing and stood up. Having invited me to sit down behind his colleague's desk, Sun pulled his chair away from the computer

and positioned himself across from me at his desk. Our formal conversation started shortly after I clarified the purpose of my research and the procedure of the interview.

Throughout the interview, Sun appeared to be fairly quiet and reserved. He answered all of my questions while pausing to think; most of the time, he looked down at his desk and played with a water bottle he held in his hands while chatting with me. Sun tended to give brief accounts and rarely elaborated unless I probed. Our conversation was interrupted by two telephone calls and a knock on the door during the first 30 minutes. However, the interview proceeded very smoothly after that for an hour or so. At the end of the interview, Sun handed me the strategic plan that I had requested. He also expressed his willingness to provide any further information I might need.

Our second meeting was about three weeks later, also in Sun's office on a Tuesday morning. Sun had just come back from a business trip and looked a bit tired. Compared to our first meeting, Sun provided more unsolicited details during this interview and our communication was more open and interactive. This second interview lasted for about one hour.

Yang

Yang, a 39 year old male, is the Public Relations Director who has been with SuperGrand for 11 years. Graduated in 1986 with a Bachelor of Science in Electronic Mechanism, Yang found his first job in a university library where he spent seven years as an administrator of the Personnel Department and later as the Director of the Talent Exchange Office. At the beginning of 1993, Yang joined SuperGrand which was then a state-owned company. Working as a Liaison Officer for the next three years, his major responsibility then was to promote the key products and services of the company and maintain the relationship between SuperGrand and local government agencies. In 1996 when the company was transformed into a shareholding enterprise,

Yang was designated as the director of the newly-established department, Public Relations. In the department of six people, Yang is in charge of designing corporate image, maintaining public relations with SuperGrand's major shareholders, investors, local government agencies, business partners, and the general public, and creating a healthy corporate culture that will boost productivity and work efficiency. As a manager, Yang sees himself as a lifelong learner and is actively engaged in continuing education and professional development. During the past seven years with SuperGrand, Yang has not only been an active participant in a variety of training activities on management skills (e.g, MBA training), English language training, corporate image design, and organizational culture, but also a recent graduate of a prestigious national university with a Master of Law degree.

Our first meeting took place in Yang's office on the 14th floor. It was a spacious office with a big glass door to a balcony. The office was bright with the sunshine coming through the door. When I arrived at 9:00am as scheduled, the office door was wide open and Yang was sitting right behind his computer working while smoking. He invited me in and pulled a chair beside him. He handed me a glass of cold water and our conversation started right away. The interview went on in a very pleasant and relaxed atmosphere. Yang had a very open and easy-going personality and his exchange was enthusiastic and cheerful. From time to time he stood up moving around the room and retrieving various files and papers to better show me the work that he did. He elaborated on every answer and offered many examples. Our first meeting lasted for more than two hours. This was much longer than I expected the meeting to last. At the end of our meeting, he provided me with company documents prepared by his department. Included were the company brochure, company quarterly journals, and a CD that celebrated the 10th anniversary of the founding of SuperGrand. He indicated that these materials presented various

aspects of SuperGrand, documented the history of its development and achievements over the past 10 years, and, therefore, would give me a good overview of the company. When I departed, he said that he would be pleased to answer any further questions. During the two months I spent on site, Yang was available all the time. I ended up conducting three rounds of face-to-face interviews with him.

Ji

Ji is the Director of the Board of Directors Office. She is 40 years of age and has been with SuperGrand for almost 12 years. Right after graduating from university with a Bachelor's of Science in Economics in 1985, Ji was assigned to work in the Planning division of one of the largest state-owned TV manufacturers in the province. When SuperGrand was founded 12 years ago, Ji quit her administrative position at the TV plant to join the company. After working as an administrator in the Project Department for a couple of years, Ji was relocated to the President's office where she later became Associate Director. When the company was transformed from being state-owned to shareholding in 1996, Ji was assigned to lead the newly established Board of Directors Office due to her nearly 20 years of knowledge and experience in accounting, enterprise management, and law. Currently working as the chief representative to the Board of Directors of SuperGrand, Ji supervises four people and takes a major responsibility for protecting the investors' interests by preparing and publishing regular and annual company reports, as well as providing any information required by over 50,000 shareholders.

Due to her busy work schedule, our first meeting was rescheduled a couple of times. I finally managed to meet with Ji one month after my initial attempt to interview her. She offered to meet with me during the company's two-hour lunch break. When I walked in her office at 1:00pm, Ji was sitting on a big long sofa reading a newspaper. On the tea table in front of her

were two glasses of water. Once she saw me, she immediately apologized for not having been able to meet with me earlier and reiterated her willingness to participate in this study. The big glass door to the balcony was wide open and I could feel the summer breeze. In the office was a big tape recorder playing some famous classical Chinese music. It was very pleasant and relaxing.

Ji acted very professionally throughout the interview although she indicated that it was the first time she had ever been interviewed. She carefully chose the words she used and consistently paused to reflect on her answers. When she used technical jargon related to futures and stocks, she offered an immediate explanation. During the course of our hour-long conversation, Ji checked several times if her answers were satisfactory to me. At the end of the interview, Ji thanked me for the opportunity to be interviewed and stated that it was a great learning experience for her. Our second interview was scheduled during this meeting. It occurred two weeks later and lasted for an hour.

Yi

Yi, a 34 year old man, is the Director of the President's Office of SuperGrand. Before he was transferred to this position two years ago, he served as the Director of the General Manager's Office and the Director of Human Resources at one of SuperGrand's holding companies, Pharmaceutical Co. Ltd. Yi had five years of experience working for a boiler manufacturer, a large state-owned factory where he was the head of the Supplies Division. Yi holds the degrees of Bachelor's of Science in Metal Materials and Masters of Business Administration in Marketing and Human Resource Management. According to Yi, the function of his office is not clearly defined and to a great extent, overlaps with the Department of Public Relations in creating and maintaining the corporate culture. Made up of seven people including

the director, associate director, a secretary, an administrator, and three drivers, Yi likens the President's Office to a bridge between senior management and various company functions.

My first meeting with Yi was scheduled on a Thursday morning. When I walked into his office, what came to my sight was a huge book shelf which occupied one third of the room. After handing me with both hands his business card, Yi invited me to sit across from him. Then, he pulled out a notebook from the top drawer of his desk and explained with a smile that he wrote down some notes as a reminder in case he forgot to mention something important. During the course of our conversation, someone came in and asked Yi to deliver a document he prepared for the President immediately. Excusing himself, Yi grasped a black folder on his desk and departed his office. Five minutes later he came back with an apology for the interruption. Our conversation continued for one and a half hours. Throughout the interview, Yi remained very polite and patient. At my departure, Yi gave me a floppy disc with the policies and systems he designed for his office. He also offered to provide any clarifications for my further inquiries either by a second meeting, telephone calls, or via email. Another two rounds of interviews with Yi were scheduled and conducted very smoothly.

Liao

Liao is one of the three female managers who participated in this study. She is 40 years old, and in charge of the Department of Capital Management. Holding a master's degree in Finance, Liao was an Accounting lecturer at a municipal adult workers' university for five years. She left teaching about 10 years ago to pursue a different career path at SuperGrand. During the first seven years in the Department of Finance, Liao was promoted to Assistant Director of Finance. In this job she was in charge of financial analysis and accounting. Her strong theoretical knowledge in finance and accounting was well recognized by the senior management team.

When the Department of Capital Management was set up at the end of 1996 as a result of the company's transformation into a shareholding structure, Liao was designated as the Director of this new department supervising five people. Her major responsibility is managing and monitoring both fixed and working capital companywide.

During the nearly three-month period when I was at the company for data collection, Liao was leading an auditing project on a tight work schedule. My meeting with her turned out to be the most difficult to arrange compared to my experience with the other six managers. There were a couple of times when she had to cancel our pre-scheduled appointments. I was getting anxious about not being able to interview her when she called me one day offering to meet with me the next morning.

Our interview started promptly at 11:00 a.m. because she indicated that she had only one hour for me due to a scheduled meeting she had to attend. She apologized for having to delay the interview a few times and promised to provide as much information as I needed. Perhaps due to her teaching background, she was very good at presenting herself. Her thoughts were well organized and her answers were logical and clear. She constantly cited examples to illustrate her points and asked if she was too complicated in her financial explanations. Our conversation was interrupted several times by her subordinates. She walked out each time and provided instant assistance. During the interview, Liao demonstrated a very positive attitude toward her job and seemed confident in her ability as director. Despite her busy work schedule, Liao offered to meet again in a week for any of my follow-up questions. Our second interview took place on time and lasted for an hour.

Xiong

Among the seven managers participating in this study, Xiong (male) is perhaps a deviant case. Based on the company's criteria provided by the Human Resource Director, Xiong falls into the category of middle management. However, his current position and extensive prior experience as the general manager of SuperGrand's subsidiary and holding companies have differentiated him from the other six managers interviewed. At the age of 35, Xiong is one of the youngest general managers within SuperGrand. Holding a Bachelor's degree in Industrial Enterprise Management, he started his career at the then state owned SuperGrand in 1992. Since then, Xiong has worked in various positions for various functions including a staff member of the Personnel Department, the secretary in the President's Office, assistant to the President, the (deputy) general manager of Futures Co. Ltd. (holding company), Trading company (subsidiary), and Vehicle Co. Ltd. (holding company). At the time when he participated in this study, he was working as the leader of a special taskforce on a real estate development project funded jointly by SuperGrand and a large local real estate agency. Currently supervising 10 people on the project team, Xiong's major duty was to manage a 25-story office building including renting and selling to other organizations and the general public.

When I first contacted Xiong by telephone, he was negotiating a transaction with a large local company so our first meeting did not happen until five weeks after I started my research at SuperGrand. Our meeting occurred in a very different setting from that of other participants. When I met him in the company lobby on the scheduled date, Xiong invited me to first attend an upcoming meeting he was presiding over. It was a brainstorming meeting on creating a culture for the project team and the organization he was working with. He also invited an external organization development (OD) consultant to attend this meeting. In total six people were

present at the meeting including Xiong's marketing manager, accounting manager, and the director of the General Manager's Office. Xiong made an opening speech in which he shared his idea of a healthy team culture and organizational ethics. For the next three hours, Xiong was a good listener and allowed the OD consultant to facilitate conversations. The meeting was quite interactive and each attendant including me had the chance to speak. I found the discussion initiated by the OD consultant regarding the difference of organizational culture between Western (particularly American) companies and Chinese organizations quite interesting. For the most part, Xiong remained seated, smoking quietly and occasionally nodding his head for agreement. The meeting lasted over three hours. A lot of ideas were generated; yet no specific conclusions were reached. Xiong finally called it a day and said that the topic would be further discussed at another time.

After the meeting adjourned, I interviewed Xiong in his very spacious office. He buried himself in a big swivel chair behind a huge U-shaped desk with a cigarette in his hand. His responses to my questions were fairly general, not personal. Most of the time, he talked about what he thought a professional manager should do rather than describing what he actually did in practice. However, he did disclose a few times how difficult it was for him to generalize or summarize his practice given the diversity of his managerial backgrounds. My first interview with him had to end after 45 minutes when we were interrupted by his office manager for an urgent matter. I left with a little disappointment because I did not feel that I knew enough to describe what he did as a manager.

My second interview with Xiong was conducted in a well-known teahouse downtown lasting nearly two hours. This time he seemed to be more prepared by offering more specific examples and detailed descriptions. He asked for my feedback on the meeting I attended with

him and told me that my questions were somewhat challenging to him because what he had done before as a general manager in SuperGrand's holding companies was so different from managers at headquarters even though they were all classified as middle managers. Xiong perceived himself taking more responsibilities for the operation of the whole company instead of one specific function.

Yue

In her early 50s, Yue is one of the longest serving members of SuperGrand. She was recognized as one of the pioneers who helped establish the company. She has been a witness of the company's growth, change, and development. Yue, although possessing over 20 years of experience in human resource management, started her career on a totally different career path. Holding a Bachelor's of Science in wireless communication, Yue spent the first 10 years of her professional life working as a technical expert and then senior engineer in a state-owned factory until she was relocated to the government agency in the early 1980s. It was then that she started a new career in personnel management. In her own words, she was "forced to take the HR job at the beginning." However, she "found the calling and fell in love with this profession" as her experience in this field built over the years. The HR practices of Yue and her department have been recognized by the national Hi-Tech Development Zone and modeled by many companies nationwide. Together with her six HR staff members, Yue takes charge of (a) formulating all HR-related policies and regulations that are aligned with corporate business goals, (b) recruiting, developing, and retaining talent, (c) providing employees with compensation, social welfare, and training/career opportunities, and (d) establishing and maintaining performance appraisal systems to monitor and enhance performance.

Yue and I had known each other for a few years while I was working in China 11 years ago. Throughout the years, we have kept in close touch with each other due to our common interest in HR. For this study, Yue served as the primary contact. She helped me to get approval from the President of the company to proceed with the research. With her assistance, I was able to access the company and participants easily. Yue also facilitated the selection of participants and interview schedules with each manager. Prior to my entry to the company, I paid a few informal visits to Yue to discuss the logistics for this study. During one of my visits to her, Yue invited me to have lunch with her in the company canteen where I formed my first impressions of the company as a whole. The canteen was a huge room like a lobby with over 20 sets of tables and chairs. Since the company provides a two-dish free meal for its employees the canteen has become a venue where staff members gather during the two-hour lunch break.

Yue's office was on the 13th floor of the headquarters. The structure of her office was slightly different from those of other six managers interviewed. It was a suite made up of one big office room, a small kitchen, and a bathroom. The office was equipped with nice furniture and in each corner of the room was a big orchid plant. At the end of the room was a big U-shaped desk placed near the glass door to the balcony. Sitting in her chair, I could easily see the view of the Development Zone. A big bookshelf was placed on the other side of the room. Displayed in it were a few family photos in nicely decorated frames. Beside the bookshelf, a long leather sofa, two chairs, and a tea table made it a reception area for visitors. On the wall facing the sofa hung a huge frame with a Chinese poem in it. The office looked very tidy and clean; everything was well organized.

Due to our personal relationship, I chose to have Yue as my last interviewee and our three rounds of interviews went very smoothly. In the course of my research on site, Yue

remained approachable, considerate, and cooperative. Most of the time, she even had to coordinate conflicting schedules between my interviews and participants' daily work.

Summary

This chapter provided a brief description of the company and participants. At the time of the study, the company was planning to restructure its operations and streamline duplicated functions. What was presented here was the existing structures and information when I was on site. The chapter also presented a profile of each of the seven middle managers interviewed. A portrait of their educational background, work experiences, and major functions as a department head was provided to give readers a general idea of whom they were and where they came from. Also provided in this chapter were my personal observations of each participant.

CHAPTER 5

FINDINGS

The open-ended interviews generated a true plethora of data which all appeared very interesting but not all central to this study. Presented in this chapter are major themes arranged under four broad categories: (a) individual management philosophy, (b) primary management functions, (c) communication, and (d) critical issues influencing management practices. These categories emerged from my analysis of interview data, relevant company documents, and were guided by research questions under investigation:

1. How do Chinese managers describe their management practices?
2. What has shaped and influenced the practices of Chinese managers?

In order to answer the above two research questions, each interview was thoroughly transcribed in Chinese and partly translated into English. The constant comparative method of analysis was employed to make meaning out of 415 pages of data generated by interviewing the seven middle managers.

The transcripts were first analyzed by categorizing the data based on Schermerborn et al.'s (2000) management functions model (see Figure 1), as a point of reference for this study. The four components of the model (planning, organizing, leading, and controlling) informed me in the process of a preliminary sorting of 293 related data strips obtained after the data reduction process. Four major coding categories were developed at that point: Planning (78 data strips), Organizing (80 data strips), Leading (60 data strips), and Controlling (75 data strips). The second round of data analysis identified 260 data strips relevant to the second research question which I discuss later in this chapter as critical issues influencing management practices.

However, during the interview and data analysis process, two additional issues appeared as a central focus of every manager: individual management philosophy (110 data strips) and communications (90 data strips). Since they are directly related to the research questions under

investigation, yet are not explicitly represented in Schermerhorn et al.'s (2000) model, I present them as a separate part of this chapter. These unintended findings demonstrated a major advantage of qualitative research, allowing me to explore emerging themes during the course of study. Table 7 provides an overview of major themes. An in-depth discussion of each theme follows.

Table 7. Overview of Themes

Coding categories	Major themes
Individual management philosophy	<ul style="list-style-type: none"> • Human-based management philosophy • Organizational culture • Innovation • Teamwork and coordination
Primary management functions	<ul style="list-style-type: none"> • Planning • Organizing • Leading • Controlling
Communication	<ul style="list-style-type: none"> • Communication between managers and subordinates • Intra- and inter-department communication
Critical issues influencing management practices	<ul style="list-style-type: none"> • Management system • Transformed ownership • Organizational culture • Western influences • Personal issues

The goal of this chapter is to provide creative, descriptive, and interpretive accounts of managers' practices and influences on their management practices primarily through excerpted quotes from interview transcripts. Themes are discussed in the following sections. Summary tables are used to present major themes under each coding category. Emerging themes are listed and reported in terms of the frequency of their occurrences during interviews. Direct quotes from interviews are italicized, indented, single-spaced, and differentiated by turn numbers. Those turn

numbers sequence text in each interview and help me quickly locate and track direct quotes within original transcripts.

Individual Management Philosophy

Individual Management Philosophy (IMP) is defined as those principles that guide individual manager's management practice. This concept is different from the commonly understood management philosophy (MP) which basically reflects the core beliefs of management at the organizational level and is typically represented by an organization's mission and vision, or organizational management philosophy (OMP) or MP "on paper." IMP used here, although individually based, is a combination of OMP and individual management principles for two reasons. First, operating in the organizational system, managers somehow have to buy into OMP. Second, the IMP, as named, is also shaped by personal attributes such as individual values and beliefs, personality, competency, and cultural orientation, among other things. Given that, IMP as defined should be an individual's understanding of OMP plus the reflection of personal attributes. This operational definition acknowledges the gap between OMP on paper and IMP in practice.

Four major themes related to IMP emerged during the process of data analysis. They were (a) human-based management philosophy, (b) organizational culture, (c) innovation, and (d) teamwork and coordination. These themes, summarized in Table 8, were arranged in terms of frequency of their occurrences during the interviews.

Human-Based Management Philosophy

Swanson (1996) discussed humanist orientation as one of four views of organizations. Humanism is a naturalistic philosophy or way of life centered on human concerns and values that assert the dignity and worth of humans and their capacity for self-actualization. The humanism philosophy appeared to be the most critical issue every manager addressed during the interviews.

This is not surprising given that the orientation to humanism and its employees is central to management philosophy espoused by the company. This theme can be further understood from three aspects: (a) people orientation, (b) cultural orientation, and (c) efficiency vs. equity.

Table 8. Individual Management Philosophy: Emerging Themes and Frequencies

IMP Components	Frequency
1. Human-based management philosophy	37
2. Organizational culture	32
3. Innovation	23
4. Teamwork and coordination	18

Theme 1: People orientation (*yi-ren-wei-ben*). Four of the seven managers (Sun, Ji, Liao, and Yue) indicated their strong orientation toward people. In Ji's words,

Effective management can only be done by taking the humanistic view, because only when you gain a good understanding of people and the way of their thinking, can you select the most appropriate management method to ensure the implementation of your decisions. (Turn #16)

Yue echoed,

For any enterprise, I think all policies and procedures must be built on human-based perspectives. Only by this, can enterprises establish the real human resources advantage. Our company has been especially focusing on promoting this concept and principle. As a result, the company has created a culture of respecting talent... The feeling was like "thirsty for talent." (Turn #10)

Sun went further to remind me that while Chinese organizations strived to transplant Western management ideas and techniques into daily practices, it was also important not to give up Confucious-based management philosophy such as the humanistic view.

Theme 2: Culture orientation. It is evident that traditional Chinese culture (i.e., Confucianism) was widely embraced by these managers as a key management philosophy. Confucian ideologies, although challenged by the emerging market economy and Western cultural values, still strongly impact the thinking and practice of managers under study. While addressing the extent to which contemporary Chinese organization management practices had been shaped by Western management philosophies, Sun reiterated three times during interviews that it is necessary to maintain Oriental culture, particularly the Confucian tradition. Once he commented,

I think we must emphasize Oriental culture, particularly the Chinese culture, Confucian culture, because it has had such a deep impact on our country for thousands of years. The national culture will inevitably influence organizations. In other words, if you simply mimic the ideas and practices in Western organizations, I don't think that it will fit into the organizational culture in our country, or be appropriate to the development of Chinese organizations...you must take into consideration the positives in the native culture. (Turn #28)

Sun further articulated that managing an enterprise as a big family and treating employees like siblings are current practices of many modern organizations in China. He also emphasized that it was not realistic to uncritically adopt Western management models and completely abandon traditional Chinese management concepts. By the same token, Xiong also expressed his idea of being a *Confucious merchant (ru-shang)* as the ultimate pursuit for management philosophy (Turn #24).

Theme 3: Efficiency vs. equity. “Not to worry about being poor but concern about being unequal” (*bu-huan-gua-er-huan-bu-jun*) has been a dominating ideology in Chinese tradition for centuries. It is closely related to the notion of efficiency as opposed to equity in management philosophy. This perspective has a direct impact on employee motivation and well-being. The traditional view considers efficiency and equity contradictory in the sense that if management

focuses on efficiency, inequality will surface. On the other hand, focusing on equality will result in a loss of efficiency (Ehrenberg & Smith, 1994). This perspective presents a dilemma for these Chinese managers: Unless people perceive their rewards as equitable, they are unlikely to put forth more effort or to be efficient (Mescon et al., 1981). The key to effective management then resides in balancing these two sides. Sun's following statement represents this well:

There is a saying: prioritize efficiency while considering equity. I would think equity and efficiency should be equally important...because of the influence of "bu-huan-gua-er-huan-bu-jun" among average employees. For example, under the current transformation of the organization systems, a state-owned factory director may become a CEO overnight (with millions of income potentials) through the initial public offering. This phenomenon can easily cause the employees' unbalanced mentality. I feel there should be a longer transitional period... From the organizational perspective, organizations should not lay off employees, especially under an economic downturn. (Turn #67)

Ji agreed on the issue of balancing interests among different employee groups in an organization. She emphasized,

The concern would be more obvious when there lacks fairness and transparent working systems. (Turn # 46)

In fact, this is a concern that is directly associated with motivation and highly relevant to HR/HRD policies. A policy of "pay for performance" may motivate some employees to become high performers and contribute to the organization's bottom line with higher compensation potential, while an equitable policy of, say, "a 4% raise across the board" may make lower than average employees happier, but does no good for organizational efficiency.

Organizational Culture

As a business phenomenon, organizational culture has been studied extensively by scholars in both organization management and HRD fields (e.g., Deal & Kennedy, 1982; Ouchi, 1981; Schein, 1985; Swanson & Holton, 2001; Trice & Beyer, 1993). This study categorizes

organizational culture under management philosophy because of the close relationship between the two. Organizational culture by definition is “the shared values and beliefs that members of an organization have about the way they should act, relate to each other, and do their jobs” (Baird et al., 1990, p. 236). In this sense, organization’s values become the basis of action of managers.

The dynamics and interactions of the two have significant impact on the successful implementation of an organization’s strategies. Data from the interviews clearly revealed the role of organizational culture in shaping management philosophy. Yang elaborated his own “definition” of organizational culture as

a collective representation of value orientation by senior management and all employees. Such value orientation should be consistent with societal interest and inspiring. Senior managers should demonstrate such orientation through their daily practice, promote it, and implement it to create such an environment, including institutional culture and mental culture. Of the two, the mental culture is more important because mentality cannot be formed overnight. (Turn #525)

Yue discussed the efforts her department made in nurturing people-centered organizational culture and summarized it as *creative, explorative, and pioneering* (Turn #14). The purpose was to *foster a pleasant and harmonic work environment that would facilitate the accomplishment of organizational strategies* (Turn #16).

Xiong’s opinion was quite consistent. He believed that organizational culture was an implicit expectation imposed by the organization on the employees. Only when employees’ behavior became cohesive with the culture, could they implement the management strategies and bring success to the organization.

It was evident that all managers interviewed for this study agreed about the importance of organizational culture in management philosophy. Xiong also cited examples of Chinese and foreign organizations to support this point.

Innovation

The best organizations value and expect innovation by which creative ideas find their way into everyday operations (Schermerhorn et al., 2000). As the engine of modern organizations, innovation has become a driver towards better organization performance (Amidon, 1998; Anderson, Cohn, Day, Howlett, & Murray, 1998). This concept was considered a key component of management philosophy by managers Yue, Yi, and Xiong. In talking about the importance of innovation to an organization, Yue referred to it as *the life line of organizations* (Turn #12). Using innovation as the guiding principle, Yue articulated some changes she witnessed during the earlier years of the company including structure modifications and policy innovations. Yue kept on with an example,

During that period, we created a flexible and innovative hiring mechanism (as opposed to central planning mechanism) to keep up with the pace of market competition. Our practice at the time was in a leading position in our city. (Turn #14)

Yi defined innovation as an important quality that should be embedded in the working style of all managers. Similarly, Xiong proposed that innovation first be incorporated as a management philosophy because

without innovation, organizations would do things in the old ways all the time and ignore the changes in market and customer requirements, which would definitely threaten the survival of organizations. In addition, innovation should also be an organizational requirement for its employees. Innovation is directly related to the organization's public image as well. (Turn #78)

Teamwork and Coordination

In the literature, teams and teamwork are increasingly considered essential keys to productivity, quality of working life improvements, and management systems of the future (Conger, 1998). The use of project teams is one of the most notable ways in which work is changing today (Mohrman, Galbraith, & Lawler, 1998). Similarly, coordination, as a mechanism

used to link the actions of organizational units into a consistent pattern (Schermerhorn et al., 2000), is also valued as a critical functional quality and management philosophy in a high performance organization. The findings of this study support the above views. Yang explained,

My management mindset/philosophy can be summarized as “one person can’t possibly accomplish anything,” I have to rely heavily on teamwork to achieve my management goals.” (Turn #62)

Xiong’s response focused on both coordination and teamwork.

Due to the division of labor in organizations, each employee specializes in a specific area. As an organization, one cannot expect one person to accomplish a complicated process throughout. From the specialization aspect, we need coordination and teamwork to achieve business goals collectively. (Turn #77)

Liao also explained that the representation of her management philosophy/principle in reality was the arrangement of human resources based upon diverse competencies and work requirements, not really on the individual quality or educational background of employees. The underlying assumption for Liao’s HRM practice was that *it is all about the team effort* (Turn #70).

Primary Management Functions

This section presents key findings around each component of Schermerhorn et al.’s (2000) management functions model (see Figure 1). The emerging themes are organized under the four basic functions of management: planning, organizing, leading, and controlling. Apart from the interview data, information was also collected through the company journals and other publicly available documents. Within-case and cross-case analyses were conducted and results are presented in the following sections.

Planning

The planning function involves “defining goals, setting specific performance objectives, and identifying the actions needed to achieve them” (Schermerhorn et al., 2000, p. 11). In this

study, four specific aspects were addressed by all managers interviewed in relation to planning at the departmental level. Table 9 summarizes these four themes and the frequencies of their occurrences during interviews.

Table 9. Planning: Emerging Themes and Frequencies

Planning	Frequency
1. Process of planning	33
2. Types of planning	18
3. Functions involved in the planning	15
4. Frequency of planning	12

Theme 1. Process of planning. Planning appears to be the first and the most essential function performed by all managers interviewed, and planning at the divisional level relies primarily on a top-down approach based on the annual organizational goals set by senior management. All managers detailed how they developed departmental objectives that would align with the overall goals of the company. For example, Yue described the planning process as follows:

At the beginning of each year, the senior management team defines the annual corporate management goals and identifies overall strategies to accomplish them. These plans and goals are broken and passed down to our subsidiaries, holding companies, and management functions at the headquarters. Based on the company's yearly plan and the specific requirements of top management, the Department of Human Resources makes our own annual plans accordingly. We then submit our plans to senior managers for their approval prior to actual implementation. (Turn #138)

Meanwhile, planning at the departmental level was also an iterative process between senior management and various functions. While managers relied on directions from the top for their divisional planning, they also made conscious efforts in contributing to overall organizational planning. Ji articulated this process from her functional perspective as displayed in the four direct quotes below.

As the department head, my first job is to build a good understanding of the strategic vision, medium- and short-term goals of my company...in the meantime, I also need to clearly understand the expected role of my department under organizational strategies. (Turn #121)

Prior to the actual planning, I also seek to comprehend the planning practice of similar functions of other equivalent organizations and benefit from their best practices. (Turn #125)

In addition, I also need to familiarize myself with the policies and procedures of other functional divisions so that I can better coordinate with them to reduce the “hick-ups” during the planning process. (Turn #127)

Based on all the preparatory work, we would then propose our specific divisional objectives that can contribute to the attainment of the business goals of the headquarters. (Turn #129)

It was also made clear by these managers’ descriptions of the planning process, that none of them were involved in the planning at the organizational level. Instead, they adopted overall plans made by top management and used that as a basis for their divisional planning. A typical comment was made by Yi,

In terms of setting overall goals of the company, managers are supposed to get actively involved in the planning process; unfortunately, this is not the case here. We basically just follow the arrangements made by senior management. We have not provided many recommendations from the functional perspective. This fact creates some difficulty for us because we only know where the goal is, but may not be clear about how the goal was established. (Turn #29)

Theme 2. Types of planning. One of my second-round interview questions regarding the planning function was to ask participants to identify types of planning they made in terms of

functional planning as well as time-wise planning (e.g., long versus short term). However, the reported types of planning revealed that most managers interviewed narrowly interpreted this issue and defined their plans primarily in terms of their timelines. For instance, six of the seven managers mentioned annual, quarterly, and monthly plans and all the plans they developed were short-term. Only Yue, the director of Human Resources explicated functional planning.

Our work objectives are usually annual plans and quarterly plans. However, with regards to a specific task, we also make work plans accordingly, for example, training plans, compensation plans, etc. (Turn #145)

None of the managers indicated any degree of involvement in long-term organizational strategic planning. Yang provided a viable explanation,

Our plans fall under the category of short-term planning because the group has had no strategic planning for quite a long time...so we could do nothing but go with the flow. (Turn #521)

Echoing this point, Xiong said,

Given the economic situation and market competition in China in recent years, organizations' strategic plans were almost blank. (Turn #56)

With regards to communicating divisional objectives to staff members, four managers pointed out that they put their plans in a written format (Liao, Turn #134; Yang, Turn #143; Yi, Turn #151; Yue, Turn #145). The purpose of doing so was explained by Yi.

I must develop specific work plans and objectives in writing so that my subordinates can better understand and implement them. (Turn #153)

Theme 3. Functions involved in the planning process. The planning process described by these managers reflected their awareness of employee involvement. Dension's (1990) empirical study revealed that higher levels of employee participation were correlated with better organizational performance. As reported by all managers participating in this study, staff at all levels (including senior managers, middle managers across functions and all members of their individual departments) were either directly or indirectly engaged in divisional planning. It

appeared to be a common practice that these managers invited all staff members to the planning table to brainstorm, exchange, and discuss ideas in order to reach mutual agreement on departmental objectives and strategies to achieve them. However, each manager presented slightly different aspects of their practice, as demonstrated by these direct quotes.

All the members of the department are involved in the planning process. It is the manager who makes the final decision. (Sun, Turn #223)

Generally speaking, my divisional work plan is individually based, meaning, I develop it myself. After that, I seek feedback from my staff, related managers and colleagues in other departments, and I incorporate their feedback in my final plan. (Yang, Turn #519)

Usually, the annual plan is made by myself. The monthly and weekly plans are made jointly by my staff and me in the form of discussions. (Yi, Turn #149)

In terms of setting objectives for the Department of Human Resources, as the manager, I take the lead, and all the members of the department would get involved. When and if appropriate, I would also seek advice and suggestions from human resource divisions of our subsidiary and holding companies. (Yue, Turn #143)

Paradoxically, although these managers claimed to invite all their staff members to the planning process, the final decisions were still made primarily by the managers themselves. As such, these managers' planning practices could still be characterized by a top-down approach. However, it is important to note that these managers appeared to pay more attention to employee involvement in comparison to top managers who had barely involved lower management and employees in the organizational planning.

Theme 4. Frequency of planning. Divisional planning was done at different times of the year depending on the types of planning and the different functions. Yet, it was agreed by all these managers that annual divisional plans were required to be formulated at the beginning of each year after managers were informed by senior management of overall management goals for the company. Generally, the annual plans were developed through multiple meetings and

discussions among members of the individual department. The following quotes provided some relevant information.

We generally make plans once a year. It is done through the internal discussion. (Sun, Turn #221)

In terms of the annual work plan, we do the planning once at the beginning of the year. For temporary work, we make plans accordingly and timely. Generally speaking, the planning is completed by myself first, then I will seek to obtain opinions from my staff members and other departments. (Yang, Turn #518)

Generally speaking, our work plan is made once a year. It includes monthly, quarterly, and annual objectives as well as measures to accomplish them. (Yue, Turn #142)

In addition to the annual overall planning made once at the beginning of the year as required by top management, five out of seven managers described additional plans they made. For example, Yang pointed out that contingency planning was needed for emergent tasks to ensure the achievement of specific objectives (Turn #518). Yi stated that he also did planning monthly and weekly (Turn #149). Liao explained how she had to make the quarterly planning for potentially unanticipated asset auditing tasks (Turn #124). When describing the content of work plans for her division, Yue added that planning also took place monthly and quarterly for the purpose of identifying periodic objectives (Turn #142). Xiong summarized planning as *systematic with different layers of objectives* (Turn #52).

Organizing

Organizing is usually interpreted as creating work structures and systems, and arranging resources to accomplish goals and objectives (Schermerhorn et al., 2000). One aspect of this function is organizing work by dividing up tasks, and another essential aspect is matching people with work by delegating tasks and the authority to use the organization's resources. Delegation is the vehicle by which management gets work done through others (Mescon et al., 1981). Three

areas relating the organizing function were reported by managers in this study: method of resources allocation, criteria for work division, and specific individual responsibilities. Because resources allocation was described to be basically criteria based, the first two aspects were combined. Table 10 summarizes the frequencies of two major themes emerging from the interview data.

Table 10. Organizing: Emerging Themes and Frequencies

Organizing	Frequency
1. Resource allocation	46
2. Specific individual responsibility	34

Theme 1. Resource allocation. One of my second-round interview questions regarding the organizing function was to ask how these managers allocated resources and what criteria they used to divide up work. It turned out that all these managers put a heavy focus on the criteria for resource allocation, without explicitly addressing how they do that. Hence, responses to these two questions were combined and reported below.

It was clear that all managers in this study relied on some sort of criteria to guide their human resource arrangement practices. For example, Sun described his principle as focusing on the priority while considering the rest (Turn #229). He provided the following related example:

Our department's first priority at the beginning of each year is to create the annual divisional business plan. During this period, other work such as the assessment of project investment, has to be arranged accordingly based on the urgency of the tasks. (Turn #231)

Sun also added that his top criterion was simply *my subordinates' competency and personality* (Turn #235).

Yang, on the other hand, expressed his resource allocation approach as *arranging at a high level, deploying step by step, and making modification when needed* (Turn #529). He stressed that he could effectively achieve divisional objectives by implementing this approach. He continued,

In terms of the number of employees needed for this division, it depends on job responsibilities. When the PR department was set up, I developed a plan to specify the functions of PR. Based on the functions, I then decided how to arrange resources, that is to say, who is going to do what or which task the individuals should be held accountable to. Then I figured out how many employees I need to perform these functions. Over the past years, I have made some adjustments according to the nature and content of work. (Turn #534)

Specifically, Yang described his approach as expertise-based. At the same time, he required his staff to understand each other's responsibilities and the work process. He summarized his criteria as *based on individual's expertise and at the same time learning to do other related tasks (li-zu-zhuan-chang, jian-xue-bie-yang)* (Turn #531).

Ji had a simple three-word guiding rule on this aspect: *open, fair, and justice* (Turn #160). She explained,

In my division, the most valuable and frequently used resource is people...I always promote honesty and hardworking, pioneering and progress, as well as professionalism. I organize human resources also through motivation and controlling in order to guide employees and obtain their buy-in. (Turn #158)

Other criteria Ji referred to included employees' ethical level, skills, and competency, as well as her understanding of the nature of the work requirement (Turn #164). While acknowledging her understanding of the organizing function being narrow, Ji did convey an important message that four functions (planning, organizing, leading, and controlling) were interrelated and managers had to integrate all the four aspects to be successful.

Yi distinguished internal resources from external resources. From his point of view,

internal resources include human, natural, and financial resources that can be mobilized within the department; while external resources are in the broader sense, including social networks with government agencies and other enterprises. (Turn #161)

With regards to internal resources, Yi required employees to share resources including information and office resources. At the same time, he emphasized a clear division of tasks without boundaries and called for collaboration among employees. Yi also clarified that the division of work was not defined by the organization but by himself as a manager.

It's based on the results from my job analysis and position requirements. Of course, it'll also need the HR department's confirmation. (Turn #168)

Xiong proposed the following four principles he adopted in allocating resources.

First, there has to be a clear division of work and job descriptions within the department. Second, make the preliminary arrangement of human resources based on information from personnel files and records. Third, monitor operation status and establish operation tracking records so as to analyze potential errors and take corrective actions in staff allocation. Finally, flowchart the core business operations and procedures and delegate relevant resources (including compensation and office equipment, etc.) In the futures market industry, the key business factor is people. Hence, we must make the best use of talent. (Turn #58)

Xiong went on to offer a more detailed discussion regarding the division of work.

Let me first talk about division of work. Division of work must take into consideration the company's development and management model. Different management models require different job specifications and different work division. We should also consider the business needs based on "separating when it's too large and integrating when it's too small" (da-fen-xiao-he), meaning that the big business process needs to be divided into smaller sub-processes. The futures market is a high risk financial business, so dividing the larger business can effectively ensure internal firewall operations. It can also maintain the confidentiality of clients' information. Integrating smaller ones implies that it is necessary to have cross-functional operations for inter-divisional businesses. Otherwise, our business would be individual oriented instead of organization strategy focused. And it may also cause some breakdowns of business processes at the organizational level. (Turn #62)

Yue described her criteria of human resource arrangement starting with a deep understanding of employees.

I do my best to get to know my employees, including their professional specialties, professional capacities, even personality and family, etc. In this way, I can understand my staff members well enough to assign them tasks commensurate with their ability and capacity (zhi-ren-shan-ren). I believe only when you allocate the employee in the position that best fits him, can he work to his full capacity. Therefore, to ensure the effective allocation of human resources, I try to delegate tasks based on the individual's expertise. For each position, there is clearly specified responsibility. All the employees are held accountable to the manager. If there are some large-scale or important initiatives and projects that require a team effort, such as hosting a large job fair for the Group or organizing cross-functional training activities, I would take the lead with all staff members engaged in joint efforts. (Turn #200)

Liao's response was also quite consistent with others'.

Basically, I divide the work content according to different employee's competency. As for educational background, it's only a reference in making hiring decisions. Competencies are more important. (Turn #142)

It is apparent that the substantial discussions about human resources, rather than natural or financial resources which were rarely mentioned by managers interviewed, disclosed these managers' people-centered practices. This finding is consistent with Robbins' (2001) perspective that managers, regardless of their respective business function, perform the essential function of human resource management. This speaks to an important HRD implication, that is, managers have to play human resource related roles in order to successfully attain divisional performance goals.

What was also made manifest by the responses to resource allocation is that most of these managers interviewed assigned work tasks based on pre-determined criteria within functionality. Although a few managers claimed to use competency-based criteria, the actual practices they described seem to be based on an organizational design rather than the complexity of tasks or competency of individuals. However, manager's responses did reflect some differences in understanding the criteria for work division. Specifically, no detailed information can be identified on their exact criteria in assigning tasks.

Theme 2. Specific individual responsibility. Although these managers defined criteria for dividing up work as (a) complexity of task and (b) competencies of employees, the data for this section did not actually reflect such criteria. In fact, the specific individual responsibilities described by individual managers below are more reflective of function-based task assignment.

Sun, as the director of Business Development, described individual responsibilities in his department as

the structure of our division is quite simple, two directors and two staff members (Turn #146). ...The specific responsibility is like this: The director is responsible for overall divisional goals, the associate director monitors the implementation processes, one staff is in charge of project evaluation, and the other conducts statistical analysis of operations of subsidiaries and holding companies. Everybody's duty is included in the written job specifications. (Turn #237)

Without specific elaboration, Yang simply mentioned that his employees' responsibilities were delegated based on the division's functions. Employees learned their respective responsibility through the division's functional manual.

Ji provided a similar discussion about her department.

At this moment, the functions of our division include security affairs management, press release or information disclosure, investor relations and promoting standardization of operations. We have a team of four members. Each person takes charge of one function. Usually, all of us participate in the planning process. Their specific responsibilities are clarified through their participation in developing divisional objectives. (Turn #166)

At Yi's seven-person division, the President's Office, the positions include filing and information management, archiving and record keeping, fleet management, and office and logistics management. Although Yi explained that job titles may not represent the actual work his staff does, he did provide the following description.

Among the seven persons, three are chauffeurs. In addition to driving, they also perform some other tasks such as procurement, quality control, etc. One person is responsible for filing and record keeping, and one is a secretary. Filing and secretary are different, the former focuses on archiving and the latter is mainly for administrative assistance. (Turn #83)

For the Capital Management division, Liao claimed that her division was short-handed.

She reasoned,

Our original plan was to have seven people given the workload we have. So our current division of work is not quite reasonable and responsibilities are not clearly divided up. We do regular auditing once or twice a year. In the process of auditing, individual responsibilities are clearly defined, for instance, one person reviews the accounting records, one person reviews the assets categories, one audits the debt categories, etc. However, that does not mean that one person will only audit this particular subsidiary all the time. To make sure that all the staff members are familiar with the company business, they are required to get into each subsidiary. It will not be helpful for headquarters to monitor and control the subsidiaries if I keep each staff in charge of one specific company only. Hence, even if our current division of work is not that clear, every employee's responsibility is specified for each auditing project.
(Turn #45)

It's kind of cross-responsibility, not a fixed one. For each individual, his/her understanding of the business of each subsidiary needs to be broadened. Therefore, their responsibilities are cross-project and cross-content/task.
(Turn #156)

Liao's description seems to suggest that the employee's responsibility is more project-based, not function-based. This, in effect, is a common feature for knowledge workers today.

Xiong briefly discussed the responsibilities of his staff as office record keeping, auditing, legal affairs, and human resources. Employees got to know their duties from job specifications, their work experience, or through manager's communications.

In the HR division, Yue introduced detailed individual responsibilities for six members. It appeared that each position was clearly defined and centered on a core aspect of human resource management, including (a) recruitment, new hires orientation, and training and development, (b) compensation, (c) performance appraisal, and (d) personnel files management.

Leading

Leading occurs when managers instill enthusiasm by communicating with others, motivating them to work hard, and maintaining good interpersonal relations (Schermerhorn et al., 2000). In this definition, motivation and communications are critical to maintain good interpersonal relations. In fact, much data was generated around these two areas. However, after a closer examination of interview data, I noticed that communication permeates every function of management, rather than being categorized under leading as presented in Schermerhorn et al.'s management functions model. Without effective communication, managers would not be able to develop workable and realistic plans, nor could they effectively conduct controlling. Given that, this section is devoted to the data about how these managers led through motivation. Findings on communication will be presented separately.

Table 11. Leading: Emerging Themes and Frequencies

Leading	Frequency
Leading through motivation	40

Yang described multiple approaches he frequently uses to motivate his staff.

One way is to recognize verbally. For example, praise employees and provide positive reinforcement for those who have demonstrated high performance. In the meantime, provide suggestions to those with drawbacks and make them aware of the problems, and assist them with developing improvement measures. Recognize any improvement once I see it. A second way is to take some high performers to the organizational level for honoring status, such as Employee of the Year or Excellence in Performance Award. Another way is to reward excellent performers with year-end bonuses. Some additional approaches include taking care of their well-being and paying attention to their personal life. For instance, I provide personal advice or suggestions to married or unmarried employees according to specific situations. For married employees, offering my

help for their children- related affairs (e.g., finding their children a better school through guanxi). (Turn #547)

As for the effectiveness of my approach, I can only say it is effective to a certain degree. I believe in humanism management. But since there has been no effective motivation system in place at our company for years, I can only do my best within the reach of my power. (Turn #549)

Like Yang, Sun's ways of motivating employees also included verbal recognition, recommending excellence, monetary incentives (salary raises) for better performers, and year-end bonuses (Turn #245).

In comparison, Ji's approaches seemed to be more about learning opportunities and developmental work.

First, I try to provide learning and development opportunities for my employees. Secondly, I try to change the job content to keep my staff stimulated. Another one is to reward excellent performers with bonuses. I also emphasize the flexibility in work control. (Turn #172)

Ji further elaborated,

For high performers, I provide external opportunities for training, and then load them with more challenging tasks and award them with the highest bonuses. At the same time, I increase the flexibility of their task control. These can result in employees' feeling of being honored and a stronger sense of achievement and, in turn, can motivate them to contribute more of their talent. In contrast, for low performers, I would not offer external learning opportunities. In terms of work assignment, I would give them more routine tasks with relatively low compensation. I may also increase the rigidity of the task control. (Turn #174)

Ji's motivational practice, (e.g., using the technique of job enrichment and empowerment to improve job satisfaction) is consistent with many of the motivation theories common in Western management literature (Schermerhorn et al., 2000).

Due to a limited budget, Yi's motivation approaches were mostly centered on more spiritual aspects. He described spiritual motivators as long lasting.

For example, when my subordinate accomplished a task with high standards, I would recognize his performance wholeheartedly and in a timely way to motivate him with spiritual support for even better performance. Sometimes, the specific

techniques may be implicit, such as a pat-on-the-shoulder, etc. I also push high potential staff explicitly to let him have a sense of urgency and pressure. In short, different performers need different ways of motivation. (Turn #183)

Note that in Chinese culture, the concept and practice of “pushing for urgency and pressure” conveys different connotation than that in Western culture. In Western culture, such a concept may convey a negative meaning and consequences, and some managers may avoid such approach. But in Chinese culture, it usually is positive or at least neutral.

Liao’s responses about motivation are more related to on-the-job training (OJT).

When employees are new on the job, their skills and competencies are at different levels. I would assign tasks according to their skill levels. Through the work process, they would have the feeling that they have a lot to learn and to do. Of course, I would not arrange for the tasks they couldn’t perform, but do it gradually. I purposely assign different positions and tasks...If you do auditing to the subsidiaries, each one would have problems more or less, because they’ll have problems as long as they’re in operations. A competent employee would be able to identify such a problem. If you lack of skills required, you won’t be able to find it. If I go with this person together on an assignment, I may identify the problem, he or she may not. I then would tell the person how to search for the problem. This is experience-based...through that, the person may recognize his/her skill gap and become motivated to learn and to accumulate experience. (Turn #174)

In addition to motivating by providing challenging tasks, Liao also addressed that there was little or no monetary incentives based on performance given the budget situation her company was in. From this aspect, she concluded,

Our motivational mechanisms target mostly on skills and competency improvement. (Turn #188)

Even with little monetary rewards, Liao expressed her confidence in motivating her employees.

Because our division can really stretch people. In terms of work, employees have endless things to learn. From the skills perspective, they have to improve themselves constantly. It’s difficult for someone here to say he/she is good at it. You are always in a continuous learning process. That’s why I say our motivation is more on the spiritual side. (Turn #194)

In fact, Liao's motivational approach was presented by the nature of the work, which is clearly related to system transformation. From being state owned to becoming shareholding, the employees in her department and at all levels of the organization are constantly learning new things. Emerging challenges shape job definitions constantly, presenting new problems which stimulate and motivate people to search for solutions.

Xiong's discussion on motivation was more theoretically oriented. As he said,

When talking about motivation, many people would naturally think about money and strive to retain talent with high salary. It's true that high salary can attract people, but it may not be able to retain them. But spiritual motivation, the sense of accomplishment and belonging is the most important factor for retention. Many organizations neglect this point. Recently, a study by the Institute of Psychology at the Chinese Academy of Sciences found that salary and bonuses are ranked only sixth and eighth, respectively, in terms of importance. The number one ranking is the sense of fulfillment... This points to the importance of non-monetary factors. This is consistent with Herzburg's (1968) two-factor theory that salary and work conditions are hygiene factors and they do not have motivational impact. But accomplishments, social acknowledgement, and future development are real motivators. Therefore, we should provide opportunities for exchanging best practices, allowing high performance employees to share their experience with others and make them known for their work accomplishments, creating opportunities for employee promotion and salary increase, promoting participative management, and enforcing the ownership mentality. (Turn #68)

Yue's approach is similar to common practices mentioned by the other six managers.

My first approach is to praise high performers at various occasions and in various ways including verbal recognition at meetings, recommendations to senior management for the honorable award, e.g., "Employee of the Year," or awarded with memorable items or bonuses. My second approach is to provide more important and more difficult work tasks to high performers and create challenging learning opportunities. At the same time, reinforce their accomplishments with constant encouragement and recognition. When the opportunity presents, I recommend them for promotion. Another approach is to create opportunities for them to take more job responsibilities. I have two examples of this. One is a new college graduate joining the department. With hardworking and diligence, his ability improved very fast. He was promoted to an office manager of a subsidiary company, becoming the youngest middle manager in that company. Another employee joined us not long ago. Due to her fast learning and hardworking, she quickly became a key performer. I

recommended her for a two-level salary raise during last year's compensation adjustment. (Turn #227)

Controlling

Another function of management is controlling. To ensure that things are going as well as they should, managers must monitor, compare, and correct performance as necessary (Schermerhorn et al., 2000). The analysis of data points to three major themes which are categorized as (a) monitoring performance, (b) supervising implementation, and (c) taking corrective actions. Table 12 summarizes the three major themes and the frequencies of their occurrence during interviews.

Table 12. Controlling: Emerging Themes and Frequencies

Controlling	Frequency
1. Controlling by monitoring performance	31
2. Controlling by supervising implementation	28
3. Controlling by taking corrective actions	16

Theme 1. Monitoring performance. A number of HRD scholars and researchers have highlighted the importance of monitoring performance at different levels of organizations (Gilbert, 1996; Kaufmann, Rojas, & Mayer, 1993; Rummler & Brache, 1995; Swanson, 1996). As the first step, performance standards usually come from the planning function. Ideally, standards should be established based upon the overall goals of the company and for every important task.

Managers interviewed for this study equated performance control to performance appraisal. Relevant data revealed a variety of controlling practice in terms of performance appraisal. Three managers spoke about performance management at the organizational level, and their portrayals turned out to be quite an opposite. Sun described such a company-level practice below.

Our company mainly focuses on measuring financial performance using financial indicators. We have no hard measures for people-related issues such as training and development. At the beginning of each year, top management and general managers of our subsidiary and holding companies agree on a set of objectives for individual companies in the form of a contract. This contract quantifies target sales revenue and profits, and specifies methods of rewards for achievements, etc. Our department then uses these contracts as a benchmark for the year-end performance appraisal. We make recommendations to the Department of Human Resources. Our recommendations serve as the basis for HR to make a decision on performance-related bonuses. (Turn #127)

Unlike Sun, Yang portrayed a totally different picture. In his words,

There were basically no performance appraisal systems within the company (Turn # 551), and

The company is in effect following the iron rice bowl practice. (Turn # 553)

Yang further articulated,

As for us at the managers' level, we are not held accountable for failing to meet the pre-established objectives. As long as managers or employees don't make big mistakes, they would not be dismissed. The so-called big mistakes mean that you make a decision without the prior consent of top management and your decision has resulted in a huge loss in profit. Otherwise, you don't have to worry about anything at all. (Turn #555)

Echoing Yang's point, Yi said,

The current situation is that there is no performance appraisal in our company, or criteria for hiring. Moreover, employees who are in current positions are "senior people." I think you should know what I mean (laughing). (Turn #172)

In terms of controlling performance at the divisional level, managers reported varied practices. In spite of variations, there appeared to be some commonalities among all these

managers. First, all managers adopted some kind of hard and/or soft measures as a foundation for performance evaluation. Except Yue who explicitly claimed to combine both hard measures (e.g., the number of employees recruited, the number of training programs developed) and soft measures (e.g., the sense of responsibility, work attitude, quality of work; Turn #232) from the HR functional perspective, the other six managers reported their primary reliance on soft measures such as the quality of work done (Sun, Turn #249; Xiong, Turn #70; Yang, Turn # 551; Yi, Turn #192), the speed of work done (Sun, Turn #249), the sense of responsibility (Yi, Turn #192; Yue, Turn #232), team spirit and self-discipline (Yi, Turn #192), and self-motivation and creativity (Sun, Turn #249).

The preference of using soft indicators to quantifiable indicators was reasoned by Liao.

Because the work in our department is interrelated and step by step, if one member didn't complete his part, it would show up easily in the process of implementation. When I appraise individual performance, I use the quality of work as the major criterion. This is not a quantifiable index, but a soft measure. For example, when I evaluate the quality of a report prepared by my staff member, it is my personal judgment on how good the writing is. Another criterion I use is to see whether my staff can identify problems. For example, he didn't find the problem, but I did, this is another aspect of evaluation. (Turn #216)

In addition to use these soft measures listed above, managers also shared other means of performance control. For example, Yi stated,

At the weekly departmental meetings, I'd like to comment on the work of my staff during the past week, provide my feedback, and communicate with each one of them. I also put my feedback in writing and require them to sign on it. At the end of the month, I give each staff a score based upon how well he/she has accomplished assignments for that month. (Turn #192)

Unlike managers above, Xiong was the only one who claimed to base his appraisal practice solely on verifiable objectives. To support his point, Xiong provided the following explanation.

To conduct performance appraisal, I would take three questions into consideration. First, has the staff member met all the job requirements? Second, what did he do which he was not supposed to do? Third, what did he not do which he was supposed to do? After I find out answers to these three questions, I would have a conversation with the individual and observe him at work. (Turn #70)

The second commonality in the data collected for this study was management by objectives. Although no specific objectives were given as examples during the interviews, managers all indicated that there were task objectives in writing for employees first and individual performance was later assessed against these pre-set criteria. These objectives were individually based and employees were held accountable for their respective work. However, there was no indication or evidence of verifiable objectives or hard measures in effect.

Theme 2. Supervising implementation. There appeared to be much in common in terms of how these managers controlled the work progress. They can be summarized as (a) periodic checkup, (b) proactive communication, and (c) observation.

Periodic checkup. This was reported as the most commonly used approach by all managers interviewed. Checking on work progress was conducted primarily through weekly, monthly, and quarterly departmental meetings, and formal and informal discussions with employees at work or after work (e.g., Ji, Turn #128; Sun, Turn #265; Xiong, Turn #72; Yi, #200; Yue, Turn #234). Among all the responses, Yue's response appears to be the most representative.

I normally take multiple measures to control the process of work. One is to require my staff to keep work journals based on their individual responsibilities and work objectives. I will review these journals anytime I want. The second measure is to hold regular departmental meetings. During these meetings, I would have subordinates to report their work, check on their work progress, and identify potential problems. The third way is to monitor the implementation of work plans through quarterly, half-a-year, and annual work summaries. (Turn #234)

By these means, managers remained alert and updated on the status of the implementation of work carried out by staff. These regular checkups also informed managers of

the problems individuals had encountered, and granted managers the opportunity to provide timely feedback, coaching and guidance as needed so that the smooth execution of work would not be interrupted.

Proactive communication. A majority of managers for this study took a proactive approach in communicating with their employees. Instead of waiting for subordinates to approach them for help, six out of seven managers often initiated conversations with their staff members in order to provide instant support as needed. At the same time, managers also encouraged their staff to constantly report to them. The interactive internal top-down and bottom-up communication systems were reported to be quite effective in terms of information exchange and ensuring the timely accomplishment of pre-set goals. None of the managers interviewed recalled a situation in which divisional goals were not achieved due to broken links of communication.

Observation. Observing employees at work was another popular practice among these managers. In fact, three managers defined their approach as *managing by walking around*. By walking around offices, the timely execution of dynamic supervision was carried out while the goals were being implemented. This warranted that the results were consistent with the goals and that there would not be any deviations. In explaining his “walking around” management style, Yang said,

I normally walk around our four offices several times a day trying to see what my staff members are doing, checking on their progress, and asking if they have any emerging issues that I can help resolve, or if they need any clarifications or guidance from me. (Turn #252)

Yang further elaborated,

The number of times that the employees come to my office is definitely far less than the number of times when I go to their office. They are now in the habit of updating me on their work progress when I am in their office. In this way, I can

get a good grasp of the work progress, which in effect also serves to control the work. (Turn #569)

In the same line of thinking, observation was the essential means for Liao to inspect the progress and quality of work. Given the nature of asset auditing, *monitoring means supervising the process through participatory observation* (Turn #231). By observing and participating in work in progress, Liao also gained a deeper insight into the competencies of her staff.

Theme 3. Taking corrective actions. Corrective actions become necessary when performance is below standards. Even when performance is anticipated to be below standards, actions must be taken to ensure that the problem does not occur. As all the managers reported, both preventive and corrective actions were built in every aspect of the controlling function. While dynamically supervising individual performance in the execution of task objectives, managers were also trying to discover potential issues that might affect the timely attainment of goals. When such problems did occur, managers took immediate actions to fix them. In this study, five of the seven managers described a similar process which involved three major steps: (a) identifying and analyzing, (b) brainstorming and problem solving, (c) monitoring implementation.

Identifying and analyzing. Several managers (Ji, Yi, Liao, Xiong, and Yue) pointed to problem identification and analysis as the first step for forming corrective measures. When they realized that objectives might not be met, they called for a department meeting or meeting with the individual to address the presenting issue. The focus was on identifying the root cause, in Yue's words,

to find out whether the problem was caused by physical conditions or by individual performance. (Turn #238)

Yue further articulated,

If the problem was caused by physical conditions or something beyond the employee's control, I would immediately report it to top management and modify objectives for that year. However, if the problem was caused by performance issues, I would take some immediate corrective actions like adjusting work plans or re-allocating human resources. (Turn #238)

Different from the other six managers, Yang indicated that there had never been a situation where his divisional objectives had not been met due to the incapability of his employees. In Yang words,

The cause for not meeting objectives has often been the lack of the support from top management, for instance, no final decisions, insufficient financial resources, etc. (Turn #571)

Brainstorming and problem solving. Once the root cause was identified and analyzed, managers then invited all staff members to brainstorm problem solving strategies. The reported corrective actions included (a) the manager taking over the incomplete task when the individual proved not to be able to do it for the second time (Sun, Turn #267), (b) having the same individual continue with the task using the corrective measure (Ji, Turn #239), (c) making the task a team effort (Xiong, Turn #74; Yi, Turn #202; Yue, Turn #238), (d) handing the task over to other staff members (Liao, Turn #239), and (e) readjusting the task objectives (Yue, Turn #238).

Monitoring implementation. Whatever corrective actions were agreed to be taken, the close supervision of implementation of corrective measures became a critical aspect of the manager's work. All managers confirmed this idea one way or another. The purpose for such dynamic control was to ensure that problems would not reoccur and tasks would be completed in a timely fashion with proper rectification.

Communication

Organizations depend heavily on good communication to function effectively (Mescon et al., 1981). The information transmitted by communication is crucial not only to make sound decisions on each management function but also to implement them. Although explicitly addressed under the leading function as presented in Schermerhorn et al.'s (2000) model, communication appeared more prominent among these seven managers and embedded in every one of the four functions. The related issues unfolded by interview data include intra- and inter-department communication as well as communication between managers and subordinates. Their frequencies of occurrence during interviews are presented in Table 13.

Table 13. Communication: Emerging Themes and Frequencies

Communication	Frequency
1. Communication between managers and subordinates	48
2. Intra- and inter-department communication	42

Theme 1. Communication between managers and subordinates. There was much in common in terms of how managers maintain interpersonal relationships with their subordinates through communication channels. Sun indicated his preference for face-to-face communication and clarified that such communication was embedded in daily operations and weekly and monthly divisional meetings.

As for inter-department communications, Yang's remarks were brief.

As the director, I often actively communicate with my subordinates, actively reach out.
(Turn #264)

Yang further described his style as *communicating through different channels when dealing with different issues* (Turn #266). For instance, if the issue was related to individual performance, he would communicate personally to maintain the self-respect of the person involved and keep him/her motivated. For the issues related to a project or overall department objectives, he would hold division meetings and invite everybody's input and feedback to reach consensus. In his words,

These are effective ways in the business operations. (Turn #538)

Ji's communication with her staff appeared to be quite informal.

The way I communicate with my subordinates includes: taking care and respecting each person, including their work and family life; communicating with them on an equal basis. Although I'm the manager, I never put myself above everybody else. We are equal. I also respect every employee's feedback and recommendations. The last one is that I do my best to help employees to reach their own personal career goals. (Turn #170)

I also use formal and informal occasions for communications, such as discussing work related topics during lunch or dinner with employees. (Turn #178)

Similar to Ji, Yi noted that he used more informal communications than formal ones to enhance mutual understanding and trust with employees. The frequently used informal ways included pats on the shoulder, hand-shaking, timely recognition of excellent performance, after-work conversations, and company entertainment events (Turn #180).

Liao described three ways of communicating with subordinates.

One way is to pay attention to each person's job performance during the work process, that is, observing the procedures. That is also a communication process because sometimes I can identify something to discuss with them. Additionally, I have more experience in the work. (Turn #176)

Another way is to talk with individuals separately. (Turn #180)

A third way is that they would come to me for input. Although this would not be initiated by me, it's still mutual communications. (Turn #182)

When talking about the communications with subordinates, Xiong first shared his opinion.

My understanding of this issue is, first, as a manager, you're positioned at the center of communication. In other words, you're between your superiors and your subordinates. As for the responsibilities of the department, you have to first understand your bosses' requirements. Then you need to deliver that information accurately to your subordinates and you are responsible for their work.

(Turn #66)

He then went to the specifics,

Before communicating with them, I would do some analysis of the employees, and develop solutions according to individual attributes. Some of the effective ways included: keep a good work journal every day, and require it be submitted weekly; have a monthly or weekly brief meeting with each person separately to exchange ideas; hold staff meeting regularly and have each staff report on his/her work status. There are also some informal communications, e.g., walking about and have some small talks with employees. I also communicate with individuals as requested to address emerging problems. (Turn #66)

These data reveal a consistent communication pattern between the managers and their subordinates. That is, these managers communicated constantly, dynamically, and interactively with their staff to promote mutual understanding and foster a healthy work environment. Communication in this respect appeared quite effective in contributing to the attainment of divisional goals.

Theme 2. Intra- and inter-department communication channels. Sun expressed his content with the internal communication within his own division. He elaborated,

The means of our communication is quite simple, mostly through round-table and group discussion. We usually communicate on a weekly or biweekly basis.
(Turn # 239)

However, his view on inter-department communication was quite different:

I feel we have problems in communicating with other departments. This is also related to the problems with the current system as I mentioned earlier. The current management system at headquarters constrains (qian-zhi) the subsidiaries and the internal communication system or the management system has not been well established...in other words, the departments at headquarters lack communications or coordination. Many projects and management affairs

involve more than one department...as a result of the lack of communication, either too many or no departments get involved in the same thing. (Turn #154)

Yang's response regarding communication was more characteristic of traditional Chinese culture. In term of internal communications, he said,

Our internal communication is very good. Five employees of our department are like brothers and sisters. (Turn #248)

We often hold group meetings and discussions to communicate with each other thoroughly, and to accomplish jointly established objectives. As the director, my role here is very important because I need to actively identify problems and call for division meetings to solve the problems. (Turn #537)

As for the specific formats, we usually do it in two different ways. One way is the department communication meeting. That is to get all staff members to my office. And I raise the issues and ask for their feedback. My role is to coordinate. The other way is to conduct meetings with individuals separately. That is to sit down with the individual in my office to identify the problems through communication. If necessary, I will call for a divisional meeting to further converse the issue to reach consensus after that. There is another way of communication. It is to hold small parties for everybody in the department to get connected personally. (Turn #539)

Ji, on the other hand, provided a brief description regarding internal communication. She indicated that it was usually conducted through what she referred to as *idea-exchange meetings, planning and coordination meetings, or some leisure or entertainment activities* (Turn #168).

The President Office's Yi portrayed his departmental communication as the following.

We have lots of events for the departmental internal communications, because we often arrange some non-work-related entertainment activities in addition to the work related communication. In this sense, our internal communication runs fairly smoothly. (Turn #85)

Talking about the cross-function communication, Yi emphasized the bridging role of his department.

Because the President's Office is actually a bridge of communication between senior management and subsidiary business units, the communication is constant between the business units and us. We need to summarize the issues voiced by each department and report them to the bosses. So there are lots of communications between us. Besides the formal work related communications,

we also hold some non-work related events to enjoy time together. These events are quite frequent. (Turn #87)

Liao chatted about her internal communication as the following.

Our intra-divisional communications occur quite frequently. That's my requirement. It is also required by the nature of the work...that means the communication is work related. (Turn #49)

There is another type of communication. I call it knowledge communication. (Turn #50)

For each project, we need to start with communication. The department needs to get together to identify issues and problems and to exchange ideas. From this aspect, our communication is on a regular basis. (Turn #51)

As for the channel for communications, one way is actually embedded in the work process. When you perform a task and identify some problems, you want to raise the issues to see if others are aware of the problems, or to see if they have related issues. In this process, communication becomes very dynamic. (Turn #164)

After a project, we'd conduct a project review. We conduct the review after each and every project. During the review, everyone needs to report his/her own work. These are the focused communications. (Turn #166)

Regarding inter-departmental communication, Liao detailed the process,

Our communications with relevant departments are like this: Before any project or after establishing plans for implementation, I will notify all related departments about the status to let them be aware of what aspects we need their help with. During the implementation process, we'd tell them if there is anything they can do to help. (Turn #172)

Xiong started his discussion on communication with a Chinese proverb: *things of one kind come together (wu-yi-lei-ju, ren-yi-qun-fen)*. He continued,

I emphasize the team spirit, sense of honor, and common language since we're in the same department. "Be nice to others" (yu-ren-wei-shan), and "yielding and forgiveness" (hu-liang-hu-rang) should be the guiding principles. These are the requirements for staff members. Next, based on my principle of "separating when it's too large and combining when it's too small" (da-fen-xiao-he), many things are cross functional and interrelated. These relationships also promote mutual understanding. Third, directors' coordination and leading are triggers for good communication. I also promote "personalization" (sheng-huo-hua), "family

orientation” (qin-qing-hua), and “happy spirit” (kuai-le-jing-shen) in order to enhance communication. (Turn #64)

Yue specified four different internal communication channels: (a) regular staff meeting for work report, idea exchange and communication, (b) daily work collaboration and cooperation, (c) leading by example and offering assistance and guidance while monitoring the work process, and (d) creating relaxing and harmonic work atmosphere, including participating in activities together with subordinates such as traveling or other entertainment events, to improve mutual understanding. The purpose was

to establish a unified and forward looking group where people care about each other, trust each other and help each other, so as to better accomplish the performance objectives of the department. (Turn #220)

Apparently there were more negative descriptions of the inter-department communications than intra-departmental communications as presented by data above. Regarding the cross-functional communications, there appeared to be much less interactions or information exchanges. This resulted in duplications or overlaps of functions between divisions at headquarters. The excerpt from Sun (Turn #154) is a good illustration. The lack of sufficient lateral communications between departments also weakened the headquarters' control over its subsidiaries and holding companies. As managers Yang and Sun indicated that very often headquarters were not informed by subsidiaries and holding companies of their major decisions as they were supposed to do.

In addition to ineffective lateral communications between divisions, these managers also addressed problems relating to their insufficient vertical communications with senior management. In fact, most of the managers interviewed indicated that their communication with top managers remained extremely limited because top managers had rarely made themselves available to these middle managers. Yang's remark was representative,

not only rare communication, even when we do communicate, it is very brief, probably half an hour at most each time. Further, whatever we proposed, he usually had no objection. (Turn #227)

No objection. At most he would make some very general comments, then leave it to us to implement. That's why I feel that I have no superior above me. It's like whatever I want to do, just do it. That's the situation; It is out of control. (Turn #244)

The fact that these managers had limited communications with their superiors had also indirectly weakened these managers' control over subsidiary and holding companies. A few managers interviewed (e.g., Sun, Yang, Yue) noted that they were rarely informed of or updated on what was going on within subsidiaries and holding companies even when they reached out for information. The lack of necessary information made their supervision of subsidiaries less effective.

Critical Issues Influencing Management Practices

This section reports critical issues that had direct influences on the practices of the managers under study. The open coding and thematic analysis rendered five major themes as summarized in Table 14: (a) management system, (b) transformed ownership, (c) organizational culture, (d) Western influences, and (e) personal issues.

Theme 1. Management System

Based on interview data and company documents, it is clear that SuperGrand's management system itself presented a problem. SuperGrand designed a governance structure that reflected the characteristics of a modern shareholding enterprise. The effort in standardizing organization and management practice was evidenced in the setup of multiple layers of management (i.e., shareholding meetings, board of directors, and board of supervisors) and the intention of separating decision-making from daily operations.

Table 14. Influences: Emerging Themes and Frequencies

Influences	Frequency
1. Management system	66
2. Transformed ownership	57
3. Organizational culture	47
4. Western influences	45
5. Personal issues	45

Nevertheless, what proved to be problematic with the current organizational structure was the fact that top managers (the president and four vice presidents) each served as the general manager of a subsidiary or holding company of the group. During interviews, the managers made consistent comments on the existing organizational structure and its impact. Among those, Sun and Yang's remarks were most elaborate and representative.

When pointing out how the current system contributed to the lack of personal accountability among middle and top managers, Sun provided a viable explanation.

When every top manager takes charge of one core area of business of the group, it means that they each have their own regime or territory. Supposedly, they should take the ownership of the overall development of the whole company, but since they have their own regime, they no longer care about other business areas. (Turn #113)

Sun further reasoned the attitude of top managers.

They only care about my own territory, e.g., pharmaceutical company they are in charge of. As far as other areas (e.g., real estate development) are concerned, it is none of my business. It's yours after all. As a result, the decision-making is not shared or transparent. (Turn #113)

Continuing with his analysis, Sun addressed how such a system had impacted the decision-making process.

So even when we have spent so much time in making recommendations, we may end up with seeing the president making the ultimate decision on his own. Whether to invest in a particular project or how to restructure the subsidiaries or holding companies, the president himself has the final and only say. So it is not a participatory decision making process. (Turn #117)

Sun's remarks seemed to suggest the autocratic style of decision making at SuperGrand. Sun also described another practice directly resulted from the current management system.

The general manager of the subsidiary or holding company usually would retain part of the profits which were supposed to be turned over to the Group because he personally would benefit more from it, since it was his own territory. (Turn #131)

Speaking of the effect of the current management system on his divisional function, Sun likened all the management functions at headquarters to *an empty shell* (Turn #138). Presented below are some of his justifications.

The vice president in charge of our department also serves as the general manager of the Pharmaceutical Co. Ltd. This is weird. Our division is responsible for the Pharmaceutical company, but our boss is their boss too. That's what I call a misplacement. As a result, we can't really perform our functions. Regarding what is going on at our subsidiaries, sometimes we know a little and sometimes we know nothing. (Turn #142)

Therefore, I call it misplacement. Although we are endowed with such responsibilities, we can't perform so. (Turn #144)

In effect, the scope of our work and management functions have been largely reduced. We used to have a fairly good control over business investment because our subsidiary and holding companies were required to submit their investment proposals for our approval; but that's no longer the case. It's now up to them to tell us or not tell us. It's simply beyond our control. (Turn #162)

Similar to Sun, Yue pointed out,

The biggest problem with our current management system is that too much power is granted to our subsidiary and holding companies. Every general manager of

the holding companies is now a legal person. They all have their own board of directors. In the past, they had to get our approval for the appointment of middle-level managers and deputy general managers, but now they don't have to.

(Turn #100)

So, the headquarters has no control over the subsidiaries at all. (Turn #106)

Echoing Sun and Yue's viewpoints, PR director Yang said,

I don't see any benefits of this corporate structure. With overlapped responsibilities, respective divisional functions cannot be brought to play. Further, compared to the subsidiary companies, the status of the headquarters is insignificant. (Turn #211)

To further support his argument, Yang provided an example.

Because of the low status of headquarters, the Department of Human Resources was even not aware of the appointment of the deputy general managers at the subsidiary companies. (Turn # 211)

Yang's example was later confirmed by the HR director in my second interview with her.

Conforming to Sun's perception that functions at headquarters are but an empty shell compared to those of the subsidiary and holding companies, Yang provided another vivid illustration using metaphors.

The function of the headquarters is being degraded to changing diapers for our subsidiaries or providing clean-up service. When they need you, they call you and you need to be available. When they don't need you, they just totally ignore you. (Turn #215)

When addressing the critical issues with the current management system, Sun did not tackle it directly. Instead, he shared a restructuring plan he developed shortly after he was recruited as the business development manager of SuperGrand. The first recommendation he proposed was to restructure the current organizational systems and management structures.

In terms of the organizational system and management structure, it's simple. All the vice presidents should go upstairs and work in their office, instead of going to their offices at holding companies and work there as the general managers. In

other words, the division of responsibilities for these vice presidents should be based on functions rather than based on areas of businesses. In this way, top managers will be held accountable for the headquarters, not for subsidiaries or holding companies...if top managers don't have the shared mission and vision, and only care about their own interests, our company cannot develop. (Turn #199)

The recurring themes among these managers appeared to be (a) too much decision making power granted to subsidiaries and holding companies and (b) the just-in-name functions of the people at headquarters. This situation has caused much challenge among managers. Yang shared his frustration when dealing with the subsidiary and holding companies.

Actually, we have tried to be proactive many times. However, every time when we proactively approached them (subsidiary and holding companies), they just ignored you, because their boss are vice presidents of the Group; they paid no attention to you...even they were managers at the lower rank than you, they could completely neglect you. (Turn #221)

If we wanted to get involved in their daily operations, they would first ask the vice president for permission. If the VP said "no," then we were not welcomed. (Turn #223)

Although there seems to be a general consensus that the existing management system presented many challenges to the managers in this study, Sun and Yang's remarks appeared to be far more critical than the rest of the managers interviewed. Based on my informal conversations with other managers and employees during my research on site, it was made clear that Sun and Yang's divisions received the least attention from top management. This may partially speak for the sharp critiques given by Sun and Yang. During the time when the study was conducted, top management was in the process of developing an overall organizational restructuring plan as they also realized that the duplications of functions under the current structure had resulted in work inefficiency. However, it may be worth noting that even under the new structure, top management had no intent to withdraw their roles as general managers of subsidiary and holding companies.

Theme 2. Transformed Ownership

The fact that SuperGrand had been transformed from being a state-owned enterprise to representing mixed ownership made a huge difference in the management practices at both organizational and individual levels. While these managers shared mixed feelings, they were clear that the company was still in the transitional state in which its organization and management practices reflected both the imprints of SOEs and the characteristics of modern corporations. This section presents the emerging themes on both positive and negative results of SuperGrand's ownership transformation.

On the positive side, the transformed SuperGrand witnessed more dynamic and innovative management practices than those when it was owned by the state. This perception was conveyed by these managers one way or another. Yang called SuperGrand as *a product of reforms* (Turn #51). In recalling the practices of the company at its establishing stage, Yang described those earlier years as *years full of passion* (Turn #43).

We adopted the best practices of others; we then innovated and adapted them to our specific situation. We had such a strong desire for creativity and innovation. No matter what we did, for instance, our hiring systems, our pay structure and incentives, our motivating systems, they all reflected some degree of innovation.
(Turn #53)

Having spent over 20 years at the SOEs and witnessing the transformation of SuperGrand, Yue had a lot to say about her innovative and creative HR practices. Among the seven managers, Yue provided the most thorough comparison and descriptions of her HR practices under the shareholding vs. state-owned ownerships.

In terms of hiring, since the establishment of our company, we developed a hiring system based on open and fair competition among talents. We no longer consider those factors as the region or individual identify (cadre or worker) as a condition for employment. As long as the individual meets the job requirements, he or she will be hired. That is to say, the employment between individuals and the

company is based on the contract. Both parties have responsibilities and obligations. And we are all equal in front of policies and laws. (Turn #89)

In terms of promotion, our principle is to promote those who prove to be competitive and competent, regardless of seniority, experiences, and age. In this way, many capable younger people have been promoted to the leadership positions in our company. (Turn #91)

In terms of compensation, we try to base it on individual performance and link it directly to the position, responsibility, and achievements of the individual. For those who make significant contributions to our company, we reward them with extra bonuses. If possible, we also give them the stocks of the company for free. The purpose is to encourage high performance and motivate all the employees to strive to exceed. (Turn #93)

Every aspect of the HR systems Yue described--open competition-based hiring, contract-based employment, performance-based compensation and rewards, and competency-based promotion--is representative of innovative practices which are significantly different from those at the SOEs. Indeed, the HR systems developed by Yue were considered very innovative in the early 1990s and had been widely modeled by many organizations nationwide. However, Yue also pointed out that the HR practices of the Group remained creative and innovative only for the first few years during the company's transition. The current organizational management system presented a big challenge for her to continue with those innovative practices.

In addition to innovation highlighted by the managers interviewed, several managers also pointed to the learning opportunities presented by the new shareholding system. Ji considered her experience of the public company *more exciting* (Turn #80) and explained,

I didn't quite like government agencies. That's why I chose to leave the state-owned enterprise for the current company. To me, this choice means more risk-taking but it was my ideal because being a public company at the front line of economic reforms of our country, SuperGrand offered me many opportunities other companies could not. It's more dynamic, less closed, and more open. (Turn #96)

Meanwhile, Ji contrasted her experience with SOEs.

There was nothing that would make me passionate about, although it did provide an iron rice bowl. It could not motivate me intrinsically to work and create. If I wanted to be creative, I would become the enemy of the majority of people. They would think I was not adaptable to the environment. (Turn #76)

Speaking of the learning opportunities, Ji said,

I want to understand the policies and procedures of the public companies, because it would provide me opportunities. Being part of the modern corporation's operational system itself is quite an experience. It is a huge attraction to me whether management turned out to be a success or failure. (Turn #105)

Yi, not only compared the differences between an shareholding enterprise and a SOE in terms of changes in organizational structure, division of work, and mentality, but also agreed that SuperGrand presented a learning opportunity for him.

I consider my current job as a learning opportunity and I cherish it very much. It's something that I couldn't learn in my previous organization, the work process, organizational structure and so on. In the meanwhile, I am more eager to learn the practices of shareholding companies. (Turn #105)

Yi further elaborated,

As for myself, I need to make sure that I meet the job requirements, and I also need to find out if I am competitive under market economy. This provides much room for learning...but I couldn't do it if I were still at the SOE where I just followed my daily routine and spent each day aimlessly. (Turn #108)

Liao reported a very positive experience with the transformed company. Coming from the higher learning institution, she particularly appreciated the flexibility and creativity presented by the new shareholding systems. In addition to citing ample evidence on flexibility and innovation of the current systems (e.g., in terms of division of work, rewarding system, hiring practice, and promotion), she also articulated the flexibility issue from her divisional perspective.

When my superior gives me an assignment, he normally only tells me about his expectations. As a manager, it is up to me to figure out how to accomplish it. In that case, I can make the fullest use of my knowledge and prior experience. I don't have to follow his specific directives; I make all the decisions as long as I

accomplish the task given by my boss. Perhaps I even exceed his expectations.
(Turn #24)

It was apparent that as the director of Capital Management, Liao was highly valued for the importance of her function. Hence, she was very much empowered by top management and able to work toward her full capacity. During the interviews, Yang and Sun confirmed the fact that Liao's division received the most attention and support from top management. As such, it may be reasonable to infer that Liao's sense of accomplishment, the very positive experience, and the autonomy she enjoyed were closely related to the status of her department.

While all managers reported some kind of innovative practices associated with the current shareholding systems, it is important to note that five managers (except Ji and Liao) explicitly indicated that the existing practices of SuperGrand had strong SOE imprints. Sun defined current management systems and practices with a Chinese saying, *huan-tang-bu-huan-yao*, meaning a change in form but not in content. In his own words,

It's only the form, or the surface...but not the real sense of Western corporation management systems. (Turn #48)

Sun further shared his finding that the controlling function at SuperGrand was actually weaker than that in the state-owned enterprise (Turn #134), and pointed out that at SuperGrand,

shareholders have no control over the performance of our business proprietors ...and the function of the board of supervisors is fairly weak too.
(Turn #134)

Similarly, Yang likened the system transformation to *changing the packing paper* (Turn #304) and concluded that the current practice of the company was actually more like state-owned practices. Echoing Sun and Yang' perceptions, Yi's said,

The current shareholding enterprises are far different from those in the real sense. We only copied some practices in form, such as the shareholder's meeting, the board of directors, and the board of supervisors, but the difference is that the real sense of a shareholding enterprise separates its owners from managers, but we do

not...we don't have the real professional managers' system in place. I think that's the biggest difference. (Turn #103)

Xiong was in an agreement with the other managers that the company was still in transition. While recognizing the advantages of the current shareholding system over the state-owned system, Xiong also indicated that many shareholding enterprises today including SuperGrand are not the real sense of shareholding companies commonly understood in the West (Turns #26, 28, 32).

A very thought-provoking point was made by Yue during our informal conversation after the interviewing, in which she said,

Our current system made our management practice more than state owned. (Turn #98)

It's up to top management to make it state owned or shareholding. When our top managers developed their own salary scales, they followed the practice of a shareholding enterprise as a parameter. However, in terms of hiring, they use the practice of a state-owned enterprise as a benchmark. In other words, they would stick to the iron rice bowl and permanent employment systems and conduct no performance appraisal. It doesn't make a difference if you work hard or not...so I really don't know if our practice is reflective of the state owned or the shareholding systems. It's all up to top management. During the first few years of our company's transformation, we did practice those of shareholding companies, but up to today under the third turn of leadership, there is really no sense of shareholding anymore. (Turn #107)

Closely related to the issue of ownership transformation is the shift of managerial mindset. Much evidence in this study shows that while SuperGrand was completed with the structural change, many managers, including top managers, were not mentally ready for such a change. A typical example was given by Yang when speaking about PR functions of his department.

It's their (top management) general perception that the PR Department is needed according to the structure of a modern corporation. So what they did was to simply adopt (the practices of modern corporations), and thought there should be

such a division. However, as far as the importance and roles of our department, they never clearly defined. (Turn #85)

Yang went on with another example of employee termination.

In 2001, I fired two employees in our department. When I reported to the headquarters that I would no longer renew the employee contract of these two people, the managers asked me with a big surprise, “How dare you fire employees?” (Turn #484)

I am the first one who fired people in our company. That’s why I said that our company still holds on to the “iron-rice bowl” employment practice, as long as everybody feels happy, that’s the most important thing. (Turn #486)

Yang reiterated the importance of a shift of management mindset with an analogy.

The change of mentality can’t happen within a day or two. It is a long process. Let me give you an example. If I don’t like my dress today, I can change it immediately. Similarly, if we find our management systems ineffective, we may adopt some other good systems immediately. But what about our mentality? If we don’t shift our mindset, even if we are wearing Western suits, we still think and act like in those days when we wore traditional long robes. (Turn #491)

Such a mentality shift should start with top managers, because in an organization, top managers are in a position to make influences with their power and authority. They play a more important role than employees. (Turn #496)

Yi also mentioned the different mentality he observed regarding the relationships between management and employees of SuperGrand.

Speaking of the relationship between top managers and employees, I believe they should work together as strategic partners...no matter which position an employee possesses, he/she is working and contributing to the attainment of business goals of the company. Thus top managers should treat employees as equal strategic partners regardless of their positions and ranks. Unfortunately, this is not the case in my company. We are neither equal strategic partners with top management, nor internal customers. It’s not an equal relationship. I don’t have the access to information which I am supposed to get. I really feel that there is much difference in mentality. (Turn #51)

Theme 3. Organizational Culture

The notion of organizational culture was briefly discussed earlier in this chapter regarding its impact on individual management philosophy. This section presents more evidence on the effects of organizational culture on practices of these managers under study.

The company brochure declared that an orientation to humanism and its employees were central to the management philosophy of SuperGrand. This philosophy can be found in different aspects of these managers' practices. However, data from interviews revealed a glaring gap between the claimed organizational culture (i.e., culture on paper) and the organizational culture in reality. Most of the managers interviewed described SuperGrand's culture in a fairly negative sense, which is demonstrated through excerpts below.

Negatively speaking, I don't think there is the culture in our company, or such a thing per se, so it's hard to talk about the organizational culture issue here. There are only some sparkles. Speaking positively, I should say that we have built the framework of a modern corporation. (Ji, Turn #66)

Yang, who conducted periodic workshops on organizational culture, defined the culture of SuperGrand as *rank-oriented* (Turn #306). He elaborated,

We are unlike any organizational systems, not like the private enterprise, not a real sense of a shareholding company, not a government agency, not a traditional state-owned enterprise...it does not resemble anything. In addition, it has a strong rank orientation. That formed the culture of our company. The mentality here is: I don't care as long as everybody is happy. That's our culture. (Turn #370)

Give you an example, it's the general consensus of top management that having some kind of entertainment would be enough to enhance the cohesiveness and team spirit of the company...As a result, the corporate culture is represented by singing, dancing, playing balls, and photographing. (Turn #522)

Sun perceived the organizational culture of SuperGrand similarly to Yang. Although he did not think there was a culture at SuperGrand (Turn #87), he did label the existing culture as *majiang culture* (Turn #89), *bureaucratic and rank-oriented culture* (Turn #101). As a result,

managers and employees are not willing to share their opinions. No matter how many great ideas or sharp critiques they have, they are either very quiet or share only the good news with top managers. (Turn #103)

Middle managers don't want to be held accountable or take the risk of challenging top management. (Turn #111)

Yi and Xiong shared a similar understanding of the organizational culture. To both of them, SuperGrand's culture was *only some slogans* (Xiong, Turn #35; Yi, Turn #98), or *top managers' quality-based culture* (Xiong, Turn #33) in which top managers' vision shaped the culture of the company. The following excerpts support these managers' perceptions.

Our company has proposed dozens of slogans, like "we are the family." Top managers then choose from these slogans and make it the organizational culture. I don't think that's how you foster the organizational culture. (Yi, Turn #96)

There are no simple words that can characterize the culture of our organization, because our culture is more or less the top managers' quality-based culture. In other words, it is more or less reflective of business philosophy of top managers. Our first president didn't address this concept although he was aware of it subconsciously. Our second president knew nothing about it. Speaking of the current president, it's hard to tell. He has some knowledge of the traditional Chinese culture, but only to a certain degree. He proposed some culture-related notions, but they are very ambiguous. Among the three leaders of the company, the current one has received the least education. He is very practice-driven and pragmatic. (Xiong, Turn #33)

So it is difficult to describe our organizational culture. I feel that our culture is only some slogans. It does not actually reflect management and business philosophy of our company. It's only slogans. (Xiong, Turn #35)

In summary, it was made clear by all the managers in the study that the current culture at SuperGrand was more in form represented by some slogans. To a great extent, it reflected the culture of SOEs more than that of modern corporations we commonly understand. The effects of such a culture had obvious impact on managers and were witnessed in low morale, limited or reduced management functions, and less innovative practices.

Theme 4. Western Influences

Much evidence was found regarding Western influences on Chinese managers' thinking and practices. I noticed that during interviews, all these managers constantly cited Western companies for the purpose of illustration and demonstrated a good knowledge of Western management theories and practices. As a MBA graduate, Sun talked about Frederick Taylor's scientific management and benchmarked the current practices of SuperGrand against the practices at GE and IBM. After the interview, he also shared with me a performance evaluation plan he recently developed for the Group based upon KPI (key performance indicators).

Yang, considering himself as a lifelong learner, had participated in executive MBA training twice and acquired much knowledge of Western organization management concepts through self-directed learning. He emphasized a few times the importance of standardizing management practices. He further compared the difference between *ruling by man* in Chinese organizations and *ruling by law* in Western companies. He indicated that he had tried to operationalize this idea by procedurizing the work process so that employees in his division could use work procedures as job aids or guidelines.

Being the chief representative of the board of directors of SuperGrand, Ji perceived what she does at work as a direct adoption of American practices. When talking about one of her major duties, disseminating stock-related information to shareholders, she said,

What we are currently doing in disseminating information in terms of what to share and how much to share is consistent with the requirements of American listed companies. In fact, our practice was adopted from them. (Turn #23)

On the other hand, Ji also stressed several times during the interview the importance of critically adopting Western knowledge.

I think it would be fun to learn the advanced ideas and methods from the West, and I am willing to learn. However, I don't agree that Western knowledge is

always useful or advanced. Today so many people learn it simply because it's from the West...sometimes they don't even know that was actually our own inventions thousands of years ago. (Turn #114)

Ji's comments not only showed her critical thinking as a manager but also demonstrated her sufficient knowledge of both Western and Eastern organization management.

Another example of the Western influence was provided by Yi and Xiong in the area of motivation. Both managers shared their understanding of Frederick Herzberg's two-factor theory and described how they have incorporated this Western concept in their practice of motivating staff members. Yi also expressed his disagreement with Maslow's hierarchy of needs. The fact that Yi and Xiong had both obtained the MBA degree spoke much about their knowledge base of Western organizational behavior theory.

Liao described her asset auditing practice with a popular Chinese slogan: *yu-guo-ji-jie-gui* (get on track with international standards). She also provided numerous examples to demonstrate how her current auditing and accounting practices were aligned with the related international standards.

As one of the pioneers in transplanting Western human resource management ideas and techniques into a Chinese shareholding company, Yue attributed her innovation to corporate America. During our many informal conversations, she indicated that the HR system particularly, at the earlier developmental stage of the company, was primarily a direct copy of best HR practices of American corporations. Such Western influence was embedded in every aspect of the HR systems (e.g., recruitment, pay, incentives, and promotion) of the company.

Theme 5. Personal Issues

When asked about describing a few critical incidents that had long-lasting impact on their management practices, most managers talked about their various work experiences and the

challenges they were confronted in market competition. It appeared to be an agreement that China's periodic changes made managers feel increasingly inadequate in terms of their management knowledge and skills. Consequently, these seven managers were highly learning-oriented. For example, four of them (Sun, Yi, Yang, Xiong) had obtained the MBA degree. In addition, all the managers reported their active and continuous engagement in various forms of learning activities at work and after work to update their management know-how. Yue's remark was representative.

I have served as the HR director for the group since its establishment 12 years ago. To me, the biggest challenge I face is myself. I strongly feel that in the information ages and with the increasing demand of organizations for talents, the department of human resource management is facing more challenges too. How to meet the demand of market economy and manage human resources in a scientific way is a pressing issue to consider....hence, I constantly feel the pressure that my knowledge becomes obsolete and out-of-date. This makes it even more imminent for me to become more innovative and creative by updating my knowledge, learning, and doing. (Turn #241)

A strong learning orientation was not the only commonality found among managers interviewed. These managers also demonstrated their positive attitude and commitment to work even when they indicated how demotivated they were by the current organizational system. This point is best conveyed by Yang:

The reason that I can continue to work in this position like this is all simply because of my commitment. Without such commitment, I might have quit this job long time ago...actually I wanted to quit it long time ago, but this is not my personality. It's no good, because I have high standards for myself. I require myself to work hard even if I am doing something I am most reluctant to do. But as long as it's within the range of my duty, I have to be fully dedicated to the work. Currently, I'm doing a job that I'm most unwilling to do with most passion. (Turn #324)

Summary

This chapter presented the major findings of the study. In addition to the four basic management functions depicted in Schermerhorn et al.'s (2000) model, another two themes were

identified to be prominent among the seven Chinese managers under study. They were (a) individual management philosophy and (b) communication. The analysis of data also pointed to five critical issues that had direct influence on the current practices of these managers.

CHAPTER 6

DISCUSSIONS AND CONCLUSIONS

This chapter presents data analysis and results interpretation guided by the two research questions. The chapter starts with three focal points: (a) a revisit to research questions, (b) an analysis of findings based on the model that informed this study, and (c) a brief discussion of perceptions versus practices of managers. I then propose two new conceptual models derived from findings. I also extend my discussion to the implications for cross-cultural HRD and management research and practice, as well as future research directions. Finally, the conclusions of the study are presented.

Research Questions

To promote greater insight into the practices of Chinese managers in a shareholding enterprise, the following two research questions guided this study:

1. How do Chinese managers describe their management practices?
2. What has shaped and influenced the practices of Chinese managers?

Three major themes emerged out of the data to address the first research question: (a) individual management philosophy, (b) four basic functions of management (planning, organizing, leading, and controlling), and (c) communications. Individual management philosophy served as the foundation of managers' practices and was closely related to the first question in that it had a direct influence on manager's perceptions of their practices. With regards to the second research question, five themes emerged as critical issues that impacted the practices of managers. They were (a) management system, (b) transformed ownership, (c)

organizational culture, (d) Western influences, and (e) personal issues. While Western influences were embedded in managers' descriptions of their individual practices, the other four issues were explicitly addressed by managers. Data on these themes were presented in Chapter 5.

Management Practices

This section starts with characterizing the nature of the interviewed managers' responsibilities. It is followed by an interpretation of the described management practices using Yang's (2004) conceptual comparative analysis of four managerial functions under three cultures (Confucianism, socialism, and capitalism) as a point of reference.

The Nature of Managers' Functions

Findings of this study revealed that the nature and focus of management functions performed by the seven middle managers varied according to their respective responsibilities, and the managers in different functional areas took different types of management responsibilities. Using Baird et al.'s (1990) terminology, the nature of these managers' responsibilities were characterized as administrative (responsible for guiding and coordinating the work of many people to ensure the accomplishment of organizational objectives), technical (responsible for the activities that produce the goods or services of the organization), and institutional (responsibility for directing and guiding the organization and representing it to the public), in the order of importance. Table 15 summarizes the frequency of occurrences of responses based upon Baird's et al.'s taxonomy.

The jobs of the seven managers I interviewed involved some combination of technical, administrative, and institutional functions. However, based upon daily and weekly activities recorded and the job responsibilities described by individual managers during the period of my study on site, it was clear that these managers' time was dominated by administrative

Table 15. The Nature of Management Functions

Managers	Technical	Administrative	Institutional
Sun	15	10	0
Yang	6	23	0
Ji	11	12	2
Liao	17	11	2
Yi	10	17	0
Xiong	2	15	13
Yue	9	22	3

responsibilities. Indeed, most managers interviewed quantified the time they spent on different managerial activities. Take communication as an example. The median time these managers spent with staff and visitors was 2.5 hours per day. Sun reported an average of 2-3 hours per day. Yang spent one third of his day communicating with his staff and other related departments. Yi indicated a minimum of one day and a half per week on inter- and intra-departmental communication. In addition to her daily communication with her own staff, Yue set aside 2 days a week to receive visitors including managers and employees company-wide. The managers further reported that they spent substantial time on direct supervision of their subordinates and writing reports to their superiors. On a daily basis, this averaged half a day for all the responding managers. Coordination seemed to be the heart of these middle managers' administrative responsibilities. They also had to troubleshoot problems either as an expert on technical issues or as an implementer of strategies developed by top management.

In short, middle managers in this study tended to spend most of their time on administrative and technical duties and responsibilities. None of them, except Xiong, had institutional responsibilities. Few of them performed higher-level duties, such as helping to set the organization's direction. This finding is consistent with current Western literature that

suggests different levels of management tend to emphasize one or another of these responsibilities, while the job of middle managers is mostly administrative (Baird et al., 1990). In this sense, it is safe to conclude that these middle-level Chinese managers perform the similar functions as their Western counterparts. However, no general conclusions can be reached about Chinese managers based on findings of this study solely. In fact, Chung's (1990) study on Chinese managers has shed some light on how regional locations could impact managerial activities in China.

Management Practices Analysis

With no attempt to fit findings into Schermerhorn et al.' (2000) model, the empirical evidence derived from this study does support the widely adopted functional view that managers performed the four functions of planning, organizing, leading, and controlling to ensure the accomplishment of both organizational and divisional objectives. This is consistent with the current literature (Barid et al., 1990; Fayol, 1949; Mescon et al., 1981; Robbins, 1996, 2001; Schermerborn et al., 2000; Yang, 2004). Furthermore, findings of this study are also reflective of Yang's (2004) conceptual comparative analysis of these four management functions in three cultures: Confucianism, socialism, and capitalism. For the convenience to compare, Table 16 presents Yang's results of analysis that are used as a reference for analysis.

Table 16. Comparison of Managerial Practices in Three Cultures

Management practices	Confucianism	Socialism	Capitalism
Planning	Intuition	Top-down	Empirical
Organizing	Collective	Bureaucratic	Individual
Leading	Clan	Education or force	Right decision
Controlling	Peer pressure & group norms	Idiosyncratic and political	Performance against standards

Note: Adopted from Yang (2004)

Planning. It is generally believed that a large part of management time is spent on goal setting. That is, to determine what goals are appropriate and how to get individuals to work towards their achievement (Wilson & Rosenfeld, 1990). Findings of this study suggest that divisional planning was seen as an essential function to all the managers interviewed. Manager Liao clearly referred to planning as her most important function.

Planning at the divisional level was primarily based on pre-established organizational goals and tended to be short-term or one-year focused. Planning was based more on explicit knowledge instead of the intuition of individual managers. However, organizational and divisional plans were not characterized as strategic in nature. Further, none of these managers in this study was involved in the high-level organizational planning process.

These findings on planning point to three critical issues. First, planning practice, as reported in this study, reflects a shift from traditional Chinese culture to a more market-oriented practice. Under the traditional Chinese culture, planning was not valued and primarily based on the individual manager's intuition, because the traditional culture emphasized implicit knowledge and learning-by-doing (Yang, 2004). The planning practice under the market economy tends to be formal, rational and quantitative-oriented. Second, top management of SuperGrand seemed not to involve middle-level management as much as expected in developing long-term strategic plans. There was no evidence that these middle managers were solicited for support and buy-in that could lead to the achievement of long-range organizational goals. This, to some degree, confirms the ambivalent place of middle managers in management thinking (Livian, 1997). Third, this organization appeared to have less effective communication regarding the purpose of planning among middle managers. It is believed that if management can

communicate why its decisions were made to subordinates, the chance for successfully implementing these plans will be considerably improved (Mescon et al., 1981).

Organizing. Organizing practice at the divisional level appeared to have a stronger Western orientation than planning. First, the managers tended to place more emphasis on the individual than on collective responsibility and accountability. This was explicitly documented by managers so that every member of the division knew what he/she was held accountable for. Second, in resource allocation, all managers described a similar criteria-based practice. For example, they used individual attributes and competencies as a basis for human resource arrangement. The attempt to match individual competency to specific job requirements disclosed a key role managers play as human resource developers and organizers. This speaks directly to a major implication, that is, managers contribute to the organizational success through effective management and development of human expertise and potential to maximize performance (Swanson, 1996). However, as reported by individual managers such as Yang, managers themselves were not held accountable for failing to meet the organizational goals. This inconsistency of organizing practice at different levels may be partially explained by the problematic management system in place.

Leading. The practice of leadership as described by managers appeared to reflect traditional Chinese culture (Confucianism) when compared to the other three management functions. This was manifest in three ways. First, the managers generally showed a lot of concern for the welfare of their subordinates, e.g., paying attention to their personal lives, providing advice on family issues, arranging entertainment, and striving to maintain harmony by nurturing interpersonal relationships. Often dining out with subordinates, they were sensitive with regard

to self-respect and avoided finger pointing in public. These practices are demonstrations of a more traditional Chinese management philosophy in action (Redding, 1990; Wang et al., 2003).

Second, managers' motivational practices also appeared to be based on traditional Confucian values. The finding that most managers rely more on spiritual than monetary motivation was somewhat unexpected. Given the transformation of the organization and its apparent effort to transplant innovative Western management methods, one would expect the managers who were under study to use more material or financial incentives. Some managers did cite a few Western motivation theories. For instance, managers Yi and Xiong claimed the use of Herzberg's two-factor theory (1968) in their motivational practice. However, no specific examples were provided aside from mentioning positive and negative reinforcement (e.g., Yi) to elicit the desired performance and avoid poor performance.

Third, the managers tended to personalize communications and relationships. In addition to regular departmental meetings, communications seemed to rely more on informal rather than formal channels. Formats such as one-on-one or group discussions, communication at lunch or dinner, or during entertaining activities were frequently used. Furthermore, the communication pattern was more top-down than bottom-up. At the organizational level, communication initiated from lower management was very limited. Most of the time, lower-level managers were recipients of directives and were expected to implement decisions. This heavy, personal engagement in business operations, which has also been reported in other empirical studies on Chinese managers (e.g., Boisot and Xing, 1992; Chung, 1990; Stewart, 1992), is commonly seen in the contexts of traditional Chinese and socialist cultures (Yang, 2004). This personalized management style differentiates the Chinese managers from their Western counterparts.

Controlling. Controlling practices described by managers in this study varied greatly depending on the individual manager's style. This seems to indicate that this management area is in transition. On one hand, organization-level controlling practices tended toward political direction instead of financial outcomes. These are key characteristics of control in a socialist context (Yang, 2004). On the other hand, management by objectives and personal accountability did resemble controlling practices as observed in Western capitalist organizations. However, it is important to note that there was no provision for verifiable objectives or hard measures. Moreover, most managers pointed out in some way the lack of a company-wide evaluation and associated reward systems. Yang (2004) defined such controlling practice as *idiosyncratic* and characteristic of a socialist society.

The above findings are significant for two reasons. First, the lack of hard measures or precise performance standards at both organizational and divisional levels reveals the problematic nature of the company's performance management system. Existing soft measures such as a sense of responsibility and work attitudes are largely subject to individual manager's interpretation. Based on this research and knowledge of Chinese culture, it is reasonable to infer that management and appraisal at SuperGrand is actually *guanxi*-based. In other words, personal relationships between the manager and subordinates are the basis for assessing worker performance. These findings support the current Chinese management literature that indicates that while Chinese managers are being forced to re-adjust their thinking and practice in the light of a market-driven economy that emphasizes performance and individual accountability (Brainine, 1996; Yang, 2004), they are still found to make compensation or bonus decisions and evaluate subordinates based more on relationships than work performance (Wang & Ruona, 2004; Zhou & Martocchio, 2002). On the other hand, these managers did have the desire to

standardize their performance evaluation practice. This was evidenced by managers' experiments with Western-style performance measures. For example, managers Sun and Yi both mentioned their attempts with Key Performance Indicators (KPI). The fact that some of these managers are starting to adopt less subjective and more verifiable performance measures reflects a shift of managerial mindset and the transitional state of managerial practice in an organization under transformation.

Overall, my analysis implies that for an organization under dramatic economic system transformation, it is necessary to initiate an OD intervention to address at least the following issues:

1. Identify what is to change and what is to remain in terms of management functions.
2. Specify the degree of involvement by managers regarding planning at organizational level.
3. Clarify communication channels to support management functions.
4. Clearly define performance measures that can drive high performance at individual, divisional, and organizational levels.

Perception vs. Practice: Some Viable Explanations

Findings in this study did reveal some glaring gaps between managers' perceptions of their functions and the actual functions they performed. These gaps may be explained by the critical issues that influenced management practices as discussed in Chapter 5. Table 17 presents a comparison based upon the descriptions of the managers interviewed.

Table 17. Perceived Management Functions vs. Functions in Practice

Manager	Perceived Functions	Functions in Practice
Sun	<ul style="list-style-type: none"> • Planning (formulating policies, e.g., management by objectives motivation policies and rewards measures) • Controlling: (controlling the process, i.e., identifying problems in a timely fashion and helping solve them. • Evaluating (appraise results to warrant high performance) • Managing people (Turn #212) 	<ul style="list-style-type: none"> • Communication (show competency to superiors and demonstrate personal roles to subordinates; Turn #285)
Yang	<ul style="list-style-type: none"> • Team leading (Turn #265) • Coordination and communication (Turn #267) • Ordering and organizing (Turns #269, 512) • Controlling (Turns #270, 512) 	<ul style="list-style-type: none"> • Organizing • Leading (Turn #575)
Ji	<ul style="list-style-type: none"> • Dynamic and changing (Turn #17) 	<ul style="list-style-type: none"> • Organizing (Turn #23) • Communication (Turn #26)
Yi	<ul style="list-style-type: none"> • Communication (Turn # 13) • Motivation (Turn #13) • Planning (Turn #13) • Controlling (Turn #13) • Decision-making (Turn #140) • Innovation (Turn #140) 	<ul style="list-style-type: none"> • Implementation (Turn #207) • Coaching (Turn #178)
Liao	<ul style="list-style-type: none"> • Planning • Implementation (Turn #114) 	<ul style="list-style-type: none"> • Planning (Turn #251) • Coordination (Turn #245) • Implementation (Turn #255) • Communication (Turn #258)
Xiong	<ul style="list-style-type: none"> • Leading • Arranging resources • Motivating • Controlling (Turn #14) 	<ul style="list-style-type: none"> • Leading (Turn #180) • Planning
Yue	<ul style="list-style-type: none"> • Coordination (Turns #130, 131) • Planning (Turn #131) • Directing (Turn # 31) • Controlling (Turn #131) • Human resource management (Turn #133) 	<ul style="list-style-type: none"> • Planning • Directing • Coaching • Coordinating • Controlling (Turn #72)

Included in the left-hand column of Table 17 are functions that individual managers perceived as necessary and important in any managerial work. Their conceptions of management and views of management functions appear to have much in common and are quite consistent with management functions commonly accepted in the West. The right-hand column presents the actual functions these managers reported to perform day to day. They also ranked their own practice of management in the order of importance and frequencies. When comparing the managers' perceived managerial practices to their actual practices, there seems to be a certain degree of inconsistency. From the divisional function perspective, a bigger gap was unveiled by the managers interviewed. In other words, the practices these managers perceived for their respective departments were quite different from the actual responsibilities they took. Given my knowledge of the organization and the data collected, the gap can be partially explained by the critical issues presented in Chapter 5; specifically, the problematic management system, ownership transformation, unsupportive organizational culture, personal issues, and individual management philosophy (IMP).

The most frequently reported effect of the current management system was that it made divisions at the headquarters "an empty shell," which consequently prevented managers from performing practices they were supposed to do. Therefore, it was not surprising when Yang expressed that he had to *go with the flow* (Turn #520). The current structure also limited managers' roles to their respective divisions. While these managers did practice planning, organizing, leading, and controlling, such practices remained basically at the divisional level; the managers' control over subsidiaries and holding companies appeared to be very weak from the organization perspective. In this sense, there is a clear gap between perceptions and practices.

Second, SuperGrand's culture in reality did not seem to support managers' practices in innovation and performance improvement. Organizational culture has long been regarded as a critical means for organizations to integrate internal forces and processes and to adapt to changing external environments (Xin, Tsui, Wang, Zhang, & Chen, 2002). The extant (primarily Western) management literature has documented a variety of effects of organizational culture on organizations and individuals, for instance, organization growth (Calori & Sarnin, 1991), organization performance (Dension & Mishra, 1995), commitment (O'Reilly, Chatman, & Caldwell, 1991), resource allocation decisions (Mannix, Neale, & Northcraft, 1995), retention (Sheridan, 1992), and perceived attractiveness of an organization (Judge & Cable, 1997). Schein (1992) posited that organizational culture is more important today than in the past. The reason is that increased competition, globalization, mergers and acquisitions, alliances, and various workforce developments have created a greater need for (a) coordination and integration across organizational functions in order to improve efficiency, quality, and speed of designing, manufacturing, and delivering products and services, (b) product, strategy, and process innovation, and (c) facilitation and support of teamwork. Additionally, the increased importance of organizational culture is also caused by the fact that intellectual capital, as opposed to physical assets, now constitutes the main source of value in many organizations. Maximizing the value of employees as intellectual assets requires a culture that promotes their intellectual participation and facilitates both individual and organizational learning, new knowledge creation and application, and the willingness to share knowledge with others.

At SuperGrand, the official organizational culture and its influence were considered superficial, which means that it remains *culture on paper* rather than practice in reality. The values, beliefs and philosophy espoused by SuperGrand's top management may not be

necessarily implemented in business operations. In effect, there was little evidence provided by the interviewed managers that this *culture on paper* was operationalized at SuperGrand. For example, the so-called modern corporation management concepts such as interactive cross-level communication, performance-based pay, merit-based rewards, competency-based promotion, and participative management were promoted on paper but discouraged in practice. Moreover, the analysis of the interview data suggested that paternalistic leadership is still prevalent at SuperGrand. Characterized by authoritarianism, benevolence, morality, and integrity (Farh & Cheng, 2000), this father-like leadership style emphasize stability, respect for authority, and following rules and regulations, which was evidenced by the managers' report. It is not surprising that three of seven managers described the company's structure as "backward" (Sun) and its culture as "more than the state-owned" (Yang, Yue). Yang further concluded that the lack of consistent culture resulted in a series of problems including lower morale and increasing turnover. The impact of organizational culture is explained by Pun, Chin, & Lau (2000).

An organization may have the well-established *hardware* (e.g., structured programs, procedures and specifications) for quality accomplishment and performance improvement. However, if the organization does not have a corporate culture that is conducive to the successful implementation of the hardware, success cannot be significant and be maintained over the long run.

(p. 328)

Third, a critical issue addressed by these managers is the shift of managerial mentality or mindset. Much evidence in this study shows that despite tremendous changes resulted from organization transformation, the state-owned enterprise mentality (e.g., "iron rice bowl" mentality) still dominates the management thinking and practice at SuperGrand. This, as Yang observed,

cannot happen overnight. The fact that most members of top management used to be government officials may explain this issue. What is important to note is that top managers' inertia to change has a major effect on middle managers' practices.

In support of such an assertion, managers Sun, Yang, and Yi pointed out that there were no clear directions or clarification from top management regarding the roles and responsibilities of individual functions that managers should play. No wonder these managers had to *go with the flow* (Yang, Turn #520), conducting self-directed learning, and defining functional responsibilities based upon the practices of similar enterprises in which they had observed.

Also contributing to the gap between the managers' perceptions and practices was the Western influences on managers. In addition to the fact that three of the seven managers completed formal MBA programs and all of them received some kind of management training, there was ample evidence that these managers' directly mimicked Western organization management concepts and practices (e.g., Ji, Liao, Yue). Yet, because of the transitional nature of the organization under examination, these managers had not been very successful in transplanting Western management know-how. In effect, Lau and Roffey (2002) attributed this challenge as largely to cultural discrepancies and a clear gap between what Western management techniques offer and what modern-day Chinese organizations need to learn.

It is worth mentioning that the practices of these managers were also closely related to the functions they each represented. Among the seven managers (four males and three females), two female managers were in charge of functional areas (finance and capital management) that received the most attention and support from top management of SuperGrand. As a result, these two managers identified smaller gaps between their ideal and actual practices, compared to the other five managers. This finding reveals an

interesting phenomenon that may worth further exploration: to what extent do functions of managers contribute to their job satisfaction? In this particular study, gender made little or no difference. Rather, the functions these managers represent had distinctive impact and contributed to the gap between their perceptions and practices.

It is also important to note that Chinese managers interviewed for this study tended to describe their real and ideal practices in a similar way. When they were asked to describe their actual practices, they tended to address what they *should* do. This finding is consistent with Adler et al.'s (1989) results when they used Western questionnaires to investigate Chinese managers' behaviors and only found that they ended up with learning more about the methodological issues than Chinese managers themselves. Because of that, the emerging themes presented in Chapter 5 and the conceptual models proposed in the following sections must be viewed within the context of exploratory research. They should be treated as tentative and used as an opportunity to learn about the process of cross-cultural research in addition to the specifics of the Chinese management practices.

Communication: A Cross-Culture Comparison

Findings of this study provide clear indicators of the role of *guanxi* (the Chinese word for relationships, connections, or personal connects) in daily practices of the seven managers I studied. Clearly, the communication style of these managers is *guanxi*-based, which is reflective of unique Chinese culture. In addition, the fact that the managers were likely to personalize business communications and work relationships presents a sharp contrast to the practice of their Western counterparts. Data in Chapter 5 shows that these managers relied more on informal and verbal communications (e.g., parties, informal meetings, verbal recognition, telephone) than formal and written communications (e.g., schedule formal meetings, written reports, memos)

when dealing with work and people related issues. This apparently different culture-oriented *guanxi*-based management practice needs extra attention especially when China has become an integral part of the international community. It is important to note that the comparison of communication styles between China and the West is not meant to be generalized. In fact, as a cross-cultural researcher, I am aware of the difficulty of making generalizations across cultures.

The issue of *guanxi* has been extensively researched and documented (Abramson & Ai, 1999; Bjorkman & Lu, 1999; Chen & Peng, 2004; Li & Labig, 2001; Luo, 1997; Su & Littlefield, 2001; Wong & Chan, 1999; Wright, 2000). Luo (1997) defined *guanxi* as

drawing on connections in order to secure favors in personal relations. It is an intricate and pervasive relational network which Chinese cultivate energetically and subtly. It contains implicit mutual obligation, assurance and understanding, and governs Chinese attitudes toward long-term social and business relationships.

(p. 34)

Luo further pointed out that although the Chinese place great emphasis on rank, *guanxi* operates on the individual level. Since the “iron rice bowl” practice was broken in China in the early 1980s, the application of *guanxi* at the organizational level has been increasingly pervasive and intensive. This is because an employee is likely to be rewarded or promoted by the organization if he/she uses his/her personal *guanxi* for organizational purposes (e.g., marketing, promotion, and sourcing). This trend has even been more evident since 1985 when organizations of mixed ownership began to grow explosively, and the state-owned firms started to employ the contractual liability lever in their management and rewarding systems.

Guanxi seems to be the lifeblood of the Chinese business community (Luo, 1997). It is a critical means to enter into trade or investment and to gain access to the needed influence to

make things happen (Buttery & Leung, 1998). Given the importance of *guanxi* in Chinese society, researchers on Chinese management have been paying increased attention to this construct. In fact, some have labeled the Chinese system of management as the management of interpersonal relationships (Su & Littlefield, 2001). Others have suggested that *guanxi* is a key business determinant of firm performance (Luo, 1997).

Research shows that the meaning of *guanxi*/relationship building in Chinese culture is perceived very differently by Chinese and Westerners (Luo, 1997; O'Keefe & O'Keefe, 1997; Su & Littlefield, 2001; Wright, 2000). Consequently, they take on different forms in organizations. Generally speaking, communication of any kind in China is based on personal relationships as postulated and stipulated by *guanxi* (Luo). More often than not, managers at all levels support and promote such communication channels by providing resources such as parties, entertainment events, or other social activities (Su & Littlefield). In addition, other empirical studies on Chinese managers have also disclosed that Chinese managers are more likely to be engaged in informal communications than their Western counterparts (Boisot & Xing, 1992; Chung, 1990; Hildebrandt & Liu, 1988; Stewart, 1992; Stewart & Chong, 1990). Su and Littlefield explained the difficulty of entering *guanxi* for Western business people from three aspects. First, *guanxi* emphasizes good faith, which is based on personal feelings rather than commercial law, to safeguard obligations. This runs counter to Western contractual conventions and business ethics. Second, *guanxi* respects *mianzi* (face) so that faults may be excused by friendship or *renqing* (human feeling), while Western business rules emphasize independent responsibilities in which everyone has to face the consequences. Third, *guanxi* cannot escape collusion that relates to various *quanli guanxi* (bureaucratic corruption, nepotism, patronage, faction) transactions in

modern socialist China. This may constitute the largest system shock to Western people who are struggling to enter this enticing market.

Based on the findings of this study and related literature, I present a brief comparison of differences in organization communications between Chinese culture and Western culture. Generally, communication in any organizational setting involves two domains of relationships as indicated by the continuum of personal and business relationships (see Figure 3).

In traditional Chinese culture, any organization- or business-oriented relationship usually begins with personal relationships through corresponding communications (Luo, 1997). Note that I refer all types of communications explored in this study to business-oriented relationships, including inter- and intra-department communications and communications with subordinates or superiors. Personal communication, often considered as a representative of *guanxi*, is a precondition for successful communication and effective business relationships in formal organizational settings. Personal communication may include, among other things, establishing friendship or a family relationship base, or one party inviting the others for dinner or other entertainment events. Only when all parties involved identify the common languages on a personal basis, do they begin business communications. This is a critical part of the Chinese *guanxi* as repeatedly discussed in business and culture studies (Luo; Su & Littlefield, 2001). The upper portion of Figure 3 represents this model. The arrowed line suggests that the relationship may begin at any point to the left portion of the continuum. Once all parties involved have established certain common ground for personal communications and relationships, they may gradually mix their personal relationships with some business communications, even if they are still at the left portion of the continuum. This case may be found not only in general management functions, but also in business development (Wong & Chan, 1999), career

development (Li & Wright, 2000), and training activities (Francis, 1995). In fact, it is quite difficult for people in Chinese culture to initiate business relationships from any point to the right portion of the continuum, unless the person delivering the communication is at a very senior and superior level.

While Chinese *guanxi* depends more on face and reciprocity, the Western concept of relationship building often depends heavily on specific legal contracts (Li & Wright, 2000). Therefore, communication in organizational settings in Western culture follows an opposite direction (Luo, 1997). In other words, Western communication/networking first focuses on organizational commitment and business objectives that are clearly defined upfront and serves directly as a starting point (Child, 1994). The bottom line is to get the business objectives accomplished and then move on to the next item on the agenda. During this process, personal communication and relationship building may or may not take place in the first place (Ambler, 1994). This is represented by the continuum with dotted line at the lower portion of Figure 3, implying that personal relationship may cease to exist once formal business objectives are accomplished.

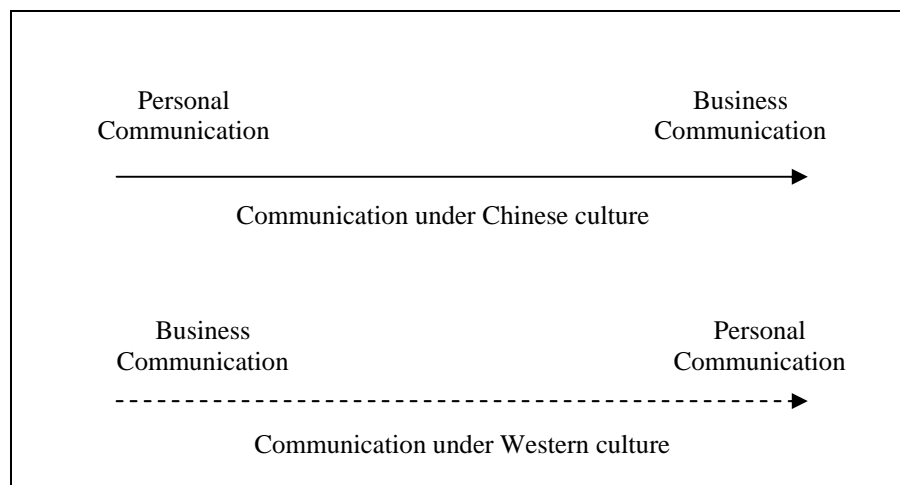


Figure 3. Differences in Communications: Chinese vs. Western

The comparison between Chinese *guanxi*-based communication or relationship building and Western networking not only reveals that Chinese and Western managers approach business relationships from different or opposite ends, but also has clear implications for managers and HRD professionals experiencing globalization and cross-cultures. The difference underlies the idiosyncratic organizational behavior in two heterogeneous settings: organizations in the Chinese culture build the relationship first, and if successful, transactions will follow; whereas Western businesses build transactions first, and if they are successful, a relationship may follow (Ambler, 1994). For multinational companies operating or desiring to operate in China, understanding the crucial role of *guanxi* in affecting all the major dimensions of organizational performance and knowing the ways of creating and maintaining *guanxi* network are necessary for organizational success (Luo, 1997). On the other hand, it is also imperative for Chinese organizations and managers to integrate the conventional wisdom of *guanxi* with modern management philosophies introduced from the West following the continued open-up of the Chinese economy.

A Holistic Model of Cross-Cultural Management Practices

This study points to a potential weakness of Schermerhorn et al.'s (2000) conceptual management functions model that has served as the foundation of the study. The original model was created in and for America culture and, as a result, is highly relevant to North American and European managers. Because Asian cognitive process tends to be more holistic than that of Westerners which tends to be more discrete and linear (Adler et al., 1989; Adler, Doktor, & Redding, 1986; Bond, 1986; Fan, 1995; Redding & Hicks, 1983; Maruyama, 1984), this Western model may not capture the more holistic nature of management practices that surfaced in this research. Therefore, in this section I propose a more holistic model derived from this study and grown from the original model cited throughout. I first discuss the weaknesses of Schermerhorn

et al.'s (2000) model of four basic management functions, and then present a holistic model as the augmentation for understanding the practices of the Chinese managers under study.

Weaknesses of the Management Functions Model

The conception of management functions, since it was originated by Henri Fayol (1949) in the early 20th century, has been so entrenched in management thinking that it has been widely used to understand management practices, analyze management jobs, and construct management training programs (Carroll & Gillen, 1987; Fox, 1992), as well as serve as the basis for most management textbooks (Baird, et al, 1990; Mescon et al., 1981; Robbins, 2001; Schermerhorn et al., 2000). However, the prevailing conceptual ideas about management functions are increasingly being called into question as today's managers are confronted by the unique challenges of a changing workplace and increasing competition. In spite of increasing critiques of the validity of this model, little empirical research has been done to test this model, and therefore, the theoretical development has been rather stagnant.

Findings of this study point to three weaknesses of Schermerhorn et al.'s management functions model when applied to Chinese managers. First, what seems to be missing in this model is a clear indication of the philosophical and specific cultural foundations on which managers perform the four basic functions. This study revealed that the individual management philosophy (IMP) and cultural orientation serve as a solid foundation for Chinese management practice, specifically in an organization experiencing the kind of system transformation like the one in this study. Intuitively, in management practice, regardless of which function a manager is engaged in (planning, organizing, leading, or controlling), any resulting decisions should be based, implicitly or explicitly, on a set of predefined IMP and specific cultural orientation. My intuition and experiences with other Chinese organizations indicate that managers with different

IMP and cultural orientation make different decisions regarding any of the four functions. Furthermore, IMP and cultural orientation also impacts individual management behaviors when dealing with the four functions. For instance, as a management philosophy, people-orientation (*yi-ren-wei-ben*) has a great influence on all management functions as discussed by managers interviewed for this study.

Second, the importance of communication is not emphasized in Schermerhorn et al.'s (2000) existing framework. The model briefly covers communication under the function of leading. However, the findings of this study demonstrate that each one of the functions requires managers' extensive communication efforts in order for success. For instance, all seven managers indicated that 35-60% of their daily work time was spent on internal or external communications involving all four management functions. The specific format of communications included individual and group meetings, phone calls, and reading internal or external communication materials. With such significant time resource allocation in communication, it seems vitally important to revisit and reemphasize the role of communication in effective leadership.

Lastly, the original model connects the four functions with one-way arrows, which may cause confusion in understanding the management functions because, in this particular company's reality, there is no particular direction, sequence, or order for managers to carry out the four functions. The original model seems to suggest a linear relationship between functions, which oversimplifies the relationship among the functions. My findings indicate that all management functions are indeed dynamic and interconnected in nature, and the sequence of the functions is usually not in a particular order.

A Holistic Model

Based on the above research findings and analysis, I propose a model of cross-cultural management practices that is more holistic than the original one, as depicted in Figure 4. This model considers the weaknesses discussed and is supported by the findings of this study. The differences between this model and the original one are addressed below.

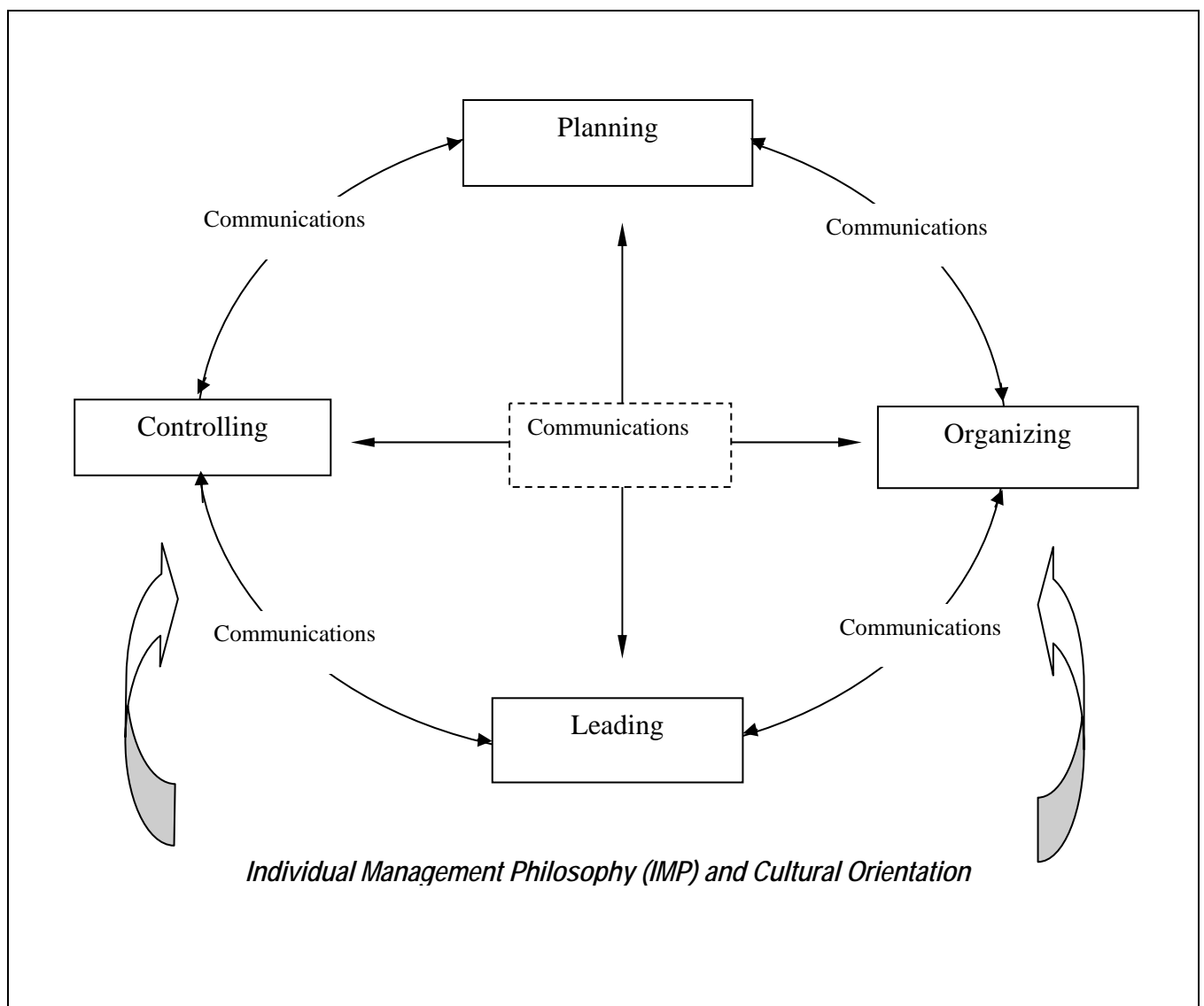


Figure 4. A Holistic Model of Cross-Cultural Management Practices

The first difference between this holistic model and the original model is that IMP and cultural orientation constitute the foundation of management practices. Making philosophical assumptions and cultural values explicit has particularly important implications for individuals and organizations operating across cultural borders because they are taken for granted, yet shape the organizational structure, access to and flow of information, the patterns of behavior, the reward systems, and other aspects of the organization (Pun et al., 2000). IMP in this study is defined as a combination of organizational management philosophy and individual management principles mingled with personal attributes such as individual values and beliefs, personality, competency, and cultural orientation. Only when OMP (organizational management philosophy) and related mission, vision, and values become the IMP of each manager, can organizations as a whole effectively accomplish management functions outlined in the rest of the model. The importance of IMP may be examined by individual manager's quality and determination in decision-making, risk taking, communication, leadership styles, and culture orientation. Collectively, individual managers' IMP forms an organization's management culture as well as determining the overall organizational culture that may be different from the *culture on paper*. On the other hand, when cultural orientation enters the equation, the interactions between IMP and cultural orientation will complicate the issue even more. In this study, the strong Confucian cultural influences were evident in the managers' human-centered and *guanxi*-based management practices. Imagine a Confucian culture-oriented Chinese manager with an indirect communication style implementing a key project in all domains of the four functions! Employees have to read between the lines and interpret the messages conveyed between the lines. The findings of this study suggest that this is especially true for organizations under major systems transformation and influenced by Chinese traditional culture.

This augmentation has particularly important HRD implications. IMP may reflect the difference between organizational management philosophy (OMP) and actual management philosophy in practice, or the gap between the management philosophy in writing and in reality. The purpose of many HRD interventions, such as organization development (OD) efforts, is to close the gap between the two and make organizations *what they say they are*. During such OD change efforts, HRD professionals need to be clear that the change is not only to revise the official OMP, but also to consider individual managers' IMP and cultural orientation in order to make the change effort a success.

The second difference between the two models is the explicit inclusion of communication which connects all four management functions. Findings of this study highlight the prominence of communication among the seven managers interviewed. By placing communication in the center of various management practices, we can better appreciate the significant role it plays in business operations. In fact, communication is a critical supporting factor in determining the effectiveness and efficiency of carrying out each management function. One of the major cultural orientations is often expressed through communications (Francis, 1995). Plans cannot be carried out unless they are communicated clearly and specifically, in proper cultural context, to people who implement them. Without proper communication, individuals may not be clear about the responsibilities they need to take to attain the goals. Similarly, unless people understand what rewards the organization offers, they may not be motivated to excel. Communicating is also very important in the control function. Managers need to have information about what has been accomplished to determine whether objectives are being attained (Baird et al., 1981). Communication also requires significant resource commitment in terms of managers' time and

efforts. This aspect of the augmentation was also strongly supported by the findings of the study, although it may be specific to cross-cultural management communications.

More importantly, the more prominent communication in the model allows researchers and practitioners to consider the cultural impact of communication on management practice. This study demonstrates that cultural differences are largely expressed through communication channels. In addition, how well managers communicate with their superiors and subordinates has a direct impact on the four functions of management. The re-characterization of communication in the management function model has major implications for cross-cultural HRD and management research and practices. This is also evidenced and supported by numerous studies that have emerged in both management and HRD literatures during the past two decades.

Lastly, the holistic model presents the management functions in a nonlinear format which captures the dynamic and interactive nature of management practices. This is represented by the two-way arrows connecting all functions and corresponds to the complexity of the relationships among various management functions. The connections and interconnectedness are made through effective communication. This construct is clearly supported by the result of the study.

In summary, based on the current study, the holistic cross-cultural management practices model expands the original model by incorporating three elements that emerged from the current study. That is, (a) defining the IMP and cultural orientation as the foundation, (b) connecting all management functions through communication channels, and (c) suggesting that the management functions performed by managers in organizations are dynamic, interactive, and iterative processes.

Implications for Practice and Research

The findings of this study point to a few key ideas for HRD professionals to consider. Presented in this section are major implications for organization management and international HRD practice. This section also proposes some future research directions for HRD scholars.

Implications for Practice

Cross-cultural communications. The findings of this study clearly pointed to the prominence of communication in cross-cultural settings. The communication model presented in Figure 3 may serve as a guideline for international HRD professionals for cross-cultural communications. It is also critical for HRD professionals and researchers to distinguish the positive and negative impact that *guanxi* may play in Chinese cross-cultural communications, e.g., networking vs. bribery (Su & Littlefield, 2001). Such distinctions are important in all phases of HRD interventions and related communications. Further, the findings of this study also pointed to the broken link between top and lower management in communicating the overall strategic intention. The fact that these lower managers characterized themselves as implementers of top management decisions and directives creates challenges and risks of not being able to accomplish the organization's mission and vision. This presents another change effort that can be affected by HRD professionals through OD and training and development interventions.

Creating organizational culture. The results of the study also suggest that organizational culture is a direct influencing factor on managers' practices and, thereby, the overall performance of the organization. The lack of stimulating and participative management culture has led to a lower morale among managers and employees. HRD professionals should strive to identify means of creating an organizational culture that will motivate managers to maximize their capacity in achieving excellent performance and attaining organizational goals. On the

other hand, this analysis also points to the inconsistency between the claimed organizational culture, i.e., culture on paper, and the organizational culture in reality. This gap may, in effect, contribute to the gap between managers' perceptions and practices. Therefore, an obvious task for HRD professionals in this setting is to explore ways to facilitate the organizations on how to "walk their talk."

Building management support systems. The organization under study appeared to have no effective systems to support managers' practices. It was disclosed by several managers that there are no proper motivation or evaluation systems company-wide. The fact that these managers are not held accountable for their performance, that promotions and pay are more based on personal attributions rather than work performance (Hempel, 2001) are reflective of the old practice under the planned economy and has largely discouraged managers to exceed. A huge task for HRD professionals is to help organizations to build more performance-oriented appraisal systems that will not only develop but also retain management talents.

A related issue that also has a major implication is that managers, regardless of their business functions, are essentially responsible for managing and developing human resources through resource allocation, work division, motivation, skills coaching, training and development, performance management, and appraisal. In the case under study, managers represented seven different functions and rarely mentioned their interactions with the HR division. HR professionals should work hand in hand with managers as consultants or coaches, to develop managers' ability of people management. This requires that HR practitioners ground their HR practice in the challenges of managers they serve, so that they can facilitate the development of managers to ensure managers' role in maximizing employees' performance through effective management and development of human expertise and potentials.

Professionalizing management practices. Management practices of the organization under study appeared to vary greatly, and the notion of professional managers were brought up by these managers at different occasions. This finding imposes a pressing issue for HRD professionals to consider especially under China's market economy, that is, standardization of management practices and related management development strategies. Because management competencies are not born skills, but are acquired and developed through long-term education/training and practical experiences (Anonymous, 2003a; Katz, 1974), it is HRD professionals' responsibility to promote lifelong learning at both the individual manager and organizational levels. Further, as the need for professionalizing management practices was not presented in China until the late 1980s (Anonymous, 2003b), China has witnessed the burgeoning of the market of professional managers, and guidelines for professional ethics and conducts are yet to be established. This presents another opportunity that HRD professionals can take a lead and explore in helping organizations to enhance the quality of Chinese managers.

Developing management competencies. A pressing issue facing these managers under study was the challenge of the increasingly inadequate and obsolete management knowledge and skills incurred by China's decades-long change initiatives. This challenge has consequently, reversely impacted the performance of managers. HRD professionals have much to contribute to the improvement of the overall competency and capacity of managers through HR interventions such as training and development, competency management, and job design. It is critical for HRD professionals to understand the knowledge and skills required for effective change management so that the most appropriate HR/OD interventions can be designed and implemented to enhance manager's overall capability and competency particularly during dramatic transitional periods.

Future Research Directions

In light of the foregoing discussions, the following research areas seem likely to make an important contribution in helping HRD professionals to facilitate further management and organization development in China.

Validating the proposed model. It is important to note that the theoretical development of the holistic model of cross-cultural management practices is based on one organization's data. Hence, it is not the intent of this research to make any generalization about the findings. The overall usefulness of the proposed conceptual framework must be further researched and tested with more empirical evidence in more organizations and in different cultures and cross-cultural contexts.

Developing more indigenous models. The application of a Western-based management model to Chinese culture which appears to be strikingly different from Western culture raises some important questions for cross-cultural HRD researchers. As much of related research on and in China is using predominately Western models, are we asking the right questions to understand Chinese managers? Are we merely asking how similar Chinese managers are to their Western counterparts on those dimensions that have been found meaningful in explaining Western managerial behavior? As HRD researchers, we need to develop models more based on the indigenous cultures if we are to begin to really understand Chinese managers, not just as a reflection of Western managers.

Developing a general profile of Chinese managers. Due to the dearth of Chinese management theories and the limited empirical research in China over the past 50 years, little is known about Chinese managers, although there have been some efforts made in this area. For example, Ralston et al. (1999) developed a profile of the new generation of Chinese managers

based on measures of individual values (individualism, collectivism, and Confucianism). Additionally, researchers have continuously reported problems with the current management development systems in China (Frazer, 1999; Qui & Zeck, 2001; Shi , 2000; Yiu, et al., 2000). Hence, it would be extremely helpful if HRD researchers can develop a general profile of Chinese managers that can reveal the strengths and weaknesses of the existing managerial pool as well as the particular challenges anticipated to face Chinese managers over the next decade and beyond. The results of such an endeavor can then serve as a guide not only for Western organizations who plan to engage in business in China, but more importantly, for HRD professionals when designing management development systems and OD interventions that will maintain, enhance, or supplement existing managerial competencies.

Identifying situational factors that affect managerial performance. HRD professionals play an increasing role in helping organizations align their management and learning interventions with the overall strategic intent, it is hence important for HRD professionals to get a good grasp of variables that influence managers' practices in organizational settings. Research in this direction is particularly meaningful due to the constant changes that happen in today's workplaces. Findings will provide HRD professionals with better insight into the dynamic interplay between managers and their working environments. This knowledge will also enable HRD scholars and practitioners to be better positioned to develop competency-based HR/OD interventions that are not only best reflect and differentiate organizational and management realities, but also effectively address management problems.

In short, through further research, HRD scholars and practitioners can continue to build a firm and clear understanding of organizational and managerial issues and their impact on international HRD and management practices in the years to come. They must take a more

proactive role and make more conscious attempts in discovering effective ways of serving managers and their stakeholders by designing context-based HRD interventions to facilitate people development and organization performance in transition.

Summary and Conclusions

This study, based on previous studies in managerial work, explored and analyzed the practices of managers in a Chinese shareholding enterprise in the broad context of China's transition from a central planning economy to a free market economy. Schermerhorn et al.'s (2000) management functions model was used as the analytical basis for the study.

The two research questions were explored from a qualitative perspective and a social constructivist framework, and through extensive open-ended individual interviews, document review, and non-participatory observations. Seven middle managers from a shareholding company in southwestern China were purposefully selected. This particular organization was considered to be a representative of Chinese enterprises under transformation. A constant comparative analytical method was employed for data analysis and result interpretations.

The findings of the study confirmed that the managers under study were involved in all four functions as specified in the management functions model. Results were consistent with Baird et al.'s (1990) terminology of management categories (i.e., technical, administrative, and institutional) although the functions represented a mixture of the three categories among these managers. The results showed a wide range of variation within each functional area performed by the managers. This may be attributable to the fact that the organization was undergoing a dramatic transformation. The result was also consistent with Yang's (2004) conceptual analysis of management functions under different cultural systems.

The study revealed that myriad factors shaped and influenced the practices of these Chinese managers. These factors include, among other things, management system, transformed ownership, organizational culture, communication channels, Western influences, and personal issues. Most importantly, many of these influencing factors may be reshaped by effective HRD interventions to better achieve the organizational goals.

A striking result from this study is that individual management philosophy (IMP) and cultural orientation appeared to be the foundation of the practices of managers interviewed. Different from organizational management philosophy (OMP), IMP represents a combination of organizational and individual management principles and is influenced by personal attributes. The identification of IMP and cultural orientation is necessary to provide a foundation to understand the rationale and beliefs that guide managers' thinking and actions, which has been largely ignored by extant management studies.

The study empirically extended Schermerhorn et al.'s (2000) management functions model by making communication more prominent across and within all the four management functions. This result contributes to our current knowledge in the cross-cultural context with Chinese characteristics. The resulting holistic conceptual model derived from the study is a new addition to the existing HRD literature as well as cross-cultural research on managerial work. This model, although yet to be tested with additional empirical evidence, may provide new insight for HRD professionals when working with managers in China.

Due to the qualitative nature of this study, these findings are not meant to be generalized to a large population of Chinese managers. These results are intended for each reader to interpret for himself or herself. In interpreting these results, the reader may find commonalities with his or

her own knowledge and experiences and may be able to draw appropriate inferences that will be informative or instructive in future practices and research efforts.

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APPENDIX A: INSTITUTIONAL REVIEW BOARD FORMS

UGA IRB APPROVAL FORM (1)

(EMAIL VERSION)

Date: Fri, 25 Apr 2003 08:52:11 -0400
From: Jacqueline Romo <jmr@ovpr.uga.edu> [Add To Address Book](#)
Subject: IRB Approval - WANG
To: jiawang@uga.edu

PROJECT TITLE: The Practices of Managers in a Chinese Shareholding Enterprise
PROJECT NUMBER: H2003-10814
REVIEW CATEGORY: AD-2

This is approval for the project reference above. The approval duration is 4-25-03 to 4-24-04. You will receive an approval packet via snail mail.

All the best on your research!

Cheers,

Jac:-)

--

~~~~~  
Jacqueline M. Romo  
Program Coordinator  
Human Subjects Office  
Rm. 612  
University of Georgia  
626 Boyd Graduate Studies Research Center  
Athens, GA 30602-7411  
Wk: 706.542.5318  
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~~~~~

APPENDIX A: INSTITUTIONAL REVIEW BOARD FORMS

UGA IRB APPROVAL FORM (2)

(EMAIL VERSION)

Date: Mon, 19 Apr 2004 15:40:54 -0400
From: Laura Moll <lam@ovpr.uga.edu> [Add To Address Book](#)
Subject: IRB Approval - WANG
To: jiawang@uga.edu

TITLE OF STUDY: The Practices of Managers in a Chinese Shareholding Enterprise
PROJECT NUMBER: H2003-10814-1
PRINCIPAL INVESTIGATOR: Ms. Jia Wang
BEGIN DATE: 4/19/04 END DATE: 4/18/05

This is IRB approval for renewal with changes of the project referenced above. You will receive an approval packet via snail mail.

Good luck with your research!

Cheers,

Laura :-)

~~~~~  
Laura A. Moll, M.A.  
Program Coordinator  
Human Subjects Office  
Room 606A  
University of Georgia  
Boyd Graduate Studies Research Center  
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>~~~~~

**APPENDIX A: INSTITUTIONAL REVIEW BOARD FORMS**  
**INFORMED CONSENT FORM**

I, \_\_\_\_\_, agree to participate in the research entitled “ The Practices of Managers in a Chinese Shareholding Enterprise”, which is being conducted by Jia Wang of Department of Occupational Studies at the University of Georgia, (706) 548-8680, under the supervision of Dr. Jay W. Rojewski (706-542-4461) and Dr. Wendy E. Ruona (706-542-4474), Department of Occupational Studies. I understand that this participation is entirely voluntary; I can withdraw my consent at any time without penalty should I feel uncomfortable with it and have the results of the participation, to the extent that it can be identified as mine, returned to me, removed from the research records, or destroyed.

The purpose of this study is to describe practices of managers in a Chinese shareholding enterprise that was previously state-owned. There are no monetary benefits I expect from the study. However, I do hope that it will enhance my understanding of managerial practices in the Chinese setting.

I agree to participate in interviews conducted by the researcher. Each interview will be tape recorded and last approximately 60 to 90 minutes. I will review the researcher’s transcription to ensure the accuracy of the data. I agree to be observed in such work settings as meetings and my daily interactions with co-workers. I agree to allow the researcher access to written documentation for data analysis.

Any information the researcher obtains about me as a participant in this study will be held confidential. My identity will be coded and will not be revealed in any publication of results of this research without my permission. The company that I work for will be referred to in the final research product by a fake name. All data will be secured in a limited access location. Tapes will be kept indefinitely. The results of this participation will be confidential and will not be released in any individually identifiable form without my prior consent unless otherwise required by law. No discomforts, stresses, or risks are expected.

The researcher will answer any further questions about the research, now and during the course of the study. She can be reached by telephone: (706) 548-8680 or via email: [jiawang@arches.uga.edu](mailto:jiawang@arches.uga.edu).

My signature below indicates that the researcher has answered all of my questions to my satisfaction and that I consent to volunteer for this study. I have been given a copy of this form.

Please sign both copies of this form. Keep one and return the other to the researcher.

|                          |      |                                                                                  |      |
|--------------------------|------|----------------------------------------------------------------------------------|------|
|                          |      |                                                                                  |      |
| Signature of Participant | Date | Signature of Researcher                                                          | Date |
|                          |      | 706-548-8680; <a href="mailto:jiawang@arches.uga.edu">jiawang@arches.uga.edu</a> |      |

Questions or problems regarding your rights as a research participant should be addressed to Chris A. Joseph, Ph.D., Human Subjects Office, University of Georgia, 606A Boyd Graduate Studies Research Center, Athens, Georgia 30602-7411; Telephone (706) 542-3199; E-Mail Address [IRB@uga.edu](mailto:IRB@uga.edu).

## APPENDIX B: INTERVIEW GUIDES (1)

**FIRST-ROUND INTERVIEW GUIDE****第一轮采访指南**

Research Topic: The Practices of Managers in Chinese Shareholding Enterprises  
 研究课题: 中国股份制企业经理的管理实践

---

Time of Interview (采访时间) \_\_\_\_\_

Date (日期) \_\_\_\_\_ Place (地点) \_\_\_\_\_

Interviewee (被采访人) \_\_\_\_\_ Position (职务) \_\_\_\_\_

---

[介绍我的研究课题, 包括研究目的, 资料来源, 保密性, 每次采访时间, 等等。出示同意接受采访的书面确认书, 签字。]

[1. 中国的经理如何描述/看待他们自己的管理实践? 2. 这些管理实践受到过何种因素的影响? ]

**Interview Questions (采访问题):**

1. Tell me a bit about yourself. (请做个自我介绍)
2. What is your management philosophy? (请谈谈你的管理理念)
3. How would you describe your responsibilities as a manager in your organization?  
(作为经理,你如何看待你的职责?)
4. Please specify what you do to ensure the achievement of the departmental and organizational goals. (请具体说明你是如何保证所辖部门及企业实现其目标的?)
5. How do you see your current experience in a shareholding company compared to your prior work with a state-owned enterprise?  
(同你在国营机构的经历相比,你如何看待目前在股份制企业的工作?)
6. Please list 2 to 3 key events/experiences that have had a lasting impact on you or ultimately shaped you as a manager.  
(请列举两到三件对你的经理生涯有深远影响的事例或经历)
7. What else would you like to share with me? (你还有什么想补充的吗?)

[感谢你的支持和参与。预约下次采访时间。]

## APPENDIX B: INTERVIEW GUIDES (2)

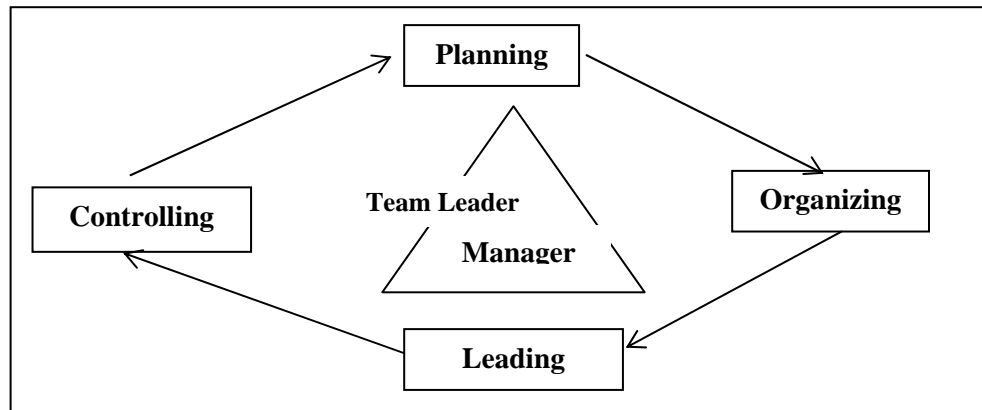
**SECOND-ROUND INTERVIEW GUIDE  
(ENGLISH VERSION)**

It is widely recognized in Western literature that managers at all levels perform four primary functions: planning, organizing, leading, and controlling. (refer to the figure below & briefly describe each function)

Planning – involves defining goals, setting specific performance objectives, and identifying the actions needed to achieve them.

Organizing – refers to creating work structures and systems, and arranging resources to accomplish goals and objectives. Leading – occurs when managers create enthusiasm by communicating with others, motivating them to work hard, and maintaining good interpersonal relations in order to accomplish tasks successfully.

Controlling – entails monitoring performance and taking any needed corrective action to ensure that things go well.



Using the framework above to reflect on your daily practice as a manager, please describe your managerial activities around each one of the four areas:

**1 • Planning :**

- a. Please describe the process of how you define departmental goals, setting specific performance objectives, and develop actions needed to achieve them.
- b. How often do you set goals? Who are involved in the planning process?
- c. What kind of plans do you make (e.g., strategic plan, short-term, long-term plan, etc. ) ?
- d. Please provide specific examples.

**2 • Organizing :**

- a. How do you allocate and arrange resources to accomplish departmental goals/objectives?
- b. What criteria do you use in designating job responsibilities among your subordinates?
- c. What responsibilities does each of your employees take? How do they gain a clear understanding of their duty?
- d. What channels do the members of your department use to communicate with one another to accomplish goals?

**3 • Leading :**

- a. How do you communicate with your subordinates?
- b. What actions have you taken to motivate your subordinates?

**4 • Controlling :**

- a. How do you assess the performance of your subordinates?
- b. How do you monitor the implementation of departmental goals?
- c. When you identify problems or realize that goals cannot be accomplished, what actions do you normally take? Please give specific examples.

5 • If the four areas above do not accurately represent the activities you perform as a manager in your current company, please describe what else you do.

6 • Anything else you want to share with me that I have not asked?

## APPENDIX B: INTERVIEW GUIDES (2)

SECOND-ROUND INTERVIEW GUIDE  
(ENGLISH VERSION)中国股份制企业经理的管理实践  
第二轮采访指南

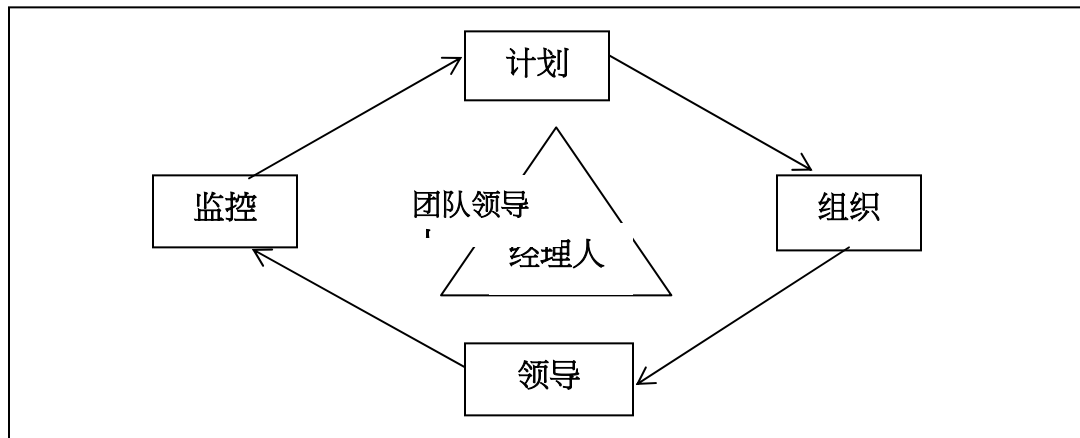
西方学者普遍认为，不管是哪一级别的经理人（初级，中层，高层），都会承担以下四项基本管理职能 -- 计划，组织，领导，及监控（请参看下表）。

**计划** (planning) - 指制定目标以及为实现目标而应采取的具体措施。

**组织** (organizing) - 指建立组织机构和工作体制，并调配资源以确保目标的实现。

**领导** (leading) - 指经理与下属和同事积极沟通，激励他们的工作热情，维持良好的同事关系，等等行为，从而保证目标的顺利实现。

**监控** (controlling) - 要求经理监控/考核下属业绩，并采取必要的纠错手段，以确保工作顺利开展



请您就以上描述的四项基本管理职能，结合你的具体工作实践，回答以下几个问题。

1. 关于计划职能：
  - a. 请具体描述你部门工作目标和实施方案的制定过程
  - b. 你多久定一次工作计划？有谁参与计划的制定？
  - c. 你的工作计划是什么种类（战略计划？短期？等等。。。)
  - d. 请列举一实例说明
2. 关于组织职能：
  - a. 你如何调配部门资源以保证部门目标的实现？
  - b. 你对下属的期望及分工建立在什么标准之上？
  - c. 部门成员的具体分工是什么？他们是通过什么途径明确各自的职责的？
  - d. 部门成员之间如何沟通以共同完成设定的目标？
3. 关于领导职能：
  - a. 你是怎样与下属沟通的？(通过什么途径)
  - b. 你有那些激励下属的措施？请举实例说明
4. 关于监控职能：
  - a. 你如何考核你的下属？(什么样的考核/评估制度？)
  - b. 你以什么样的方式监控目标任务的执行？
  - c. 当你发现问题或者目标无法完成时，你通常采用什么样的措施？请举例说明。
5. 如果以上四项职能不能真实或详尽地反映你的管理实践，请另做说明。(衷心地感谢你的合作！！)

APPENDIX C: OBSERVATIONAL PROTOCOL

| Observation Protocol                                                                                                                                                                                                                                                                        |                                                                                                        |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|
| <p><b>Research Topic:</b> The Practices of Managers in a Chinese Shareholding Enterprise</p>                                                                                                                                                                                                |                                                                                                        |
| <p><b>Setting/Individual Observed:</b> _____</p> <p><b>Observer:</b> _____</p> <p><b>Role of Observer (Participant, Non-Participant, Other):</b> _____</p> <p><b>Time:</b> from _____ to _____</p> <p><b>Date:</b> _____ <b>Place:</b> _____</p> <p><b>Length of Observation:</b> _____</p> |                                                                                                        |
| Descriptive Notes<br><small>(what occurred at the site chronologically, the physically setting, a sketch of the site, portraits of individuals, activities, etc.)</small>                                                                                                                   | Reflective Notes<br><small>(observer's experiences, hunches, insights, feelings, themes, etc.)</small> |
|                                                                                                                                                                                                                                                                                             |                                                                                                        |



## APPENDIX D: SAMPLE INTERVIEW DATA IN TABLE FORMAT

| Code | ID | Q # | Data                                                                                                                                                                                                                                                                                                                                                                                                                          | Notes |
|------|----|-----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|
|      | 4  | 1   | <p>Yang: 可以啊, 公关部嘛, 既然是这样子, 所以我们部门人员相对来说都比较活跃一些。那么就说跟其他部门经常要沟通啊, 当然就说作为部长的话, 经常要主动去沟通(电话铃声响起), 象这种沟通, 作为部长来讲的话, 应该说主动出击 [Quote 264]</p> <p>Pretty good. We are the Department of PR, so our staff members are more active compared to those of other departments.</p>                                                                                                                                                         |       |
|      | 3  | 2   | <p>因为我想的话, 作为部长的职责来讲的话, 它可能大体上分为这么几类哈, 首先呢要带好这个团队, 因为你毕竟是这个团队的负责人嘛, 虽然这个团队不是很大, 但是让这个团队的每个人能快乐的工作, 那是你份内的职责 [Quote 265]</p> <p>In my opinion, a manager's functions generally fall under several categories. First, a manager needs to be a good team leader. After all, you are leading a team even if this team is not big. It's your obligation to create a pleasant working environment for every member on your team</p> |       |
|      | 3  | 3   | <p>那么就是说, 再一个呢就是协调工作, 协调工作的话, 主要是协调什么呢, 作为部长来讲的话, 这是协调与上级领导的关系, 第二就是同级部门之间的关系, 第三个呢, 这是与非子公司的一些大的事情的关系, 就要这种协调 [Quote 266]</p> <p>Second is communicating (coordinating). As a manager, you need to communicate with your superiors, then with your colleagues and other departments, and finally, with subsidiaries and holding companies.</p>                                                                               |       |
|      | 4  | 4   | JW: 嗯                                                                                                                                                                                                                                                                                                                                                                                                                         |       |
|      | 3  | 5   | Yang: 然后呢, 再一个呢, 就是要做好部门内的分工,                                                                                                                                                                                                                                                                                                                                                                                                 |       |

| Code | ID | Q # | Data                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Notes |
|------|----|-----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|
|      |    |     | <p>就是发挥每个人的长处，嗯就说让他们在各自的长处的前提下，尽可能大的发挥出作用来 [Quote 268]</p> <p>Another function is to designating, that is, divide individual responsibility based upon one's expertise in order to bring him/her to his full potential</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |       |
|      | 3  | 6   | <p>第四个呢我相就是督促工作，督促工作的这种进程，就是说一旦工作下去了以后，不能说等到给他规定个日期以后，到那个日期才去验收，在这个之间，可能要逐建逐渐去这个，要看看他们最近做的怎么样，这并不是一个皆功的形式，而是要经常引导帮助的问题，特别是在有的时候队员不能完成任务的时候呢，要不断地给他机会，鼓励他去做，甚至于有的时候呢带他去做一两次，象这种万不得已的情况下，自己要勇于冲上去，冲上去你得带领他去做，一次不行，两次不行，三次，就说一个人只要是不笨，嗯，不懒，他总是能学会的，学会了以后我就轻松了，所以说要起到带动作用嘛，主要是这么几个大的职责范围吧 [Quote 269]</p> <p>The fourth function is controlling, control the work progress. In other words, the division of work doesn't mean that you will do nothing but wait for checking until the deadline. You need to monitor the process and progress of work and offer constant assistance when needed, especially when your team members cannot accomplish the task. You need to continue to give him the opportunity, encourage him to keep trying, and sometimes you even need to show him how to do it, once, twice, or even three times. As long as he is not a lazy person, he will learn it eventually. My role is to take the lead and teach him how to do it.</p> |       |

|  |   |    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |  |
|--|---|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
|  | 4 | 7  | <p><i>JW: 对, 刚才我记得你在开始讲话, 你说你的管理方式有两种, 第二个是说“地球离了谁都要转动啊”, 你觉得在你具体的实际的操作中是不是, 怎么样体现出来的?</i></p> <p><i>I remember in our conversation earlier, you mentioned that “the earth revolves no matter matter.” How have you operationalized that philosophy in your practice?</i></p>                                                                                                                                                                                                                                                                                   |  |
|  | 4 | 8  | <p><b>Yang:</b> 体现出来就是说, 这个就是说任何一项工作我认为的话, 反正工作都是人做的, 那么就是说不是谁他就能把这个工作完完全全就给操控了, 这意思就是说离了他好象就做不了了, 在我们部门绝不能允许这个样子, 不能树立一个绝对的权威, 不能树立绝对的权威, 为什么呢</p> <p><b>I think that any task is achieved by man. <u>Nobody</u> can do it completely on his own. In my department, I would not allow anybody to become the absolute authority and think nothing can be achieved without him.</b></p>                                                                                                                                                                          |  |
|  | 4 | 9  | <p><i>JW: 包括你自己吗?</i></p> <p><i>Including yourself?</i></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |  |
|  | 4 | 10 | <p><b>Yang:</b> =包括我自己, 因为我跟他们都这样子, 我不对的地方你们都可以反对我, 都可以同我进行探讨, 但是大家一定要达到了共识了以后, 按照共识去做, 就说不要背后去猜测什么东西, 去否定什么东西, 咱们当面来否定, 所以说大家关系处得就象兄弟姐妹一样, 关系就是这个样子, 就是说不要树立绝对的权威, 就说你这个人走了以后, 我马上再来一个人, 大家互相单待单待, 工作马上就可以接上去, 就不会出现一个断流</p> <p><b>=including myself. If I am wrong, let me know. You can disagree with me and discuss with me so that we can reach mutual agreement before we do it. Don't make a guess or rejection behind one's back, instead share your opinions and disagreement with colleagues. That's why we have established relationships as</b></p> |  |

|  |  |  |                                                                                                                                                                                 |  |
|--|--|--|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
|  |  |  | brothers and sisters. There is no absolute authority here. If you leave, we will find a replacement immediately. We will help each other so that the work won't be interrupted. |  |
|--|--|--|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|

## APPENDIX E: SAMPLE INDIVIDUAL CASE ANALYSIS

| Code  | ID | Q # | Data                                                                                                                                                                                                                                                                                                                                                                                                                          | Notes                                                                                                           |
|-------|----|-----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|
| 25200 | 4  | 11  | <p>Yang: 可以啊, 公关部嘛, 既然是这样子, 所以我们部门人员相对来说都比较活跃一些。那么就说跟其他部门经常要沟通啊, 当然就说作为部长的话, 经常要主动去沟通(电话铃声响起), 象这种沟通, 作为部长来讲的话, 应该说主动出击 [Quote 264]</p> <p>Pretty good. We are the Department of PR, so our staff members are more active compared to those of other departments.</p>                                                                                                                                                         | <p>Actual Function --Organizing</p> <p>Cross-department communication</p>                                       |
| 23200 | 3  | 12  | <p>因为我想的话, 作为部长的职责来讲的话, 它可能大体上分为这么几类哈, 首先呢要带好这个团队, 因为你毕竟是这个团队的负责人嘛, 虽然这个团队不是很大, 但是让这个团队的每个人能快乐的工作, 那是你份内的职责 [Quote 265]</p> <p>In my opinion, a manager's functions generally fall under several categories. First, a manager needs to be a good team leader. After all, you are leading a team even if this team is not big. It's your obligation to create a pleasant working environment for every member on your team</p> | <p>Perceived Management Functions: (1) – (4) for Research Question #1<br/>-#1: Team Leader</p>                  |
| 25200 | 3  | 13  | <p>那么就是说, 再一个呢就是协调工作, 协调工作的话, 主要是协调什么呢, 作为部长来讲的话, 这是协调与上级领导的关系, 第二就是同级部门之间的关系, 第三个呢, 这是与非子公司的一些大的事情的关系, 就要这种协调 [Quote 266]</p> <p>Second is communicating (coordinating). As a manager, you need to communicate with your superiors, then with your colleagues and other departments, and finally, with subsidiaries and holding companies.</p>                                                                               | <p>Perceived Management Functions: (1) – (4) for Research Question #1<br/>-#2: Coordinator and communicator</p> |
|       | 4  | 14  | JW: 嗯                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                 |

| Code  | ID | Q # | Data                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Notes                                                                                                                                                                             |
|-------|----|-----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 22100 | 3  | 15  | <p>Yang: 然后呢, 再一个呢, 就是要做好部门内的分工, 就是发挥每个人的长处, 嗯就说让他们在各自的长处的情况下, 尽可能大的发挥出作用来 [Quote 268]</p> <p>Another function is to designating, that is, divide individual responsibility based upon one's expertise in order to bring him/her to his full potential</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <p>Perceived Management Functions: (1) – (4) for Research Question #1<br/>-#3: designating (organizing)<br/>(division of work)</p>                                                |
| 24200 | 3  | 16  | <p>第四个呢我相就是督促工作, 督促工作的这种进程, 就是说一旦工作下去了以后, 不能说等到给他规定个日期以后, 到那个日期才去验收, 在这个之间, 可能要逐建逐渐去这个, 要看看他们最近做的怎么样, 这并不是一个皆功的形式, 而是要经常引导帮助的问题, 特别是在有的时候队员不能完成任务的时候呢, 要不断地给他机会, 鼓励他去做, 甚至于有的时候呢带他去做一两次, 象这种万不得已的情况下, 自己要勇于冲上去, 冲上去你得带领他去做, 一次不行, 两次不行, 三次, 就说一个人只要是不笨, 嗯, 不懒, 他总是能学会的, 学会了以后我就轻松了, 所以说要起到带动作用嘛, 主要是这么几个大的职责范围吧 [Quote 269]</p> <p>The fourth function is controlling, control the work progress. In other words, the division of work doesn't mean that you will do nothing but wait for checking until the deadline. You need to monitor the process and progress of work and offer constant assistance when needed, especially when your team members cannot accomplish the task. You need to continue to give him the opportunity, encourage him to keep trying, and sometimes you even need to show him how to do it, once, twice, or even three times. As long as he is not a lazy person, he will learn it eventually. My role is to take the lead and teach him how to do it.</p> | <p>Perceived Management Functions: (1) – (4) for Research Question #1<br/>-#4: Controlling (Implementation)</p> <p>Perceived management practice (4) – controlling/monitoring</p> |
|       | 4  | 17  | <p>JW: 对, 刚才我记得你在开始讲话, 你说你的管理方式有两种, 第二个是说“地球离了谁都要转动啊”,</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                   |

| Code  | ID | Q # | Data                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Notes                                                                                                                     |
|-------|----|-----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|
|       |    |     | <p>你觉得在你具体的实际的操作中是不是, 怎么样体现出来的?</p> <p><i>I remember in our conversation earlier, you mentioned that “the earth revolves no matter matter.” How have you operationalized that philosophy in your practice?</i></p>                                                                                                                                                                                                                                                  |                                                                                                                           |
| 11200 | 4  | 18  | <p>Yang: 体现出来就是说, 这个就是说任何一项工作我认为的话, 反正工作都是人做的, 那么就是说不是谁他就能把这个工作完完全全就给操控了, 这意思就是说离了他好象就做不了了, 在我们部门绝不能允许这个样子, 不能树立一个绝对的权威, 不能树立绝对的权威, 为什么呢</p> <p>I think that any task is achieved by man. <u>Nobody</u> can do it completely on his own. In my department, I would not allow anybody to become the absolute authority and think nothing can be achieved without him.</p>                                                                                            | <p>Evidence of Yang’s Management philosophy in practice #2</p> <p>- no absolute authority figure in the department</p>    |
|       | 4  | 19  | <p>JW: 包括你自己吗?</p> <p><i>Including yourself?</i></p>                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                           |
| 11200 | 4  | 20  | <p>Yang: =包括我自己, 因为我跟他们都这样子, 我不对的地方你们都可以反对我, 都可以同我进行探讨, 但是大家一定要达到了共识了以后, 按照共识去做, 就说不要背后去猜测什么东西, 去否定什么东西, 咱们当面来否定, 所以说大家关系处得就象兄弟姐妹一样, 关系就是这个样子, 就是说不要树立绝对的权威, 就说你这个人走了以后, 我马上再来一个人, 大家互相单待单待, 工作马上就可以接上去, 就不会出现一个断流</p> <p>=including myself. If I am wrong, let me know. You can disagree with me and discuss with me so that we can reach mutual agreement before we do it. Don’t make a guess or rejection behind one’s back, instead share your opinions and</p> | <p>Evidence of Yang’s Management philosophy in practice #2</p> <p>Elaboration on the concept of no absolute authority</p> |

| Code | ID | Q # | Data                                                                                                                                                                                                                                                          | Notes |
|------|----|-----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|
|      |    |     | disagreement with colleagues. That's why we have established relationships as brothers and sisters. There is no absolute authority here. If you leave, we will find a replacement immediately. We will help each other so that the work won't be interrupted. |       |



## APPENDIX F: SAMPLE CROSS-CASE ANALYSIS (1)

## PLANNING

| Managers | Process of Planning                                                                                                                                                                                                                                                                       | How often to Plan                                        | Who Involves                                                 | Types of Plans                                                                                      |
|----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|--------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
| Sun      | <p>在下达承包责任书给分公司的经理之前往往会征求他的意见，这个过程实际上有一个讨价还价的过程，在这个承包责任书签订之前一般公司都会开几次目标制定会议，然后呢还有一些单独的问题，例如说对相关公司的考察等，但主要的制定还是根据他上年的经营的结果。比如说他去年完成了一百万，如果没有其他一些大的变化那么就增加一个5%到10%，基本上就是这样一个程序 [Quote 129] [Corporate level]</p> <p>我们部门的计划在每年年底制定，主要是根据总裁及分管副总裁的要求，由部门经理牵头，内部讨论下一年的工作目标和效果 [Quote 216]</p> | <p>我们一般一年定一次计划，通常采用部门内部讨论的形式来完成 [Quote 221]</p>          | <p>全体成员都要参与讨论，最后由部长负责决定最终的计划 [Quote 223]</p>                 | <p>我们部门由于人员少，总共才4人，所以一般我们对计划不再进行细化，也没有月或季度的子计划 [Quote 222]</p> <p>我们制定的主要是年度的战略计划 [Quote 225]</p>   |
| Yang     | <p>每年初，各部门根据各个部门的工作职责草拟本部门的工作目标，上报给总裁办，总裁办汇总以后再给总裁，总裁根据集团的工作目标进行补充或调整，之后，召集各部门负责人开集团总裁办公会，集团总裁将新的工作目标给各部门下达宏观的指示，各部门再根据指示制定同具体的工作目标和具体的实施方案，制定好以后，再给通报给部门的各位同事，大家各负其责，完成目标。我刚才说的这个程序也就是我通常制定部门目标的过程 [Quote 516]</p>                                                                       | <p>对于年工作计划，年初制定一次；而对于临时性的工作，迅速制定，以适应工作需要 [Quote 518]</p> | <p>一般来讲，工作计划的制定都是本人一人完成，再广泛征求其他负责人和其他部门同事的意见 [Quote 519]</p> | <p>应该准确地说我们的计划只是一种短期计划，因为，集团公司长期以就没有战略规划，对宣传或策划部门就更不好制定什么战略规划了，部门计划就只好跟着感觉走，走一步算一步。 [Quote 521]</p> |
| Ji       | <p>作为部门的负责人，我第一个要做到的是要深入领会公司的战略远景和中、短期计划，也就是说要明确客户有哪些需求，同时我还必须要明确本部门在公司战略部署框架下所应发挥的作用，换句话说就是要明确客户需要本部门在何时满足其何种需求 [Quote 121]</p> <p>在我制定计划之前，我还需要了解一个东西，也就是了解类似公司的类似职能部门的计划制定情况，同时要合理借鉴他们好的做法。 [Quote 125]</p> <p>除此之外我还需要熟悉本公司其他职能部门的工作规程，以便</p>                                         | <p>我们的计划一般情况下是一年制定一次 [Quote 139]</p>                     | <p>每次部门的全体员工都要参加 [Quote 140]</p>                             | <p>我们的工作基本上是以短期计划为主 [Quote 142]</p>                                                                 |

| Managers | Process of Planning                                                                                                                                                                                                                                                                                                                                                                     | How often to Plan                                                                                                                                                          | Who Involves                                           | Types of Plans                                                                                                          |
|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|
|          | <p>在计划的制定环节就协调好与其他部门的关系，从而减少在实施过程中的摩擦。[Quote 127]</p> <p>在做好了这一切准备工作的基础上，我们会提出服务于集团公司目标的本部门的具体工作目标，确保在时间与空间、数量与质量、形式与内容上都能满足公司的需要，也就是满足我们的客户的需求 [Quote 129]</p> <p>我们在本部门内对工作目标要进行充分地讨论，使之更趋合理，并在部门成员之间达成共识；然后我再将本部门工作目标分解落实到每位员工。每位员工在明确他们自身的工作目标之后，在他们自己理解的基础上，要制定出确保实现自身工作目标的具体措施 [Quote 131]</p> <p>我们在制定的本部门工作目标的实施方案后，还要制定出应急措施、备用方案、以及如何进行检查与评估的方案，还有如何奖惩等等一系列措施 [Quote 135]</p> |                                                                                                                                                                            |                                                        |                                                                                                                         |
| Yi       | <p>作为部门经理，我清楚地明白本部门应肩负的职责和作为整个公司目标的组成部分应完成的部门目标。我一般是这样做的。首先，我自己先根据公司的整体目标要求和公司经营层布置的具体目标，分析考虑本部门应完成的总的工作目标。</p> <p>然后，每周五下午召开部门会议，听取下属回顾和分析他们上周所做的工作，遇到的问题，还需要干些什么，然后制定下周的计划方案，具体落实到每个人。</p> <p>第三个呢就是，一个星期中，除非有临时的任务要即使的安排布置，我一般不过多的干涉下属的具体工作。但是当下属遇到自己无法解决的问题时，我会在听取汇报后，与之共同协商，寻找解决办法，而不是完全独自决断。我认为这样是尊重员工和有利于发挥员工主观能动性和创造性的手段。</p> <p>最后，一周后，重复这一个过程。[Quote 147]</p>                 | <p>应该说我的计划分为年度计划、月度计划和周计划三种，因此有不同的时间来制定。1) 年度计划一般是作为经理的我一个人根据公司来年的工作目标来制定，然后报公司经营层；2) 月度和周计划是我与员工共同商讨制定，但事先我会有初步的考虑和打算，充分调动员工的参与性、工作主动性和创造性。但如果与我本人设想的发生严重的冲突时，我会考虑综合因</p> | <p>年度计划一般是我一个人制定<br/>月度和周计划是我与员工共同商讨制定 [Quote 149]</p> | <p>我的计划不是什么战略计划，但我会对我部门今后的发展必须有所打算，这形成于我的头脑中，这并不一定要书面形式。我的计划更多的是年度、月（或者季度）、周计划。我就是要使我的员工明白目标任务是具体的、可实现的。[Quote 151]</p> |

| Managers | Process of Planning                                                                                                                                                                                                                                                                                           | How often to Plan                                                                                                                                                                                                                                                                | Who Involves                         | Types of Plans                                                                                                                    |
|----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|
|          | 对于具体的工作计划和工作目标我必须以书面的形式让我的下属了解并执行。[Quote 153]                                                                                                                                                                                                                                                                 | 素, 根据情况是否对原来我的计划进行修改。[Quote 149]                                                                                                                                                                                                                                                 |                                      |                                                                                                                                   |
| Liao     | 我就是按照我这个部门的工作性质, 在我审计之前, 我必须制定一个审计的计划, 然后安排审计的内容和时间, 然后是这个审计的分工和负责人, 然后具体的负责的方向, 就是说首先要制定一个这样的计划, 然后这个方案制定了以后, 我需要领导给一定的反馈意见, 最后确定方案。[Quote 118] 作为我们集团公司来讲, 每一年它都有一个大的工作的方向, 也就是一个目标吧, 我就根据这个整体的目标, 按照我自己的理解, 因为我们的着一项工作的专业性是比较强的, 那么我在围绕我们集团的工作目标的情况下, 我在审计的时候就有一定的重点, 这个确定呢基本上是按照我的一种理解, 来达到目的 [Quote 120] | 对于我自己的工作来讲的话, 每年我们都会制定一个工作计划, 那么这个工作计划呢有可能是个别的工作计划和也可能有零时的工作计划, 那么这个工作计划实际上就是说是要求得比较死的, 领导要求每一年至少有一次对一个公司进行一次非常彻底的一个审计, 那么中间就可能有些零时的某一个季度的计划, 当它的某一项资产出现了异常, 我们就会进行专题的审计, 这个也就是你所提到的目标把握, 也就是我们的计划。[Quote 78] 我的这种审计, 它可能分成几个阶段性, 大的审计的话, 一般是在年底之前, 在一月份的时候, 是这样来理解的。[Quote 124] | 部门所有的人一起参与 [Quote 122]               | 我觉得这个应该是一个短期的计划, 我给你说的是比较具体的, 短期的, 我要具体操作的计划 [Quote 132] 应该说是有一种阶段性, 那就应该算是一种长期的计划, 我在制定计划的时候就有一种偏向性, 这种偏向性就确定了我今后的计划。[Quote 134] |
| Xiong    | 我们公司目前在目标的制定上, 因为作为上市公司, 原来有一些大的考虑, 比如说国家对上市公司有一定的要求, 我们也只有倒推过来做, 就是说我们需要一个什么样的目标, 然后再分解下去, 比如说我们上市公司今年要做到配股的要求, 资产负债率要达到多少, 净资产收益率要多高, 他就有一个门槛, 我们作为上市公司来讲的话, 特别希望在资本市场上有所表现, 能够在资本市场再次融资, 所以说我们算一下根据这种要求需要多少的税后利润, 然后在分摊到各家分子公司去完成。就这                                                                       | 在公司的现实经营中, 如前所述, 计划目标是有体系、分层次的。一般情况下, 公司年度工作会上会制订下达整套的计划目标。在此后每季度的工作会上都会对计划进行情况进行考察                                                                                                                                                                                              | 这套目标由董事会、经理团队、具体部门负责人参与制订 [Quote 54] | 严格讲, 近年来由于第一个问题中所说的“国情”和“行业生存状态”所限, 公司的战略计划近乎于苍白。年度计划和短期计划则是公司经营中                                                                 |

| Managers                                                             | Process of Planning                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | How often to Plan                                                    | Who Involves                                                                         | Types of Plans                                                                                                         |
|----------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|--------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|
|                                                                      | <p>样制定了目标。但是好像这种分摊，每年都没有完成目标 [Quote 39]</p> <p>以公司工作目标和实施方案的制定为例：首先，得是宏观环境、本行业信息的积累和在此之上的合理分析，这是基础…其次，是股东的期望…股东的投入是要求回报的…股东总会提出不停的再上一层楼的要求。经理班子必须在这种无休止的索取中，寻得一个使各方面都能满意（甚至是妥协）的支点，这就是工作目标的又一块基石。这个支点是否合理，是否牢固，直接决定了整个企业经营的成败…第三，对员工的作用。这是经理团队水平的最直接的体现。在前两个因素都得到了充分的考虑和细致的分析后，经理团队则需要对大块的收入、利润、分额等目标进行一级分解，下达到下面的每个部门上。在做这项工作时，经理团队除了要了解各部门以前的业绩外，还必须了解形成业绩的原因…第四，程序化的工作。在上面三个主要方面的因素已得到充分考虑后，再需要做的就仅仅是将上述考虑转化为格式化的文件，并按照公司章程、制度的规定进行效力的确认。当然，在制订完毕后免不了要进行一次积极的宣传、讲解，以“使每个划桨者都与前进方向协调一致”。从总的来说，经理团队对上面各项因素的控制力、影响力在逐项增强。“审时度势”、“扬长避短”是经理团队制订工作目标和实施方案中必须贯彻的基本原则。 [Quote 50]</p> | <p>。一般情况下，计划中的任务目标是不会变动的，但计划中的具体措施会因实践检验、环境变化等产生较大的变动 [Quote 52]</p> |                                                                                      | <p>经常和反复锤炼的[Quote 56]</p>                                                                                              |
| <p>Yue</p> <p>(For Yue, this is a major function among the four)</p> | <p>我们人力资源部门的工作目标和实施方案是根据集团公司的战略目标和部门的工作职责来制定的。</p> <p>每年初，集团经营班子制定出全年经营目标，提出保证措施，并将目标分解到各分、子公司和各职能管理部门。</p> <p>按照集团的目标和要求，人力资源部门制定本部门年度工作目标，并报经营班子审阅通过后执行。</p> <p>目标制定的过程需几上几下。也就是说，第一步是听取各分、子公司及职能管理部门的意见和建议；第二步是按人力资源部内部的职责分工，由各责任人首先提出所分管工作的目标和实施方案；第三步是部门经理提出全年工作思路，汇总各责任人的意见后，制定出部门工作目标和措施的草案，再提交全部门讨论修改后正式报经营班子。</p> <p>[Quote 138]</p>                                                                                                                                                                                                                                    | <p>我们的工作计划一般一年制定一次，其中包括月、季度、全年完成的目标，并包括完成目标的措施 [Quote 142]</p>       | <p>人力资源部门的目标任务制定，由经理，也就是我牵头，部门的全体职员都要参与。适当的时候，我们还要听取下属公司人力资源部门的意见和建议 [Quote 143]</p> | <p>我们的工作目标通常是年度计划、季度计划等。但对于某项具体业务工作，我们也要制定相应的工作计划，比方说培训计划、薪酬计划等等。每三至五年我们还要根据集团公司的战略发展规划制定一次人力资源战略发展规划。 [Quote 145]</p> |

| Managers | Process of Planning                                                                      | How often to Plan | Who Involves | Types of Plans |
|----------|------------------------------------------------------------------------------------------|-------------------|--------------|----------------|
|          | 从我个人的职能来讲，<br>我们部门的主要的构思和计划一般都是由我提出来，<br>比如说我写部门三年的战略计划啊，这些都是我提思路，<br>提重大的决定 [Quote 268] |                   |              |                |

## APPENDIX F: SAMPLE CROSS-CASE ANALYSIS (2)

## Western Influences on Chinese Management Practices

| Managers | Evidence of Western Influences                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Notes                                                                                                                                                                |
|----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sun      | <ol style="list-style-type: none"> <li>1. 就管理来说呢, 中国目前这种状况, 就是说, 嗯, 因为受西方管理理念的影响很多, 我认为现在处于一种比较混沌或者说比较混乱的一种, 就说, 旧的, 就是所谓的这种社会主义计划经济的那套东西已经被打破了。 [Quote 20]</li> <li>2. 这种实际上我觉得像西方的很多像大的公司, 比如说GE啊或者IBM, 他那些对职工这些所说的培训啦, 包括什么保健所, 托儿所, 他们反而还有 [Quote 32]</li> <li>3. 就说中国反而把这些全部都剥离出去。把职工, 就说, 实际上有点儿回到当时象<b>泰勒</b>的那种所谓经纪人, 就说你职工在我企业就是打工的, 我把你的劳动报酬给你, 其他什么事我都不管了 [Quote 34]</li> <li>4. 反正就做经纪人。但现在西方都是职工在企业的工作本身除了领取他的报酬之外, 他更要的是一种它的社会需求, 就是一种“社会人”, 需要在你的企业里头得到对他自我价值的认同吧。这些方面反而越来越重视 [Quote 36]</li> <li>5. 我们这个公司是个上市公司, 它首先就是要产生它的财务制度, 比如说它相对地强调对股东的那种投资回报 [Quote 44]</li> <li>6. <b>第二个就是他的公司治理结构方面, 比如说董事会啊, 监事会啊, 这种都是受现代的公司制度的影响比较多一点。</b>一方面是证监会对他的要求, 他要这样做 [Quote 46]</li> <li>7. 我们只是做参谋嘛, 老板给我们说做什么, 我们就做什么, (笑起来), 不象<b>西方是比较制度化的</b> [Quote 177]</li> <li>8. 第二个就是考MBA的时候.....刚接触MBA, 但是也是准备复习, 全国有一个统一考试, 在复习过程中就对它里面那些理念和新的知识比较感兴趣, 所以就决定考MBA, 当然这个事实上呢也是一个转折点, 相对于又跨了一个行业...但是本来是想出国 [Quote 185]</li> <li>9. 很难确定硬性指标, 不过将考虑参照<b>关键业绩指标 (KPI)</b>考核模式进行尝试 [Quote 251] ----- 最早我是从网上了解KPI的。这种考核模式呢包括许多财务和非财务的指标。 [Quote 253]----- KPI还包括很多非财务的指标 [Quote 259]----- 比方说业务发展情况、员工能力培养等, 这些都是非财务指标。当然, 话又说回来了, 我认为内部考核主要是以其精神为原则, KPI模式可以做为一个参考资料来拟定适合本部门的考核办法。另外, 我们部门虽然为集团草拟了这份文件, 但它并没有在公司执行过 [Quote 261]</li> </ol> | <p>2. &amp; 3. &amp; 4. 7. 8. reflect Sun's knowledge of Western management practices</p> <p>5. Example of Western influence on Chinese organizational practices</p> |
| Yang     | <ol style="list-style-type: none"> <li>1. <b>MBA</b> 是这样子. <b>MBA</b> 是单位上组织去培训吧, 去参加过精训, 精训过两次, 然后一次情景领导, 整个就参加过这三次培训, 然后大量是通过自学, <b>MBA</b> 方面的东西也通过自学, 因为看一些案例啊, 还有一些教程啊, 就是看一些这些东西, 主要是靠自学 [398]</li> <li>2. 中国企业的在管理上较重视“管”的成份, 人制的东西较多; 而西方在管理上较重视“理”的成份, 所以说比较人性化, 法治的东西较多 [Quote 512]</li> <li>3. 最让我受益的是“荷马史诗” [Quote 445]</li> <li>4. 第二个就是“莎士比亚全集” [Quote 446]</li> <li>5. 还有在艺术方面的话, 有一本法国人写的叫“艺术哲学.” [Quote 450]</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <p>3. 4. 5.6. Reading has significant impact on Yang – Evidence of Western influence</p>                                                                             |

| Managers | Evidence of Western Influences                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Notes                                                                                                                                                                                                                                                            |
|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|          | <p>6. 就说对于整个社会的话都用美好的态度去看, 就说最丑陋的东西很多都可以用艺术化的东西把它进行了, 就说用思维模式把它处理了, 就说善待别人, 善待社会, 善待周围的一切, 这是我的一个做法, 那么别人反过来也会善待你, 这是一个 [Quote 454]</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                  |
| Ji       | <p>1. 目前美国的上市公司在信息的披露上也是这种要求, 我估计我们是从他们那里学过来的, 因为我们这个的提法和它的材料上所写的美国公司的提法基本上都是一样的, 有可能是抄过来的。[Quote 23]</p> <p>2. 我觉得国外的先进的东西我也觉得很有趣, 也愿意学习, 但我觉得国外的东西未必都好, 都先进, 他们也有他们的糟粕, 但是我们有的人只要觉得是国外的就是好的, 然后就去学, 还有一些比较可笑的就是, 我们国家早就有了的东西, 在历史上, 由于我们大家对中国的历史知之甚少, 中国虽然有13亿人口, 但是又有多少人真正懂中国的历史呢, 然后还以为从国外学到了什么先进的东西, 其实是我们自己的老祖宗发明的。[Quote 114] {Ji's Perception of Western knowledge}</p>                                                                                                                                                                                                                                                                           | 3.                                                                                                                                                                                                                                                               |
| Yi       | <p>1. 对于管理所包含的内容, 我们曾学习过西方的管理理论, 它包括计划, 组织, 领导和控制四大基本职能部门[Quote 140]</p> <p>2. 我并不十分赞同马斯洛的需求层次理论, 而是认为人的需求层次是复杂的, 并不一定按照一定的顺序排列, 现比而言, “双因素”理论我比较认可。保健因素如物质奖励、工资等它职能在某一时段内对人产生激励作用, 而精神激励会在相当长的时间内对人产生激励作用, 其时效性大的多。我不否认在市场经济模式下人们对物质生活的追求, 所以, 我认为把这两者结合起来运用产生的激励效果会更大, 特别是妥善用好精神方面激励作用。[Quote 185]</p> <p>3. 所谓“双因素”理论也是美国学者赫茨伯格提出的, 它的主要思想是在激励中可分为两种因素——保健因素和激励因素。凡是满足员工生存、安全和社交需要的因素都属于保健因素, 其作用只是消除不满, 但不会产生满意。比如工资、奖金、福利、人际关系等, 它们都属于创造工作环境方面, 所以我们可以理解它为外激励; 而满足员工自尊和自我实现需要, 最具有激发力量, 可以产生满意, 从而使员工更加积极地工作的因素属于激励因素, 可以称之为内在激励。比如, 使员工从工作本身(而非工作环境)取得很大的满足感, 或者工作中充满了兴趣、乐趣和挑战性、新鲜感, 或者从工作中得到很多的成就感、自我实现感。我想这种激励产生的工作动力远比外在激励要深刻和持久 [Quote 187]</p> | <p>1. demonstrate Yi's knowledge of Western organization and management theory</p> <p>2.3. These two quotes of Maslow's needs hierarchy &amp; Frederick Herzberg's two-factor theory (motivator-hygiene theory) reveals Yi's knowledge of Western OB theory.</p> |
| Liao     | <p>1. 我认为在财务工作上的与国际接轨最典型的一个例子, 在我们国家就是92年93年的会计两则出来之后, 跟国际的一种接轨, 那个的国际接轨就是说在会计准则的操作上发生了很大的变化, 那么</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                  |

| Managers | Evidence of Western Influences                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Notes                                                                                                                                                                                                                                                                                                    |
|----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|          | <p>现在我们的会计准则实际上采取了很多象现金流量表啊，以及这种一系列的，实际上都是按和国际接轨的要求来的，你是想了解每一个方面的具体的接轨方式还是… [Quote 68]</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                          |
| Xiong    | <p>行为科学家赫兹伯格的双因素理论就认为，工资、工作条件、工作环境等属于“保健”因素，它不具有激励作用，而工作成就、社会认可、发展前途等因素才是真正的激励因素 [Quote 68]</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <p>1. quotation of Frederick Herzberg's two-factor theory (motivator-hygiene theory) reveals Xiong's knowledge of Western OB theory.</p>                                                                                                                                                                 |
| Yue      | <ol style="list-style-type: none"> <li>1. 比方说我们的用人制度吧。在招聘方面，我们公司从创业开始采取的就是面向社会公开招聘，按照双向选择，平等竞争的原则，打破地区界限，打破干部、工人身份，只要岗位需要，只要是符合岗位条件，都可以受聘上岗。也就是说员工与公司之间的关系是建立在劳动合同基础上的劳动关系，双方均有义务和权利，制度面前人人平等 [Quote 89]</li> <li>2. 在任职升降上，我们的原则是有能力者上，无能力者下，不论资历、年龄，不是终身制，这样一来，不少有能力的年轻人，有能力的人都走上了管理岗位和领导岗位。 [Quote 91]</li> <li>3. 在分配制度上，我们公司实行的是“按劳取酬，以效益工资为主的结构工资制度”，多种分配方式并存，员工的薪酬与岗位、职责、业绩挂钩，并与公司的利润挂钩。对有能力，有专长的员工给予较高的报酬，对有突出贡献的员工给予重奖，有条件的话还可以实行期权股份奖励，这样一来就拉开了差距，我们在收入上实行的是“上不封顶，下不保底，税收调节”，这在当时的企业分配制度中是一个很大的突破。这种制度充分调动了经营者与员工的积极性，最终目的是要鼓励大家多出成果，多为集团公司做贡献。为了进一步调动员工，尤其是经营者的积极性，我们公司从96年一改制就开始推行经营者年薪制，将经营者的收入完全与目标、业绩、风险、贡献紧紧挂钩，这项制度当年在全市也是领先的 [Quote 92]</li> </ol> | <p>The innovation of the human resources management system described by Yue is actually a reflection of the Western influence. Indeed, during my informal conversation with Yue prior to the interviews, she stated the HR systems in her company were a copy of the practices in corporate America.</p> |



## APPENDIX G: CODING SCHEME

**Categories of Codes with Emerging Themes****Research Question #1: Management Perceptions (10000)****10000 Perceptions**

- 11000 Management Philosophy
  - 11100 Human-based management philosophy
  - 11200 Organizational culture
  - 11300 Innovation
  - 11400 Teamwork and coordination
- 12000 Perceived Departmental functions
- 13000 Perceived Individual Functions

**Research Question #1: Management Practices (20000)****20000 Actual Practices**

- 21000 Planning
  - 21100 Process of planning
  - 21200 Types of planning
  - 21300 Functions involved in the planning
  - 21400 Frequency of planning
- 22000 Organizing
  - 22100 Resource allocation
  - 22200 Specific individual responsibility
- 23000 Leading
  - 23100 Motivation
- 24000 Controlling
  - 24100 performance management
  - 24200 implementation supervision
  - 24300 Corrective actions
- 25000 Communication
  - 25100 Intra- and inter-department communications
    - 25110 Departmental communications
    - 25200 Cross-departmental communications
  - 25200 Communications between managers and subordinates

**Research Questions #2: Influencing Issues (30000)**

- 31000 Management structure
- 32000 Transformed ownership
- 33000 Organizational culture
- 34000 Western influences
- 35000 Personal issues