

Chapter 8

Employee Characteristics and Management

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In April 2006, a true story about “the toughest female secretary ever” was circulated extensively in China.

One night, a senior manager who was sent to Beijing as the chief executive for the Greater China region of an American enterprise went back to his office but discovered that he had forgotten to bring his keys. His personal secretary, whose English name was Rebecca, was off duty and couldn't be reached by phone. After waiting several hours and having failed to work through his anger, the chief executive wrote a hard-hitting email to his secretary, the content of which is roughly as follows:

I just told you not to assume or take things for granted and you locked me out of my office this evening when all my things were all still in the office because you assumed I had my office key on my person. With immediate effect, you do not leave the office until you have checked with all the managers you support – this is for the lunch hour as well as at the end of day, OK?

This email was copied to other senior corporate executives. However, this secretary named Rebecca did not demonstrate any weakness, but wrote back an email, in Chinese, after 2 days:

First, I was completely correct in how I handled this matter. I locked the door based upon security consideration. I will not be held responsible if something should be lost.

Second, you have your own keys. You forgot to bring them, but you still want to say it's someone else's fault. You were the primary cause of this affair, so you should not blame your mistake on someone else.

The author appreciates assistance from XIE Yunhui, FENG Zecheng, MA Xiaoxiao, and CHANG Lina on literature search. The author is responsible for the content of this chapter.

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Thirdly, you have no right to interfere with or control my personal time. I work eight hours a day. Please remember that my lunch and my evening after-work hours are my personal time.

Fourthly, from the first day at EMC to now, I have fulfilled my duties. I have worked overtime many times and I have never complained. If you want me to work overtime for matters unrelated to work, I will not oblige.

Fifth, even though I'm your subordinate, please pay attention to politeness when you speak. This is the most basic human courtesy.

Sixthly, I want to emphasize that I did not guess or suppose anything, because I don't have the time and I don't need to.

Rebecca didn't just send her reply to the chief executive but also copied it to all employees in the branches in Beijing, Chengdu, Guangzhou and Shanghai. Very soon, the email was circulated widely. The secretary was given the title of "the toughest female secretary ever" by the internet users.

After the incident, Rebecca quit her job at the American company. Soon, the chief executive left the company for other reasons.

Over a period of time, a heated discussion on "the toughest female secretary ever" developed and attracted the attention of the public. Although some people were only following the debate for fun, others began to reflect seriously on this issue. In the "old" days in China, people were told that "organizational matters, however minor, are important; personal matters, however important, are minor". So, how could an employee today have such a strong reaction to the requirements of a superior? People always believe Chinese employees are gentle and obedient in front of their superiors. How could we find this secretary with the guts to rebel?

Between April 25 and May 2, 2006, A Chinese network (Netease) conducted a poll of internet users (in Chinese term, netizens) by asking them: "Who do you support?" Among the more than 30,000 answers, 48 % supported the secretary, 10 % supported the chief executive, and 42 % supported neither. Two relevant propositions were also put forward and the responses were interesting. One was: "This is not the secretary's fault but the chief executive's. The chief executive should not impose his personal will on others. He lacks basic politeness. Other companies that had rejected the secretary's job application don't care about their employees." The proposition was supported by 1,119 people, no one voted against it. The other proposition was: "Obviously, the chief executive extended his anger to his secretary. It is a basic principle to respect others. The chief executive was not polite, the secretary's argument was reasonable. Although she lost her job, she deserves respect." Many (595) people supported this proposition and no one disagreed.

As a matter of fact, if we understand the emerging Chinese social values and characteristics of the new generations of employees, the secretary's action tends not to seem so strange. Rebecca represents changes in employee characteristics in various aspects, such as values and behavior. Achievements by Chinese enterprises in the past 30 years, to a large extent, can be attributed to the work of mass employees. The characteristics of these employees have also affected the outcome

of enterprise management during the process of economic and social development, as well as the growth of the enterprises. In this chapter, I will focus on the characteristics of employees in modern Chinese business organizations, and introduce some effective measures to manage enterprises.

8.1 Changes in Employees' living and working environment

People's behavior is significantly influenced by their values. Their values, in turn, are influenced by their living environment during childhood and the working environment during adulthood. In childhood, material and spiritual elements needed for "survival" can inspire one's pursuits and change one's values. In the working environment, an organization's rules and regulations can further influence one's understanding of right or wrong, should or shouldn't.

As a proximal environment in which employees work daily, an organization can have a larger influence on employees' values in terms of attitude and behavior than the societal environment in general. After all, society is a distal environment, whereas the workplace is the proximal environment. Behaviors expected by the organization, the organization's work allocations, and reward and punishment policies exercised in daily work substantially affect employee behavior. As time goes by, these influences can become deeply rooted on the level of worker values.

8.1.1 Broad Context: Dramatic Changes in the Chinese Society

In the past few decades, every aspect of Chinese society has undergone major changes. The mainstream social development has been the transformation from a farming society to an industrialized, informational society, and from a closed society to an open society. Accordingly, peoples' values have been influenced by the social mainstream mindset, popular culture, and way of living. As a result, Western and Eastern mindsets become popular in ebbs and flows, traditional and modern ways of life co-exist, the standards measuring nobility versus contemptibility change over time, and the "mainstream" mindsets has been constantly changing.

From slogans in different periods, we can have a taste of social thoughts, and observe the generational changes of values orientation. Before the Cultural Revolution, what employees heard were: "If you feel this is tough, think of the Red Army's Long March; if you feel it exhausting, think of the revolutionary predecessors; if you feel it difficult, think of the hard days in Jinggang Mountain" (in Chinese, these sentences are in fairly good rhythms), "We shall accomplish building the great oil field even at the cost of 20 years' life", "A revolutionary soldier is like a piece of brick, which shall be placed wherever it is needed".

All these slogans promoted the selfless and aggressive spirit of ignoring the individual's interest and sacrificing for the group. After the Cultural Revolution, everything needed to be done, and slogans such as "Respect Knowledge and Intellectuals", "Practice is the sole criterion for testing truth", "Liberate our minds, seek truth from facts, and unite as one and look to the future", "To be the new generation of socialist constructors with ideals, morality, culture, and discipline", "Unite to revitalize China" blew the horn for liberating Chinese minds and working hard to construct the motherland. When Reform and Opening Up entered the next phase, slogans such as "Time is money, efficiency is life", "Save enough for the country and the community, all the rest are mine", "Allow a proportion of the people become wealthy first", "Poverty is not socialism", "Material and spiritual progress are of the same importance" reflected the government's and people's endeavor to protect the purity of the spiritual realm while focusing on economic development. From the late 1980s to 1990s, slogans such as "Stability is the first priority", "Development is the absolute principle", "Science and technology are the primary productive forces", "Gear to international conventions", "China can say no" reflected the resolution of the emerging conflicts during the process of developing the country. Entering the twenty-first century, "Harmonious society" and "One world, one dream" reflected China's aspiration to participate in with the international community and to build an even better country.

Changes in the composition of the population also brought on a transformation of values in various aspects. For example, the generation born after 1980, the population group around or younger than 30 years old now, is mostly made up of people who are the only child in their families. Associated with the rapid social and economic growth, the material conditions of families could better meet the needs of their children. Without needing to share or fight for resources with their siblings, this generation to some extent attracted a stereotype of being "irresponsible", "selfish", "spoiled", etc. The "Moonlight Group" (literally "Monthly Used-up Group", young people who spend almost all of their monthly salary by the end of the month) and the "Strawberry Group" (young people who are spoiled by a comfortable environment and cannot tolerate any difficulty – just like strawberries) are the labels which have been applied to this generation. Of course, like all stereotypes, these labels are not absolutely appropriate. It is only the opinions some people have of the young generation; however, the stereotypes surely can affect the behaviors and attitudes of the beholders towards the young generation.

8.1.2 Micro environment: weakening of the business organization "work unit"

During Reform and Opening Up, working organizations, or the Chinese term, "work units", have undergone dramatic changes. The most obvious one is the weakening of the control imposed on individuals by the organization. In the past

era of work units, almost every aspect of an employee's life depended on the organization, because everything in his or her life was connected to the organization. As Jack Perkowski, an American businessman who established a successful business in China, wrote:

The “work unit” played a unique role in post-1949 China. A person’s job in a factory—or in some other type of work unit, such as a hospital or a university—was the way he or she was defined. The work unit was the person’s entire universe. In addition to providing jobs to both husband and wife, the work unit provided housing, schooling and medical and retirement benefits. In essence, the entire welfare system in China had devolved to work units (Perkowski 2008, p. 133).

In sharp comparison with the past, the reform has transformed working organizations from “the entire universe” into entities with which employees trade their skills and labor for income and welfare. In some state-owned enterprises, government departments and public institutions, this transformation is taking place at a slower pace. Generally speaking, this transformation is not only affecting work relations for the old generation of employees and the society stability (see Chap. 9 of this book), but also influencing the attitudes and behaviors of the new generation of employees. Enterprises or other employers founded on the market economy have relationships with their employees that are increasingly closer to what is called the exchange relationship in Western theory. This includes the exchange of materials, as well as emotions, commitments and so on.

8.1.3 Paradoxical Chinese

In some ways, the change that has taken place in China in past decades equates to what has happened in other countries over centuries. The dramatically changing environment has left Chinese employees dealing with many contradictions. On the one hand, cultural and historic traditions are imprinted on everyone's genes; on the other, social and economic progress seemingly hijacked everyone in the rush to move forward, with no chance to assimilate the changes. Everyone has to change him or herself to adapt to the environment, because the society is changing too fast. Scholars are also trying to explain the contradiction and paradoxes between tradition and modernization. Opinions on “tradition” hold that a person's value is deeply rooted in history and culture. Our own research shows that, to judge a person to be good or bad, traditional Chinese concepts such as “repaying favors”, “taking personal friendship seriously” and so on have been given the same importance by many managers. Opinions on “modernization” hold that practical life affects people most, especially in terms of work-related values. To quote Jack Perkowski again:

What happened in China in a thousand, a hundred, or ten years ago is important, but what’s more important is what’s happening today, on the ground. I personally enjoy learning about Chinese history, and I learn something about Chinese culture every time I read a book on the subject. But the simple fact is that knowing the ins and outs of China’s many

dynasties is interesting if you've got the time, but not terribly helpful in terms of figuring out how to do business today. (Perkowski 2008, p. 58)

Characteristics caused by both tradition and modernization probably can be found in every person. Recently, a compromise view has appeared in academic circles, which divides work-related values into two categories. The family-related values are determined by society and history, and evolve very slowly; on the contrary, the work-related values are determined by societal and organizational lives, and change quickly.

In this social background of dramatic change and co-existence of various ways of thinking, Chinese people's thinking becomes more diversified and inclusive. As a result, Chinese people can be very different from one another, and at the same time, Chinese people can be extremely adaptive. Characteristics that are seemingly contradictory can co-exist harmoniously in one person, and be seen in different circumstances. Therefore, employees growing up against such a background of dramatic changes and contradictions can demonstrate absolutely different behavior in different circumstances (Hong et al. 2000). The new generation of employees, in particular, can easily deal with the conflicts among different values. They have fewer restrictions in their minds, and can be very adaptive.

Because of the unique historic cultural environment and political economic climate, Chinese employees carry different characteristics from those described in many classic textbooks. When we consider the characteristics of Chinese employees, there has to be a reference object. The reference here is employees described in the textbooks of popular management courses or organizational behavior. These employees are actually mostly those who work in large companies in the West (especially in North America, or the United States). So, how can we summarize the characteristics of Chinese employees? Chinese employees dine with chopsticks, and American employees dine with fork and knife. This summary is basically accurate but no one would believe this summary could be of any help to organizational management. For this reason, my summary on characteristics of Chinese employees in this chapter is based on empirical research of the past several decades. Because of various restrictions, some very important points, though not thoroughly investigated empirically, are still to be discussed with their implications. I hope that my casual observation can serve as starting points for future research.

As my summary takes Chinese employees as a whole group, it runs the risk of being over-generalized. As a matter of fact, even inside China, employees from different areas, ages, education background and professions could be very different. Taking regional differences for example, some say "people in places a hundred miles apart could be different in customs, and a thousand miles apart could be different in traditions." Some even say "when you are three miles away from your hometown, you will see a totally different world." Employees from cities such as Beijing, Shanghai, Hong Kong and Chengdu could be more different than those of two different countries. Therefore, I am summarizing a combined character that has "a mouth from Zhejiang, a face from Shanxi and clothes from Beijing". But, generally, this can describe the characteristics of a typical Chinese employee.

The purpose of this chapter is to offer descriptions on employee characteristics that are likely different from classic textbooks based on Western societies. Summary of such characteristics helps pave the way for the review of Chinese experience of management.

8.2 Chinese people Influenced by the Traditions and Current Changes

This section will introduce some characteristics Chinese people might have today, some of which are reflected in workplace behaviors and have been recognized by managers, and against which management practices have been developed. Briefly speaking, being in the middle of time-honored tradition and dramatic changes, current Chinese people possess characteristics that are seemingly contradictory but magically coexist in a harmonious way.

8.2.1 Modest but Ambitious

Chinese traditional culture emphasizes introspection, taking the habit that “one should introspect three times a day” as a virtue. Therefore, Chinese people are modest. They don’t want to be the victims of slogans such as “Birds flying first get shot”, “The rafters standing out rot first”, or “Bigger trees get stronger wind”. In particular, Chinese people are more likely to respond to their own achievements by demonstrating their shortcomings so as to avoid jealousy from others. At these times, Chinese always deny or play down their contribution by saying “I did nothing”, but give credit to other’s work such as “good leadership” or “support from co-workers”, or the external environment: “I was just lucky”. A modest person like this usually receives more respect than those who always boast of their achievements (Bond et al. 1982). People who practice such self-judgment lower, to some extent, the evaluation of their capability and achievement, but raise the evaluation of their moral standard at the same time. Under the rule of modesty, people need to conceal their ambition and capability. Chinese people not only refuse to “march ahead of the team” and “start misfortune for others”, but also refuse to “start good things for others”. It is probably because of the macro environment described in the old sayings cited above.

The logic of the market economy, however, is the pursuit of efficiency, competition, and even seeking for survival in the society that “winner takes all”. As a result, people’s drive to pursue excellence is becoming more and more prevalent. With the background of radical and constantly changing social stratification, people have a strong desire to uplift their and their family’s social economic status. Investigation shows the generation of Reform and Opening Up is more willing to

achieve success, such as social status and prestige through hard work and capability (Egri and Ralston 2004). In highly competitive occupations, industries, and companies, people have become to enthusiastically seek for excellence, sometimes aggressively, to be successful. Being ambitious even becomes an important criteria for companies when recruiting new employees. Motivated by society and the organization, more and more Chinese have accepted the competitive reality, and are eager for life achievement.

8.2.2 Overall and Dialectical Thinking

Being modest and prudent means Chinese people are more likely to learn and admit their shortcomings in front of others. Compared to American employees, Chinese and Japanese employees are more willing to find out what they are doing below expectations (Bailey et al. 1997). At the same time, Chinese employees are trying to identify their own merits as well. Compared to Japanese employees, Chinese and American employees are more willing to find out what they are doing well from leaders and coworkers (Bailey et al. 1997). This shows Chinese employees are looking for a real ego when realizing their advantages and shortcomings in a balanced way. This characteristic largely can be traced back to the philosophy of Taoism, which decrees: “Things will develop in the opposite direction when they become extreme”. This philosophy enables Chinese people to see things dialectically, including how they see themselves. If we only look at how people can evaluate themselves positively, we cannot discern the difference between Chinese and American people. However, Chinese people are more able to see and admit their weaknesses compared to Americans. This doesn’t mean that Chinese people see themselves more objectively or critically. Psychologists have employed an implicit way to measure people’s positive or negative self-esteem (by asking people to connect themselves to evaluative words) and found that Chinese people’s opinions of themselves scored higher than Americans, both positively and negatively (Boucher et al. 2009). While looking at their merits, Chinese people also dare to admit their shortcomings. Under the guidance of dialectical thinking, Chinese people are able to seek harmony and consensus from contradictory matters, even accept arguments that are totally opposite (Peng and Nisbett 1999).

In relation to dialectical thinking, Chinese people also like to think in an overall way. When seeking to understand something, they always look at the whole picture first (Nisbett et al. 2001). Using the structure of the Chinese novel as an example, the following comments are insightful (Kong 2007):

The traditional Chinese chapter novels have a fairly fixed structure of following a time sequence and developing from large to small. From the difference between Chinese and Western novels, we can see the views on time and space are different. Chinese like to write novels from the big picture to small items. Even talking about a short story, the novel still starts with “in the Dynasty of SONG. . . .”, such as one day in the Song dynasty, in a village next to a city, a young man fell in love with a young lady. The story has nothing to do with the “Song dynasty”, but Chinese people just love to write this way. It shows Chinese

people's view on space and time. They are observing an issue from a universal perspective. Chinese people love to see the general picture, even when playing chess, fighting a war, talking about history and politics. To the extreme, a story in the Song dynasty may not begin with Song, but start with the Creation of the World by Pan Gu, or Nuwa Mending the sky, and then comes the story, "A Dream of the Red Mansion".

However, during the age of Reform and Opening Up, China is embracing unprecedented change. For example, hundreds of millions of people have moved away from the agricultural way of life. With all the economic and social change, people have even taken changes as the common sense. Closely related to accepting change, modern Chinese people are not conservative in their ideas. They have the courage to challenge the authority and existing social order in terms of values. The generation after Reform and Opening Up is more capable of accepting changes and avoiding conservative thinking than the generation of the "Cultural Revolution". The latter is more adaptive than the even earlier generation (Egri and Ralston 2004). Perhaps, one of the components of the dialectic lies in change, so Chinese people are really quick in accepting change.

8.2.3 Rapid Expansion of Material Desire but Shame in Talking About Benefit

Confucius once said: "The gentleman understands righteousness, the petty man understands profit." This doctrine educated generations of Chinese to be ashamed of talking about profit or interests, to ensure their words and behaviors were up to the standard of a "gentleman" (or gentle-woman). However, after centuries without enjoying a high standard of living, Chinese people cannot have a stronger desire for a good material life. In 1985, the Clivia miniata incident inspired tens of thousands of Chinese to dream of being wealthy but it evaded most of them. However, historic lessons were always hard to draw upon. In 2007, the price of Yunnan Pu'er tea experienced highs and lows due to speculation. Some made money and some lost. All this reminds us of the tulip frenzy in the Netherlands in the seventeenth century. In pursuit of material benefit, it seems Chinese people are not following Confucius's doctrine on being a superior person, but hope to possess more material resources so as not to be manipulated by material factors.

In 2005, a survey on Chinese people's desires found the most popular desire was "more money" (chosen by 73 % of respondents). Others included travelling abroad, driving a nice car, living in a villa, being a boss and winning a lottery (Ningxia Daily 2005). These desires are apparently reflected in employees. A survey in China conducted by the Gallup Organization in 1994 showed the work motive of more than two-thirds (68 %) of employees was "to be rich by working hard" (this percentage dropped to 53 % in 2004). In addition, the belief that "one should work for others, not for personal benefit", which has been promoted for years, was cited by only 4 % of the employees surveyed (McEwen et al. 2006).

The reason why current Chinese people focus on material benefit is multifolded. It is not only because the current policy "allows" people to do so, but also to a large

extent because the practical pressures of living are high. The after-80s generation is facing all kinds of pressures, such as housing, marriage, competition, personal relations, supporting parents, personal health, and inadequate insurance and social security. These pressures are even bigger for those from working families in medium and small cities or rural families. Associated with a popular movie, some people low in socio-economic status are said to be working and living like “an ant”. For those people or others who try to avoid being like that, they have no choice other than trying to earn more money or seek material benefit.

In the past two decades, people have paid more attention to the economic well-being of an organization when choosing a work unit. As an important source of current employees, college students have a practical attitude to job hunting questions. According to a government survey, foreign invested companies are always the most popular potential employers. However, with increasing welfare benefits in other work organizations, this percentage is dropping. Meanwhile, the percentage choosing private companies is rising, and the percentage choosing government agencies, universities and colleges and state-owned enterprises have witnessed flows and ebbs: when these government sponsored organizations offered better overall compensation packages, more college students preferred applying jobs there; when the overall compensation packages declined, so did the percentage of college students interested. Sure, the reasons for this fluctuation may be complicated, but there is certainly a direct relationship to the change of welfare conditions in these organizations (Chart 8.1).

8.2.4 Strong but Declining Family Orientation

In traditional Chinese society, families are the cells of the society such that people have no connection with organizations outside the family. Chinese people’s family orientation is reflected in many aspects, such as family regeneration, family harmony, family wealth and family honor. In the face of family interest, personal interest is meaningless. Among the most important objectives listed in the classic literature, “Of Great Learning”, “governing a country” and “harmonizing the world” are tasks very few people have the opportunity to fulfill, but “being a good person” and “constructing a right family atmosphere” are practical requirements for everyone. Family logic, such as respect for elders and helping each other, not only are practices confined to families, but also extend to different aspects in society. For instance, Chinese people usually call their close elders “uncle” or “auntie”, which not only shows their respect for the other’s age and status, but also demonstrates their close relations. With the promotion of the government’s family planning policy and urbanization, however, families in the traditional sense are decreasing in percentage. More and more young generation people do not have siblings and family size in society as well as in people’s minds is decreasing fast. No matter how strong Chinese family orientation is, its impact on individuals is gradually decreasing.

Chart 8.1 Most wanted jobs among college graduates

	1992	1993	...	2002	2003	2004	2005	2006
Government agencies	19.2	13.7	...	12.7	13.9	14.8	19.7	20.9
College and scientific research institutes	22.8	17.8	...	16.3	24.1	25.6	27.3	25.2
State owned enterprises	11.4	8.2	...	10.7	9.6	10.7	12.5	15.1
Foreign invested enterprises	33.8	31.6	...	38.4	37.2	36.2	27.9	26.3
Private enterprises	1.4	6.3	...	10.4	6.4	8.8	9.1	8.8

Note: the survey agency could use different questions and options each year

Madoff's experiences can offer some implications. Bernard Madoff, an American investor on Wall Street was reported to the police by his two sons for deceiving investors. Such a thing would rarely happen in China, because Chinese follow the Confucian philosophy of "a father should shield a son, and a son should shield the father" (from "Analects"). According to Confucian logic, a son should not report his father for stealing a sheep and vice versa, because the moral obligation of "family members shielding each other" outweighs social justice and law. Several dynasties stipulated in law that there should not be severe punishment against "family cover-ups". China's legal system over the long term has created a national value: social justice and personal freedom are not as important as the interests and honor of the family. In February 2010, the director of a city housing administration bureau was reported for corruption by his ex-wife and son. The issue brought heated discussion and debates. Soon the director was removed from office, but his ex-wife and son then regretted their actions and became concerned that the punishments could be too much for the director. Maybe this outcome was against their original purpose of protecting the family. Sure, the two of them, especially the son, would face much pressure and critics from others (Xinmin Daily 2010).

But change is also taking place. With the implementation of the family planning policy, an increasing proportion of families in China have only one child. Nowadays, there are fewer big families, which are being replaced by small "nuclear" families. What's more, even among families with blood ties, the relationships are not as close as before.

More importantly, increasing numbers of people wish to escape the traditional confinements of the family and live their lives independently. As a result, lifestyles representing new, fashion, or rebelling values could prevail very fast. As October 2005, a female singer name Li Yuchun, who shone on Hunan TV's "Supergirl" talent show, was featured on the cover of the Asian version of Time Magazine as a manifestation of the theme of that edition – Asian Hero. The characteristics demonstrated by Li during the competition and in her subsequent career performances, such as confidence, individuality and spontaneity, are well accepted and followed by many people of her age. Chinese people are not necessarily living around traditional families for survival and socialization. In that sense, family offers a safe haven for hearts, but not the end of dreams.

8.2.5 *Expecting Fairness in a Strong System of Hierarchy*

Traditional Chinese culture strongly emphasize hierarchy. It holds that, only when everyone maintains their level and status, with “orderly distinction between the noble and the humble, the old and the young”, can society maintain stability. In today’s world, ordinary people always say “a rank higher can make big difference.” Empirical research offers consistent evidence to this statement. A large sample survey conducted around 1990 (86 samples in 38 countries, 10,000 participants) found three samples from mainland China ranked top three in terms of sense of hierarchy. Taiwan and Hong Kong regions also occupied high rankings (within the top quartile) (Schwartz 1994).

Even so, modern Chinese have a very strong desire for getting out of the hierarchical constraints. People do not easily yield to authority, but hope to enjoy some autonomy at work. A recent popular workplace novel, “Du Lala’s Promotion”, provided an observation by a human resource manager that “70 % of employees considered changing their jobs because their boss was too involved in details, and half of them did change their job”

8.2.6 *Rules Flexible for Personal Connections: Particularism*

You are in a car being driven by your friend and the car hits a pedestrian. You know he was driving at a speed of at least 35 miles per hour; however, the maximum speed there limit is 20 miles per hour. There was no other witness except you. His lawyer tells you, if you testify under oath that your friend was driving at 20 miles per hour, you will save your friend from serious consequences. Do you believe your friend is entitled to receive your help? Are you willing to testify for your friend?

Facing such questions, some stick to the principle of honesty, some choose to protect the friend. After combining answers to both questions, this international survey found the proportion of Chinese people that would stick to the principle was fairly low (48 %), ranking China 5th from the bottom among 38 countries, above only South Korea, Venezuela, Russia and Indonesia (Trompenaars 1994).

The answers to these questions reflect the characteristic that Chinese people could ignore rules and care more for interpersonal connections. In such a dilemma, universalism directs that rules should apply equally to everyone, while particularism directs that one should consider all aspects of such a dilemma, such as how close is the friendship, how seriously the pedestrian was injured, what punishment his friend may face, and so on. In China, when rules and personal connections intersect, people can always find out a lot of excuses to break the rules, such as “only this time, it won’t happen again” (but in reality the same excuse will come next time), “rules are important, but . . .” “Rules are not perfect, so . . .”

8.2.7 “Things Not said Are More Important”: High Context Communication

In episode 17 of the TV series, “Republic”, Emperor Guangxu chats with his master (teacher), Weng Tonghe, on a late fall afternoon. The emperor brings out a fan, which is a gift from Empress Cixi, with his handwriting “Master Weng” and gives it to his master. Weng thanks the emperor for this gift, and gingerly asks the emperor: “It is getting cool, why does the empress give me this folding fan.” Emperor Guangxi says “Take care” and leaves. Next day, Weng is removed from office.

This plot is obviously a dramatic representation of history, but vividly demonstrates how Chinese convey subtle messages in communication. The weather was getting cool, therefore a fan was no longer useful. By giving a fan to Weng in the fall, Empress Cixi and Emperor Gaungxu wanted him to understand that he was no longer useful to the cabinet anymore. Because Weng was the Emperor’s master, this arrangement was made to allow him to prepare mentally and to give him “face”.

This is the Chinese art of communication. It will hurt both sides’ face if some things are said in a straightforward way. So an indirect way of communication is used by combining the content of the communication and the situation. In this way, the communication meaning is produced not simply by the words explicitly expressed. Scholars call this characteristic the “high context” communication. In China, when a person says “yes”, it could mean “yes”, “perhaps”, “I don’t know”, or even “by saying yes unenthusiastically enough, I hope you can understand I was actually saying no” (Walker et al. 2003).

Chinese people are not straightforward in communication. This may be because Chinese people particularly like to save face. Face is personal reputation gained from others; it represents one’s social image and status (Huang 1987). In Chinese society, people offer “face” to others by means of providing resources, approval or satisfying certain requirements, to show respect or acceptance to others. Therefore, Chinese people’s attention to face is actually to others’ evaluation and recognition of their social status and prestige.

8.3 Employees as Members of an Organization

In organizations, Chinese employees reflect those characteristics of the general people as well, and their characteristics lead to challenges for the management of an enterprise. In this section, I will introduce employees’ characteristics that are closely related to management.

8.3.1 Emphasis Is on Teamwork, but It Is Hard to Collaborate

Traditional Chinese culture emphasizes obeying authority ahead of personal freedom. Compared with individuals in the West, Chinese people emphasize in their traditional values such as authority and affiliation, passivity and endurance as well as not taking the initiative. Words like “individualism”, “oneself” are even negative words in a Chinese context, containing meanings of selfishness (Yang 1991). In China’s management practices in recent decades, the mainstream has also emphasized the individual’s loyalty to the organization. For example, most companies advocate for factory workers to sacrifice private time to work overtime to achieve production goals. Of course, this is in sharp contrast to the story of “the toughest secretary ever” (Bachrach et al. 2007).

In an organization, emphasizing collective interests, especially collective responsibility in work, can motivate employees to work hard for the interests of the organization and reduce “free riding” behaviors. Meanwhile, as collective interest is more important than personal interest, employees in China often put aside their own work to help a co-worker as natural, even though their work may be totally unrelated. This places huge pressure on employees, as they have to bear responsibility for their co-workers to some extent.

The cultural context of so-called “collectivism” doesn’t mean Chinese employees are more cooperative. The saying that “One Chinese alone is a dragon, three Chinese together are like worms” is not just cynical critics, but does tell some truth. Chinese employees who highly regard (or are forced to bow to) collective interests have an even bigger problem cooperating. The reason is, Chinese people differentiate others into two categories, “insiders” and “outsiders”. In the work place, the co-worker with whom they should be working is usually not regarded as “insiders”; therefore, it is harder to cooperate, and get organized. This tendency is more obvious inland than in coastal areas (Koch and Koch 2007). A comparison between Chinese and Australian employees showed the cooperation among Chinese employees with a mainly collectivistic mindset was not as good as the cooperation among Australian employees with a mainly individualistic mindset. When working with foreigners, Chinese employees are even less cooperative. Australian employees, however, treat domestic and foreign co-workers equally (Chen and Li 2005).

8.3.2 Hard Working

Hard working is the characteristic of Chinese employees that has contributed most to the growth of Chinese enterprises. This trait was first witnessed in laborers. In many labor intensive workshops, young workers are repeatedly handling high

workloads, every day, every week and every month. They work many more hours than the standard work requirement. These hard-working yet poorly paid workers created the increasing importance of “Made in China”.

With the gradual economic restructuring and development of the service sector in China, more and more white-collar workers have started to feel pressure at work. A survey by the International Labor Organization shows average work hours of Chinese employees is higher than almost every major country in the world. Death from overwork can be found among both white-collar and blue-collar workers. Concerns have been raised over employees’ health. Statistics show 60 % of white-collar workers have sub-standard health; their biological age is 10 years older than their actual age. There are also surveys that show the overlong working hours can be found most among people under 35 years old.

8.3.3 What Is Fair? A Controversial Debate

Distribution of salary or awards can be seen as fair or unfair, “in the eyes of the beholder”. This is relevant to the general way of thinking. Quite different from the Western way of thinking (which clearly defines a concept and analyses connections among different concepts using strict logic), the Chinese way of thinking features the overall view and dialectical principle, which provides plenty of room for explanation when exercising the rules. Taking the basis for fair distribution of a bonus as an example, there are many principles that can be applied, such as those based on contribution or performance, on each person’s needs, on equal distribution, on tenure or other rankings, and so on. When Chinese employees consider whether the principle for bonus distribution is a fair one, several principles may come to mind. As demonstrated in a popular Chinese talk show “Pinkeye,” the worker who failed to get his bonus thought, “even though I didn’t contribute, I worked hard; even though I didn’t work hard, I worked tired; even though I didn’t work tired, I believed my entitlements”. Hereby, elements such as performance (contribution), work dedication (hard work), personal sacrifice (tired work), and personal expectation (entitlements) are all included in the process of distribution, creating a huge challenge for the manager that executes the resource distribution.

A distribution plan for scarce resources, if seen as unfair, could invoke strong emotional reactions, especially for Chinese employees applying the overall view. The standard of judging fair or unfair is always subjective. A policy one believes is fair, may seem unfair to another person. Therefore, social rules play an important role when distributing resources. Traditional thinking prefers equal distribution, or “not equal is worse than not enough”. In the past 60 years, mainland China proclaimed “work one’s full capability, get paid by work performance”; in reality, however, what was practiced was an equal distribution system in traditional SOEs, namely “it makes no difference if you work more or less, well or poorly.”

A bonus is additional income on top of salary. The bonus does not have to provide for employee’s basic living standards. So how bonuses are distributed can

reflect managers' views on fairness, depending on their different backgrounds. If you, as a manager, are given a bonus to distribute to your subordinates completely at your discretion or in a way you believe is fair, and these people have almost the same background situation, how will you distribute? These people differ in terms of their family needs (one or two family members are working, one or two children to support), personal work effectiveness (daily output), and their relationships with co-workers. In the 1990s, a number of management scientists used just such a scenario to map distribution strategies of managers in different countries.

The result indicated Chinese managers gave more bonuses to low-need, low-performance subordinates than American and Russian managers, showing that Chinese people prefer equal distribution. Meanwhile, Chinese and American managers give fewer bonuses to high-need employees than Russian managers. This may indicate Chinese people had abandoned, to some degree, the previously prevalent distribution principle of taking care of the weak (equality) and accepted better than Russians the efficiency law (equity rule). American managers give more bonuses to high-performance employees than Russian managers, but the amount of bonus distributed by Russian managers is even higher than Chinese managers. Thus, although performance was still the most important for Chinese employees, it is not as important as for Russian and American managers' distribution rules (Giacobbe-Miller et al. 2003; Zhou and Martoccio 2001).

Since Reform and Opening Up, rapid social development has prompted people to start rethinking the issue of fairness, and criticize the equality rule. The result of such social thinking is complicated. Somehow, people started to accept unequal distribution step by step, such as distributing bonuses according to performance. Of course, we can see different levels of acceptance. We can still see people not paying attention to the role of performance in distributing bonuses; sometimes people have abandoned the principle of distributing resources according to need or equality even more radically than Westerners. Fairness is mostly determined by distributors. Among "insiders", equal distribution is preferred; among "outsiders", performance is the right principle to follow to Chinese as well.

Then, we may see the exact opposite situation: Chinese managers are more willing to adopt differentiated distribution plans based on performance. Such preference is not only adopted when distributing bonuses, but also when distributing "rewards of a social nature" such as honorary titles or dinners with high level executives (Chen 1995). Obviously, for these managers, the ongoing reform has much more influence on their distribution philosophy than Confucius's doctrines or the tradition of ancestors.

8.3.4 Fairness Is More Personal Than Procedural

Distribution is a onetime deal, no matter how important the resources are, but rules are permanent and this could affect everyone's long-term interest. So, procedural fairness is very important: only when the decision-making process is fair can the

long-term satisfaction of every member of the organization be relatively guaranteed. Several standards are necessary to judge procedural fairness, including the universality of the decision-making standard so prejudice is avoided, accuracy of the information for decision-making, a correction mechanism to deal with wrong decisions, adherence to moral principles, communication of the standard to those affected, and so on.

In actual practice, what unique views do Chinese employees have towards procedural fairness? Because of the influence of thousands of years of sacred imperial power, Chinese people have an awe of their leaders and thus fear questioning leaders' decision-making process but rather believe their leaders' decisions are fair. As a result, people usually don't care whether a leader should explain the process to them. Unlike American employees, Chinese employees don't care about the explanation of how leaders conduct performance assessment. This is just not important enough for them.

However, Chinese employees care more than American employees about the respect and understanding they receive from their leaders, or so-called "equal treatment" (Tata et al. 2003). Traditionally, "the emperor treats ministers with respect; ministers treat the emperor with loyalty" (from "Analects"). Even a leader having as high status as the emperor should respect his subordinates (ministers). This could be relevant to Chinese people's overall way of thinking and preference for face-saving and hierarchy. Respect from the leader represents one's high position in the leader's mind, therefore it strongly implies this person is outstanding. If the leader treats the employees equally, the employees tend to believe everything from the organization is fair. An employee in one company once said: "If my boss treats me as a human, I will work as hard as a cow; if my boss treats me as an animal, I will defend my dignity as a human." As we can see, a leader's respect for employees can have a great influence on employees' working morale.

8.3.5 Difficulties Building Trust in an Organization

As the business environment has yet to be improved, successful cooperation relies on trust, which needs more time and effort to nurture. In contrast to the relatively sound business environment and institutionalized system in the developed countries, gaining trust in China is based on in-depth understanding between both sides. To establish mutual trust, the parties need to fully understand each other's background, develop a fondness for each other and pay full attention to each other's wishes. The basis of work place trust is not only related to work, it is also related to personal relations outside the workplace. People prefer to trust co-workers and leaders with whom they have a close personal friendship. One of the standards by which co-workers judge each other's trust is: "do they ask me to have lunch?"

In China, the establishment of trust is difficult. Once established, it will last long and work well. As mentioned in previous chapters, "particularism" works here. People need to develop their relationships with the focal people to gradually

become “insiders” to be trusted, but not remain as “outsiders”. Insiders such as close friends can be second only to family in terms of importance and intimacy in one’s mind. In this way, those who are trusted can escape the restriction of rules and gain benefits, such as access to important information or receiving unauthorized favors.

8.3.6 Pursuing Harmony but Getting Paradoxical Outcomes

Seeking for harmony is the key to explain many Chinese people’s behaviors, but the harmony seeking behaviors are demonstrated in many paradoxical manners. As discussed in the last section, Chinese people tend to be modest. Modesty is helpful to maintaining harmonious interpersonal relationships: to make others look good and to prevent a person without achievements from being embarrassed in front of others. One way of making others look good is to devaluate self. Thus, Chinese employees like to ask their co-workers and leaders to point out what they didn’t do well. Asking for opinions from leaders and co-workers on one’s work is a very important behavior at work. Research among Chinese, Japanese and American workers shows Chinese and Japanese workers try harder than American workers to collect negative feedback on their work, and seek advice from leaders and co-workers. “May I ask what you think I should do to improve my work?” (Bailey et al. 1997) This way, employees can find out their weak points and improve their future work. Of course, modesty is not only for such “practical” purposes. More importantly, when good performers do that, they make their inferior performing peers to feel better. Being modest can be a sign of maturity, an indication that one has had the experience of “arrogance brings damage, modesty brings benefit” when interacting with other people. In this regard, modesty is not spontaneous behavior by Chinese people, but an “impression management” strategy, which helps to leave a good impression on others.

In the workplace, measures for harmony can resolve contradictions, such as avoiding unnecessary disputes. However, avoiding disputes may undermine corporate performance. Taking the “borrow money to buy shoes” hypothetical mentioned in Chap. 11 as an example (please read that chapter for details), researchers asked two follow-up questions about this co-worker who forgot to pay back money he or she borrowed: “Now the company is setting up working teams. Given your professional backgrounds, it is suitable to put you and the co-worker (who borrowed your money but failed to repay you) in one team. Success of such a team will surely benefit your coworker, your company, and yourself. Are you willing to be in the same team with him or her?” and “The co-worker needs your help on a task. Are you willing to help him or her?” The result was that those who didn’t ask money back were less willing to be in the same team, and less willing to help with the task than those who asked the co-worker to repay the money. Refer to the fact that the reasons of not asking money back was to keep harmony. Paradoxically, “harmony”

played the role of peacemaker and temporarily eased the tension, but left a hidden danger. Scholars call this apparent peace “fake harmony”.

8.3.7 Promoting the Self and Hard to Develop Organizational Loyalty

Different from their ancestors, the current Chinese people wish to live their own lives. Sometimes, this means that they may have to escape the life of the organization, even if it means losing income. The Chinese people, whose individuality has been depressed for thousands of years, have started to regain self-awareness. In the past, personal obedience to the group was emphasized in the extreme. Nowadays, personal interests are protected. Individuals can live, even work, in their own way. Gallup’s survey of employee work attitudes also proves this point. From 1994 to 2004, in terms of work purpose, the percentage who wanted to “get rich through hard work” dropped by 15 %, while the percentage who responded, “I don’t care about fame and money, but want to live a life that meets my taste” rose by 16 % (McEwen et al. 2006). The new generation of employees holds a stronger sense of individual value than the old generation, but a weaker sense of collective and traditional Confucian values (Ralston et al. 1999). The new generation of employees creates many challenges for managers.

One of the consequences of the pursuit for individuality and self value is the prevalence of the “fire your boss” attitude. A survey of young and highly educated white collar Chinese shows 26 % of them job-hopped once, 15 % job-hopped twice, 13 % job-hopped three times, 5 % job-hopped four times, and 4 % job-hopped five times and more. Only 36 % of them never changed jobs (Zhang 2004).

8.4 Chinese Managers’ Practices

Since Reform and Opening Up, Chinese enterprises have learned much about management experience from Western textbooks, and even introduced their own innovations. In accordance with Chinese employee characteristics, the following management approaches generally fit the characteristics of Chinese employees and China’s unique economic development environment (see Chart 8.2).

8.4.1 Respect to Subordinates

As mentioned before, Chinese employees’ understanding of corporate fairness is based heavily on whether the leader respects them, which is usually more important

Chart 8.2 From individual characteristics to effective management

General characteristics of Chinese people (Section 2)	Representations as members of organization (Section 3)	Effective reaction from managers (Section 4)
Pursuing excellence while being modest	Hard working	Timely reward
Benefit seeking	Loyal to oneself but not to the organization	Career development
Overall thinking mode	Multiple standards of fairness	Full empowerment
Particularism	(fake) Harmony orientation	Professionalism, avoidance of nepotism
Seeking equality under rules of hierarchy	Valuing leaders' respect	Respect for subordinates
Living one's own life	Emphasizing collective interest but finding it hard to cooperate	Respect for difference
High context communication		Clear communication

than proper explanation of the rules. Respecting their subordinates is the secret to many managers winning employees' cooperation and goodwill.

In order to promote equality among employees and thus enhance communication and trust among departments and staff members, Lenovo launched a "No title" campaign from 1999 to 2000. At that time, there were three to four levels of management titles and more than 200 title bearers in the company. When an employee asked for "General Manager Zhang", usually several managers with the same family name did not know which Zhang shall respond. Yang Yuanqing promoted this campaign himself, by wearing a pin carving "Please call me Yuanqing". With his encouragement, his secretary started calling him Yuanqing first. In the beginning, people were not quite used to it but, as more and more people followed the initiative, it became very natural. In this way, the strict sense of hierarchy between employees and their superiors was removed. The atmosphere featuring mutual respect, equality, casualness, inclusiveness and democracy gradually took shape, which was a huge encouragement to all employees.

It is because of the Chinese tradition of accepting leaders' authority and clear distinction of hierarchy that superiors' respect seems to be more valuable. Respected by their leaders, subordinates often reciprocate by behaviors captured by sayings that "One would rather die for a bosom friend" and "spare no effort in the performance of one's duty". Relevant to particularism, Chinese employees' attitudes and behaviors are determined by personal elements in the environment. In other words, the organization is personalized in their eyes. Employees who have better relations with direct superiors always demonstrate a higher level of loyalty and are more willing to help others and contribute voluntarily. Such behavior and attitude are usually related to employees' understanding of the organization (such as feeling how supportive the organization is), but not to superiors in the Western

world (Hui et al. 2004). However, in China, the organization is represented its superiors, maybe this is the modern version of *rex et regnum*.

8.4.2 *Straightforward Communication*

In the workplace, speaking in an unclear way and leaving others to “guess” is some leaders’ way of maintaining mystery and control. The result of such behavior could be unlimited exaggeration or misreading of the leader’s will. For example, a private enterprise instituted enrollment regulation to avoid the personal approaches by leaders, independently executed by an enrollment commission. On one occasion, the boss forwarded a resume of a job applicant but there was no recruitment plan. During discussion, members of the enrollment commission had no idea of the boss’s real purpose. While hesitating, they decided to give this person a chance to interview. The result of the interview was not satisfactory. Still the commission was not sure why the boss had sent the resume, so eventually they decided to hire this young man in order to save the boss’s face. One day, the boss saw this incompetent young man and challenged the enrollment commission, saying: Do we have any recruitment plan this year? How could you recruit such an incompetent person? The entire enrollment commission was speechless and embarrassed.

To figure out what the boss really means is the agony of most employees, especially mid-level managers, one to which they need to give a lot of thought. As a matter of fact, because Chinese people tend to listen for subtle cues during a conversation, it is more important for managers to clearly convey their ideas to subordinates and clarify that “what I say is what I mean, I don’t have other implications”. Otherwise, too much “figuring out the leader’s authentic will” likely lead to misunderstanding.

Some entrepreneurs call for an open and democratic management platform where people can frankly communicate. When talking to employees, managers have to speak the truth and be straightforward, instead of beating around the bush.

8.4.3 *Accepting Differences*

In traditional Chinese enterprises, managers hoped everyone could be working role-models, or strive for improvement as the Communist Party directs. They wished everyone could be at the same ideological level. Even if people differ in many aspects, they should target high and improve continuously. Nowadays, managers have to admit and accept differences between employees, on values, way of life, dress code, hobbies, and so on. Individuality is already the most important icon that differs from the old days.

For instance, Tencent group stresses inclusiveness and respect for employees’ personal difference in corporate management. Some employees are quite slovenly,

some have a strong personality, but the company encourages them to develop in their own ways and gives them full space to demonstrate their personality (Li and Jing 2010, p. 222).

With this new trend, it is desirable for managers to provide employees with multiple channels through which they can communicate with the corporation, fully understand personal differences and give motivation accordingly. Sometimes, even flexible work hours can be adopted for those highly independent workers.

8.4.4 Timely Reward

When employees are openly talking about money, managers should be more open and well prepared to talk about this issue. Today, most employees have strong individuality and sense of achievement, but less patience to wait for the company's long-term reward. Many employees have a simple and clear mind: how much money you will pay me, how much work I will do for you. I will do extra work when I wish to, but I am not obliged to make a free contribution. Hereby, we can see a time gap between paying and working. On this issue, it is the high level managers who need to adjust, not the employees. Therefore, timely rewards have become one of the most important measures for motivating employees.

Many Chinese companies use timely reward to motivate their employees. For example, in order to inspire staff enthusiasm, China Vanke established a trans-department innovation league, to encourage innovation proposals. Specific rules were drawn up, including that revenue-making innovation should be rewarded. A team in the innovation league once developed a new recipe for painting, which achieved energy saving goals and cut costs by 6.8 million Yuan. The company decided to give an immediate material reward to members of this team. Huawei once hired a chip development engineer on a yearly salary of 40,000 Yuan. Soon, the company found this engineer's work contributed much more than expected, therefore his annual salary was promptly raised to 500,000 Yuan (Zhang 2008, p. 143).

Apart from material rewards, spiritual rewards can also inspire staff enthusiasm. Haier combined performance bonuses and honor rewards to inspire its employees. There are more than 10 bonus models to connect salary and work performance. Innovations on production tools or production procedures are named after the inventor or innovator. In choosing employees to be promoted, Haier uses the competitive approaches (called "horse racing" in Chinese) instead of naming from the top (called "horse picking") to motivate employees. Employees with good performances can win all kinds of honorary titles, such as "Most Efficient", "Best Quality Team", "Best 100 Results in 100 Days" "Best Worker Over 100 days" (Yu 2008).

8.4.5 Career Management

Nowadays, a large number of employees do not commit highly to their enterprise, but work for their own career, for their personal achievement and a good retirement. In the time when employees are not blindly loyal to their organization, managers have to help employees see their growth in the enterprise and bright career prospects in the future, so they can really win their hearts. For employees with strong financial mobility, in particular, career is the real motivation.

In order to help employees establish successful careers, some companies constantly examine which position best fits each employee at the stage of recruiting and orientation. At Lenovo, if it is found during orientation that an employee would develop better outside the company, he or she will be given proper advice. At work, many enterprises provide employees with timely and detailed performance feedback, to help them do better in his or her position, or find a more suitable position or even a new company. Various career tracks are in place in many companies: management, technical, production etc. Huawei mapped out a qualification system for every level and career development path in the categories of technician and management, enabling employees to achieve a larger career development platform by working hard.

8.4.6 Professionalism

Given the tradition of family, particularism and other personal approaches, certain ideologies transplanted into the enterprise can help employees to build a sense of identity with the enterprise. Many enterprises highlight their “family” culture, hoping employees will treat them as homes. Famous national entrepreneur Lu Zuofu once pointed out: “The company solves employees’ problems; the employees’ solve the company’s problems.” However, the application of family logic in a company may not be a good thing. When there is a conflict of interest between family and outsiders, Chinese are more likely to protect the family interest by sacrificing outsiders’ or organization’s interest. On these occasions, the company is not as close as real family members. Therefore, we can see many cases and ways of satisfying personal interest by undermining corporate benefit.

The value of family first is mostly reflected in Chinese family enterprises. Usually, most or even all of the high level managers are members of the family. Some positions sometimes are given to close relatives or people who have served the family for a long time. In fact, whether a family business should use people according to their levels of closeness, or to the level of their capability, is still under debate. Fotile group in Ninbo is doing everything it can to keep relatives away from the company. But president of Chongqing Lifan group holds a totally different view because of bad memories. In comparing possible consequences of hiring unethical managers, he believed it is safer to keep stakes in family members’ hands

(Yang and Ning 2003). Thus, a family-oriented and particularistic mindset makes internal control and coordination pointless. Employees may violate the rules using excuses such as relations, personal connections and so on, leaving the rules an empty shell. Of course, the problem comes from lack of rigorous management systems and lack of concerns for reputation in the professional market.

Reflecting to these ideas, Feng Lun believes that “*to operate a company, you need to promote a stranger culture, but not an acquaintance culture. In a Chinese enterprise, the reason why orders cannot be followed is people are all acquaintances, resulting in the rules not being followed. In the Western world, such a problem doesn't exist, as everyone is following the rules, treating others as strangers.*” (Feng 2007).

The most direct way to avoid nepotism and dysfunctional rules is to enhance professionalism. In the novel “Du Lala’s Promotion”, it is frequently described how multinational corporations seek to behave professionally, as well as training their employees to be professional. With professionalism, the interests and aspirations of different employees can be effectively coordinated so that employees can cease conflict and work better. Many Chinese enterprises have been improving their levels of professionalism in past years. Quoting the main actor’s line in “Du Lala’s Promotion 2”, we can understand how to be professional during conversation and communication:

During meetings, the opening remarks should clearly indicate the topic of this meeting and ask everyone to keep to the topic in their discussions. This is the rule of the game. How long the meeting will last, what problem shall be solved, these need to be made clear in advance. . . . and then, the chairperson should propose how the meeting shall proceed, so as to push forward the agenda. . . . During discussion, the chairperson should repeatedly clarify and reaffirm opinions of all parties. . . .when the discussion becomes deadlocked or too many opinions are raised, the chairperson should push all parties to reach agreement. . . finally, the chair person should summarize . . . what decision has been made during today’s meeting? In this decision, what is everyone’s task? How shall we follow up?

When expressing an opinion, facts should be presented. Communication should be based on facts. For example, one should say “according to the plan, my task is to coordinate meeting venue and hotel accommodation, but the two colleagues in charge of confirming the guests list and air ticket issues gave me their tasks because of their other engagements, which meant I was unable to finish all the tasks”, instead of saying “why should I take care of everything, I can’t do it”. In this way, personal conflict can be avoided. You should pay special attention when your counterpart has a strong personality and is not that nice.

The novel is focused on an American company. In fact, Chinese enterprises have made significant progress in professionalism. China Netcom group emphasizes managing employees using a standardized institutional management system. Before entering the company, it provides new recruits with 1 month of dedicated training. After that, they will be given experiential training at work for half a year in the form of job rotation. Finally, the company will assess each employee’s profession vocational orientation and finalize their position. In addition, China Netcom group highly regards the principles of communication with trust, pioneering spirit, down-to-earth manner and performance commitment. Through electronic communication channels and its e-magazine community, every employee can express their

thoughts freely, so that conflicts can be resolved in a timely manner. As a result, the voluntary turnover rate of China Netcom remains the lowest in the business, and the company enjoys good economic returns.

With economic and social progress, the level of acceptance by employees of professionalism is getting higher. At the end of 1999, Li Yanhong, who was about to start his own business, invited Xu Yong to join him. The first time they met, Li brought out a contract of confidentiality for Xu Yong to sign. Though feeling it was a bit unexpected, Xu was not surprised about this at all. After signing the contract, the two started to discuss real business, which turned to be the giant Baidu today. Signing a contract of confidentiality was a professional way to remove distrust and clear the ground for both of them to concentrate on business development.

8.4.7 Trust and Empowerment

It is hard to nurture trust in China, but Chinese employees attach great importance to trust. A lot of employees aspire to earning trust from superiors. The motto, “Don’t use a person you don’t trust, don’t distrust a person if you start to use him”, not only makes employees pay close attention to whether they are trustworthy, but also provides a suggestion to managers that they should fully trust and empower their subordinates.

From the very beginning, Baidu has focused on creating an atmosphere in which attention is paid to work outcomes and developing high-level talents. Two examples fully illustrate Baidu’s policy of trusting its employees and giving them development space. In 2004, a junior student at the Beijing Broadcasting Institute named LI Ming was working as an intern at Baidu. He made a department development proposal to improve Baidu’s community product by raising employees’ salary levels, specifying a work attendance system, improving administration and establishing a motivation mechanism. The then Baidu product director, Yu Jun, thought this was a good idea and forwarded it to the CEO. Soon the proposal was passed and implementation started. Li Ming didn’t expect his proposal to be approved in such a short time. Feeling he was trusted by the company, he gave up his postgraduate plan and stayed at Baidu. Li Ming became the first product manager of Baidu Tieba (online discussion forum hosted by Baidu) and has made an important contribution to Baidu’s community product development. In the other example, an intern participated in the development of a new product in a major engineering role. However, his work placed huge pressure on the server and caused the first release of a new product to fail. When analyzing the reason for such an outcome, everyone concentrated on why they couldn’t predict such a scenario and how to improve the procedure, but no one blamed him. Soon after, he was hired by Baidu (Cheng 2009, pp. 84–85, p. 247). Being tolerant of failure and trusting employees has given the employees great opportunities to move forward and brought success to the company.

8.4.8 Conclusion: Employees and the Chinese Way of Management

As the saying goes, “People are reflection of their environment.” Chinese employees, in their unique historic and real environment, have different characteristics from Western employees. Facing the reality of these employees, thousands of managers have come up with effective management approaches, which are worth learning by new comers, and worth summarizing and theorizing by scholars. It is these Chinese employees and enterprises with the aforementioned characteristics who have enabled the achievements of the Chinese economy and will push forward overall progress in China in the future.

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