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## A study of values and managerial practices

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## ABSTRACT

Title of Thesis: A Study of Values and Managerial  
Practices

Po-Wen Chuang, Master of Science in Management and  
Organizational Sciences, 1990

Thesis directed by: Dr. Anthony Kahng

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Management and Organizational Sciences

The multinational corporations (MNCs) have been a major contributing factor to the rapid growth of the world economy since World War II. In recent years, multinational corporations are said to facilitate transfer of management techniques, thereby accelerating industrial growth, consumption, and a higher standard of living.

Research on multinational corporations has raised many issues, one of the most interesting issues being the transfer of technology within multinational corporations. Technology includes both the so called "hardware" technology such as capital labor ratio, product design and manufacturing methods, and "software" or managerial technology. Differences in managerial technology used by multinational corporations are attributed to cultural origins that can be measured by managers' values.

The objective of this thesis is to identify and discuss the managers' values and their relationships to managerial practices among American, Japanese and Taiwanese companies in Taiwan. In order to understand the differences in managerial technology used by multinational corporations, a questionnaire was developed and mailed to 143 sampled companies in Taiwan. The results of this survey will present the important differences in Japanese and American management practices including degrees of trusts between managers and subordinates, levels of organizational structures, and employee selection. This thesis will end with an analysis of the findings and some recommendations for the future research.

2) A STUDY OF VALUES AND MANAGERIAL PRACTICES

BY  
\*//  
PO-WEN CHUANG  
//

Thesis submitted to the Faculty of the Graduate School of  
the New Jersey Institute of Technology in partial fulfillment of  
the requirements for the degree of  
Master of Science in Management and Organizational Sciences  
1990

APPROVAL SHEET

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## INTRODUCTION

In the more than 40 years since the end of World War II, the multinational corporations (MNCs) have dominated the world economic scene. The rate of growth of international production (largely controlled by multinational enterprise) is conservatively estimated at twice that of the wholly-domestic production of the free world. If one projects this trend over the next decade or so, the influence of multinational enterprises can be seen to rise significantly relative to GNP. \*1 Table 1 shows the past and projected world GNP shares between 1960 and the year 2000. In a Darwinian sense, the MNCs have survived and grown because they are particularly appropriate to the times. \*2

### I. Reserach Issues

The purpose of this research study is to examine managers' values and their relationships with managerial practices among American, Japanese and Taiwanese companies in Taiwan.

Most international comparative management research can be divided into two parts. One part compares intra-organizational influence behaviors or those between two or more countries and then analyzes the differences in cultural effects (Ouchi). \*3 Another part of studies measures differences in values (Hofstede). \*4 This research

Table 1 World GNP Shares of Selected Countries and Regions: 1960 - 2000 (in percentages)

Country	World GNP share		
	1960	1980	2000
USA	33	22	20
Japan	3	10	12
Other OECD countries	26	31	26
Industrial countries	<u>62</u>	<u>63</u>	<u>58</u>
NICs*	3	4	7
LDCs	11	11	13
Developing countries	<u>14</u>	<u>15</u>	<u>20</u>
USSR	15	13	12
Eastern Europe	4	5	5
China	5	4	5
Communist Bloc	<u>24</u>	<u>22</u>	<u>22</u>
World, total	100	100	100

\*NICs = Newly industrializing countries (Republic of Korea, Taiwan, Hong kong, Singapore, Brazil, and Mexico)

Source: Japan 1986: An International Comparison (Tokyo: Keizai Koho Center, 1986), p. 8.

attempts to combine managers' values and their influence behaviors as an approach for a comparative study among American, Japanese and Taiwanese companies in Taiwan.

There are two types of intra-organizational influence. One is marco-influence strategies which involve how tasks are structured, regulated, and how subordinates are rewarded, recruited, trained and socialized. The other consists of micro-influence strategies which involve how managers exercise influence in interpersonal situations. This thesis only considers marco-influence strategies linked to managers' values.

## II. Research Questions

The three research questions expected to be answered in this study as follow:

1. Do the value scores for managers in Taiwanese, Japanese and American companies differ by investment origins?
2. Are marco-influence strategies used by Taiwanese, Japanese and American companies similar to those found in the literature?
3. Do the four value orientations predict the marco-influence strategies used by managers?

## III. Research Project

The data were gathered over three months period from July to September, 1989. For the purpose of comparison among three types of companies, the total population included any companies that employed more than 100 people in 1988. within this period, a total of 143 questionnaires were mailed to the

sampled companies. 54 questionnaires were returned, having response rates of 37.8%.

#### IV. Structure of Thesis

This thesis contains three chapters. The following is a brief explanation of each.

Introduction expresses the research issues and research questions, research project, and the structure of this thesis.

Chapter One presents a conceptual framework and reviews the related article.

Chapter Two contains the characteristics of the research design and measurements. It also discusses the limitations of this research, sampling process and analytical procedures.

Chapter Three describes response rates and the empirical results. It presents relationships between managers' values and marco-influence strategies.

In conclusion, the last chapter presents the summary and conclusion from previous chapters. Recommendations for future research, and the practical implications of the results for managers and companies and multinational corporations in their managerial technology transfer across borders will also be presented in this chapter.

Foot Notes to the Introduction

Number:

1. Behrman, Jack N. The Multinational Enterprise: Its Initiatives and Governmental Reactions. (The Journal of International law and Economics, January 1972) P. 215
2. Terpstra, Vern. International Business Classics. (Lexington Books: D.C. Health and Company, 1988) P. 22
3. Ouchi, William G. Theory of Z. (Reading, Mass.: Addison-Wesley Publishing, 1981)
4. Hofstede, Geert. Culture's Consequences: International Differences in Work Related Values. (Beverly Hills: Sage Publication, 1980)

CHAPTER ONE  
THEORETICAL PERSPECTIVES ON VALUES AND  
MARCO-INFLUENCE STRATEGIES

This chapter presents a conceptual framework which discusses the dynamic process of intraorganizational influence by focusing on two sets of variables: values and marco-influence strategies. The research related to the key sets of variables and their relationships is surveyed. There are three sections in this chapter: (1) values, (2) marco-influence strategies, (3) relationships between values and marco-influence strategies.

I. Values

It is assumed that values are the most important characteristics of an individual, a group, or a nation: (1) they provide the reasonable understanding choices; (2) they offer explanations for the variance in behaviors that occur in similar situations. Kluckhohn defines a value as "a conception, explicit or implicit, distinctive of an individual or characteristic of a group, of the desirable which influences the selection from available modes, means and ends of actions."\*1 Hofstede simplifies this definition as "a broad tendency to prefer certain states of affairs over others", and calls values "mental programming."\*2

Values have been studied extensively but their exact content still remains undefined. Moore suggests five individual value dimensions: (1) goals, (2) commitment, (3) attraction, belongingness, conformity and trust, (4) dominance and (5) self-collectivity orientation.\*3 In this study Hofstede's four value dimensions: power distance, uncertainty avoidance, individualism and masculinity will be used.

The reasons for using Hofstede's value dimensions are:

- (1) They are the most extensively research value dimensions so far. They are derived from 116,000 questionnaires across 40 countries.
- (2) According to Hofstede, the four value dimensions are highly correlated to other cross-national management studies.
- (3) They are work related values different from other values that are either too general to interpret or too specific to other social activities.

According to Hofstede , these four value dimensions are expressed as follow:\*4

#### A. Power Distance:

The basic issue involved is how society deals with the fact that people are unequal. Some societies let these inequalities grow over time into inequalities in power and wealth; the latter may become hereditary and no

longer related to physical and intellectual capacities at all.

All societies are unequal, but some are more unequal than others. This degree of inequality is measured by the Power Distance scale, which also runs from 0 (small Power Distance) to 100 (large Power Distance). In organization, the level of Power Distance can be related to the degree of centralization of authority and the degree of autocratic leadership.

#### B. Uncertainty Avoidance

The basic issue involved is how society deals with the fact that the future is unknown and always will be. Some societies socialize their people into accepting this uncertainty and not becoming upset by it. People in such societies will take risks rather easily. They will not work as hard. They will be relatively tolerant of behavior and opinions different from their own because they do not feel threatened by them. Such societies can be called "weak Uncertainty Avoidance" societies. Other societies socialize their people into trying to beat the future. Because the future remains unpredictable, in those societies there will be a higher level of anxiety in people, which becomes manifest in greater nervousness, emotionality, and aggressiveness. Such societies can be called "strong Uncertainty Avoidance" societies.

C. Individualism vs. Collectivism:

The basic issue involved is the relation between an individual and his or her fellow individuals. A high level of individualism implies a loosely coupled social framework in which people care for themselves. This is made possible by a large amount of freedom that such a society leaves individuals.

On the other hand, a low level of individualism or a high level of collectivism is characterized by a tight social framework in which people consider the collectivity as a whole as more or equally important than the individual.

D. Masculinity vs. Femininity:

The basic issue involved is the division of roles between the sexes in society. All social role divisions are more or less arbitrary, and what is seen as typical task for men or for women can vary from one society to the other. Some societies allow both men and women to take many different roles. Others make a sharp division between what men should do and what women should do. In the Hofstede's survey, the distribution is always such that men take the more assertive and dominant roles and women the more service-oriented and caring roles. Those societies with a maximized social sex role division can be called "Masculine," and those with a relatively small sex role division can be called "Feminine."

Table 1-1 Value Scales for Some Westerners and Orientals

Country	Power Distance	Uncertainty Avoidance	Individual-ism	Masculinity
U.S.A.	40	46	91	62
Great Britan	35	35	89	66
Netherlands	38	53	80	14
Australia	36	51	90	61
Japan	54	92	46	95
Taiwan	58	69	17	45
Philippines	94	44	32	64
Singapore	74	8	20	48
Average (40 countries)	52	64	50	50

Source: Hofstede (1980), P. 315.

Hofstede (1980) provided the most interesting value indexes for 40 countries, in which the value scores of employees in the United States, Great Britan, the Netherlands, Australia, Japan, Taiwan, Philippines and Singapore are presented in Table 1-1.

Table 1-1 We see that collectivist countries always show large power distance. This chart indicates that Westerners are very individualistic, exhibiting lower power distance

than the Japanese and Taiwanese, but higher levels of masculinity (except the Dutch) than the Taiwanese. In the uncertainty avoidance scale, Westerners are more risk taking than Japanese and Taiwanese, but much less risk taking than the people in Philippines and Singapore. The Japanese have the highest score in the masculinity scale, but it is strange that the Taiwanese have a lower score than Westerners. The Japanese are famous over the world for their collectivism, but table 1-1 shows that the Japanese are less collectivism oriented than the Taiwanese.

## II. Marco Influence Strategies

As executive, manager needs not totally rely on the face-to-face or interpersonal strategies to influence subordinates, instead they can employ more indirect methods to control subordinates' perceptions or premises of behavior.

Subordinates in an organization are controlled in the sense that their behaviors are engineered to be consistent with managers' requirements. In such control, managers can achieve their goals without requiring on face-to-face interaction.\*5 As Perrow indicates:

...The superior has the power or tools to structure the environment or perceptions of subordinates in such a way that he sees the proper things in the proper orders. Instead, he sets priorities.... and alters the flow of inputs and stimuli. The image of the order-barking boss is not there.\*6

Buamgartner, et al refer to this indirect influence as the exercise of "meta power" which attempts to control over social relationships and structure - that is to "structure the existing matrix of acting possibilities, outcomes and orientations within which social action occurs."\*7

This meta power is manifested in numerous ways of which the main methods are listed below and are to be used in this study:

- (1) Structuring - formalizing, specialization, centralization and other structuring activities;
- (2) Delegating and trust;
- (3) Selection, training and socializing;
- (4) Rewarding and promotions.

These macro influence strategies are tools for managers to influence subordinates in an organization. It is "a fundamental vehicle by which organizations achieve bounded rationality", a coordinating network, and a way of managing interdependence among distinct tasks performed by organizational members.\*8 Structural arrangements are mechanisms determining the information processing capacity of the system, and the function of the organizational design is to select a structural arrangement appropriate for the information processing requirements of the tasks to be performed. The four dimensions of organizational structure contain of formalization, specialization, centralization and routineness.

According to Hampton, he states "Planning includes thinking about the fundamental nature of the organization and deciding how it should be positioned in its environment, how it should develop and deploy its particular strengths."\*9 The meaning of controlling is the process of monitoring progress against objectives. Thus, planning and controlling go together like the proverbial horse and carriage. Together plans and controls regulate outputs and, indirectly, behavior as well.\*10

In order to ensure that job holders have the required behavior before they begin their work, recruiting and selecting procedures are specific, training programs are developed and appropriate attitudes are internalized in organizations. Furthermore, the organization may reinforce the required behaviors with personnel practices such as job rotations.

Most organizations, most of time can not rely on most of their participants to internalize their obligations to carry out their assignments voluntarily, without additional incentives. Hence, organizations require formally structured distribution of rewards to support compliance with their norms, regulations, and orders.\*11 According to Gordon, benefits are used to help organizations meet one or more of the following objectives: (1) improve employee morale, (2) motivate employees, (3) increase job satisfaction, (4) reduce turnover and (5) enhance employee security.\*12

Marco influence strategies are the most extensively research subjects in the comparative literature. Based on Abegglen (1973), Ouchi (1977, 1981), Pascale, et al (1981), Rohlen (1979), Vogel (1979), Yoshino (1968), etc., the marco influence strategies used by American, Japanese and Taiwanese organizations are summarized in Table 1-2.

### III. Relationships Between Values and Marco Influence Strategies

Numerous case studies have indicated that the personality and values have a significant effect on the organizational structure. Furthermore, the decision to increase or decrease the level of formalization, specialization, autonomy, or centralization is a strategic choice determined by the manager's prior preference, values, attitudes, belief, etc., operating in conjunction with organizational objectives, and their professional experience.

Hofstede tries to provide a more comprehensive framework for intergrating values with marco influence behaviors. Hofstede uses his four value dimensions to predict marco-influence strategies. His predictions are summarized as follow:

- A. Power distance orientation affects organizational structures: the higher the power distance index, the greater the centralization and the taller the organizational structure.

Table 1-2 Marco-influence Strategies used by American, Japanese and Taiwanese Organizations

Marco-influence Strategies	American Companies	Japanese Companies	Taiwanese Companies
Structuring			
1. Formalization	Specified	Unspecified	Unspecified
2. Specialization	Horizontal	Vertical	Vertical
3. Centralization	Low	High	High
4. Routineness	Moderat�	High	Low
Planning and Controlling	Extensive* and Detailed	Limited and Less Detailed	Limited and Less Detailed
Basis of Rewards	Performance	Seniority Performance & Loyalty	Seniority Performance & Loyalty
Training	Limited	Extensive	Limited
Selection	Experienced	New Graduates	New Graduates
Socializatiuon	Limited	Extensive	Limited

- B. Uncertainty avoidance orientation affects organizational structure, planning and employee selection: the higher the uncertainty avoidance index, the higher the formalization of the organizational structure; the higher the uncertainty avoidance index, the higher the preference for generalists will be.
- C. Individualism orientation affects promotion policies: the lower the individualism index, the greater the emphasis placed on loyalty and seniority as criteria for promotion.
- D. Masculinity orientation affects woman's status and group activities: the higher the masculinity index, the fewer women will be found within the higher levels of the organization .

If the above predictions are compared with the empirical results shown in Table 1-2, one will find that Hofstede's predictions are not exactly correct, especially the predictions concerning the uncertainty avoidance index. For example, the Japanese score is very high on the uncertainty avoidance scale, but Japanese organizations are characterized by lower levels of formalization. Further studies are needed to confirm or reject Hofstede's predictions.

Foot Notes to Chapter One

Number:

1. Kluckhohn, C. Toward a General Theory of Action (Cambridge, MA.: Harvard University Press, 1951) P. 395
2. Hofstede, Geert. Culture's Consequences: International Differences in Work Related Values. (Beverly Hills: Sage Publication, 1984) P.18
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5. Perrow, Charles. Complex Organization: A Critical Essay. (Glenview, Ill: Scott, Foresman and Company, 1979)
6. ibid P. 145
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11. Etzioni, Amitai. Modern Organization. (Englewood Cliffs, N.J.: Prentice-Hall, 1964) P. 59
12. Gordon, Judith R. Human Resource Management: A Pratical Approach. (Boston: Allyn and Bacon, Inc., 1986) P. 389

## CHAPTER TWO

### RESEARCH DESIGN AND MEASUREMENTS

There are four sections in this chapter. First, the characteristics of the research design for this study are presented. Second, the measurements of the key variables - values and marco-influence strategies - are described. Third, the limitations of this research are discussed. Finally, the research subjects and how they are sampled are described.

#### I. Research design

The great difficulty in conducting comparative studies between nations or cultures is explaining the results in terms of the numerous environmental factors involved. For example, when we analyze the employment practices of Japan and the United States, it is hard to explain whether the differences are attributed to cultural, economic or social influences. As shown in Figure 2-1, most cross-cultural studies involve a comparison among A, B, and c companies. The influence strategies among A, B, and C are affected not only by values, but also by the non-cultural economic, social and political environment. However, this study compares A, D and E companies; D companies are subsidiaries of B companies and E companies are subsidiaries of C companies. There is no doubt that Japanese and American

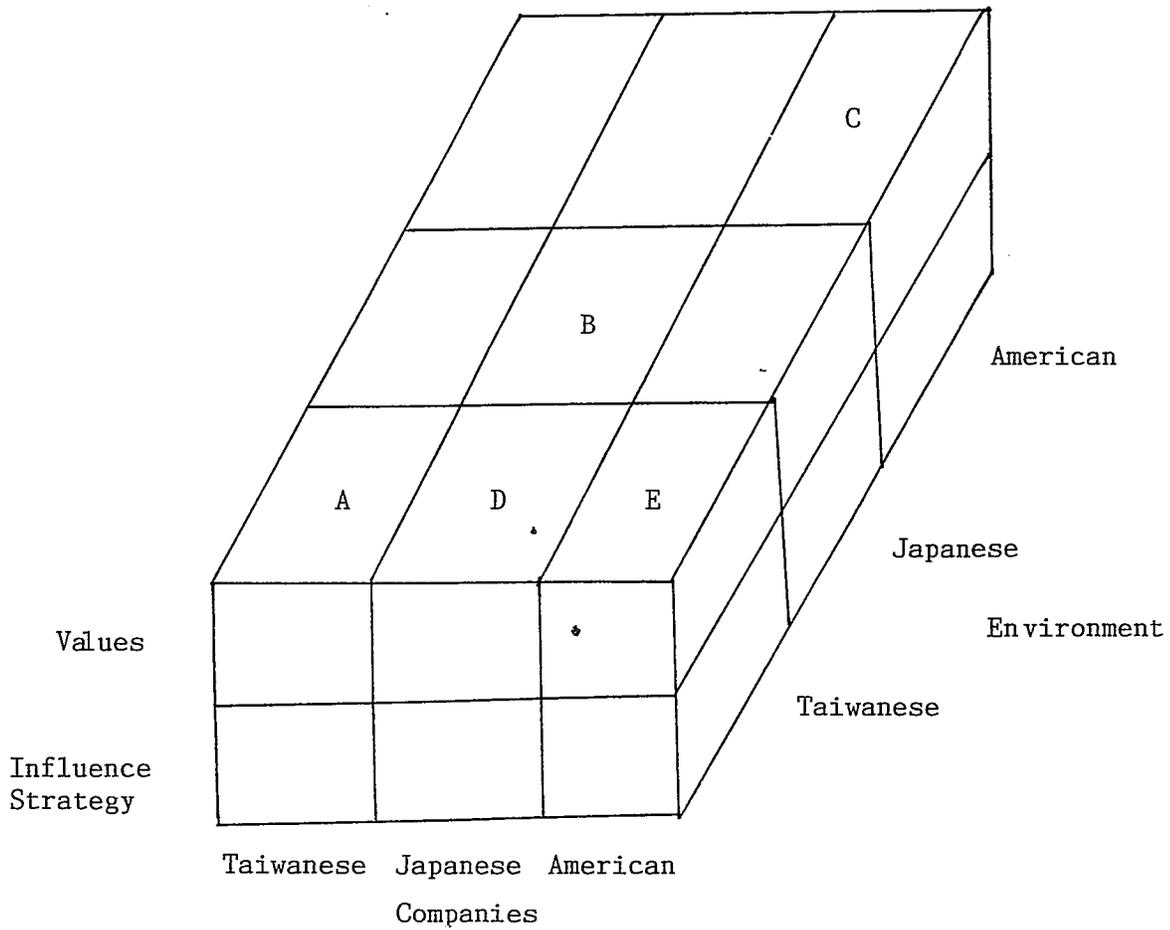


Figure 2-1 Research Design

companies in Taiwan adjust their influence practices to the Taiwanese cultural and non-cultural environment, but they still maintain to a certain degree of their managerial characteristics.

Another important characteristic of this research is that the influence strategies of Taiwanese companies can be used as a reference: if the influence strategies used by either American or Japanese companies are different from the influence strategies of Taiwanese companies, then the foreign companies have brought into Taiwan different managerial technology. If there are no differences among them, then it may be argued that the foreign companies did not bring into Taiwan any different managerial technologies. It is very practical issue in less-developed countries. The research design of this study may contribute to an understanding of that important issue.

## II. Measurements

Two sets of variables are to be measured: values and marco-influence strategies. Each measurement is explained seperately as follow:

### A. Values

There is value measurement employed in power distance, uncertainty avoidance, individualism and masculinity orientations to measure the four values by Hofstede measurements.

#### 1. Power Distance

The first three items are taken Hofstede's value Survey Module (VSM).<sup>\*1</sup> Items 4 and 5 are related to the dimension of power distance.

The descriptions below apply to four different types of managers. First, please read through these descriptions:

Manager 1: Usually makes his/her decisions promptly and communicates them to his/her subordinates clearly and firmly. He/she expects them to carry out the decisions loyally and without raising difficulties.

Manager 2: Usually makes his/her decisions promptly, but, before going ahead, tries to explain them fully to his/her subordinates. He/she gives them the reasons for the decisions and answers whatever questions they may have.

Manager 3: Usually consults with his/her subordinates before he/she reaches his/her decisions. He/she listens to their advice, considers it and then announces his/her decision. He/She then expects all to work loyally to implement it whether or not it is in accordance with the advice they gave.

Manager 4: Usually calls a meeting of his/her subordinates when there is an important decision to be made. He/She puts the problem before the group and invites discussion. He/she accepts the majority viewpoint as the decision.

(1) Now for the above types of manager, please mark the one which you would prefer to work under:

Manager 1  
 Manager 2  
 Manager 3  
 Manager 4

- (2) And, to which one of the above four types of managers would you say your own superior most clearly corresponds?

Manager 1  
 Manager 2  
 Manager 3  
 Manager 4

- (3) How frequently, in your work environment, are subordinates afraid to express disagreement with their supervisors?
- (4) What youth needs most is strict discipline, rugged determination, and the will to work and fight for family and country.
- (5) It is best to use strict authorities to keep order and prevent chaos.

Item 3 is scaled from very frequently (1) to never (5). Items 4 and 5 are scaled from strongly agree (6) to strongly disagree (1). According to Hofstede, Hofstede's Power Distance Index (PDI) is computed as follow:\*2

$$PDI = 135 - a + b - 25 c$$

where a = the % of respondents who choose "Manager 3" on Item 1  
 b = the % of respondents who choose "Manager 1" and "Manager 2"

c = the weighted mean score on item 3 and is computed as follows:

1 \* (% answering "very frequently")-----

5 \* (% answering "very seldom"), divided by 100

## 2. Uncertainty avoidance

The first three items are taken from Hofstede's VSM and the rest of the items are related to the dimension of uncertainty avoidance.

- (1) How often do you feel nervous or tense at work?  
Response: always (1) --- never (5)
- (2) How long do you think you will continue working for the organization or company you work for now?
- |  |     |
|--|-----|
| Two years at the best *  | (1) |
| From two to five years   | (2) |
| More than five years (BUT I probably will leave before I retire) | (3) |
| Until I retire   | (4) |
- (3) A company or organization's rules should not be broken - not even when the employee thinks it is in the company's best interest. Response: strongly agree (1), ---strongly disagree (5).
- (4) First impressions are very important.
- (5) It does not take very long to find out if you can trust a person.
- (6) There is only one right way to do anything.

Item 4 to 6 are scaled from strongly agree (6) to

strongly disagree (1). Hofstede's Uncertainty Avoidance Index (UAI) is computed as follow:\*3

$$UAI = 300 - 40d - 30e - f$$

where d: mean score of Item 1;

e: mean score of Item 3;

f: the % of respondents who choose (1) and (2) on Item 2.

### 3. Individualism

Items 1 to 5 are scaled from utmost important (1) to very little or not important (5) and the rest of the items are scaled from strongly agree (6) to strongly disagree (1).

- (1) In choosing an ideal job, how important is it to have sufficient time left for your personal or family life?
- (2) In choosing an ideal job, how important is it to have good physical working conditions?
- (3) In choosing an ideal job, how important is it to work with people who cooperate well with one another?
- (4) In choosing an ideal job, how important is it to live in an area desirable to you and family?
- (5) In choosing an ideal job, how important is it to make a real contribution to the success of your company or organization?
- (6) We should admire a man who starts out bravely on his own.
- (7) One should not depend on other persons or things.

Hofstede's Individualism Index (IND) is computed as follow:\*4

$$IND = 76 M2 - 43 M1 + 30 M3 - 27 M4 - 29 M5$$

where  $M_i$  = mean score of Item  $i$

#### 4. Masculinity

Items 1 to 5 are scaled from utmost important (1) to little or not important (5). The rest of the items are scaled from strongly agree (6) to strongly disagree (1).

- (1) In choosing an ideal job, how important is it to have security of employment.
- (2) In choosing an ideal job, how important is it to work with people who cooperate well with one another.
- (3) In choosing an ideal job, how important is it to have an opportunity for high earnings.
- (4) In choosing an ideal job, how important is it to have an opportunity for advancement to higher level jobs.
- (5) In choosing an ideal job, how important is it to work in a successful company or organization.
- (6) Almost any woman is better off in the home than in a job or over men.
- (7) It goes against nature to place women in positions of authority over men.

The index based on Hofstede's Masculinity Index (MAS) is computed as follow:\*5

$$MAS = 60 M2 - 66 M3 + 30 M1 - 39 M4 + 76 M5$$

where  $M_i$  = mean score of Item  $i$

## B. Macro-influence Strategies

The macro-influence strategies to be measured include organizational structure, delegation and trust, reward systems and recruitment and training.

### A. Organizational Structure

There are three aspects of organizational structure: formalization, job routineness, and job autonomy. Measurement for each aspect of structure is explained as follows:

a. Formalization. The Formalization Index is measured as follows:

1. Clear, written goals and objectives exist for many subordinates' job.
2. Appraisals for my subordinates' performance are based on written standards.
3. My subordinates' duties, authority, and accountability are documented in policies, procedures, and job descriptions.

b. Job Routineness. This index is measured by three items are scaled from absolutely always true (5) to absolutely always false (1).

1. There is really only one best or correct way to perform most of my subordinates' tasks.
2. My subordinates' job duties are so simple that almost anyone could perform them after a little bit of

instructions and practices. .

3. I often ask my subordinates to apply new techniques or methods in doing their job.

c. Job Autonomy. This index is measured by 3 items are scaled from absolutely always true (5) to absolutely always false (1).

1. My subordinates can make their own decisions without checking with me.
2. I discourage my subordinates to make their own decisions.
3. My subordinates make their own rules on their job.

#### B. Delegation or Participation and Trust

a. Delegation. This index is measured by the influence perceived by managers in different activities. These activities include, 1) assigning work to subordinates; 2) discipline subordinates; 3) promotion of subordinates; 4) hiring and placement of subordinates; 5) coordinating with other units in the organization; 6) influencing organizational policy in areas not directly related to my work; 7) influencing my superior. These items are scaled from very great influence (5) to very little influence (1).

b. Trust. This index is measured by the percentage of subordinates who 1) have good attitudes toward work, 2) work hard without continual supervision, 3) can be trusted to work up to his/her ability, 4) are reliable and dependable,

and 5) are very well trained in their jobs.

C. Promotion System.

This index is measured by the the importance which managers perceived in five promotion criteria: 1) past performance, 2) technical competence, 3) loyalty, 4) cooperation with others, 5) seniority. They are scaled from utmost importance (5) to not important (1).

D. Recruitment, Training and Socialization

a. Recruitment. This includes the importance of recruiting criteria, types of new subordinates managers prefer to hire, and how subordinates were recruited.

1. Importance of recruiting criteria. The criteria are technical education, general education, previous experience and personality. These are scaled from utmost important (5) to not important (1).

2. Preference for new employees. Managers are asked to show their preference among three types of new applicants: 1) applicants newly graduated from school, 2) applicants experienced from other similar organization, and 3) applicants experienced from other different types of organization. They are scaled from very greatly preferred (5) to not preferred (1).

3. Channel of recruitment. The four channels through which employees are recruited are: 1) recommendations from old employees, 2) public aadvertising, 3) recommendations

from public employment agencies, and 4) recommendations from private agencies.

b. Training. This is measured by two items: the importance of training and the frequency of training held in the department or unit. The former is scaled from utmost importance (5) to not important (1), while the latter is scaled from very frequently (5) to never (1).

c. Socialization. This is measured by the frequency of social life which takes place after work in bar, restaurant, etc. The item is scaled from very frequently (5) to never (1).

### III. The Limitations of this Research

Any research has its defects. This research is not an exception. Some limitations of this research are expressed as follows:

First, basically, this research is a partial and static study. The behaviors presented in this study are reported to a certain point of time in a particular place. The actual behaviors are always dynamic and complex. It can not be denied that a static analysis is a beginning step. Without this step, any understanding of real world is impossible.

Second, as mention above, this study is undertaken from the viewpoint of managers, not subordinates. Everyone has his own perception of the world that is always different

from others'. Therefore, the findings in this study are just a part of a big elephant, although they belong to a very important part.

Third, Japanese and American companies in Taiwan are subsidiaries. They do not necessarily represent their parent companies located in Japan or the United States, although the research findings confirm that the differences in influence practices reflect the effect of different investment origins.

Finally, Japanese and American managers in subsidiaries cannot totally represent their fellows in their home countries. When they were selected to sent to abroad, their ability to adjust to local environments had to be considered in the process of selection. Other characteristics or traits may also have been used as selection criteria and therefore, those managers in Taiwan might be different from their fellows at home.

#### IV. Research Subjects

The data were gathered in Taiwan over three months from July to September in 1989. For the purpose of comparison among three types of companies, the total population included any companies that employed more than 100 people in 1988. The industries consists of electronics, food and beverage, textile products, rubber and plastic products, and machinery and instruments, etc.

After the companies had been sampled, the manager questionnaires were mailed. Managers who answered the questionnaires were those who supervise subordinates and need to use managerial skills to reach company's goals. Most of them were middle management level or above.

Foot Notes to Chapter Two

Number:

1. Hofstede, Geert. Value Survey Module, Version 1982. mimeograph.
2. Hofstede, Geert. Culture's Consequences: International Differences in Work Related values. (Beverly Hills: Sage Publication, 1984) P. 47
3. ibid P. 83
4. ibid P. 119
5. ibid P. 148

## CHAPTER THREE

### COMPARISONS OF VALUES AND MARCO-INFLUENCE STRATEGIES

This chapter compares managers' values and marco-influence strategies among Taiwanese, Japanese and American companies in Taiwan.

#### I. Response Rates

In this survey, all questionnaires were mailed directly to a specified manager in charge of each company. One cover letter was attached to each questionnaire, along with a stamp, self-addressed envelope and the entire package was mailed out during late June, 1989. The cover letter was written by the author's advisor, Professor Anthony Kahng, to persuade those managers to answer the questionnaires.

Table 3-1 Return Rates of Questionnaires

Types of Company	Sampled	Returned	Return Rate %
Taiwanese Companies	78	32	41.0
Japanese Companies	32	9	28.1
American Companies	33	13	39.4
Total	143	54	37.8

Note: Any company with foreign investments is treated as foreign company.

The data were gathered over three month period from July to September, 1989. Within this period, a total of 143 questionnaires were mailed to the sampled companies, and 54 company questionnaires were returned, having response rates of 37.8%. The detailed data of the response rates are shown in Table 3-1.

## II. Values

Table 3-2 shows two results using Hofstede's measures:

1) Hofstede's 1980 study; 2) results from the present survey. In the power distance orientation, Taiwanese feel greater distance between bosses and subordinates than both Americans and Japanese do. In the uncertainty avoidance orientation, two results indicate that Japanese are the most prone to risk aversion, Taiwanese come next and Americans are the least prone to risk aversion.

In the individualism orientation, the results are interesting. It is a common sense that Westerners are more individualistic than other people. The duplicate results show that Taiwanese are more individualistic than Americans in Taiwan samples. Finally, in the masculinity orientation, Hofstede concludes that Japanese are more masculine, American the next, and Taiwanese the least, but this survey had different results.

The evidence indicates that Taiwanese are much more individualistic than Japanese. The authors Chen & Chieu

Table 3-2 Values for Taiwanese, Japanese and Americans in Taiwan

	Power Distance Index		Uncertainty Avoidance Index		Individualism Index		Masculinity Index	
	Hofstede	This Survey	Hofstede	This Survey	Hofstede	This Survey	Hofstede	This Survey
Taiwanese	58	63	69	91	17	57	45	46
Japanese	54	44	92	98	46	26	95	43
Americans	40	39	46	53	91	48	62	24

Sources: \*Hofstede (1980), P.315

\*This Survey

compared Taiwanese companies with Japanese companies and concluded that Taiwanese owners "do not take care of employees as their own people, while employees always see the enterprise as employers' private property and never have a sense of loyalty, sacrifice or devotion to the company."\*1 On the contrary, Japanese treat companies as a community, and they completely identify with the company. In a word, Japanese have a higher degree of "groupism", and Japanese belong to the group. To them, "the most shameful thing is being excluded from the group." \*2

### III. Marco-influence Strategies

#### A. Organizational Structures

Table 3-3 Indexs of Organizational structure in Taiwanese, Japanese and American Companies

Structural Variables	Taiwanese	Japanese	American
Formalization	3.39	3.40	3.43
Routineness	2.85	3.16	2.59
Autonomy	2.77	2.60	2.83

Notes: The highest score for meanis 6, while the lowest score is 1.

An organization needs many people to carry out its goals and an organizational structure is designed to reduce the cooperation cost or the transaction cost of the individuals in organizations, or to achieve organizational goals most efficiently. Some main organizational characteristics shown in Table 3-3 are selected for comparing Taiwanese, Japanese and Americans.

As shown in Table 3-3, Taiwanese, Japanese and American companies are not much different in formalization. Although American companies are a little bit higher in formalization, the difference is not stastically significant. In other words, all three types of companies have written goals or objectives for subordinates, written standards of performance appraisals, written schedules, and work specifications. It is to be noted that the similarity of formalization among Taiwanese, Japanese and American companies does not mean that each type of companies has similar adherence to organizational rules and other written document.

The researcher also found in his interview that Taiwanese traditions of "literatural bureacracy" are still very popular and Taiwanese companies violate law more frequently than Japanese and American companies. These findings may lead to the conclusion that Taiwanese companies, as compared to Japanese and American companies,

adhere less to stipulate rules, procedures and regulations.

As one manager in a Taiwanese company said,

"... We have a lot of rules, procedures and regulations, but we have never seriously carried them out. The one who breaks the rules is the boss himself."

The indexes of job routineness in the Table 3-3 indicate that jobs in Japan companies are the most simplified and routinized, and then jobs in Taiwanese companies, and jobs in American companies are the least routinized.

In terms of job autonomy, employees in Taiwanese and American companies have greater influence to make their decisions and their own job rules than those in Japan companies do. The degree of job autonomy is related to the extent of delegation and participation in organizations. The extent of delegation reflects power distribution in organizations, and the extent of participation reflects decisions made in different situations.

#### B. Delegation, Participation and Trust

Table 3-4 shows perceived influence on matters related to managers' work. From the first item (assigning work to subordinates) to the fourth item (hiring and placement) are matters related to the extent of delegation, which American companies have higher degree of delegation, while Japanese and Taiwanese are different but not statistically significant. From Item 5 to 7 are matters reflecting the extent of participation, which American companies have the highest

Table 3-4 Perceived Influence by Managers in Taiwanese,  
Japanese and American Companies

Items perceived	Taiwanese	Japanese	American
Assigning work to subordinates	4.08	3.98	4.29
Disciplining subordinates	3.91	3.87	4.08
Promotion of subordinates	3.26	3.24	3.83
Hiring & Placement	3.41	3.21	3.96
Coordinating with other units	3.52	3.58	3.66
Influencing company's policy related to own work	3.04	2.82	3.24
Influencing superiors	2.85	3.02	3.06

Note: The highest score for mean is 5, while the lowest score is 1.

participation, while Japanese companies have similar levels of participation to Taiwanese companies on the item "coordinating with other units," but lower on the item "influencing company's policy." On the item of "influencing superiors," managers in both American and Japanese companies have higher influence than those in Taiwanese companies.

Delegation and participation are related to the trust of the top toward the subordinates. Table 3-5 confirms this assumption. Managers in American companies trust their subordinates most, managers in Taiwanese companies the next, while managers in Japanese companies have the least trust. On the individual items, there are only two items which Japanese and Taiwanese companies are not statistically different. This distrust of managers toward subordinates in Japanese companies contradicts the trust that Ouchi described in his "Theory Z".\*3

How is this conflict explained? The main reason is that Japanese do not trust Taiwanese, but trust their own people. Table 3-5 shows that Japanese do not trust Taiwanese subordinates as much as Americans do. Americans are foreigners and they trust Taiwanese subordinates higher than Taiwanese managers trust their own people, although the difference is not statistically significant.

Table 3-5 Managers' Trusts in Subordinates in Taiwanese, Japanese and American Companies

Items	Taiwanese	Japanese	American
Having a good attitude towards work	82	79	84
Working hard without continual supervision	77	73	79
Working up to his/her ability	78	72	81
Being reliable, dependable	82	77	84
Being well trained in their job	68	66	75
Overall trust	79	75	82

Note: The highest score for mean is 5, while the lowest score is 1.

### C. Promotion

Promotion is important aspect of a reward system. It is not only that the promotion will usually be accompanied by wage increases, but also that status and power are increased. First, the preferences of internal promotion are compared. In general, American companies do not show any social preference for internal promotion. In American companies, a new top individual management sometimes will replace all high ranking managers after he takes office if it is necessary. However, this kind of overall replacement is not easily found in Japanese and Taiwanese companies that prefer to promote employees within organization, unless a qualified person can not be found in organization.

Table 3-6 The Importance of Promotion Criteria in Taiwanese, Japanese and American Companies

Criteria	Taiwanese	Japanese	American
Past Performance	4.11	4.02	4.28
Technical Competence	4.16	4.12	4.21
Loyalty	4.35	4.14	4.08
Cooperation with others	4.29	4.16	4.27
seniority	2.86	2.81	2.49

Note: The highest score for mean is 5, while the lowest score is 1.

Regarding to the importance of promotion criteria, as shown in Table 3-6, all three types consider the criteria of past performance, technical ability, loyalty and cooperation with others important. However, if three types of companies are compared, Americans consider past performance, technical ability, and cooperation with others more important, but loyalty and seniority less important, while Taiwanese companies emphasize more on the criteria of loyalty. It is strange that Japanese companies put less emphasis on the criteria of cooperation with others, because managers in Japanese companies are very highly oriented toward collectivism. All three types of companies do not consider seniority as an important criterion of promotion, but relatively, Taiwanese companies place more emphasis on this criterion than other companies do.

#### D. Employee Selection, Training and Social Activities

Taiwanese, Japanese and American companies show different characteristics in selecting new employees. Table 3-7 lists four selection criteria: 1) technical education, 2) general education, 3) past experience, and 4) personality. As shown in Table, all three types of companies consider technical education fairly important. There is not any difference in emphasis on the criterion of general education among three types of companies. The image that Japanese companies emphasize on general education is not found in

Table 3-7 The Importance of Selection Criteria for New Employees in Taiwanese, Japanese and American Companies

Selection Criteria	Taiwanese	Japanese	American
Technical Education	4.12	3.98	4.14
General Education	3.73	3.77	3.68
Past Experience	3.66	3.21	3.78
Personality	4.18	4.09	4.23

Note: The highest score for mean is 5, while the lowest score is 1

their employee recruitment, but found after employees are recruited because Japanese companies generally will rotate new employees in different positions in organization.

On the criterion of past experience, Japanese companies place much less emphasis than American and Taiwanese companies do. The characteristic is also listed in Table 3-8 in which Japanese companies show a very strong preference to hire "new hands" who are just graduated from school and do not have work experience. As compared with Japanese

companies, Taiwanese companies show less preference and American companies show even much less interest to hire new hands.

On the contrary, American companies have the highest preference to hire those who had worked in other similar organizations, while Japanese companies show less preference. These three types of companies are significantly different statistically in the preference for experienced applicants.

Table 3-8 also shows the preference to hire those who have relationships with current employees or managers. All three types of companies show much less interest, but Taiwanese companies prefer them more than American companies do.

Employee training is an important part of human resource management. As shown in Table 3-9, all three types of companies consider employee training quite important. The training is conducted less frequently by Japanese companies than by Taiwanese and American companies. The less emphasis on training by Japanese companies differ from the image of popular issue. However, some findings are that many Japanese companies did often send employees to Japan for different kinds of training programs. Some of the trainees even are operators. How are these two different results explained? There may be possible reason that Japanese companies have more activities of quality circle (Q.C.) which are important

Table 3-8 Types of New Employee Preferred to Hire by Managers in Taiwanese, Japanese and American Companies

Items	Taiwanese	Japanese	American
Newly Graduated	3.83	4.06	3.24
Experienced from other similar organization	2.96	2.25	3.36
Having relationship with employees	2.33	2.30	1.89

Note: The highest score for mean is 5, while the lowest score is 1.

training tools. Quality circles are not only tools to train employees to increase job skills, but also to motivate them to work harder. According to the research, Japanese companies have more quality circles than Taiwanese and American companies.

Finally, socialization is another important way that managers can influence subordinates. Means of socialization include dining together, picnics, group travel, group sports, etc. As one manager in a Japanese company said proudly:

Table 3-9 Training and Social Activity in Taiwanese, Japanese and American Companies

Items	Taiwanese	Japanese	American
Frequency of Training	3.31	3.18	3.32
Importance of Training	3.88	3.81	3.90
Frequency of Social Activity	2.47	2.63	2.26

Note: The highest score for mean is 5, while the lowest score is 1.

"...When our employees went out for camping, they sang company songs every morning. They were not required to do so. No one asked them to do it. They did it naturally and voluntarily."

The emphasis on socialization by Japanese companies is confirmed by the results in Table 3-9.

#### IV. Relationships between Values and Marco-influence Strategies

First, the effects of power distance orientation found in this research are represented. As defined in Chapter 1, the power distance orientation indicates the acceptance of unequal power distribution in the organization. Thus, the higher the power distance orientation managers have, the

more unequal power distribution will be accepted in the organization. As shown in Table 3-2, managers in Taiwanese companies have a higher power distance orientation than managers in Japanese companies and American companies. The power distance orientation affects the use of some marco-influence strategies. Comparing the power distance indexes and the marco-influence strategies among Taiwanese, Japanese and American companies, the relationships are found among the delegation, participation and trust, (Table 3-5), promotion criteria - past performance and trust (Table 3-6) and new employees selection (Table 3-7). The summary of these results is shown in Table 3-10.

The higher the managers' power distance orientation, the less trust they will have in subordinates, and therefore the less they will delegate to subordinates. This relationship is found between American companies and Taiwanese companies. Managers in American companies have lower power distance orientation, thus they trust more and delegate more to their subordinates. If Japanese managers and American managers are compared, as mention before, the former is more power distance oriented than the latter, and thus Japanese managers trust less and delegate less to their subordinates than American managers do. Therefore, considering the higher power position of Japanese and American managers in an organization, the lower level of trust and delegation or participation in Japanese companies than in American

Table 3-10 Summary of Values Related to Marco-influence Strategies

Values	Marco-influence Strategies (Index or mean)
Power Distance	Job Routinness
Taiwanese Co. (63)	Taiwanese Co. (2.85)
Japanese Co. (44)	Japanese Co. (3.16)
American Co. (39)	American Co. (2.59)
	Trust, Participation & Delegation
	Taiwanese Co. (Median)
	Japanese Co. (Lowest)
	American Co. (Highest)
	Importance of Past Per- formance Criterion
	Taiwanese Co. (4.11)
	Japanese Co. (4.02)
	American Co. (4.28)
	Importance of Loyalty Criterion
	Taiwanese Co. (4.35)
	Japanese Co. (4.14)
	American Co. (4.08)
	Preference to Hire New Hands
	Taiwanese Co. (3.83)
	Japanese Co. (4.06)
	American Co. (3.24)
	Importance of Work Experience
	Taiwanese Co. (3.66)
	Japanese Co. (3.21)
	American Co. (3.78)

Table 3-10 (Continued)

Values	Marco-influence Strategies (Index or Mean)
<b>Uncertainty Avoidance</b>	<b>Job Routineness</b>
Taiwanese Co. (91)	Taiwanese Co. (2.85)
Japanese Co. (98)	Japanese Co. (3.16)
American Co. (53)	American Co. (2.59)
	<b>Preference to Hire New Hands</b>
	Taiwanese Co. (3.83)
	Japanese Co. (4.06)
	American Co. (3.24)
<b>Individualism</b>	<b>Social Activities</b>
Taiwanese Co. (57)	Taiwanese Co. (2.47)
Japanese Co. (26)	Japanese Co. (2.63)
American Co. (48)	American Co. (2.26)
<b>Masculinity</b>	<b>Job Routineness</b>
Taiwanese Co. (46)	Taiwanese Co. (2.85)
Japanese Co. (43)	Japanese Co. (3.16)
American Co. (24)	American Co. (2.59)

companies can be attributed to the fact that Japanese managers are more power distance oriented than American managers. However, if Taiwanese and Japanese companies are compared, this relationship is not found. Managers in Taiwanese companies have a higher power distance orientation than managers in Japanese companies, but the former has a higher level of trust, participation and delegation than the latter. The main reason for this reversed relationship probably can be attributed to the racial conflicts in Japanese organizations in Taiwan. Japanese may trust other Japanese, but they do not trust the Taiwanese.

The higher the managers' power distance orientation, the less emphasis they will put on the promotion criteria of past performance, and the more emphasis they will put on the criteria of loyalty. Managers in Taiwanese companies have a higher power distance orientation than managers in American Companies; thus, they consider past performance less important and loyalty more important than managers in American companies.

The higher the managers' power distance orientation, the more preference they show to hire those who just graduated from school and not to hire those who worked in other place before. This relationship is confirmed, when Taiwanese companies and American companies are compared. Again, if the higher power status of Japanese and American

managers is considered, the relationship is also confirmed between Japanese and American companies. However, this relationship is not found between Taiwanese and Japanese companies, since they both have different levels of power distance orientation, but the same preference for hiring new graduates.

Second, the effect of uncertainty avoidance is discussed. The higher the managers' uncertainty avoidance orientation (as defined in Chapter 1), the more intolerant they will be toward uncertainty situation, therefore they will be more oriented toward details in planning and organizing managerial practices. As found above, managers in both Taiwanese and Japanese companies have a higher uncertainty avoidance orientation than managers in American companies. Linking this value orientation to macro-influence strategies, relationships are found among the uncertainty avoidance orientation, job routineness and preference to hire new employees.

The higher the managers' uncertainty avoidance orientation, the more jobs will be routinized and simplified in organizations. This relationship is found between both Taiwanese and American companies and between Japanese and American companies, while managers in Taiwanese and Japanese companies have a higher uncertainty avoidance orientation than managers in American companies. However, this relationship is not found between Taiwanese companies

and Japanese companies, because both managers have a similar level of uncertainty avoidance orientation, but different levels of job routineness in the organization. Japanese companies are more routinized than Taiwanese companies.

The higher the uncertainty avoidance orientation managers have, the higher preference they show to recruit new graduates rather than those with previous experiences in other organizations, because the new graduates do not have bad habits learned from other organizations and are easily "molded" into the type of employee that managers hope. Both managers in Taiwanese and Japanese companies show a higher uncertainty avoidance orientation than managers do in American companies, and thus they prefer more to hire new hands rather than to those with work experiences.

Third, the effect of individualism is discussed. As indicated in Chapter 1, the individualism orientation shows the degree of concern for individual welfare rather than for the society or organization as a whole. On the contrary, a high level of collectivism indicates a high level of concern for the welfare of the organization as a whole. Individualism is found to be related to Quality Circle activities and social activities.

Quality Circle (Q.C.) and social activities are associated with the orientation of individualism. The higher the managers' level of collectivism, the more Q.C. and

social activities there are in organizations. As compared with both Taiwanese and American companies, managers in Japanese companies are oriented toward a higher level of collectivism, and thus there are more Q.C. and social activities held in Japanese companies. However, this relationship is not found when Taiwanese and American companies are compared.

Finally, the effect of masculinity orientation is discussed. The masculinity orientation indicates the role of females in the society and the role of the masculine or strong personality in a society. Masculinity orientation is related to job routineness.

The higher the managers' masculinity orientation, the higher the tendency to routinize subordinates' jobs. As compared with both Taiwanese and Japanese companies, managers in American companies have a lower masculinity index, and thus jobs are less routinized in the organization. However, this relationship is not found when Japanese and Taiwanese companies are compared.

Foot Notes to Chapter Three

Number:

1. Chen, Chi-nan, and Chieu, Shu-zu. Chinese Management.  
(Taipei, Taiwan: China Time Publishing, 1984)  
P. 477-478
2. ibid P. 476
3. Ouchi, William G. Theory of Z. (Reading, Mass.: Addison-  
Wesley Publishing, 1981)

## CONCLUSIONS

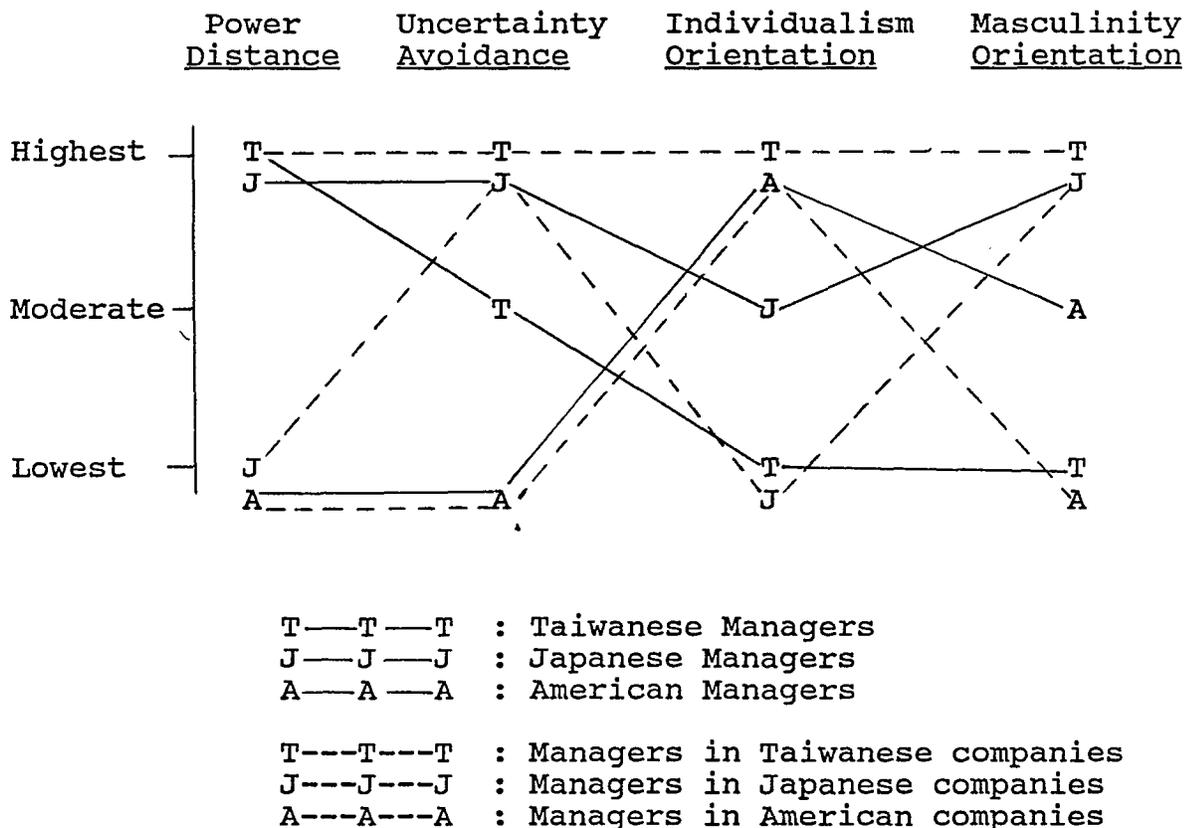
This chapter summarizes and discusses the three questions raised in the Introduction with relation to the data gathered and analyzed. Regarding to values and organizational behavior, some suggestions for the future research are proposed.

### I. Questions and Research Findings

Question 1: Do the value scores for managers in Taiwanese, Japanese and American companies differ by investment origins?

The empirical results, of replicating Hofstede's measurements are not consistent with Hofstede's study in 1984. The findings of results are shown and compared in Figure 4-1. The Taiwanese have the highest power distance, moderate uncertainty avoidance, and lowest individualism and masculinity. The Japanese have the same level of power distance as the Taiwanese, highest level of uncertainty avoidance and masculinity, and a moderate level of individualism. The American have the highest level of individualism, a moderate level of masculinity orientation, and the lowest level of power distance and uncertainty avoidance.

Figure 4-1 Value Scores of Taiwanese, Japanese and Americans, and Managers in Taiwanese, Japanese and American Companies.



Source: Summarized from Table 3-2

Managers in Taiwanese companies have the highest level of power distance and individualism and the same level of uncertainty avoidance and masculinity orientation. Managers in Japanese companies are most oriented toward collectivism, the same level of uncertainty avoidance and masculinity orientation as managers in Taiwanese companies, and the same level of power distance as managers in American companies.

Managers in American companies have the highest level of individualism, the lowest level of uncertainty avoidance and masculinity orientation, and the same level of power distance as managers in Japanese companies.

The inconsistency may be caused to following reasons:

1. Hofstede's measurements are questionable. As Roberts and Boyacigiller criticized: "The most serious problem with Hofsted's work has to do with measurement" and "another serious difficulty is that the meanings of at least the power distance and uncertainty indicates are completely entangled."\*1

2. The quantities of both American and Japanese samples are not quite enough. However the results of this study and Hofstede's study concerning the values of Taiwanese and Japanese managers are so different.

3. American and Japanese who live in Taiwan are different from those who have stayed in their home country. As mentioned above, company headquarters should select suitable candidates for living abroad by special criteria to fit the local environment.

Question 2: Are the marco-influence strategies used by Taiwanese, Japanese and American companies similar to those found in the survey?

The findings of the survey are shown in Table 5-1 which indicates some results are found to be similar to the

findings in the literature and some results are not. As shown in Table 4-1, among three types of companies, American companies have a slightly higher level of formalization than Japanese and Taiwanese companies in organization structure. the difference among them are not statistically significant. The level of organizational formilization among three types of companies is similar, but it seems that American and Japanese companies have a higher adherence to their organiaztional rules than Taiwanese companies have.

Jobs in Japanese companies are the most routinized, jobs in Taiwanese companies less, routinized, and jobs in American companies the least routinized. On the other hand, American and Taiwanese companies have a higher level of job autonomy than Japanese companies.

There are not many differences between Japanese and Taiwanese companies in managers' perceptions of their influence in their organizations, while managers in Taiwanese companies perceive themselves having more influence than managers do in Japanese companies. The main reason about Japanese companies have lower levels of delegation and participation is that the Japanese put less trust in Taiwanese employees. Managers in American companies perceive themselves to have more influence in their organizations than managers in Taiwanese and Japanese companies. This reflects that American companies have more delegation and participation.

Table 4-1 Comparisons of Marco-Influence Strategies for Taiwanese, Japanese and American Companies

Marco-influence Strategies	Taiwanese Companies	Japanese Companies	American Companies
Organizational Formalization	Same	Same	Same
Job Autonomy	High	Low	High
Delegation	Moderate	Lowest	Highest
Trust	Moderate	Lowest	Highest
Seniority	High *	High	Low
Loyalty	High	Low	Low
Promotion Criteria (Past performance)	Low	Low	High
Recruitment (New Graduates)	Moderate	Highest	Lowest
Recruitment (with Work Experiences)	Moderate	Lowest	Highest
Social Activities	Low	High	Low

Source: Summarized from Table 3-3 to 3-9

Taiwanese and Japanese companies put more emphasis on internal promotion than American companies do. However, managers in American companies have greater chances of being promoted to get high ranking positions. The larger the number of Japanese managers in Japanese companies and the required particular relationship in terms of kinship in Taiwanese companies reduce the opportunities of being promoted to get high ranking positions.

All three types of companies consider the employment training important. Especially, Japanese companies have less employment training but more quality circle activities than American and Taiwanese companies. With the respect to social activities which socialize subordinates, Japanese companies use them more frequently than Taiwanese and American companies do.

Question 3: Do the four value orientations predict the Marco-influence strategies used by managers?

This study found that power distance orientation positively affects formalization, the importance of past performance, technical competence and loyalty ,and the importance of technical education.

Regarding to uncertainty avoidance, it is positively related to job routineness and the importance of seniority as a promotion criteria. The uncertainty avoidance orientation is also negatively related to formalization, job

autonomy, participation, and the criterion of personality in hiring new employees.

The individualism orientation is positively related to job autonomy, trust, the importance of technical education, and personality in hiring new employees. The individualism orientation is negatively related to job routineness and the frequency of social activities.

Masculinity orientation is positively related to job routineness, the importance of seniority as a promotion criteria and the frequency of social activities.

## II. Recommendations for the Future Research

There are three future research areas recommended here. First, as mentioned in Chapter 1, this study only focus on the managers' perspective, and thus the results of the research provide a partial understanding of the real and complicated organizational behavior. It should become more complex, for instance, if employees' values and their perceptions of the marco-influence strategies used by their managers are considered. It is recommended that the data both from managers and employees are collected at the same time. This would be conducive to understand their relationships between managers and employees.

Second, since the findings are encouraging, the similar questionnaire could be tested in other differential cultures countries such as Korea, South Africa and United States. The

results would provide more relevant information about cultural differences and their effects on managerial influences and strategies.

Finally, this research is just beginning step. In future research, use of planning, productivity and turnover, subordinates' satisfaction, and information on performance evaluation, etc. might be gathered to assess the effects of different influence strategies.

### III. Implications

Three implications are presented. The first two implications linked to the useful tool of research and the last is linked to the managerial transferability of multinational corporations. Generally, people understanding more about their values and behaviors will be usefully to reach their goals.

First, an individual manager can use questionnaire to diagnose his other values. Basically, more understanding of one's values and behaviors will bring to meaningful actions to reach personal goals.

Second, the company can use the questionnaire to assess the overall managerial system from managers' values to their influence strategies. If both data from managers and subordinates are collected, the results can be used as basics for behavioral improvements through organizational training programs.

Finally, when a multinational company tries to transfer its managerial technologies and managerial practices at the home company to its subsidiaries, it is important that researchers engaged in multinational studies recognize and understand these differences if they are to operate effectively across geographical, cultural, and political boundaries.\*2 Although this study found that Japanese and American companies in Taiwan still maintain certain degree of their own influence strategies, it can not be concluded that multinational companies do not need to adapt the local environmental factors. This research did not provide any indicators of organizational effectiveness, but some results suggest that adapting adjustment of local environmental factors to meet the needs of a particular organization is a better way.

Foot Notes to Chapter Four

Number:

1. Roberts, K.H., and Boyacigiller, N.A. Cross-National Organizational Research. (Research in Organizational Behavior, 1985) P. 449
2. Sethi, Prakash S. and Sheth Sagdish N. Multinational Business Operations (Goodyear Publishing, 1973) P. 19

APPENDIX      MANAGER QUESTIONNAIRE

## Opinion Survey of Values and Organizational Influence

1. The data you supply will be used for generating information on managers' values and their relationships to managerial practices in Taiwan.
2. You need not write down your name. Please answer all the questions as carefully and honestly as you can.
3. Thank you very much for your time and cooperation!

## General Information: (Please circle)

1. What is your sex?                     Male                     Female
2. In which age category do you fit?
  1.  21-30                    2.  31-40                    3.  41-50
  4.  51-60                    5.  Over 61
3. What is your national origin?
  1.  Rep. of China (Taiwan)                    2.  Japan
  3.  The United States
4. What is your formal educational level?
  1.  Primary school                    2.  Junior high school
  3.  High school                    4.  College graduate
  5.  Graduate program                    6.  Post-graduate program
5. Your current position is \_\_\_\_\_
6. Indicate the number of subordinates that you supervise.  
\_\_\_\_\_

PART I.

Disagree strongly  
 Disagree somewhat  
 Disagree a little  
 Agree a little  
 Agree somewhat  
 Agree Strongly

- 
1. Human nature is basically cooperative.....( ) ( ) ( ) ( ) ( ) ( )
  2. One should not depend on other persons.....( ) ( ) ( ) ( ) ( ) ( )
  3. We should all admire a man who starts out  
bravely on his own.....( ) ( ) ( ) ( ) ( ) ( )
  4. There is only one right way to do  
anything.....( ) ( ) ( ) ( ) ( ) ( )
  5. First impressions are very important.....( ) ( ) ( ) ( ) ( ) ( )
  6. It doesn't take very long to find out if  
you can trust a person.....( ) ( ) ( ) ( ) ( ) ( )
  7. A company's rules should not be broken -  
not even when the employee thinks it is  
in the company's best interest.....( ) ( ) ( ) ( ) ( ) ( )
  8. What youth needs most is strict discipline,  
and the will to work and fight for family  
and country.....( ) ( ) ( ) ( ) ( ) ( )
  9. It is best to use strict authority to keep  
order and prevent chaos.....( ) ( ) ( ) ( ) ( ) ( )
  10. It goes against nature to place women in  
positions of authority over men.....( ) ( ) ( ) ( ) ( ) ( )

- |  | Almost always true | Usually true | Sometimes true<br>Sometimes false | Usually false | Almost always false |
|--|--------------------|--------------|-----------------------------------|---------------|---------------------|
| 11. Clear, written goals and objectives exist for my subordinates' job .....   | ( )                | ( )          | ( )                               | ( )           | ( )                 |
| 12. There is really only one best or correct way to perform most of my subordinates' tasks .....                                     | ( )                | ( )          | ( )                               | ( )           | ( )                 |
| 13. Appraisals for my subordinates' performance are based on written standards..   | ( )                | ( )          | ( )                               | ( )           | ( )                 |
| 14. My subordinates can make their own decisions without checking with me.....   | ( )                | ( )          | ( )                               | ( )           | ( )                 |
| 15. I often ask my subordinates to apply new techniques or methods in doing their jobs.....  | ( )                | ( )          | ( )                               | ( )           | ( )                 |
| 16. I discourage my subordinates from making their own decisions.....  | ( )                | ( )          | ( )                               | ( )           | ( )                 |
| 17. My subordinates' jobs duties are so simple that almost anyone could perform them after a little bit of instruction and practice. | ( )                | ( )          | ( )                               | ( )           | ( )                 |
| 18. My subordinates' duties, authority, and accountability are documented in policies, procedures, and job descriptions.....         | ( )                | ( )          | ( )                               | ( )           | ( )                 |
| 19. My subordinates make their own rules on the job.....   | ( )                | ( )          | ( )                               | ( )           | ( )                 |

*Of utmost importance*  
*Very important*  
*Moderately important*  
*A little important*  
*Not important*

- 
20. Have sufficient time left for your personal or family life? ..... ( ) ( ) ( ) ( ) ( )
21. Have security of employment? ..... ( ) ( ) ( ) ( ) ( )
22. Work with people who cooperate well with one another? ..... ( ) ( ) ( ) ( ) ( )
23. Make a real contribution to the success of your company or organization? ..... ( ) ( ) ( ) ( ) ( )
24. Have good physical working conditions (good ventilation and lighting, adequate work spaces etc.)? ..... ( ) ( ) ( ) ( ) ( )
25. Have an opportunity for advancement to higher level jobs? ..... ( ) ( ) ( ) ( ) ( )
26. Work in a prestigious and successful company or organization? ..... ( ) ( ) ( ) ( ) ( )

## PART II.

The descriptions below apply to four different types of managers. First, please read through these descriptions and then answer two questions that follow.

Manager 1 : Usually makes his/her decisions promptly and communication them to his/her subordinates clearly and firmly. He\She expects them to carry out the decisions loyally and without raising difficulties.

Manager 2 : Usually makes his/her decisions promptly, but, before going ahead, tries to explain them fully to his/her subordinates. He/She gives them the reasons for the decisions and answers whatever questions they may have.

Manager 3 : Usually consults with his/her subordinates before he/she reaches his/her decisions. He/She listens to their advice, consider it, and then announces his/her decision. He/She then expects all to work loyally to implement it whether or not it is in accordance with the advice they gave.

Manager 4 : Usually calls a meetings of his/her subordinates when there is an important decision to be made. He/She puts the problem before the group and invites discussion. He/She accepts the majority viewpoint as the decision.

1. Now for the above types of manager, please mark the one which you would prefer to work under (check one answer only) :

- |                                       |                                       |
|---------------------------------------|---------------------------------------|
| 1. <input type="checkbox"/> Manager 1 | 2. <input type="checkbox"/> Manager 2 |
| 3. <input type="checkbox"/> Manager 3 | 4. <input type="checkbox"/> Manager 4 |

2. To which one of the above four types of managers would you say your own superior most closely corresponds?

- |  |                                       |
|--|---------------------------------------|
| 1. <input type="checkbox"/> Manager 1  | 2. <input type="checkbox"/> Manager 2 |
| 3. <input type="checkbox"/> Manager 3  | 4. <input type="checkbox"/> Manager 4 |
| 5. <input type="checkbox"/> He/She dose not correspond closely to any of them. |                                       |

3. How frequently in your work environment are subordinates afraid to express disagreement with you and other superiors?

- |                          |                          |                          |                          |                          |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 1                        | 2                        | 3                        | 4                        | 5                        |
| <input type="checkbox"/> |
| Very frequently          | Frequently               | Occassionally            | Seldom                   | Never                    |

A. What amount of influence do you have in the following matters related to your work? .

	<i>Very great influence</i>	<i>A great influence</i>	<i>Some influence</i>	<i>Little influence</i>	<i>Very little influence</i>
1. Assigning work to subordinate .....	( )	( )	( )	( )	( )
2. Disciplining subordinates .....	( )	( )	( )	( )	( )
3. Salary and promotion of subordinates ..	( )	( )	( )	( )	( )
4. Hiring and placement of subordinates ..	( )	( )	( )	( )	( )
5. Coordinating with other units in the company .....	( )	( )	( )	( )	( )
6. Influencing company policy in areas not directly related to your work .....	( )	( )	( )	( )	( )
7. Influencing your superiors .....	( )	( )	( )	( )	( )

B. How important are the following criteria in promoting your subordinates?

	<i>Of utmost importance</i>	<i>Moderately important</i>	<i>A little important</i>	<i>Not important</i>
1. Past performance .....	( )	( )	( )	( )
2. Technical competence .....	( )	( )	( )	( )
3. Loyalty .....	( )	( )	( )	( )
4. Cooperation with others .....	( )	( )	( )	( )
5. Seniority .....	( )	( )	( )	( )
6. Other (please specify _____)				

C. What criteria do you think are important in selecting new subordinates?

Of utmost importance  
 Very important  
 A little important  
 Not important

- 
- 1. Technical education ..... ( ) ( ) ( ) ( ) ( )
  - 2. General education ..... ( ) ( ) ( ) ( ) ( )
  - 3. Previous experience ..... ( ) ( ) ( ) ( ) ( )
  - 4. Personality ..... ( ) ( ) ( ) ( ) ( )
  - 5. Other (please specify \_\_\_\_\_)

D. What types of new subordinates do you prefer to hire?

- 1. ( ) Newly graduated from school
- 2. ( ) Experienced from other similar organization
- 3. ( ) Experienced from other different type of organization
- 4. ( ) Other (please specify \_\_\_\_\_)

E. How were your subordinates recruited?

- 1. ( ) Recommended by old employees
- 2. ( ) Through public advertising
- 3. ( ) Recommended by public employment agencies
- 4. ( ) Recommended by private agencies
- 5. ( ) Other (please specify \_\_\_\_\_)

F. How frequently were training programs held for your subordinates in our department or unit in the last year?

- |                 |            |              |        |       |
|-----------------|------------|--------------|--------|-------|
| 5               | 4          | 3            | 2      | 1     |
| ( )             | ( )        | ( )          | ( )    | ( )   |
| Very frequently | Frequently | Occasionally | Seldom | Never |

G. Below are questions regarding your subordinates' ability, work attitudes, experiences, etc.

- (1) \_\_\_\_\_ % of subordinates have good attitude toward work.
- (2) \_\_\_\_\_ % of subordinates work hard without continual supervision.
- (3) \_\_\_\_\_ % of subordinates can be trusted to work up to his/her ability.
- (4) \_\_\_\_\_ % of subordinates are reliable, dependable workers.
- (5) \_\_\_\_\_ % of subordinates are very well trained in their job.

H. How long do you think you will continue working for the company you work for now? (Strict confidentiality will be maintained.)

1. ( ) Two years at the 'best
2. ( ) From two to five years
3. ( ) More than five years (but I probably will leave before I retire) \*
4. ( ) Until I retire

I. How important do you think the training programs are your subordinates?

- |                        |                   |                       |                       |             |
|------------------------|-------------------|-----------------------|-----------------------|-------------|
| 5                      | 4                 | 3                     | 2                     | 1           |
| ( )                    | ( )               | ( )                   | ( )                   | ( )         |
| Of utmost<br>important | Very<br>important | Somewhat<br>important | A little<br>important | Unimportant |

J. There are times people feel nervous or tense at work. How often do you feel nervous or tense at work?

- |                    |            |              |        |       |
|--------------------|------------|--------------|--------|-------|
| 5                  | 4          | 3            | 2      | 1     |
| ( )                | ( )        | ( )          | ( )    | ( )   |
| Very<br>frequently | Frequently | Occasionally | Seldom | Never |

K. How often do you and your subordinates socialize after work in a bar, a restaurant, etc.?

- |                    |            |              |        |       |
|--------------------|------------|--------------|--------|-------|
| 5                  | 4          | 3            | 2      | 1     |
| ( )                | ( )        | ( )          | ( )    | ( )   |
| Very<br>frequently | Frequently | Occasionally | Seldom | Never |

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