

THE IMPACT OF CHINESE RESPECT AND CONFORMITY VALUES AND THE MEDIATION OF SUPERVISORY STYLE ON FOSTERING CHINESE TECHNICAL FIRMS MODERN WORK-RELATED VALUES

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ABSTRACT

Tough participative leadership has been stated as a useful way to empower employees and secure their commitment to organization, researchers have suspected its effectiveness in Chinese societies because of their power distance culture. Based on a survey of Chinese knowledge-based professionals, this study provides empirical evidence in that it shows this incompatibility may be changeable through an adaptation of participative type supervision. We show that by such style of management, managers can lower the negative connections between employees' conformity and power-distance oriented concepts and enhance their awareness of activist work-related values, such as conflict tolerance, risk taking, autonomy, and values performance.

Keywords: Work-related values, respect, conformity, participative and power-distance supervisory style

INTRODUCTION

Modernization is used to implying the adaptation of Western style management and enterprise system of businesses in the emergent market. Existing work-related values hence reflect a more Westernized learning orientation, inspired by the pursuit of cutting-edge knowledge and innovation development. A common theme in Chinese business literature has been the convergence of Chinese corporate cultures and managers' styles in terms of Westernization, and the impacts of Chinese social traditionalism on the reform of Chinese business cultures. Few studies pay attentions o the mediation of managerial style on cross cultural interplays.

Participative management stresses managers to share decision-making power with their followers. Though this type of management has been stated as a useful way to empower employees and secure their commitment to organizations in the West, researchers indicate that it may not work effectively in Chinese societies because of their power distance culture [8]. Whereas Chinese young workers have become more self-enhanced and possess more positive attitudes toward Western management practices (e.g. [9]), and their technical organizations also are moving toward a Western way more suitable for technology and innovation development (e.g., [5]). Moreover, Confucian ideas are dynamic in that a value can be either positively or negatively interpreted [6]; for example, submission behaviors can be viewed by individual employees as either a suppressed conforming or a respect for authority. Inconsistent findings concerning the relationship between participation management and work performance suggest that an absence of moderating or mediating variable in such studies may hide noteworthy relationships [3]. This study thus suspects the positive and negative impacts of two Chinese traditionalisms, conformity and respect, on fostering modern work-related values of Chinese workers among firms of various ownership types, and examine whether participative supervisory style against the style of power-distance can mediate these impacts.

Foreign-controlled businesses (FCBs) stimulated Chinese adoption of Western practices. Data from FCBs and Chinese state-owned enterprise (SOEs) and private-owned enterprises (POEs) thus represent different levels of Westernization and provide better insights into the benefits of modern work-related values in terms of Westernization. The samples came from the employees of enterprises of the three

types of ownership in Shanghai China and Hsinchu Science Park in Taiwan, where both locations have experienced an invasion of Western management practices and represent the spatial concentration of business and technology resources across the Taiwan Strait.

PROPOSITION

Chinese social traditionalisms were founded on Confucius' "hierarchy for harmony" philosophy, which structured social interpersonal relationships into five dyadic relations and hierarchical duties, in that most paired relations reflected a dominant–subservient situation. According to Hofstede and Bond [6], these ideas reflect a dynamic, future- and past-, or positive and negative, oriented perspective. On the positive side, because of deep-rooted reverence values, Chinese tended to be compliant, diligent, and respectful, which may in turn lead to mutual, trustworthy benefits among varied parties. On the negative side, people may avoid opposition for fear of disturbing the predetermined relationships, and their respect to authority may lead them to adjust to the superior's want especially when the dispute is with their superiors. Chinese societal ideology thus contains potential positive and negative contrasts, for instance, legitimacy of hierarchy versus power distance, respects superiors versus reserved conforming, and values the ethics of seniority versus traditional, though each pair of these concepts represents the same idea dimension.

Current work-related values imply mainly the Western style management practices. To create a diversified climate, Western organizations often pursue creative contexts and encourage employees to instigate new executable ideas. This Western style, though also emphasizes group harmony, differ from the Chinese collective orientation that asserts conformity and ordering relationships [6]. Instead, Western teamwork stresses personal relationships between managers and subordinates should be easy, and thereby ensure a working atmosphere that allow different voices to be heard regardless of the employees' positions on the one hand [12]. On the other hand, they enforce scientific methods instead of nepotism or job steadiness to appraise and control workers' performance for enhancing productivity on the other hand [2]. These modern work-related values have been highlighted as, for example, conflict tolerance, risk taking, autonomy, innovation, and evaluation of performance instead of seniority.

Apparently, these work-related values involve the perspective of letting subordinates share business decision-making procedure, that is, a use of participative supervisory style in management. Participative management refers to increase the participation of followers by providing them with greater discretion, influence, support, and information, and to share them with the issue of problem solving by consulting them before making a decision [11]. Benefits due to a use of participative style management include strengthening employees' motivation, increasing their creativity and job satisfaction. Though cross-cultural researchers indicate that this type of management approach may not work well in countries with a large power distance culture such as China, more recent reports may approve the change of this situation. For instance, Chinese business managers are found in their efforts using rational persuasion, appraisal, and collaboration to build interpersonal relationships [4], and instituting outside professionals as chief executive officers instead of nepotism and passing companies on to children [10].

Based on these historical and cultural backgrounds, existing Chinese business models reveal paternalism, relying on conforms to supervisory rules, respects seniors, and values the ethics of seniority and personal relationships on the one hand; and develop individual workers modern work values that concern mainly Western management practices on the other hand. This reform has given rise to Chinese firms with three types of ownership: SOE, FCB, and POE, among which the FCB and POE are newer forms. In particular, 'SOE', which characterizes a rigidity and power-distance firm culture, has been the image of Chinese firms since the communist era because of the social-cultural environment where they operate (e.g., [7]). The FCB, which recognizes the need of flexibility and performs in response to the

external environment, reveals a combined culture of adhocracy and market [13]. The POE is much smaller and many do not have well-defined hierarchical structures compared to the SOE; it instead is entrepreneurial and family-orientated, featuring a combined culture of adhocracy and clan [13]. As such, this study first proposes:

Proposition 1. The work-related values of employees among these three ownership firms would be expected different, with the FCB most modern, the SOE most traditional, and the POE falls somewhere in between. Referring to the earlier discussion, conflict tolerance, risk taking, autonomy, innovation, and values performance constitute several aspects of modern work-related values; and respect and conformity comprise two Chinese traditionalisms.

Through acculturation, people embrace new cultural values, regardless their old styles. As mentioned earlier, Confucianism may contain potential positive and negative contrasts, in that compliance, diligence, and respect signify positive futures, and reserved conforming, opposition avoidance, and fear of disputing with the authority represents negative futures. Namely, Chinese traditionalism can be both positively and negatively influential. Thus, hypothetically, the two traditionalisms, respect and conformity, may either obstruct or support fostering modern work-related values.

Proposition 2. Chinese respect and conformity values will impact their firms fostering modern work-related values, in that a positive value is one that complements the foster and a negative value is one that impairs the foster.

Western management practices reveal better productivity and superior outcomes than other cultures in many aspects [2]. In reverse to power-distance supervision that stresses tight control and submission on the administrative structure and managerial practices, participative supervision requires the superiors to share decision-making power with their subordinates. Specifically, participative supervisory style is as well a very much Western management concept, and that such a behavior is considered incompatible with Chinese power-distance culture and style of managers [8]. Thus,

Proposition 3. A manager of participative supervisory style, against one of power-distance supervisory style, will mediate the negative impacts of Chinese traditionalism upon fostering employees modern work values.

RESEARCH PROCEDURE

Instruments

Respect and conformity. This scale defines the prevalent ordering relationships for retaining harmonious work relations and whether it appears in the Chinese work environment [6]. The items include statements, such as conformance with supervisory rules, respect for seniors, value of the ethics of seniority, and value of personal relationships.

Modern work-related values. This scale defines existing work values in technical sectors, which focuses on a Westernized style management and open discussion culture [5]. The items includes statements, such as tolerance for disagreements, willingness to talk, autonomy, risk-taking, tolerance for mistakes, decentralized structure, communication and compromises in response to conflict, value competency instead of seniority.

Supervisory style. This scale defines two management styles, participative and power-distance, of immediate managers in supervising their subordinates. The participative style emphasizes increase subordinates' participation by providing them with greater discretion and information, and sharing them with the issue of problem solving by consulting them before making a decision [11]. The power-distance style stresses tight control and submission on the administrative structure and managerial practices.

Procedure

Questionnaires were distributed to technical personnel employed in high-tech organizations in Taiwan's Hsinchu Science Park and high-tech firms around the Shanghai area in China. Although selection of the participating organizations could not be random, participants come from various technological sectors. Potential respondents were approached through the intercession of human resource managers, and the questionnaires were delivered through each organization's internal mail system.

A total of 1,000 questionnaires were equally distributed to the two locations. The completed questionnaires were either returned through the internal mail system of the participating organizations or mailed directly to the authors using a postage-paid envelope included with the questionnaire. After removing invalid questionnaires, a total of 408 questionnaires, 203 from Taiwan and 205 from Shanghai, remained for the final analysis.

FINDINGS

The analysis begins with factor analyses, using Varimax rotation, to derive fewer factors for the measurements. They were conducted separately for the two locations, to compare whether the measurements generate similar variable constructs. Therefore, a total of six factor analyses were conducted. The total accumulated variances of these factor models are between 66.9% and 70.9% across the two regions, and the Cronbach's α reliabilities are greater than 0.69, in support of their internal consistency and reliability. ANOVA then followed to compare the differences between the two regions and among the three types of ownership firms.

The sample revealed 91.6% (186) of the Taiwanese sample was employed by POEs and only 1.5% (3) and 6.9% (14) was by SOEs and FCBs, whereas 73.2% (150) of the Shanghai sample were employees of large FCBs and 15.1% (31) and 11.7% (24) were from SOEs and POEs. Though this distribution of sample profile might be biased by the sampling procedure, it supports the previous study that Shanghai receives the most investments from foreign multinational businesses in China, and that Taiwan technical firms are mostly privately owned, started by local Taiwanese.

As Table 1 displays, demographic data showed that respondents in Shanghai, though younger, had been at their current jobs longer and attained higher positions. Despite similarities in gender, education, and professional tenure, the Shanghai sample seemed to have gained higher management levels and lower degrees of job mobility across different organizations. These demographic findings thus appear to be from firm ownership contingency, in that the SOEs appear to provide higher level job opportunities than the other two types of firm, whereas the FCB employees appear to be the youngest with the shortest tenure, though their position level are higher than the POE.

Table 1 also shows the perceived mean differences of cultural values and supervisory style between the two regions and among the three types of ownership. Taiwan appears to have a significantly higher respect value, while Shanghai appears to value performance more significantly than Taiwan. Among the three ownerships, in terms of significance, the SOE reveals the highest conformity and respect values and power-distance supervisory style, while the FCB reveals the highest conflict tolerance and values performance work culture. Interestingly, the three firm types all seem to stress a participative type management, in that their average rating on this approach are all over 5.0 on a seven Likert type scale. On the other hand, their uses of a power-distance supervisory style, with mean scores all below 4.01, appear dropping.

Hierarchical regressions applied to examine the mediation of supervisory style on fostering modern work-related values and on change of the impacts of Chinese traditionalism. According to Baron and Kenny [1], several criteria have to be met to demonstrate the value differences account for the mediator:

Firstly, the assumed mediator should predict the dependent variables; secondly, when the independent variable and the mediator are simultaneously entered into a model predicting the dependent variable, the coefficient on the independent variable should be obviously reduced, while the coefficient on the mediator should be less affected.

Based on this procedure, our results reveal the results of supervisory style mediating the clan effects on fostering modern work-related values. To remove demographic effects, gender, age, education, job tenure, and managerial position are treated as controls in these models. In particular, the effects given by conformity are all negative, and those given by respect are all positive. Therefore, a value of respect complement Chinese firms fostering modern work-related values, while a conformity value appears to impair the foster. The effects of region and firm ownership are only significant on conflict tolerance and values performance (the FCB is higher than both the POE and SOE, and the POE is higher than the SOE). These effect results due to region and ownership are consistent with the mean patterns given in Table 1.

The mediating of power-distance supervisory style is seen in that the negative coefficient magnitudes of conformity value across the five tested models become markedly smaller, yet the effects of respect remain undiminished, when this power-distance variable inserts and is significant. By contrast, the mediating of participative supervisory style is spotted in that compared to the power-distance only model, the positive coefficient magnitudes of respect value, and the negative impacts given by both the conformity and power-distance values, become markedly smaller when this participative style variable inserts and is significant. Further, these two mediations also reduce the effects given by the FCB ownership. The effects of region and POE remain significant on conflict tolerance and values performance, regardless of the supervisory mediation.

Table 1 Cultural difference in terms of the two regions and the three firm ownerships

Variables	Region		Firm ownership		
	Hsinchu, TW (N=203)	Shanghai, Chn (N=205)	SOE (N=34)	POE (N=210)	FCB (N=164)
Demographics					
Education level ^a	3.17	3.26	3.27	3.15	3.28
Male	70.4%	66.3%	70.6%	68.1%	68.3%
Age (years)	<u>32.9</u>	<u>30.6</u> *	<u>31.5</u>	<u>32.5</u>	<u>30.9</u> *
Tenure (years)	6.9	6.3	<u>7.7</u>	<u>7.0</u>	<u>5.9</u> *
Manager position level ^b	<u>.29</u>	<u>.67</u> *	<u>.91</u>	<u>.40</u>	<u>.49</u> *
Chinese traditionalism:					
Conformity	4.45	4.35	<u>4.82</u>	<u>4.39</u>	<u>4.32</u> *
Respect	<u>4.95</u>	<u>4.56</u> *	<u>5.10</u>	<u>4.91</u>	<u>4.48</u> *
Modern work-related values:					
Conflict tolerance	5.09	5.20	<u>4.74</u>	<u>5.10</u>	<u>5.27</u> *
Mistake allowance	4.60	4.46	4.43	4.63	4.42
Innovation	4.47	4.47	4.15	4.52	4.47
Autonomy	5.05	4.96	4.60	5.02	5.07
Value performance	<u>4.70</u>	<u>4.94</u> *	<u>4.56</u>	<u>4.76</u>	<u>4.96</u> +
Supervisory style:					
Power-distance style	3.40	3.24	<u>4.01</u>	<u>3.37</u>	<u>3.12</u> *
Participative style	5.35	5.49	5.39	5.33	5.54

a. Coding: 0 high school; 1 junior college; 2 bachelor; 3 master; 4: Ph.D

b. Coding: 0 non-manager; 1 low level; 2 middle level; 3: high level managers.

* p < 0.05; + p < 0.10

CONCLUDING REMARK

This study recognizes the role of cross-cultural acculturation and the benefits of participative supervisory style of managers on fostering technical professionals modern work-related values. Specifically, Western management practices reveal better outcomes than other cultures in many aspects. Participative supervisory style is a very much Western management approach, such that it is often considered incompatible with Chinese power-distance culture. This study provides empirical evidence in that it shows this incompatibility may be changeable through an adaptation of participative management. We show that this Western participative style can lower the negative connections between employees' conformity and power-distance concepts and their awareness of modern work-related values. These values include conflict tolerance, risk taking, autonomy, innovation, and values performance instead of seniority. This study thereby contributes to a greater understanding of the influence of participative management on changing the old power-distance style in a Chinese technology context that need to integrate the Western innovative, open-discussion management culture.

The results may also suggest that convergence cannot be assumed across Chinese cultures, because old values may remain. In particular, the old values are not worthless; in some cases, for instance, the benefits of the traditional respect value can be as significant as those from the West. This respect dimension would include supervisory rules, respect for seniors, value for the ethics of seniority, and value for personal relationships, which can facilitate performance and ethics in a work context. These behavioral guidelines contrast with negative conceptualizations and provide a means to gauge how Chinese workers embrace these values.

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