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# Guanxi and OCB: The Chinese Cases

ABSTRACT. Studies of human resource and cross-cultural management are gaining greater attention in international markets. In response to this trend, for multinational enterprises, understanding of the culture and values of other countries as well as their organizational citizenship behavior (OCB), which focuses on members' positive interactions for better achievements in organization, has gained importance. This study aims to explore the effects of national culture and *guanxi* on the OCB in Chinese society including mainland China and Taiwan. The results reveal that national culture and *guanxi* have significant impacts on the OCB, and people in mainland China and Taiwan have different cultures and OCB of their own.

KEY WORDS: organizational citizenship behavior, national culture, *guanxi* 

#### Introduction

The prime challenge of internationalization for a firm is human resource management. Also, numerous executives of enterprises hold the view that resources can be obtained and cost can be controlled, but dealing with people, on the other hand, can be a hard task. Besides, organization members' mutual help, suggestion to the organization, performance, and achievement are focused in the organizational citizenship behavior (OCB) and human resource management (Organ, 1988; Yen and Niehoff, 2004). It is crucial for multinational corporations' (MNCs') managers to understand the values and cultures in local countries for the reason that MNC's managers usually have to communicate or co-work with people of different cultural backgrounds. Nowadays, oriental fever gains more attention, and in light of this trend, this study explores the Confucian moral values that are derived from Taiwan's and mainland China's cultural backgrounds, and the impacts of the Confucian moral values on the OCB proposed by the Western scholars.

Taiwan shares the common language and Chinese culture with mainland China; however, large markets in mainland China pose not only a potential threat but also offer better opportunities for Taiwan. From an international point of view, Taiwan and mainland China are derived traditionally from a family with kinship, and share Confucian culture. However, Taiwan and mainland China have developed their own economy, culture, and society foundation independently. In other words, although Taiwan and mainland China are kindred nations, they are far from being identical now. Previous research investigated the OCB from the view of single national culture or organizational culture. Although, earlier research (Farh et al., 1997) have proposed about the OCB on Chinese culture and society background, most related research was based on the theories and methods derived from the West. Moreover, there were few studies which took Chinese culture into account such as Confucianism's influence toward Chinese OCB. As time flows, cultures from Taiwan and mainland China are not identical to the cultural dimensions as proposed by Hofstede in 1980. In light of this and in order to properly discuss the OCB in Chinese culture, this study takes national culture as background along with guanxi in Chinese context to further investigate their impact on the OCB. This study, as an empirical research, aims to highlight the differences between Taiwan and mainland China on the OCB.

#### Literature review

National culture, guanxi, and the OCB

Management is transferred by culture and dominated by social value, tradition and custom. Besides, the goal can be achieved more easily when the management matches a proper social tradition, value and conviction. National culture is defined as a value, conviction, and can differentiate the discrepancy among communities (Hofstede, 1990). Also, national culture could be a shared knowledge and attitude of citizens which regulates their behaviors and views toward the world (Clark, 1990). According to this study, national culture refers to a shared attitude and perspective of citizens including life style, values, and stereotypes which influence citizens' behavior profoundly. Besides, almost all scholars who are engaged in comparative management differentiate countries and culture domains with Hofstede's five culture dimensions (Hofstede. 1980) derived from the research on 50 IBM subsidiaries all over the world including over 117,000 employees. The five culture dimensions are as follows:

- 1. Power distance: It refers to the degree of power inequality of an institution or organization in a society. In organizations, power distance can influence the number of formal layer class and decision makers and also the degree of authority centralization.
- 2. Uncertainty avoidance: It refers to the degree of uncertainty or risk acceptability and threat from ambiguous situation. More specifically, it is related to how a society react uncertainty in the future.
- 3. Individualism: It focuses on the individual operation unit. People are free and often define themselves from personal point of view. It also emphasizes autonomy, value, dignity, and well-being of individuals.
- 4. Masculinity: It refers to dominant values in a society and aggressive attitude to possess assertiveness, wealth, social status, and achievement.
- 5. Long-term orientation: Long-term orientation was first proposed by Hofstede and Bond (1988). Since the other four national culture dimensions failed to explain why Asian countries made their economy developed so fast in the 1980s, Confucian dynamism was proposed as long-term orientation, the fifth dimension. Hofstede (1993) argued that a dimension which differentiates social cultures results from people's different view toward time. More specifically, people with

long-term orientation regard time as an infinite resource, and they are also more patient. In contrary, people with short-term orientation regard time as limited resource, and they are less patient.

It has been 60 years that Taiwan and mainland China have developed different history respectively since 1949. Obviously, the level of modernization in Taiwan is much higher than that in mainland China since Taiwan has been in contact with western society over a long period of time, and has gone through culture shock from economy and social revolution and capitalism. However, mainland China society has been influenced by major events such as the Great Leap Forward, Great Cultural Revolution, and Tiananmen Incident. Even mainland China is zealous to embrace reforms, the history gap still causes a few discrepancies on the thoughts in Taiwan and mainland China. Moreover, Huo and Randall (1991) compared Beijing, Hong Kong, Wuhan and Taiwan on Hofstede's value assessment scale. The results showed that Taiwan and Wuhan have similar results in power distance and uncertainty avoidance dimensions. In the comparison of Taiwan and Hong Kong, Taiwan obtained higher degree of power distance, masculinity but lower degree of uncertainty avoidance. On the other hand, in the comparison of Taiwan and Beijing, Taiwan obtained higher degree of power distance, individualism, masculinity and uncertainty avoidance.

Guanxi as relationships or connections plays an important role in Chinese society. In addition, guanxi is related to requiring personal favors to achieve some certain means, and embedded the concept of interaction with others. Furthermore, different aspects such as feelings, norms, instruments, obligation, inequitable status and resource, concept of worldly wisdom and repaying others' kindness are embedded in different guanxi (Farh et al., 1997). More specifically, according to Lee and Dawes (2005), guanxi is regarded as interpersonal interaction includes minzi, reciprocal favor, and affect:

- 1. *Minzi*: It refers to the intention of gaining respectful public image to fit in society expectation.
- 2. Reciprocal favor: It refers to helping others on reciprocity.

3. Affect: It refers to giving gifts for business partners on festivals in order to maintain long term relationship.

However, compared with mainland China, Taiwan is influenced more by the Western culture. *Guanxi* in Taiwan is inclined to be neutralized to resemble relationships of the Western society. For instance, although *guanxi* in Chinese society is especially needed to get business done, the western concept "business is business" gains more attention in Taiwan nowadays. In light of this, *minzi* included in *guanxi* is regarded as a means of gaining certain feedback and is more likely to interests or a kind of capital to be accumulated in Western business circle. Therefore, people in Taiwan and mainland China might present different view toward *guanxi* nowadays (Powell and Goulet, 1996; Tsui and Farh, 1997; Walder, 1986).

The concept of the OCB is generated from the definition of extra-role behavior which is proposed by Katz and Kahn (1966). Scholars hold the view that employees are part of an organization operation, thus, they are under a duty to play some certain roles. In other words, an organization empower employees, reciprocally, employees must perform their duties. The term, OCB, was first proposed in the research of Organ (1988) with the definition -OCB based on individual behaviors is a formal incentive and reward system which is not recognized directly by organizations, however, overall the OCB still benefits the operation of organizations. The OCB also refers to an individual behavior embedded in formal reward and punishment system which benefits organization efficiency. Specifically, the OCB originates from personal willingness, but not from organizational requirements. In order to include Chinese characteristic features, Farh et al. (1997) revised the OCB scale proposed by Organ (1988) to make the new Chinese OCB scale based on the investigation of 109 managers, with an MBA as educational background and rich work experiences. Five factors were concluded from the factor analysis in which factors such as interpersonal harmony and protecting company resources were not adopted in prior research. In addition, the two factors probably originate from Chinese culture, and are more suitable to be applied in the description of Chinese characteristic features. The following five OCB dimensions are proposed by Farh et al. (1997).

- 1. Identification with the company: It refers to that as a member of an organization, one is willing to care for the operation and provide suggestions, also, protect the organization reputation and promote the organization image on one's own initiative.
- Altruism toward colleagues: It refers to one's discretionary behaviors giving assistance to a specific other person or small group in taskrelated matters.
- 3. Conscientiousness: It refers that one should abide by the discipline of an organization and be responsible for one's own job.
- 4. Interpersonal harmony: It refers that one would never do unfavorable behavior to harm other people and organization for the pursuit of personal benefits.
- 5. Protecting company resources: It refers to one should avoid negative behaviors and not use company resources for private reasons.

Theories generated from Western countries remain as a challenge in Oriental countries due to the differences in politics, economy, culture, societies, and so on between mainland China and Western countries (Shenkar and Von Glinow, 1994). Besides, cultural differences between Taiwan and mainland China have shaped their respective developments in economy, politics, and society during the last 50 years. This study holds the view that even within the same management issue and performance in the OCB, there are different influences and outcomes between Taiwan and mainland China which have respective regional, cultural, political and economic systems. It is found that there are significant differences on the OCB between employees in Taiwan and mainland China; for example, the OCB attitude and intention of employees in Taiwan are more active than that in mainland China. Also, there are significant differences in the relationship between the management type and the OCB among the employees of Chinese, Japanese, and American firms. Thus, based on the related literature, this study proposes that there are significant differences in the OCB between Taiwan and mainland China.

Hypothesis 1: There are significant differences in national culture, guanxi, and the OCB between Taiwan and mainland China.

### The impacts of national culture on the OCB

Previous studies have investigated the OCB from different regions based on cultural difference aspect, and significant correlation between cultural difference and the OCB was found (Farh et al., 1997; Fok et al., 1996; Gerhart, 2008; Krilowicz and Lowery, 1996; Moorman and Blakely, 1995). For instance, the OCB in mainland China is mainly composed of employees' initiative and community mutual help because in Chinese society, the obtainment, reservation, and control of resources are more likely on interpersonal relationship connection. On the other hand, employees' behaviors are controlled based on laws and regulations in the United States (Farh et al., 2004; Fok et al., 1996). Moreover, cultural differences have impacts on the OCB and lead to collectivism or individualism. It was found that people with collectivism inclination engage in the OCB more positively since group harmony, unity, and loyalty are mainly focused in collectivism. On the contrary, people with individualism focus more on individuals and only care about individuals, families, and friends. In addition, individual convenience is the priority when they use company's resources, and as a consequence, it is more likely to cause resource wastefulness (Kidwell and Valentine, 2009; Kluckhohn and Strodtbeck, 1961; Moorman and Blakely, 1995). In addition, people with femininity inclination emphasize more on maintaining good interpersonal relationship, and are willing to spend more time and efforts caring about others and maintaining interpersonal relationship and life quality, whereas, people with masculinity inclination pursue their self-benefits with little care for others. In addition, it is obvious that they are more self-centered on decision making when encountering the dilemma of personal relationship harmony and self-benefits.

The concept of the OCB is very similar to the Chinese traditional virtue. Specifically, a culture endowed with more inclination toward long-term orientation can be regarded as a culture with higher degree of Confucianism. In Confucianism, the two

essences are jen as benevolence and li as decorum, which are the central thoughts of Confucianism regarding the manner of getting along with people. Traditional decorum and morality constraint are diminishing in importance in Chinese society; however, being economical and persevering is still highly valued. A saving of Confucius, 'Think with benevolence and behave with righteousness" reflects the important status of jen (benevolence), yi (righteousness), and *li* (decorum) on interpersonal interactions. In other words, one must interact with others on benevolence and treat others with kindness and courtesy. The harmony of long-term orientation, altruism toward colleagues, and proper interpersonal relationship in organization reflect a behavior in conformity with Confucian good deed.

*Hypothesis 2*: National culture has significant impacts on the OCB.

# The impacts of guanxi on the OCB

Guanxi refers to establishing interpersonal relationship through formal or informal exchange and developing mutual trust network with consensus of mutual restraint and benefit. In guanxi, minizi is a crucial element, wherein group minzi as group image is generated from individual image. Minzi of a group or family is highly regarded among individuals; in other words, personal behavior should cater for organization. It is everyone's duty to identify oneself with the organization. Therefore, in order to keep one's minzi, one would do something on purpose to cater for others' preference. By doing so, one can set up certain images as well; for example, one might intentionally behave with harmony or try one's best to work hard. Farh et al. (1997) found that based on wu-lun (five cardinal role relations in Confucianism), Chinese traditional society with distinct social strata performs weak on organization justice and the OCB performance. This finding showed that the degree of guanxi may make different impacts on the OCB. Furthermore, guanxi also can motivate responsible and effective performance in the OCB. In order to enhance guanxi with others, one will perform more actively on work, and also maintain harmony on interaction with co-workers.

Besides, *guanxi* with reciprocal favor orientation enhances protecting company resources and results in a significant difference on the dimension of protecting company resources.

Hypothesis 3: Guanxi has significant impacts on the OCB.

#### Method

Sample and data analysis method

Data were collected from a sample of 446 employees with working experience and living in Taiwan or mainland China (mainly in Shanghai, Nanking, and Suzhou, the big cities in mainland China). At first, 480 questionnaires in total included 250 delivered to Taiwan and 230 delivered to mainland China. In the beginning of December 2007, 460 questionnaires were returned. After eliminating 34 invalid questionnaires, this study yielded a sample of 446 questionnaires with 92.91% effective response rate. Of these 446 respondents, 49.3% were male and 50.7%, female. As regards individual ages, 34.8% of the respondents were aged below 25 years, 33.9% in the ages ranging from 26 to 35 years, 19.1% from 36 to 45 years, and 2.2% of them were aged above 56 years. With regard to educational background, a majority of the respondents had bachelor degree (38.8%), 22.4% had college degree, 30.7% had high school diploma or under, and 8.1% had master or doctorate degree. As regards capital status of organization, a majority of the respondents were in private firms (40.6%), 20.6% were in state-run firms, 22.6% were in foreign ventures, and 16.1% were in joint ventures. As regards residence, 249 respondents lived in Taiwan (55.8%) and 197 respondents lived in mainland China (44.2%). Besides instruments such as t-test, One-way ANOVA and multiple regression analysis were applied in this study.

Variable definition and measure

Dependent variable

Dependent variable in this study was the OCB, and the OCB Questionnaire (OCBQ) was based on the scale according to Farh et al. (1997), which was adapted from Organ (1988) and Podsakoff et al. (2000). Owing to reliability concern, items under 0.6 factor loading were deleted. After that, five variables in this study were presented: identification with the company, altruism toward colleagues, conscientiousness, interpersonal harmony, and protecting company resources. The OCBQ question items were design to measure whether employees are willing to defend their company reputation (e.g., I am eager to tell outsiders good news about the company and clarify their misunderstandings; I make constructive suggestions that improve the operation of the company), assist colleagues actively (e.g., I am willing to coordinate and communicate with colleagues; I am willing to help colleagues solve workrelated problems), do self-study to increase the contribution (e.g., I take my job seriously and rarely make mistakes; I comply with the company rules and procedures even when nobody watches and no evidence can be traced), not to destroy interpersonal harmony and avoid pursuing personal gain by using position powers (e.g., I do not use illicit tactics to seek personal influence and gain thereby creating a harmful effect on the interpersonal harmony in the organization), not to abuse company resources for personal use (e.g., I do not use company resources to do personal business; I do not conduct any personal business during the company's time).

### Independent variables

Independent variables in this study were "national culture" and "guanxi." National culture was defined as a shared attitude and perspective of citizens including life style, values, and stereotypes which influence citizen behavior deeply (Hofstede, 1990). After deleting items under 0.6 factor loading, the independent variable, national culture, was divided into five dimensions: power distance, uncertainty avoidance, individualism, masculinity, and longterm orientation. Question items of the National Culture Questionnaire (NCQ) were designed to know employees' point of view toward their supervisors (e.g., I dare not to violate my supervisor's ideas); possibility of retention (e.g., High employee retention rate in a company is appealing to me); cognitions about the job (e.g., I prefer a job with clear description and rules); how employees balance the relationship with their teams (e.g., I consider individual achievement more important than the success of our team); whether employees care about the chance of promotion and obtaining personal reputation (e.g., A job with good chances of promotion is appealing to me); employees' sense of honor and attitude to the elders (e.g., I always respect the elders; I try to avoid mistakes and immoral behaviors) (Hofstede and Bond, 1988). Guanxi in this study was divided into three dimensions: minzi, affect, and reciprocal favor, and the question items of the Guanxi Questionnaire (GQ) were designed to know how employees care about minzi (e.g., The more respect we receive from others, the more minzi we have); how employees enhance affect with business partners (e.g., My business partners will sometimes give me gifts or souvenirs); how employees regard their business partners (e.g., I regard my business partners as genuinely good friends) (Lee and Dawes, 2005).

### Control variables

The control variables included three parts: (1) demographic variables: gender (male, female), age (below 25 years, ranging from 26 to 35 years, ranging from 36 to 45 years, and ranging from 46 to 55 years, and above 56 years), educational background (senior high school level or below, college, university, and master or doctor program), previously accumulated work seniority (1–5, 6–10, 11–15,

16–20, and above 20 years); (2) capital variables: state-run firms, private firms, joint ventures, and foreign ventures; and (3) environment variable: residence in Taiwan or in mainland China.

# Variables and analysis of reliability and validity

The research questionnaire, OCBQ, was designed based on Farh et al. (1997) which, in turn, was a revised scale from that of Organ (1988), and NCQ was based on Hofstede and Bond's (1988) national culture scale. After analyzing each dimension, items with factor points under 0.6 were deleted, and then the rest of the items were named accordingly. As for the OCB, overall coefficient was 0.91, and Cronbagch's α values in each dimension were all higher than 0.83. As for national culture, overall Cronbagch's α was 0.79, and Cronbagch's α values in each dimension were all higher than 0.58. In sum, the variable dimensions in this study were in the range of effective reliability. Thus, the questionnaires in this study, which was revised from previous questionnaires with similar topic, and based on literature reasoning and theoretical background, had reached certain degree of stability and internal consistency. In order to conclude, the questionnaires of this study comprised not only theory base but also content validity (Table I).

TABLE I
Results of reliability analysis in each dimension (n = 446)

Questionnaire category	Dimension	Items	Cronbach's $\alpha$	
OCB	Identification	4	0.84	0.91
	Altruism	4	0.86	
	Conscientiousness	5	0.83	
	Harmony	4	0.86	
	Protect resources	3	0.86	
National culture	Power distance	5	0.75	0.79
	Uncertainty avoidance	4	0.66	
	Individualism	3	0.58	
	Masculinity	3	0.64	
	Long-term orientation	6	0.78	
Guanxi	Minzi	4	0.75	0.79
	Reciprocal favor	2	0.60	
	Affect	2	0.80	

Analysis and results

Prescriptive statistics are shown in Table II, and the results reveal that Hypothesis 1, "There are significant differences in national culture, guanxi, and OCB between Taiwan and mainland China," was partly supported. As illustrated in Table III, there are three tests that supported this hypothesis (uncertainty avoidance: t = 7.33, p < 0.001, individualism: t =8.57, p < 0.001, long-term orientation: t = 7.56, p < 0.001). Through further analysis, the results showed that people in Taiwan have more inclination of uncertainty avoidance, individualism, and longterm orientation than people in mainland China do. Moreover, as for the differences in the OCB, the results obtained from five subordinate tests were found to be partly supporting (altruism: t = 5.98, p < 0.001, conscientiousness: t = 3.14, p < 0.01, interpersonal harmony: t = 3.37, p < 0.001, protecting company resources: t = -2.99, p < 0.01). Through further analysis, people in Taiwan think more highly of identification with the company, altruism, interpersonal harmony, and conscientiousness than people in mainland China do. However, people in mainland China perform better in protecting company resources than people in Taiwan do. In quanxi, we observed that there was a significant difference in *minzi* (t = 6.94, p < 0.001), which indicated that Taiwan think more highly of minzi when compared with mainland China.

Hypothesis 2 which was concerned with the impact of the national culture on the OCB was supported based on the overall results shown in Table IV, demonstrating that national culture had significant impacts on OCB (identification with the company: F = 10.63, p < 0.001, altruism toward colleagues: F = 10.28, p < 0.001, conscientiousness: F = 6.70, p < 0.001, interpersonal harmony: F =3.03, p < 0.01, and protecting company resources: F = 5.74, p < 0.001). Moreover, power distance had negative effects on protecting company resources; in other words, the more the inclination toward power distance, the more harmful it is with respect to protecting company resources. On the other hand, uncertainty avoidance had positive effects on conscientiousness. The higher the degree of uncertainty avoidance the better the conscientiousness. Masculinity had negative effects on interpersonal harmony and protecting company resources. A greater inclination toward masculinity further weakens willingness on interpersonal harmony and protecting company resources. Individualism had negative effects on conscientiousness and protecting company resources: higher degree of individualism disadvantages conscientiousness and protecting company resources. Long-term orientation had positive effects on identification with the company, altruism toward colleagues, conscientiousness, and protecting company resources and indicated that a higher degree of long-term orientation benefits these four OCB dimensions. Hypothesis 3, "Guanxi has significant impacts on OCB," was partly supported, wherein dimensions such as minzi and affect had positive effects on "identification with the company", "altruism toward colleagues", and "conscientiousness" in OCB. However, reciprocal favor had negative influence on protecting company resources.

#### Discussions

Comparative analysis of the national culture and the OCB between Taiwan and mainland China

The findings of this study showed that there were differences on altruism, conscientiousness, interpersonal harmony, and protecting company resources between Taiwan and mainland China, which might be due to the fights during the Cultural Revolution affecting people in mainland China to feel insecure on interpersonal trust. Moreover, Confucianism is diminishing in importance due to anti-Confucianism thoughts and the May Fourth Movement in mainland China. On the contrary, education in Taiwan is more diversified, and traditional thoughts are still preserved. Also, the concept of "harmony of yin and yang" and jen, yi, and li in Confucianism are embedded in interpersonal interactions. Therefore, people in Taiwan think more highly of identification with the company, altruism toward colleagues, interpersonal harmony, and conscientiousness than people in mainland China do. However, people in mainland China perform better in protecting company resources than Taiwanese do. Although mainland China has abundant lands and resources, the distribution of resource is imbalanced. Thus, people in mainland China regard resources as limited treasure. On the contrary, in Taiwan, the

TABLE II
Descriptive statistics and Pearson coefficients

Variables	Mean s.d.	s.d.	1	2	3	4	5	9	7	8	6	10	10 11	12
1. Minzi	3.82													
2. Affect	3.74	0.38	0.00											
3. Reciprocal favor	3.42	0.85	0.00	0.00										
4. Identification	3.80	0.77	0.24**	0.38**	0.08									
5. Altruism	4.03	0.71	0.27**	0.12**	90.0	0.00								
6. Conscientiousness	3.95	0.73	0.19**	0.12**	0.04	0.00	0.00							
7. Protect resources	4.01	0.94	-0.05	0.19**	-0.10	0.00	0.00	0.00						
8. Harmony	4.13	0.95	0.15**	-0.02	-0.05	0.00	0.00	0.00	0.00					
9. Power distance	2.82	1.03	0.16**	-0.04	0.11*	0.05	0.00	-0.03	-0.16**	-0.01				
10. Uncertainty avoidance	3.87	0.91	0.30**	0.15**	$0.12 \star$	0.23**	0.25**	0.28	-0.05	$0.11 \star$				
11. Masculinity	2.78	1.05	<b>*</b> 60.0	-0.04	<b>*</b> 60.0	0.02	-0.02	-0.05	-0.15**	-0.11*	0.37**	0.11*		
12. Individualism	3.98	0.84	0.53**	0.12**	0.10*	0.26**	0.29**	0.30**	-0.11*	0.13**		0.45**	0.03	
13. Long-term orientation	3.99	0.80	0.49**	0.21**	0.02	0.30**	0.45**	0.31**	90.0	0.15**		0.40**	-0.01	0.62*
$\star p < 0.05;  \star \star p < 0.01;  \star \star \star p < 0.001.$	$^{k}p < 0.0$	001.												

TABLE III
ANOVA and *t*-test

Variables	Residence (Taiwan/ mainland China)			
	t-Value	Mean		
Identification	1.64			
Altruism	5.98***	a > b		
Conscientiousness	3.14**	a > b		
Harmony	3.37***	a > b		
Protect resources	-2.99**	b > a		
Power distance	0.33			
Uncertainty avoidance	7.33***	a > b		
Individualism	-1.08			
Masculinity	8.57***	a > b		
Long-term orientation	7.56***	a > b		
Minzi	6.946***	a > b		
Reciprocal favor	0.302			
Affect	0.581			

<sup>\*\*</sup>p < 0.01, \*\*\*p < 0.001.

Residence: a = Taiwan, b = mainland China.

phenomenal economic development fosters a negative view toward resources. More specifically, people in Taiwan are more easily given to wasting resources instead of treasuring them. As for national culture aspect, there were significant differences on uncertainty avoidance and individualism between people in Taiwan and mainland China. People in mainland China have been used to turbulent environment while people in Taiwan are used to environment with stable economy. Thus, people in Taiwan think more highly of uncertainty avoidance than people in mainland China do. Furthermore, individualism focuses more on freedom and personal time while long-term orientation is closely related with Confucianism. Thus, it is reasonable to note that having been affected by Confucianism and Western democratic view, respondents in Taiwan of this study rated themselves significantly higher on individualism and long-term orientation than their counterparts in mainland China did. As for uncertainty avoidance, Taiwan has higher degree of uncertainty avoidance. The results might be inferred

TABLE IV

Multiple regression of OCB

Independent variables	Dependent variables  OCB							
	Identification	Altruism	Conscientiousness	Harmony	Protect resources			
Control variables								
Gender	0.07	-0.08	<b>−</b> 0.36 <b>*</b>	-0.01	-0.03			
Age	0.05	-0.05	<b>−</b> 0.34 <b>*</b> *	0.00	0.13*			
Education	0.02	0.04	0.10	0.16**	-0.05			
Capital	-0.06	0.15	0.08	-0.10	-0.16			
Residence	0.11	0.54***	0.12	0.23*	0.30**			
Independent variable								
Power distance	0.01	-0.04	-0.08	0.01	<b>−</b> 0.13 <b>*</b>			
Uncertainty avoidance	0.08	0.05	0.16**	0.07	0.02			
Masculinity	0.01	-0.01	-0.04	<b>−</b> 0.12 <b>*</b>	<b>−</b> 0.10 <b>*</b>			
Individualism	0.04	-0.07	<b>−</b> 0.13 <b>*</b>	-0.03	<b>−</b> 0.20 <b>*</b> *			
Long-term orientation	0.11*	0.38***	0.13*	0.08	0.18**			
Minzi	0.25***	0.20***	0.15**	0.10*	0.00			
Affect	0.39***	0.18**	0.15**	-0.01	0.20			
Reciprocal favor	0.09	0.07	0.06	-0.06	<b>−</b> 0.11 <b>**</b>			
$R^2$	0.24	0.24	0.17	0.08	0.15			
F-value	10.63***	10.28***	6.70***	3.03***	5.74***			

<sup>\*</sup>p < 0.05; \*\*p < 0.01; \*\*\*p < 0.001; N = 446.

from the fact that people in Taiwan are getting used to a stable living environment over the last 60 years since the economic development in 1960. Compared with people in Taiwan, people in mainland China with turbulent politics and economic environment for a long time have less inclination on uncertainty avoidance.

# The impact of national culture and guanxi on OCB

In the organization with low power distance, the relationship between supervisors and subordinates is interdependent. Besides, they tend to possess the sense of co-existence in protecting company resources, and not waste or abuse company resources. In other words, it is understandable that lengthy power distance has negative effects on protecting company resources. Besides, as regards the correlation between uncertainty avoidance and conscientiousness, higher uncertainty avoidance can result in better conscientiousness performance because people can seek security from work performance and interpersonal harmony. People with masculinity think highly of personal achievement and adventure spirit, and, therefore, they might ignore interpersonal harmony and worldly wisdom easily during the course of pursuing their success. People with individualism tend to be self-centered in life attitude, and regard individual convenience as the priority when using company resources. If one does not regard protecting company resources as a duty, then one might waste company resources. Thus, individualism has negative effects on conscientiousness and protecting company resources.

Hofstede and Bond (1988) named Confucian dynamism as long-term orientation because long-term orientation is closely related with Confucianism. In addition, *jen*, *yi*, and *li* in Confucianism are highly valued in interpersonal interactions among Chinese people. The OCB is close to benevolent behavior that includes altruism, enhancing interpersonal harmony, and protecting company resources, which are also referred to as benevolent performances in Confucianism. That there is no significant difference on interpersonal harmony might be explained by reasoning that culture changes along with time, and that not all the concepts of Confucianism are strictly observed or practiced nor

fulfilled nowadays (Hofstede, 1990). Guanxi plays an important role in Chinese society embedded in good interaction with others and also mutual trust, restraint, and benefit. It is reasonable to note that one would identify oneself with the organization and maintain harmony with others. Therefore, as regards guanxi's influence on OCB, the results proved that minzi and affect in guanxi have positive impacts on identification, altruism toward colleagues, and conscientiousness in OCB. However, the findings showed that reciprocal favor has significant but negative effects on protecting company resources. More specifically, people who highly regard reciprocal favor might use company resources to do personal business from misleading concept of mutual help and sharing.

#### Conclusions

According to the results in this study, there were significant differences on national culture and OCB between the peoples of Taiwan and mainland China. During the last 60 years, Taiwan and mainland China have developed their own culture, economy, education, and society, independent of each other. Owing to the geographic distance and historical transformation, divergent cultural identities might have been formed. We shall discuss later in detail the differences in the educational, economic, colonial, and cultural backgrounds between Taiwan and mainland China, and also compare national culture dimensions on Taiwan and mainland China with culture dimensions as proposed by Hofstede and Bond (1988) (Table V).

# Confucianism and education

Tu (2002) illuminated the impact of Confucianism on the development of industry in East Asia including Japan and the four Asian Tigers. On the one hand, these countries embrace international knowledge of Western thinking. On the other hand, they use resources in their own countries along with the economic development, which is also considered as the development of post-Confucianism. Neo-Confucian ethics development is the crucial variable when explaining the economic achievements in

	Area	Power distance	Uncertainty avoidance	Masculinity	Individualism	Long-term orientation
Hofstede's study	Taiwan	58	69	45	17	87
This study		0.01	0.29	-0.05	0.33	0.30
Hofstede's study	Mainland China	80	30	66	20	118
This study		-0.02	-0.37	0.06	-0.42	-0.38

 $TABLE\ V$  Comparison of the scores in national culture dimensions between Hofstede's study and this study

*Note*: Data resource of Hofstede's study is from the official website <a href="http://www.geert-hofstede.com/geert\_hofstede\_resources.shtml">http://www.geert-hofstede.com/geert\_hofstede.com/geert\_hofstede.com/geert\_hofstede\_resources.shtml</a>.

these countries including Taiwan. As for mainland China, after experiencing some historic events like the Three-anti Campaign, Five-anti Campaign, Great Leap Forward, and Cultural Revolution since 1949, people in mainland China neglect the values of traditional thoughts, and regard them as a limitation of modernization motives. At first, anti-Confucianism in mainland China was generated from few intellectuals with Western thinking who demolished traditional Chinese cultures from a narrow point of view. Moreover, these anti-Confucianism movements intertwined with Chinese nationalism that arose during 1920-1930. Although the results of anti-Confucianism might not be due to the manipulation of the authority at that time, they were still affected by the political situation then.

Education in early days was once exploited by rulers to influence the minds of the public in varying degrees. However, in the 1990s, when the selfidentity awareness of Taiwanese people grew stronger, the core issues of educational reforms were educational liberalization and diversification - the former representing the form whereas the latter representing the content. The policy of 9-year compulsory education is probably one of the biggest contributions made by the reforms. At that time, Taiwan's economy had not begun to thrive, and there were shortages of money, labors, and facilities to promote education. This policy provided just the needed improvement of human resources all over Taiwan. In the 1960s, the establishment of private vocational schools and colleges was also legalized to allow the training of a number of skilled workers. These policies contributed greatly to the economic development in Taiwan. In contrast, the educational

reforms in mainland China from 1949 to 1951 focused on the abolition of "old education", and were based on the resistance to western-style systems and the inclination to the Soviet mode, which is socialism. However, the subsequent policies on education after the reforms were still heavily guided by the policies of the political party. With the implementation of the People's communes in 1958, Mao Zedong attempted to earn ideological agreement from the masses by means of education. The consequence of such intentional manipulation of people's minds, however, was the outbreak of the Cultural Revolution. During the Cultural Revolution, little respect was shown to intellectuals, with most of them being put to physical labor, with their properties being confiscated, and a few being treated badly. Those events did not fade from the memories of the people in mainland China even today despite the passage of time, but instead, have influenced the minds of the people several generations thereafter. As a result, the 10 years of the Cultural Revolution did not merely affect education in China, but for several decades after it and even now, the Chinese society has been, and still is, living under the shadow of the incident.

### Politics and economy

Although mainland China, North Korea, and Vietnam did not catch up early with the rapid industrialization in East Asia, these followers of socialism were eventually forced to open their trade windows under the impact of westernization, accepting the fact of a globalized world. Since Deng Xiaoping

challenged Mao's planned economy, leading his people toward a market economy, mainland China had become the leader to draw attention from the western world to the Oriental world, and now, with the economic reforms and the opening of market in mainland China, freelancer has also become a new and thriving occupation in addition to the traditional ones such as soldier, farmer, factory worker, and merchant. The modernization progress of mainland China is approaching that of the whole world. As for Taiwan, from the economic recovery in 1949 to the use of agricultural income to support industrial development in the 1950s, and from the exportdriven economy in the 1960s to the adaptation to domestic demand and exterior environmental change in the 1980s, Taiwan has undergone a series of economic transformations. The 10 years of economic transformation in the 1980s made Taiwan as one of the Four Asian Tigers. Twenty years later, Taiwan's economy is still seeking its way toward higher degree of freedom and internationalization, and is expected to interact more closely with mainland China. The politics and economy in Taiwan and mainland China differ greatly in their styles as well as transformation processes. If Taiwan is said to adopt a step-by-step approach for economic development, then mainland China can be said to introduce destructive innovations. As reformation is being conducted by country's leaders, the people's wisdom and adaptability are constantly being tested.

### Colonization and culture

During the first half of the seventeenth century, the Dutch and the Spanish occupied the southwestern and northwestern parts of Taiwan, respectively, to build their colonies. In 1895, due to the defeat in the First Sino-Japanese War with the signing of the Treaty of Maguan, Taiwan was ceded to Japan, followed by a colonial period of 50 years' duration. Such historical background left Taiwanese society with heterogeneous cultural heritage, leading to a culturally rich and diverse society. Every time when there is a shift of political power or a change in education policy, Taiwanese people have to face the problem of self-identity and the impact of languages and culture. The manifested national characteristics often reveal the signs of the colonizing countries.

For instance, the characters of high uncertainty avoidance and long-term orientation are quite similar to those in Japan, and the sub-cultures in Taiwan (e.g., the "tike" culture) also contain some elements from the colonial times.

### Management intention

Management intention can be summarized as two parts. First, the spirit based on humanity in Confucianism is the key to maintain good management. Long-term orientation has positive effects on OCB and also matches virtue-oriented and human-based spirit in Confucianism. It is obvious that firms would think highly of humanitarianism since respecting every individual is the essence of Confucianism and individual power can be transformed to economy for developing capital. In order to conclude, firms should cultivate employees' identification with longterm orientation which can achieve better organizational operation and performance. Second, team consciousness should be emphasized. With contrasting historical background, characteristics of Taiwan and mainland China are far from being close to collectivism anymore. Criticism in human beings during the Cultural Revolution has influenced several generations of mainland China and caused more and more self-centered thinking. The results of this study implied that higher degree of individualism has negative effects on protecting company resources. It is harmful to an organization if every employee takes individual benefits as the priority. Therefore, it is important to strengthen organization members' teamwork competence, and foster them to take group benefits as the priority.

# Limitation of the study and suggestion for future research

The subjects of this study were citizens with working experience in Taiwan or mainland China. However, due to the limited manpower and time constraint, the subjects of mainland China were mainly from Suzhou, Shanghai, and Nanking while the subjects of Taiwan were more diversified residing in cities. There were only 466 effective samples in this study, and this might not represent all the employees in Taiwan and mainland China. In

addition, this study adopted convenience sampling, and did not distribute samples in balance. Because of the differences in the educational background samples in Taiwan and mainland China, the influence from these differences could to be taken into account in conclusion. Thus, it is suggested that future researchers can amplify research scope or centralize sample collection. Although evidences show that the research of Hofstede still wields much authority (Sondergaard, 1994), national cultures in many countries might have been changing since the last 30 years. Thus, it is suggested that future research can adopt newly developing evaluation methods for national culture dimensions. Peter and Waterman (1982) proposed that organizational culture is the value which is abided by all employees, and also is the rule accepted by everyone. Organizational culture can be generated from leaders' styles or organizational atmosphere. Therefore, different national cultures along with different organizational cultures can result in different performances in OCB. It is suggested that future researchers can take more variables into account, for example, addition of organizational culture as the moderating variable, and reexamine and compare the new results with those of this study.

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