



Management and Cultural Values

THE INDIGENIZATION OF
ORGANIZATIONS IN ASIA

EDITORS

Henry S. R. Kao
Durganand Sinha
Bernhard Wilpert

MANAGEMENT AND CULTURAL VALUES



MANAGEMENT AND CULTURAL VALUES

The Indigenization of
Organizations in Asia



Editors

HENRY S.R. KAO
DURGANAND SINHA
BERNHARD WILPERT



Sage Publications
New Delhi/Thousand Oaks/London

Copyright © Henry S.R. Kao, Durganand Sinha and Bernhard Wilpert, 1999

All rights reserved. No part of this book may be reproduced or utilized in any form or by any means, electronic or mechanical, including photocopying, recording or by any information storage or retrieval system, without permission in writing from the publisher.

First published in 1999 by

Sage Publications India Pvt Ltd

M-32 Market, Greater Kailash-I

New Delhi-110 048

Sage Publications Inc

2455 Teller Road

Thousand Oaks, California 91320



Sage Publications Ltd

6 Bonhill Street

London EC2A 4PU

Published by Tejeshwar Singh for Sage Publications India Pvt Ltd, typeset by Siva Math Setters, Chennai, and printed at Chaman Enterprises, Delhi.

Library of Congress Cataloging-in-Publication Data

Management and cultural values/the indigenization of organizations in

Asia/editors, Henry S.R. Kao, Durganand Sinha, Bernhard Wilpert.

p. cm. (cloth) (pbk.)

Conference papers.

Includes bibliographical references and index.

1. Corporate culture—Asia—Congresses. 2. Management—Asia—

Congresses. 3. Industrial management—Asia—Congresses. I. Kao,

Henry S.R., 1940-. II. Sinha, Durganand. III. Wilpert, Bernhard, 1936-.

HD58.7.M345 658' .0095—dc21 1999

99-17242

ISBN: 0-7619-9318-5 (US-hb)

81-7036-783-2 (India-hb)

0-7619-9319-3 (US-pb)

81-7036-784-0 (India-pb)

Sage Production Team: Aruna Ramachandran, R.A.M. Brown and
Santosh Rawat

Dedicated to
Professor Durganand Sinha
A Great Scholar, Humanist and Friend
(1922–1998)

CONTENTS

<i>List of Tables</i>	10
<i>List of Figures</i>	12
<i>List of Abbreviations</i>	13
<i>Preface</i>	15

Introduction: The Emergence of Indigenization	19
---	----

DURGANAND SINHA, HENRY

S.R. KAO AND BERNHARD WILPERT

I

CONCEPTUAL ISSUES

1. Leadership Styles and Management: Universally Convergent or Culture-bound?	29
---	----

BERNHARD WILPERT

2. Approaches to Indigenous Management	43
--	----

DURGANAND SINHA

3. Entrepreneurship Development: Concept and Context	53
--	----

SURESH BALAKRISHNAN, K. GOPAKUMAR
AND RABINDRA N. KANUNGO

II

WORK CULTURE

4. 'Bushido': The Guiding Principle of New Japan	73
--	----

JOHN FUKUDA

8 Contents

- | | | |
|----|--|-----|
| 5. | Determinants and Characteristics of the Corporate Culture of Korean Enterprises | 86 |
| | SON-UNG KIM | |
| 6. | The Truly Familial Work Organization: Extending the Organizational Boundary to Include Employees' Families in the Indian Context | 102 |
| | RAJEN K. GUPTA | |
| 7. | Japanese and Indian Work Patterns: A Study of Contrasts | 121 |
| | ANSHUMAN KHARE | |

III

VALUES AND ORGANIZATIONS

- | | | |
|-----|--|-----|
| 8. | The Evolution of Work Ethic and Management Thought: An Islamic View | 139 |
| | ABBAS J. ALI | |
| 9. | The Concept of <i>Bao</i> and its Significance in Organizational Research | 152 |
| | CHAOMING LIU | |
| 10. | Employees' Perception of Distributive Fairness in the People's Republic of China | 169 |
| | YU KAI-CHENG AND HE WEI | |
| 11. | Value Clarification for a Synergetic Work Culture in Organizations | 185 |
| | MALA SINHA | |
| 12. | Social Values in Organizations: The Case for Countervailing Socialization | 197 |
| | S.K. CHAKRABORTY | |

IV

INDIGENOUS FACTORS IN MANAGERIAL LEADERSHIP

- | | | |
|-----|--|-----|
| 13. | Corporate Statesmanship: A Cursory Note and Implications | 213 |
| | NG SEK-HONG AND HENRY S.R. KAO | |
| 14. | Chinese Chief Executive Officers' Employee Categorization and Managerial Behaviour | 233 |
| | BORSHIUAN CHENG | |

15. The Role of <i>Chin-shins</i> of Top Managers in Taiwanese Organizations: Exploring Chinese Leadership Phenomena	252
SHU-CHENG CHI	
16. The Thai Concept of Effective Leadership	265
SUNTAREE KOMIN	
17. Some Behavioural Dimensions of Effective Managerial Style in the Indian Context	287
SATISH KUMAR KALRA AND RAJEN K. GUPTA	
<i>References and Select Bibliography</i>	297
<i>Notes on Contributors</i>	320
<i>Index</i>	325
<i>About the Editors</i>	331

LIST OF TABLES

3.1	Entrepreneurial Dispositions in Enterprise Life Cycle	66
3.2	Contrasting Leadership, Managership and Entrepreneurship	68
9.1	The Six Subconcepts of <i>Bao</i>	153
9.2	Comparison between the Social Exchange Theory and the Concept of <i>Bao</i>	160
10.1	Contents of Fairness and Unfairness	184
11.1	Desired Values, Corporate Core Values and Practised Values in Organizations	193
12.1	Scale (a) Responses (%): BELIEFS	201
12.2	Scale (b) Responses (%): PRACTICES	202
14.1	Relationship among CEO Values, Employee Categorization, In-group Consciousness and Trust Formation	245
14.2	Relationship between In-group Bias and Organizational Behaviour	248
15.1	Cross-table of Age between Superior and <i>Chin-shin</i>	261
15.2	Cross-table of Education between Superior and <i>Chin-shin</i>	262
16.1	Rank Order of What Workers Want from their Work: American and Thai	270
16.2	Perception of Motivation by Thai High-level Government Administration (N = 62)	272
16.3	Agreement to the Statement: 'Most Organizations would be Better Off if Conflict could be Eliminated Forever'	273
16.4	Percentage of Conflict in Various Stages in Thai Organizations	274

16.5	Conflict Handling Styles of Thai Educated Employees (by Ranking of Score) Compared to the Australian Comparative Study (N = 69)	275
16.6	Percentage of Agreement to the Statement: 'It is Important for a Manager to Have at Hand Precise Answers to Most of the Questions that his Subordinates May Raise about their Work'	276
16.7	Percentage of Agreement to Statements Regarding Perception of Power and Authority	278
16.8	Ideal Leader Characteristics Perceived and Expected by Thai Middle/High Managers (N = 123)	279
17.1	Perceived Average SPIRO of the Most Effective Managers/Bosses (N = 47)	293
17.2	Perceived Average SPIRO Scores of the Least Effective Managers/Bosses (N = 47)	294
17.3	Ego State Category-wise Distribution of Responses for the Most Effective Manager/Bosses as Given in the Descriptions (N = 70)	294
17.4	Ego State Category-wise Distribution of Responses for the Least Effective Managers/Bosses as Given in their Descriptions (N = 70)	295

LIST OF FIGURES

1.1	Decision-making Styles of Managers	39
1.2	Decision-making Styles of Managers Per Country (Averages)	40
5.1	Typology of Management Subculture	95
5.2	Tripartite Relationship among Labour, Management and Government in Korea	96
5.3	Typology of Employee Subculture Patterns (Management-Labour Relationship)	97
5.4	Characteristics of Corporate Culture of Korean Business Corporations	99
9.1	Conceptual Relationships among <i>Renqing</i> , <i>Mianzi</i> and <i>Bao</i>	157
14.1	The Dynamics of CEO's Employee Categorization	237
14.2	Employee Categorization and Prototypes	240
16.1	Concept Map of <i>Baramee</i> Leadership and Formation	281
16.2	Thai Leadership Foundation Continuum	282
16.3	Thai Cultural Leadership Model	283

LIST OF ABBREVIATIONS

A	Adult
APQC	American Productivity and Quality Center
BEL	Bharat Electronics Limited
CC	Compliant Child
CEO	Chief Executive Officer
CP	Controlling Parent
CPC	Communist Party of China
FC	Free Child
G & B	Godrej and Boyce
HCL	Hindustan Computers Limited
IAAP	International Association of Applied Psychology
IOC	Indian Oil Corporation
IPC	Influence-Power-sharing Continuum
IPCL	Indian Petrochemicals Corporation Limited
IR	Industrial Relations
IUPsyS	International Union of Psychological Science
IWE	Islamic Work Ethic
JDI	Job Description Index
JIT	Just-in-Time
MBO	Management by Objectives
METSA	Managerial Effectiveness Through Self Awareness
MUL	Maruti Udyog Limited
n-ach	need for achievement
NICs	Newly Industrialized Countries
NIIT	National Institute of Information Technology
NR	Nurturing Parent
NTL	Nurturant Task Leader
OB	Organizational Behaviour
OD	Organizational Development

14 List of Abbreviations

PEM	Population–Ecology Model
PI	Pioneering Innovating (model)
QC	Quality Control
RC	Rebellious Child
SPIRO	Style Profile of Influence Role in Organization
SRF	Shri Ram Fibres
TA	Transactional Analysis
TELCO	Tata Engineering and Locomotive Company
TISCO	Tata Iron and Steel Company

PREFACE

Indigenous psychology in Southeast Asia has developed with the deep introspection of Asian psychologists, outgrowing its overwhelming dependence on the Western approach to studying and explaining human behaviour. The focus has shifted from merely adopting Western theories, conclusions and practices to one which cherishes the unique social and cultural factors influencing human behaviour and the applications of psychology for national development which are in considerable demand in the Southeast Asian context.

In the last two decades of the 20th century, psychologists from national organizations of forty-six countries under the International Union of Psychological Science (IUPsyS) have pursued the important interest of indigenous psychology by establishing an International Network of Centres of Research in Psychology in the Third World. The late Prof. Durganand Sinha, (Chairman of the IUPsyS International Network of Psychology and the Developing World), and Prof. Henry S.R. Kao (President of the Division of Psychology and National Development, International Association of Applied Psychology [IAAP]), organized the first international conference in the Department of Psychology at the University of Hong Kong, from 27 to 29 April 1987. The conference addressed how psychology could contribute to national development by understanding the shared beliefs and value systems of a culture. The papers presented at that conference were compiled in the first such volume, *Social Values and Development: Asian Perspectives* (Sinha and Kao, 1988, Sage). With such a promising beginning, this area of work has continued, with the support of colleagues from many developing and advanced economies, to promote the important theme of social and cultural factors in the development of indigenous psychology in both research and applications.

The International Symposium of Social Values and Effective Organizations (26–30 November 1988) was organized one year later at the National Central University, Chung-Li, Taiwan. Papers selected from this symposium were published in the second volume, *Effective Organizations and Social Values* (Kao, Sinha and Ng, 1995, Sage). With the positive reception and inspiration of the first two books, Prof. Kao and Prof. Sinha were encouraged to further enrich psychology literature especially within Asia. Hence, they undertook another joint project which resulted in their third publication, *Asian Perspectives on Psychology* (Kao and Sinha, 1996, Sage).

The third symposium, on 'Indigenous Behaviours in Effective Management and Organizations,' was organized during the Asian-Pacific Regional Conference of Psychology convened under the auspices of IUPsyS and co-sponsored by the IAAP and the International Association of Cross-cultural Psychology. It was held in Guangzhou, China, from 27 to 30 August 1995. This symposium was organized by Prof. Kao and Prof. Sinha together with Prof. Bernhard Wilpert (President of the IAAP) as co-convenors. The special agenda of this symposium was to exemplify the successful blending of traditional social values, attitudes and institutional norms and practices with the demand of techno-economic systems in Asian enterprises that has led to the emergence of characteristic patterns of management and organizational functioning that are distinct from those found in the West. Papers selected from that symposium have been included in the present volume. To fill certain gaps, several specially invited papers by scholars from Canada, India, Korea, Taiwan and Thailand have been added. The editors are beholden to all the participants of the symposium and the authors for sparing their valuable time and efforts to make their contributions.

We thank all the authors for contributing papers to this volume. Thanks are also due to Ms Leanne Chung Pui Ling and Violet Goan Ching Hui for their valuable help and assistance in the organization of the symposium. For secretarial assistance, we are thankful to Ms Cindy Li, Theresa Leung, Kendy Tse and Doris Fung. We are also grateful to Dr Prakash Nath Bhargava and Padmakar Tripathi for their patience and perseverance in the preparation of the final typescript. Lastly, without the facilities made available by the Department of Psychology of the University of Hong Kong, neither the organization of the symposium nor the preparation of the present volume would have been possible.

Finally, it is with deep sadness that we record the recent passing away of Prof. Durganand Sinha, who dedicated the whole of his academic life