



Department of Business administration and Economics

**Towards an Understanding of Management Style Differences
between China and Sweden**

– Based on impressions from 5 Chinese R&D employees in Sweden

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Abstract

With the world becomes closer, the issue of understanding management and culture difference is getting more and more important. The purpose of this research is to find how culture factors impact management style in China and Sweden. The study used Hofstede's five cultural dimensions, traditional management practice and Denison's model of organizational culture and effectiveness as framework to identify what different management styles exist between two countries, as well as explain why the difference occurs in term of national culture dimensions and traditional management practice.

The interviews were made by five Chinese employees whom have work experiences in China and now are working in Swedish organization in Sweden. From their perspectives, the paper found the dimension of involvement and consistency is significant different between two countries, which reflects on the aspects of team orientation, empowerment, capability development, agreement, coordination and integration. Moreover, Swedish companies are easier to adopt advanced technology and innovation than Chinese companies. In general sense, it seems to Swedish organizations obtain higher learning capacity than Chinese organizations. Finally, this paper pointed out that both countries have a long-term strategy, but it's more realistic in Sweden.

Subsequently, those differences were analyzed by national culture, namely, Hofstede's five culture dimensions, and the traditional management practices in China and Sweden. After discussion and analysis, the study found: the small power distance, feminine value and lower uncertainty avoidance as well as lower hierarchy are the reasons of Swedish management style such as high level of agreement, good communication, and high capability development in Sweden. Meanwhile, the large power distance, masculine value, high uncertainty avoidance, guanxi and paternalism style of leadership are the mainly reasons of Chinese management style such like lower level of team orientation, ineffective and lower learning capacity in China. In addition, the long-term orientation cause Chinese organization like to have a long time planning, but the paternalism style of leadership induce the strategy of company departs from the reality. It has to note that the limitation of this study is the small number and the limited scope of interviewees. Finally, it is suggested that Chinese organization should learn several advanced management methods from Swedish organization.

Keywords: culture, management style, difference, Sweden, China, traditional management practice,

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1. Introduction

In this chapter, the introduction of this research will be given. Further, it will present the background, the purpose and research questions and limitations.

In a long time, culture issue has been seen as a major role in differentiating work values (Hofstede, 1980, Trompenaars and Hampden-Turner, 1998), People from different cultural backgrounds may have different values. As Hofstede (1991) said: most people who have visited or worked in another country would readily agree that cultural differences exist. There are also wide variations in individual values and behavior within each national culture. Moreover, it also can be found the management style in different areas is not alike, especially between Asian and western countries. This paper, chooses Sweden as the object of study, is because authors have deeply feeling towards the difference between Sweden and China; through investigated Chinese employees who work in Swedish company in Sweden, to analyze the effect of culture difference on management style.

Nowadays, there are closer connections among people around the world, the information and technology flow more quickly than before; further, there are more and more businesses and cooperation between different countries, for example, lots of Chinese employees work in Swedish organization. As a result, understanding of different cultures and different management characters has a practical value.

1.1 Some common images of Sweden and China

Sweden is a Nordic country on the Scandinavian Peninsula in Northern Europe; it is a highly developed country and ranks first in the world in the Economist's Democracy Index. Sweden has a total population of over 9.2 million (<http://en.wikipedia.org/wiki/Sweden>). Further, Sweden is featuring a modern distribution system, excellent internal and external communications and a skilled labor force, lots of famous international companies are Swedish such as Volvo, Ericsson, IKEA, Sandvik, Electrolux, and so on. The country is very famous as its technology and innovation ability. The culture of Sweden is typically perceived as egalitarian, simple and open to international influences, Swedes express themselves in very modest terms, the concept of modesty and humbleness is still strong, and there is a strong drive for individualism. To some extent, unlike other Europe people, Swedes are not likely to be harsh in criticizing others, just like Chinese people (http://en.wikipedia.org/wiki/Culture_of_Sweden).

China has one of the world's oldest and continuous civilizations, consisting of states and cultures dating back more than six millennia, which has a profound influences and most complex cultures; the culture has been molded by three philosophical traditions--Confucianism, Taoism, and Buddhism. Briefly, Confucianism deals with

human relationship, Taoism deals with life in harmony with nature, and Buddhism deals with people's immoral world. In a total word, Chinese take very care about the relationship between people and the etiquette is important in China. People are not like to embarrass others in any situation. The value of keeping face, Ren Qing and Guan xi is in-depth in Chinese culture.

Today, China as the fastest-growing major nations with an average annual GDP growth rate above 10% is still the developing country in the world; the country's per capital income is classified in the lower middle category by world standards. There are lots of problems such as surplus laborers; underemployment and income inequalities exist in the country and the system of continues learning is imperfect. However, China will, as always continue to develop actively and catches up with the developed countries.

1.2 Purpose and research questions

The main purpose of this thesis is to find how culture impact management style in China and Sweden. From perspective of Chinese employees in Sweden, the thesis attempts to analyze what different management styles exist between Chinese and Swedish organization and try to explain why those occur. Furthermore, by understanding of these differences, this thesis tries to propose some suggestions to Chinese organization, in order to help Chinese organization to improve.

In light of this, the thesis aim to answer the following research questions:

- 1) What management style differences between Chinese and Swedish R&D organizations are perceived by a sample of Chinese employees in Sweden?
- 2) How culture factors impacts management styles?

1.3 Disposition

In the next chapter, the national culture and Chinese and Swedish management practices as well as Denison's management theory are presented; Chapter 3 introduces the methodology, which about approach selection, data collection and data analysis, furthermore, the research quality is discussed. In order to provide the reader with better understanding of the current research, the empirical material is presented in Chapter 4, which is about detailed information of interview, and summary of the finding. In Chapter 5, the empirical findings are analyzed related to the theories and the interesting results are further discussed. Subsequently, conclusions are drawn and suggestions of future research are presented in Chapter 6.

1.4 Limitation

1. Due to the small number of Chinese employees who work in Sweden, the limitation of this study is the small of sample. We had only interviewed 5 Chinese employees. Through collected and analyzed the information, this thesis conducted the study.

2. Those who have positive things to say accept interviews.

3. From psychology aspect, people may only point out the positive things in order to show they had made a good decision to work at Sweden.

4. Some concepts mix up in the Denison model. For instance, a point may be classified either in the involvement part or in the consistency part.

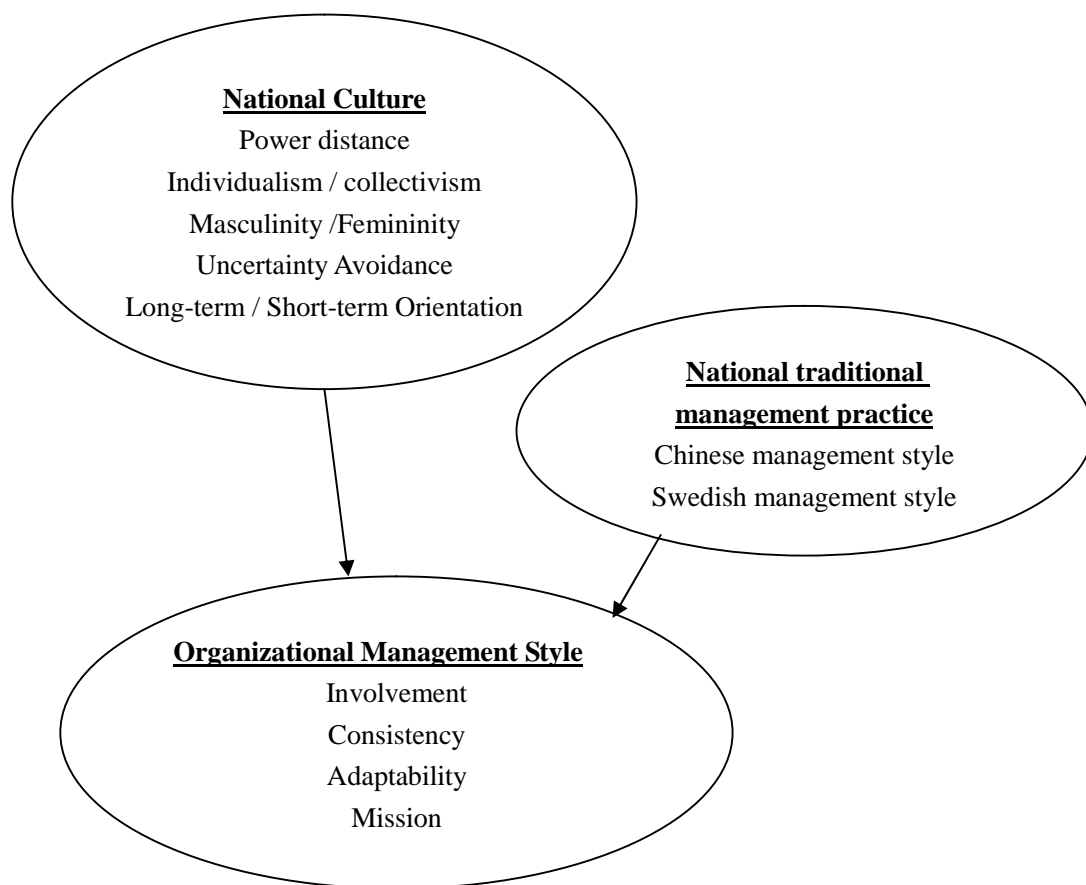
5. There are some other reasons which also can analyze the different management style, but this study focus on the culture factors. Maybe the other reasons can be added in the further research.

2. Theoretical framework

In this chapter, the Chinese and Swedish management culture is presented and the theoretical frameworks used in this study are all given.

2.1 First test of a model of thinking

Figure 1 the Model of how culture impact on management style



In this paper, national culture and national traditional management practice are combined to analyze organizational management style, in turn, to figure out why the different organizational management styles exist in both China and Sweden.

National culture was based on Hofstede's five culture dimensions; while National traditional management practice would introduce the different character of management styles in China and Sweden; at the same time, organizational management style is based on the Dension's organization culture and effective model. It has to note that this model wants to show the relationship among national culture, national management practice and national management style.

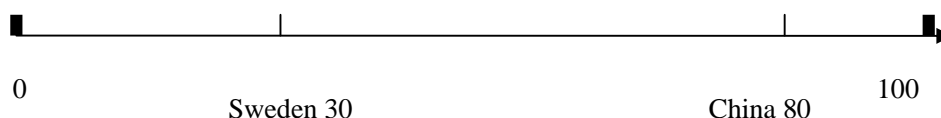
2.2 Chinese and Swedish culture

National culture is defined as the values, beliefs and assumptions learned in early childhood that distinguish one group of people from another (Beck and Moore 1985, Hofstede 1991). Hofstede (1991) established a culture framework which is widely used to development in the field of cross-culture management. The culture model includes five dimensions: *Power distance*; *Individualism versus collectivism*; *Masculinity versus Femininity*; *Uncertainty Avoidance*; *Long-term Orientation versus Short-term Orientation*. He used these five dimensions to analyze what the different cultures exist in different countries and explore how national cultures differ and reveals the unexamined rules by which people in different cultures think, feel, and act in business, family, schools and organization. This research chose the Hofstede's results only in China and Sweden as one of the culture theory basis to analyze the different management styles.

2.2.1 Power distance

Power distance is a measurement of the interpersonal power or influence between people such as between a boss and a subordinate (Hofstede 1991). Power distance index (PDI) is the extent to which the less powerful members of organizations and institutions (like the family) accept and expect that power is distributed unequally. This represents inequality defined from below, not from above, suggesting that a society's inequality level is endorsed by follower as much as by leaders. PDI can be questioned like are employees afraid to express disagreement with their manager and how do the subordinates' perception of their boss's actual decision-making style as well as how do the subordinates' preference for their boss's decision-making style. In addition, those questions imply that power distance influences the amount of formal hierarchy, the degree of centralization, and the amount of participation in decision-making in organizations (Karen L. Newman and Stanley D. Nollen Source). According to Hofstede's finding, China's significantly higher power distance scored of 80 compared to Sweden's ranking of 30, implying Chinese managers obtain stronger power than Swedish managers in workplace.

Figure 2 The PDI scores in China and Sweden

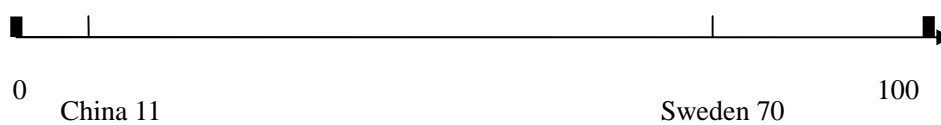


2.2.2 Individualism & collectivism

Individualism (IDV) on the one side versus its opposite, collectivism, that is the degree to which individuals are integrated into groups. On the individualist side, the social ties between individuals are loose; on the collectivist side, people from birth are integrated into strong, cohesive in groups often extended families (with uncles, aunts

and grandparents) which continue protecting them in exchange for unquestioning loyalty. The word 'collectivism' in this sense has no political meaning: it refers to the group, not to the state. The individual-collectivism dimension is an important way of differentiating among national cultures (Kluckhohn and Strodtbeck 1962; Triandis 1989). In the workplace, individualism stress on autonomy, individual responsibility for results, and individual-level reward, while collectivism emphasize work unit solidarity and team-based rewards (Karen L. Newman and Stanley D. Nollen Source). Hofstede figures out that the degree of individualism is 70 in Sweden. This is significantly higher than China' score of 30.

Figure 3 The IDV scores in China and Sweden



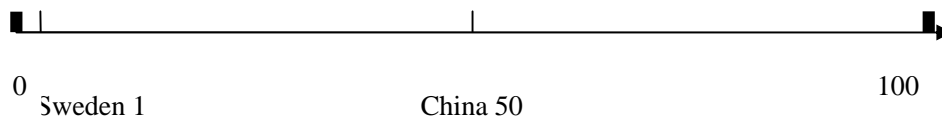
2.2.3 Masculinity & Femininity

Masculinity & femininity described the extent of roles division between sexes to which people in a society put different emphasis on work goals. Masculinity pertains to social gender roles are clearly distinct (i.e., men are supposed to be assertive, tough whereas women are supposed to be more modest, tender) (Hofstede 1991), but femininity pertains to social gender roles overlap, both men and women are supposed be modest, tender and concerned with the quality of life. In addition, masculine cultures attach importance to achievement and dislike failure and loss while feminine are opposite. Table 1 shows, the different attitude of feminine culture and masculine culture. In the workplace, people aspire opportunities of high earnings, recognition, advancement and rewards in masculine country while people in feminine country are more care about the quality of interpersonal relations and quality of working life. Hofstede's finding indicates that the degree of masculine is 50 in China while score is only 1 in Sweden, implying Sweden is a typical feminine country and China is representative masculine country.

Feminine	Masculine
Management as ménage: intuition and consensus	Management as ménage: decisive and aggressive
Resolution of conflicts by compromise and negotiation	Resolution of conflicts by letting the strongest win
Rewards are based on equality	Rewards are based on equity
Preference for smaller organizations	Preference for larger organizations
People work in order to live	People live in order to work
More leisure time is preferred over more money	More money is preferred over more leisure time
Careers are optional for both genders	Careers are compulsory for men, option for women
There is a higher share of working women in professional jobs	There is a lower share of working women in professional jobs
Humanization of work by contract and cooperation	Humanization of work by job content enrichment
Competitive agriculture and service industries	Competitive manufacturing and bulk chemistry

Table 1: Table key difference between femininity and masculinity in workplace (Hofstede and Hofstede, (1997))

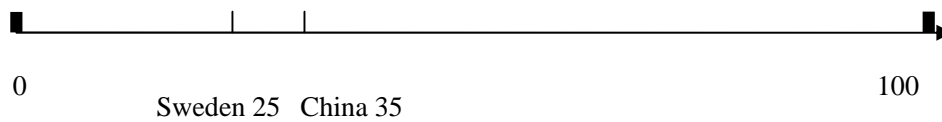
Figure 4 The MAS scores in China and Sweden



2.2.4 Uncertainty Avoidance

Uncertainty Avoidance Index (UAI) deals with a society's tolerance for uncertainty and ambiguity. It indicates to what extent a culture programs its members to feel either uncomfortable or comfortable in unstructured situations. Unstructured situations are novel, unknown, surprising, and different from usual. Uncertainty avoiding cultures try to minimize the possibility of such situations by strict laws and rules, safety and security measures, and on the philosophical and religious level by a belief in absolute Truth/ People in uncertainty avoiding countries are also more emotional, and motivated by inner nervous energy. The opposite type, uncertainty accepting cultures, are more tolerant of opinions different from what they are used to; they try to have as few rules as possible, and on the philosophical and religious level they are relativist and allow many currents to flow side by side. People are more phlegmatic and contemplative, and not expected to express emotions. In organizations, uncertainty avoidance is manifested by the clarity of plans, policies, procedures, and systems (Karen L. Newman and Stanley D. Nollen Source). As Hofstede's finding shows, the score of both Sweden and China are quite low, just up to 25 and 35, respectively, meaning employees are sensitive to the uncertain situation.

Figure 5 The UAI scores in China and Sweden



2.2.5 Long-term & Short-term Orientation

Long-Term Orientation (LTO) versus short-term orientation. From Hofstede’s view, the core value of long-term orientation focus on long-term perseverance, thrift, and respect for one’s elders and ancestors whereas the core value of short-term orientation emphasizes on respect for tradition, fulfilling social obligations and protect one’s face (Hofstede 1991). As Hofstede’s research shows, the score of long-term orientation is extremely high, up to 98, whereas the score in Sweden only reach 30.

Figure 6 The LTO scores in China and Sweden

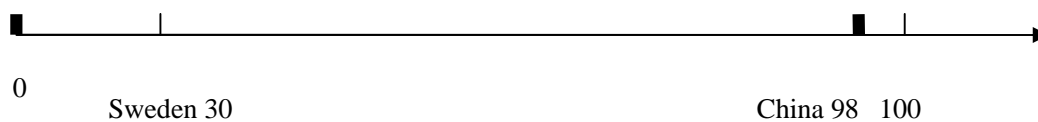
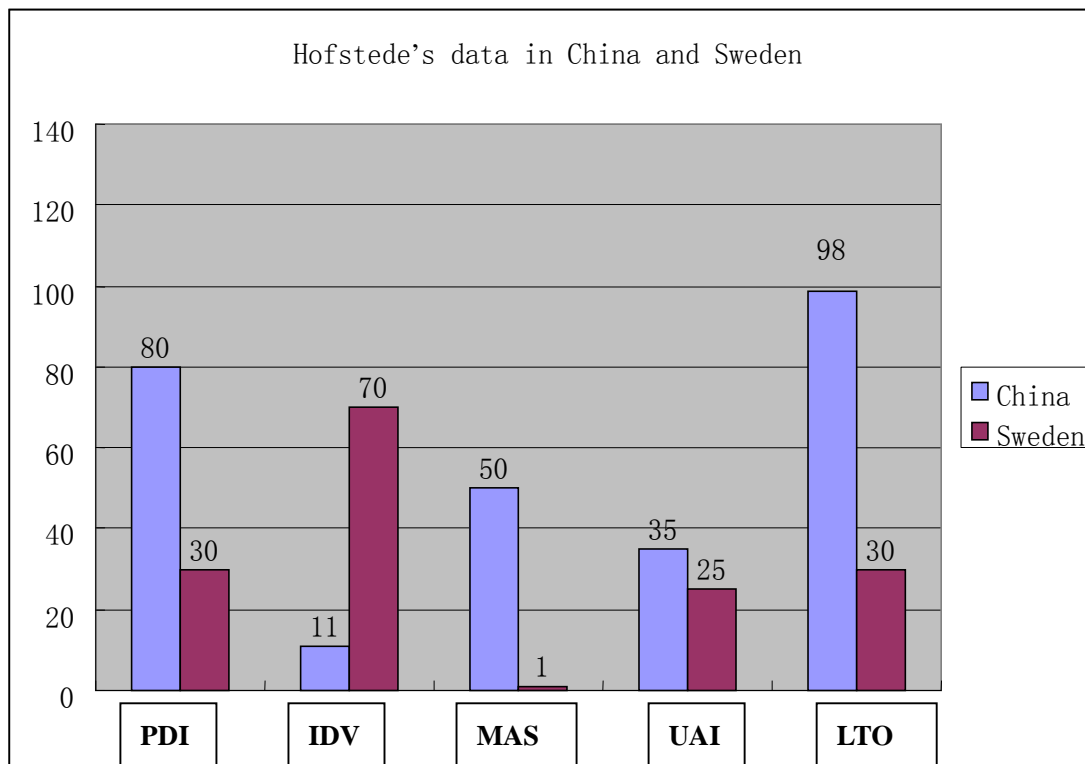


Table 2 Five dimension scores in China and Sweden.



2.3 Chinese and Swedish traditional management practice

Although different forms of standardization have created and become common due to the large extent of globalization, countries still have different characters in aspect of culture as well as management styles. The typical and primary management practices will be introduced in the next.

2.3.1 Chinese traditional management style

Traditional Chinese culture stresses largely on the paternalistic approach to management, acceptance of hierarchy and the importance of relationship (Kit-Fai Pun, Kwai-Sang Chin and Henry Lau). In practice, these attributes result in unique styles of communication, methods of conflict resolution and management practices among managers in Chinese organizations (Adler, 1997, Mead, 1994).

1. Chinese management practice

The paternalism style of leadership is particularly dominant in Chinese enterprises (Bond & Hwang 1986, Redding 1990 and Tan 1989). Paternalistic management refers to a family head or other paternal figure serving as the organizational leader, hierarchical structure, as well as informal co-ordination and control mechanisms (Martinson and Hempel 1995). In practice, the paternalism style of management creates the large power distance within Chinese organization, it reflects on rigid organizational structure and unswerving reverence for authority. Historically, this kind of style is derived from Confucianism; Confucianism is a philosophical system which serves to maintain sensitivity to hierarchy and the maintenance of social order via micro units of society, such as families. (Lo 1997) and it emphasizes on action and intervention.

2. Chinese organization behavior

At a deeper level, Chinese management philosophy centers on people (Bond 1986 & 1991), which implies personal connections or *guanxi* plays a very important role in the approach of Chinese management. In Chinese tradition, the individual does not exist independently but in a network of *guanxi*. *Guanxi* is a special Chinese word which refers to the establishment of a link between two independent individuals to enable a bilateral flow of personal or social transactions. Both parties must derive benefit from the transaction to ensure the continuation of such a relationship, and the relation must be nourished and maintained over time (Watt 1999). At the workplace, the maintaining and upgrading of relationships are absolutely important and highly valued, because Chinese management is more relationship or people-oriented as opposed to performance-oriented (Lockett, 1998). That is, in most of Chinese company, instead of good performance, seniority and employees' behavior as reliability and trustworthiness will take an advantage in promotion. Moreover, it also reflects on the cooperation within the company, people cooperate more efficiently and tacitly with the favorable relationship.

2.3.2 Swedish traditional management style

Sweden as one of Scandinavian countries does differ from non-Scandinavian countries; Swedish manager seems to value co-operation, consensus, participation and power sharing (Lindkvist, 1988; Brewster et al., 1993; Grenness, 1999), driving force behind the Scandinavian culture in more general terms. In Hofstede's view, culture can be viewed as the beliefs and values that are widely shared in a specific society; in later discussion, this research will analyze the Swedish management related to culture. The Swedish management style can be stated in the following five components:

1, The employee participation.

The organization charts are very flat and the hierarchy distances between individual in Sweden are not very great(Tixier 1994), and it is characterized as decentralized and democratic (Tixier 1994); further, Swedish managers saw themselves as more "consultative", to make decisions through democratic processes and cooperation (Grenness 2003). As a result, employees feel themselves as the fully participation in Swedish organization, they can communicate and involve in the organization planning.

2, The level of innovation.

Sweden is famous as the technically innovative and recognized for design(Tixier 1994), they appreciate people who have ideas, innovation, and encourage people without any particular prejudice and open to everything new, especially in the R&D organization.

3, Attitude towards risk

Such an attitude is related to the qualities of interpersonal relationship (Tixier 1994), and the attitude towards uncertainty. Swedish managers don't adverse to risk and don't like the risk, there are not too much rules but lots of unspoken rules. When people take risks, they more often evaluate the project in detail, if it worthies, Swedish managers will take it.

4, Managerial pragmatism

It refers to a preference for manipulating ideas and concepts, and associated with pragmatism and empiricism (Tixier 1994). Tixier (1994) thinks Sweden use pragmatism in management more particularly; they emphasize marketing research and experiences. The Swedish like the simplicity of facts on which to found their judgments, and the effective without complex demonstrations. Moreover, their rationalism and pragmatics are founded on the fundamental values of Protestantism (Tixier 1994).

5. Attitude toward conflict

It is closely linked to the tone of communication used by executives. Since Sweden seems to stress harmony and mutual understanding and strive to avoid overt conflict, Swedish managers engaged in a discussion are that they try not to raise topics which

are strongly emotional and where opinions may differ widely (Daun, 1989, p. 102). Further, problems are settled politely and humanely, they dislike conflicts inside organization, disputes are resolved as soon as they arise, with dignity and respect for the individual, taking care not to offend or to hurt the feelings of others (Tixier 1994)

2.4 The model of organizational culture and effectiveness

Culture and effectiveness are strongly correlated. Ostroff and Schmitt (1993) points out that the organization effective was influenced by the organization culture. Juenchter, Fisher and Alford (1998) continued the research and found out that the organizational culture heavily influenced the organizational effectiveness of business. Moreover, Denison (1990) has developed an explicit model of organizational culture and effectiveness. This model involves four cultural traits of effective organizations and values that are positively related to effectiveness. In this paper, the questionnaire was designed according to those four cultural traits which are involvement, consistency, adaptability and mission.

Involvement is the degree to which individuals at all levels of the organization are engaged in pursuit of the mission and work in a collaborative manner to fulfill organizational objectives. (attributes: capability development, team orientation and empowerment) effective organization empowers people, organize around teams, and develop human capability (Becker 1964, Lawler 1996, Likert 1961).

Consistency is the organization's core values and the internal systems that support problem solving, efficiency, and effectiveness at every level and across organization boundaries. (Attributes: core value, agreement, coordination and integration) effective organizations tend to have strong cultures that are highly consistent, well coordinated and well integrated (Davenport 1993, Saffold 1988).

Adaptability is the ability of the company to scan the external environment and respond to the ever-changing needs of its customers and other stakeholders. (attributes: creating change, customer focus, and organizational learning) Ironically, organizations that are well integrated are often the least responsive (Kanter 1983)

Mission is the degree to which the organization and its members know where they are going, how they intend to get there, and how each individual can contribute to the organization's success. (attributes: vision, strategic direction and intent, goals and objectives) Effective organizations have a clear sense of purpose and direction, defining goals and strategic objectives, and expressing a vision of the future (Mintzberg 1987, 1994; Ohmae 1982; Hamel and Prahalad 1994).

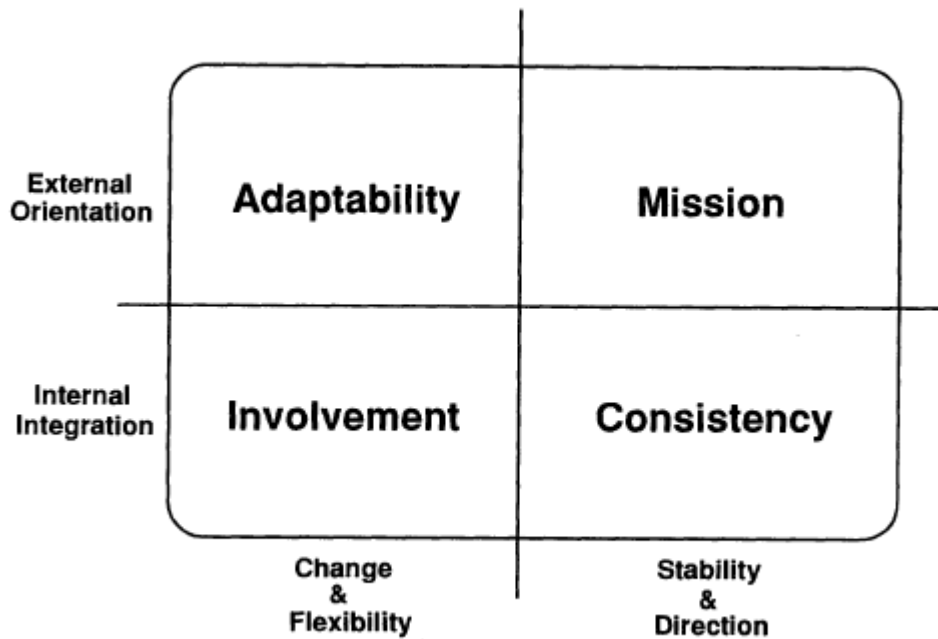
Denison and Mishra propose that for effectiveness, organizations need to reconcile all four of these traits. The four traits together serve to acknowledge two contrasts:

1. the contrast between internal integration and external adaptation

2. the contrast between change and stability

Involvement and consistency have as their focus the dynamics of internal integration, while mission and adaptability address the dynamics of external adaptation. In addition, involvement and adaptability describe traits related to an organization's capacity to change, while the consistency and mission contribute to the organization's capacity to remain stable and predictable over time. (Pervaiz K. Ahmed, Kwang Kok Lim, Ann Y. E. Loh)

Figure 7 The model of organizational culture and effectiveness



3. Methodology

This chapter will present the choice of method, sample, as well as the approach of data analysis, the structure of study process and the quality of this thesis.

3.1 Methodology approach

3.1.1 Qualitative and quantitative studies

According to Blumberg's view (Blumberg 2005, pp124), qualitative study relies on qualitative information such as words, sentence and narratives; while quantitative study bases on the quantitative information, i.e. numbers and figures. This paper based on the observations and interviews, through talking with five Chinese employees who are working in different Swedish companies, to understand what management differences between Chinese and Swedish companies. During these interviews, lots of surprises and unexpected information were obtained. As a result, this paper is a typically qualitative research that based on material of conversations and descriptions.

3.2 Data collection

3.2.1 Research design

The research constitutes the blueprint for the collection, measurement and analysis of data, it is also the plan of investigation so conceived as to obtain answers to research questions (Blumberg 2005, pp127). This thesis designed 10 interview questions in the questionnaire which based on Denison's model (see appendix), through in-depth interviewing and participant observation, to study how the culture impact management style. This research was defined as: (table following)

Table 3 Description of Research Design

Category	Option in this study
The method of data collection	Interview, communication
The topical scope of this study	Case study
The type of research question	Exploratory study
The purpose of the study	Descriptive

3.2.2 Choice of organization

The organizations can be chosen in this study should meet these requirements:

- organization must define itself as Swedish
- it should be a high-tech organization
- organization should have Chinese employees who are working in the R&D department

This paper didn't have any requirements about organizational size, organizational type,

and the type of business. But due to these criteria above and the lack of sample, a short-list of suitable organization was presented: SenseAir AB, Future position x, Karolinska Institution and a big high-tech organization. SenseAir AB is a competence center to develop and manufacture infrared gas sensors and controllers for both stand-alone operations and integration; and Karolinska Institution is one of Europe's largest medical research organizations; while Future position X (FPX) is the meeting-place for those companies and organizations that promote growth and development within the GIS-field. The last one is not allowed to reveal in this paper, but it is also a high-tech company. The four different organizations engage in different industries, but they all meet the requirements above.

3.2.3 Choice of interviewee

This study is from the perspective of Chinese employees who are working in Swedish company, so they should meet:

- be a Chinese people
- have been worked in the Swedish organization more than half a year
- have the work experience in Chinese organization

Finally, five Chinese employees who meet these criteria have contacted, they came from the four different Swedish organizations. They are at different ages and different positions in the R&D department, furthermore, some of them are male and some are female; and they are in keeping with the desire of this research, which could know the overall view on this issue from the Chinese employees.

Through face to face and internet interview, they share their experiences and opinions with us on the difference management styles between China and Sweden fully; the in-depth information and detail were secured. On Average, each of them had about 1 hour conversation with us, and the in-depth communication provide lots of materials to this study. Table 4 displays the number of interviewee in respective organization:

Table 4 information about interviewee

Organization	SenseAir AB	Future position X	Karolinska Institution	a big high-tech organization
Employees	2	1	1	1

3.3 Data analysis (case study)

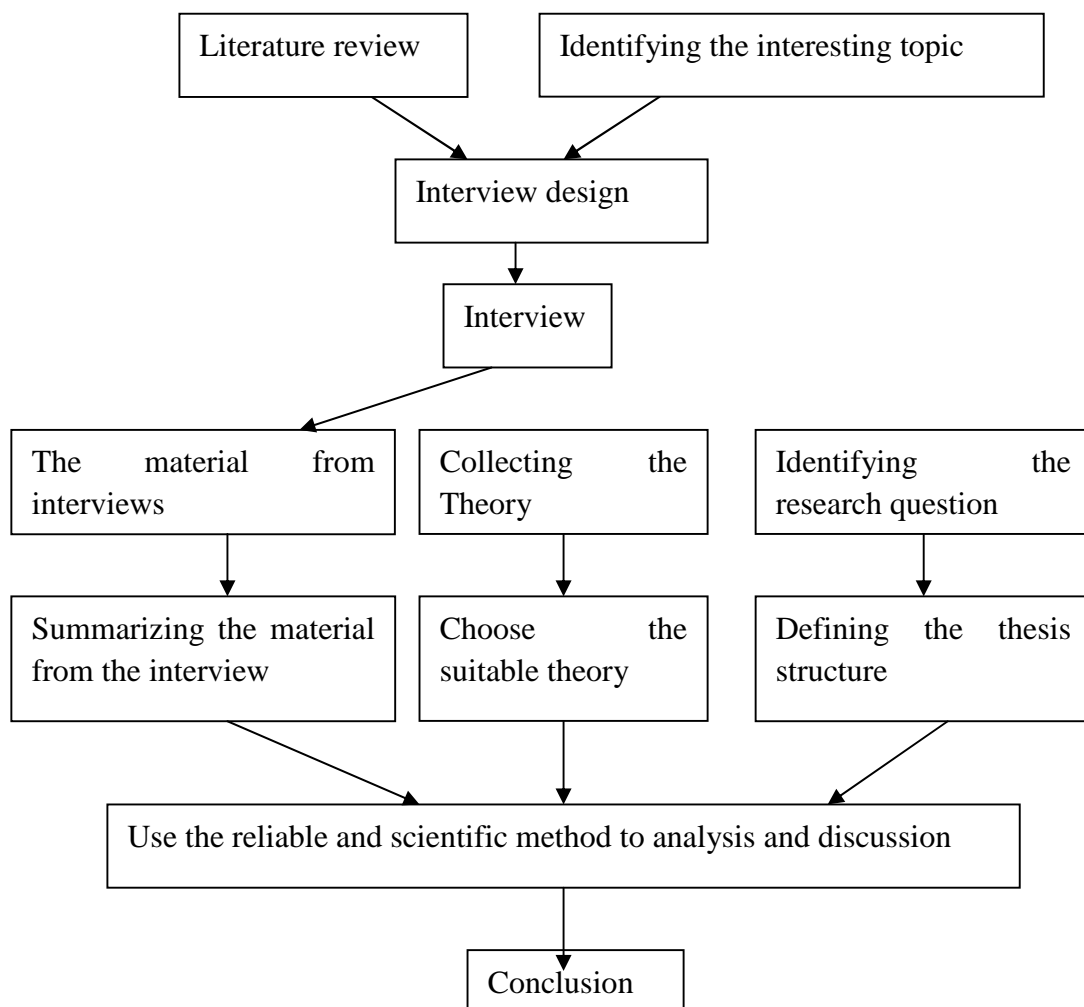
In this thesis, the case study approach was used. Case study research is suitable for explanatory, descriptive and exploratory research ((Blumberg 2005, pp190), it can provide detailed explanations which survey methods usually miss out, leading subsequently to new insights which have not been considered previously (Eisenhardt, 1989; Yin, 2003). Due to the lack of Chinese employees who are working in Swedish organization, the research chose five in-depth case studies which based on interviews.

All empirical information was collected from the qualitative interviews.

The research analysis has been obtained after data collection. Due to every interview has been recorded, this study summarized the result of each conversation in detail when all interviews had finished, then analyzed the similar and different points among these interviewees' opinions. Qualitative interview can be seen as better in bringing out and capturing the issues of importance to the interviewee, and that interviewing would allow more room for explanations from the interviewees (Blumberg 2005), at the same time, the interviewees can be given some additional questions and supplemental information through observation. The data can be analyzed completely.

3.4 The structure of study process

Figure 8 Structure of the Study



3.5 Research quality

3.5.1 Reliability

Reliability means if a later investigator followed the same procedures as described by the previous investigator, the later investigator would arrive at the same findings and conclusions (Yin 2003). So the concept of reliability indicates how replicable the research is, which reducing random errors and biases. In this research, a high level of reliability is reached, firstly, every interview were hold about 1 hour according to the questionnaire and were recorded, secondly, the questionnaire was designed based on the existing theory; thirdly, the recordings are transcribed which are controlled in order to re-examine the accuracy of the material. Moreover, the interviewees were given possibility to choose the language they wish to speak, and most of them chose to speak in Chinese, so that they can express their opinion fully and the misunderstanding of the answers was avoided.

On the other hand, interviewees are conducted with one person per time, the purpose is to prevent bias which may influence by the other one; furthermore, questions were open-ended. The materials which this thesis used are all the common points of the five interviewees have, to increase the reliability.

3.5.2 Validity

Validity can be defined as representing a good fit between theory and reality in the sense that when a description of a process is evaluated there are occasions when intuitively there is an aspect which does not fit with reality (Remenyi et al 2002). It consists of three types of validity: construct validity, internal validity and external validity

Construct validity according to Emory & Cooper (1991) is a criterion that in attempt to evaluate it that we must consider both the theory of which the construct is part and the measurement instrument being used. In order to increase construct validity, this research conducted case study with multiple source of evidences, moreover, the interviewees were all from the R&D department in Swedish organization, the perspectives can represent Chinese employees' view who work in Sweden. So it can be said it with high construct validity in this thesis.

Blumberg (2005) defines internal validity is about whether the conclusion we draw about a demonstrated experimental relationship truly imply cause. In this qualitative research, we paid lots of attentions to understand the perspective and view of interviewees, but also tried our best to present these constructs in an honest manner, reflecting a holistic interpretation of observations. Moreover, every interview was recorded; numbers of measures have been taken in this research to ensure a high level of internal validity.

External validity refers to the possible of generalizing finding beyond the studies

sample to a greater population. In generally speaking, the qualitative research is weak than quantitative research in this criterion, however, this research conducted with five case studies in four different Swedish organizations, which enhance the external validity.

4. Empirical material

In this chapter, the empirical material is presented, and the findings from each case company are presented separately, from Chinese employees' perspectives.

4.1 Overview

Totally, Five Chinese employees in four different Swedish organizations were conducted; 2 of them came from Senseair AB, one came from Future position x, one came from manufacturing high-tech company, and one came from Karolinska Institution. Although they came from the different organizations, the common point is they are working in R&D department of the organization. In the following part, the each case will be given, with the introduction of the organization and the presentation of the finding.

4.2 Cases

4.2.1 SenseAir AB

Background: SenseAir AB is a competence center and also a commercial company to develop and manufacture infrared gas sensors and controllers for both stand-alone operations and integration, it mainly use CO₂ sensor in ventilation control for energy saving and a good indoor climate, process yield and economic outcome in many bio-related processes and personal safety. SenseAir AB was started in 1993 by three creative and intelligent founders, with the aim of become the worldwide leader in reliable low-cost maintenance-free gas sensing, becomes a high-tech company which has a unique close co-operation with customers to help them create optimized sensor solutions.

We contacted 2 Chinese technicians in the R&D department of SenseAir. The interview was holding via telephone and it last about one hour. One of Chinese technician is female named Xie Su who was doing the wireless research on CO₂ sensor, another one is male named Kai Wang, and now he is responsibility for exploring a new operating system. Strictly speaking, they are not employees in SenseAir; they are students of Linköpings University, who doing their master project at here, but considering they have been working here for more than 1 year and have been treated the same as the employees. More important, they actually have lots of practical experiences about worked with Swedish colleagues, we think the survey is convincing.

Involvement:

Su think the decision-making in Swedish company is more democratic, “there are regular meeting every week and you can express your opinions in the meeting, manager is always considering every opinion of us to make the decision. It is different

from China, Chinese managers are more dictatorial, although there are regular meeting every week as well, the employees are afraid to express the different opinions, which may cause the manager unhappy” Su said, and she told us she likes Swedish decision making style more, because it makes her involve fully in the company. Moreover, Kai told us whether the team as a mainly form is according to the project, for Su and him, they do the individual work, but some of projects are team work. If they meet problem, the supervisor will support them, however, there is few training opportunity in SenseAir.

Consistency:

Kai thinks the work environment of Swedish company is more humanistic, there is no strict rule in Swedish company; the self-discipline plays an important role in the daily work, but the work efficiency of Swedish employees is very high. For example, managers give lots of empowerments to employees; on the one hand, they can arrange their schedule freely as long as they can finish the task on time, on the other hand, employees can bring personal initiative and creativity into full play during the work. Comparatively, Chinese companies have a strict rule about when they should start and stop work; moreover, they give smaller scope to show individual ability. Kai said: the work efficiency is lower in Chinese company, because if the employee finish work earlier; they still need wait until the quitting time, or even they don't finish the job, they can leave company at the quitting time.

Su took an example: at the beginning of working, she just follow the supervisor and didn't say anything when they were discussing about the project. But later on, she more and more found there was an open communication environment, people didn't afraid to express their different opinions and also no one else would deride or get angry even the idea was ridiculous. So Su becomes to express her opinions freely, nowadays she often discuss with her manager directly. Su said, the Swedish managers are more easy-going, the sense of hierarchy is less than in China, so it is easy to communicate with managers. Moreover, managers would like hear different advises. Correspondingly, China is different, employees are always afraid to talk with supervisor. For one reason, Chinese managers are more dominating; for another, if the manager doesn't think it's a good advice, he may think the employee is naive and lack in capability on work. So personnel are very cautions to express opinions to their supervisor.

Adaptability

“Comparing with us, the Swedish colleagues are more comfortable, they are more concern about their habits” they said the Chinese employees always hard-working and prefer to take challenge.

Furthermore, they think Swedish managers are more concern with employees' feeling, and the managers would like to ask if employees are interested in doing the task, if they don't, they can probably refuse the task. Su took an example, her manager asked

her to participate in a meeting, the manager said: “Do you want to attend this meeting? The meeting is about technology discussing, it will take 2 hours, if you are not interested in it, you can just tell me, otherwise, you don't have to be there.” Su was really surprised. In China, if supervisor assigns some tasks to the employees, the employees can't say no, even they may extremely dislike it.

Mission

Kai and Su thinks Swedish companies have more comprehensive planning about cost control, market research and project management. The management style is more advanced than Chinese company. “They always have a detailed and systematic planning, and the cost is strictly controlled, so less resource will be wasted”. “But I think both of Chinese and Swedish organizations have the long-term strategy”.

4.2.2 Karolinska Institution

Background: Karolinska Institution is one of Europe's largest medical research organizations. It is also Sweden's largest centre of medical training. The mission is to improve the health of mankind through research and education. Every year, the Nobel Assembly at Karolinska Institution awards the Nobel Prize in Physiology or Medicine.

The interviewee named Liping Yang, who is the post-doctor and works as a cancer research assistant in the R&D department of Karolinska Institution for two and half years. Through the telephone, we had about 1 hour conversation.

Involvement:

Liping felt Sweden has the advanced technology and a favorable research environment. The decision-making style depends on the project, normally; it is decided by the manager. Due to Karolinska Institution is a professional research organization, the objective and schedule is strictly planned at the beginning of the project, “but we also emphasize communicate with each other during the work” Liping said.

Comparing with Chinese medical research institution, Karolinska Institution provides more chances to update professional knowledge. Liping told us there are many kinds of courses and lots of seminars here. Of course, those courses are for free, the employees can definitely take anyone they want. Moreover, the knowledge exchanges frequently between professors whom come from all over the world so that everyone receives the latest information promptly. Whatever company or individual is, continue improvement and study is necessary, particularly in R&D department in Sweden. “But it is difficult in China, from my experience of worked in China, I felt that Chinese company provides fewer opportunities for employees to learn new knowledge, at the same time, the information is relatively encapsulated”.

Consistency:

Liping told us the organization arranges regular meeting between subordinator and supervisor to solve problems and conflicts. Except regular meeting, they also communicate with each other during the break such as lunch time. Some problems were solved in this small talk. Moreover, there are not too many limitations in the organization; the workers can fully play their abilities and innovation. Relatively speaking, Chinese organization has many rules, and subordinators are afraid to express their opinions to supervisors. As a result, workers just follow the orders of supervisor's, which may restrict the development of subordinators' ability.

Adaptability:

“Our organization is a research centre, so the continues improvement and innovation as one of its requirements need us to adopt new and improved project, so the organization encourage and support us to learn more and more knowledge, at the same time, the employees in our institution like to learning and take more challenge” Liping told us, it is a competitive workplace, people must improve themselves continually. “I think it is same as China, due to the fierce competition, Chinese employee would like to take challenge as well, but the condition and atmosphere of continually and advanced learning in China is not as good as in Sweden.”

Mission:

Due to Karolinska Institution is a research organization, Liping told us, the long-term strategy is disconsidered to some extent, they concern about each project, and the project depends on if there are funds and specialist. “Both of Chinese and Swedish research centre are the same in my opinion” Liping said, “and Swedish and Chinese leader like to share their vision and value with employees in my experiences.”

On the other hand, Liping thinks Swedish organization control the cost more detailed, “although Chinese organization emphasize control the cost as well, the computation system is not as systematic as Swedish's, it can be said that the resource waste is few in Swedish organization.”

4.2.3 Future position X

Background Future position X (FPX) is the meeting-place for those companies and organizations that promote growth and development within the GIS-field. GIS is the abbreviation of Geographic Information System. FPX has constructed a GIS-Development lab situated in Teknikparken on Nobelvagen in Gävle. The lab offers opportunities to test develop and evaluate systems in a realistic multi-user environment, a closeness to GIS-competence as well as access to a test population where one can test one's product on the market. One of our interviewee is from the FPX-lab.

Our interviewee is called is He Xin. He came from the southwest of China and have been working in Future position X for half a year. The interview held on his lunch time. During the interview, he mentioned lots of interesting things to us.

Involvement:

He said: “I felt very uncomfortable in the first month of working in FPX. Operation mode is completely different. Unlike in China, instead of following the order step by step, Swedish superior just concerned with the ultimate result.” Xin told us that decisions are made by superiors, then it will be transferred to the specific task, each project has certain requirement and deadline. To supporting, company will offer necessary resource and guidance, but the whole process is arranged by employees themselves. Moreover, he said that the FPX has a budget for personnel training, if employees encounter technical problems and nobody can help with, company would provide the training opportunity to the staff. Instead of focused training, Chinese company always arranges group training. He thought this kind of training is more tend to be formalization. In addition, the whole company is worked as a big team. Each one has a specific role which is similar to actors and actress on the stage. People have to coordinate and cooperate to perform a nice show. But there is rigid hierarchy in Chinese organization, so it is not easy to coordinate as easy as in Sweden.

Consistency:

He added that he had worked in a Chinese company in a couple of months, but he rarely had a chance to talk with his manager because of the rigid hierarchy, even seriously disagreed with some decisions or had a better idea about the project. He explained this as the fear of offending superior. “In China, if you propose opposite opinion, managers may think you are challenging his authority and will get angry”. He continued talking. “However, Swedish superiors are completely different. At the beginning of working at FPX, I was also afraid to express my opinion, but I found my colleagues told their thinking to the superior directly, and superior were happy to hear the different voice” he said: “now, I feel manager are not far removed, the only difference between manager and me is we are doing different jobs for the company.”

Furthermore, he felt working atmosphere is more congenial in Sweden, it doesn't mean there is the nicer relationship among employees and managers than in China, but about the work efficiency. “In China, I have to spend about 40 percent of my working time to deal with interpersonal relationship or *Guanxi* in the workplace, which caused less concentrate on working and lack in efficiency. But if I don't maintenance the relationship, it would be difficult in getting help from others”. He said, “However, now I don't need to spend time on this kind of thing, Though either managers or employees normally keep distance between each other, everyone cooperate perfectly to get the work done.”

Adaptability:

He defined FPX is a customer-orientated company. Each project of company is

according to customer needs, because FPX is a kind of intermediary which links the technology and market needs. Therefore, the company has to update their information immediately when technology and market needs changes. In some extent, it is same to China. For surviving from the cruel competition, company always need develop with the times and focus on customer needs. In strict sense, the gap between customer and company is bigger in China than in Sweden.

Mission:

He laughed and said:” I guess the company has long-term strategy, but I don’t know, this may because I am working in the low position.” Until now, he doesn’t know what the vision of the company is, what he needs to do is to finish his task and project which assigned by the manager. He told us that Chinese superior are more willing to share their value and vision to employees compared with Swedish managers.

4.2.4 A big manufacturing high-tech Swedish company

Background One of our interviewees has been working in Sweden for 20 years. Currently, he is working in the R&D department of a big high-tech Swedish company which produces cutting tools and mining equipment. Because our interviewee has frequently contact with Chinese company ,obviously, he must has lots of valuable practices, so even he didn’t like to reveal his name in this paper, we still interviewed him face to face in his company. The conversation was about 3 hours; he talked lots of his thinking, feeling and experiences.

Involvement:

Moreover, he told us the decision-making style is also dissimilar. In Sweden, the employees, especially for the first line staffs, are encouraged to participate in the decision-making process, and then all counsel and advice will finally back to the manager, manager will make decision with considering these factors. “We can not promise the decision is the best, but we think it is realistic.” he said. However, most of decision-making in Chinese companies is up to the experience of manager rather than comprehensive market research. Even managers are willing to receive information and suggestion from employees, however, most of employees would like to express agreement and support to manager’s viewpoint, or they just keep silence. On the other hand, some managers are bureaucracy, the opposite opinions will be considered as disrespect action. As a result, company decisions and strategies usually don’t reflect and meet the market demand.

Consistency:

Furthermore, he stressed the relationship is particular important in Chinese company. “If you don’t possess a good relationship or Guan Xi with your colleagues, others would not share resource with you. Take an example, there is a project which require production department and R&D department work together, however, managers from those two departments dislike each other. Obviously, this project is hard to finish” he

said. Comparatively, the interviewee thinks there is no cooperation problem within his Swedish company even they don't know each other. "The well communication and cooperation ensure the efficiency of the entire company" he concluded.

Adaptability:

This interviewee told us there are different assessment of the scale of a company in the two countries; Chinese company measures the scale of company depends on the number of employees or volume of production, whereas Swedish company measures it depends on the amount of profit. This ideology determines the market strategy of Swedish company which based on the market demand and advanced technology. As a result, in the R&D department, on one hand, employees continue to explore new and advanced technology, preparing for the future development. On the other hand, they apply technology to practice in order to develop existing products so that products can always meet market demands. At the same time, the Swedish company clearly notices that the advanced technology allows company to seek high added value, so they are very concerned about upgrade technology and develop personnel skill. "But Chinese company is not the same", he said, "for example, Chinese production companies still retains their thinking pattern of traditional management, which extend output and sell products with lower price. As a result, technology of those companies has been upgraded rather slowly and employees have less chance to contact with the latest information and technology. In other words, Chinese production companies are less sensitive to the changes in the market information and new technology".

Mission:

In general sense, every company will constitute its long-term strategy and try to clear its purpose and direction, but there is a small difference between China and Sweden. He explained Chinese company usually set the goal a bit higher than reality whereas the long-term strategy of Swedish company tends to be consistent with fact.

He continued talking:" Chinese managers are more impressive and passionate." In China, manager believes that depict a nice and beautiful vision to employees as result of prompting the morale of personnel, so employees will work more effective and active.

4.3 Summary of the results

In this paper, Denison's the four culture trait are expressed by many relative factors. First, involvement includes there factors: empowerment, team orientation and capability development. Second, consistency involves agreement and coordination. Third, adaptability refers to creating change and organizational learning. Finally, mission is relative to strategic direction and goal. Those will be described as below:

4.3.1 Involvement

		Sense air	Future position x	manufacturing high-tech company	Karolinska institution
Empowerment	Sweden	Employees is self-determined and encourage to participate in decision-making	Employees arrange project by themselves, but under the guide of supervisor	Follow company's strategy, but specific task and project is arranged by employees themselves/	High degree of self-determined
	China	Employees are rigid controlled by manager	Following the order of manager step by step	Employees are under strict control	Low degree of self-determined
Team orientation	Sweden	Employees work as Individual, but whole company operate as a team	Employees play different and equally important role in the company	The whole company is like a big team	Either Individual or group
	China	Employees work as a team, but entire company is more likely to be individual	Rigid hierarchy so difficult in coordinating to get job done.	The whole company is dominated by the rigid hierarchy	People work together due to the order from manager
Capability development	Sweden	Continue to study	Based on personal needs , company has a budget to support	Update in time, standing on the front edge of technology	Have a lot of chances to improve personal ability
	China	Less incentive to improve	Arrange by company, but formalism	Update outdated	Less chance

4.3.2 Consistency

		Sense air		Future position x		Sandivik		Karolinska institution
Agreement	Sweden	Express opinion directly, Communication, but decided by manager		Express opinion directly, regular meeting in every week to discuss problems		Cooperation and Communication ,		Express opinion directly, Communication,
	China	Afraid to express opinion to supervisor		Lack communication with supervisor, and follow the order from supervisor		Always agree with supervisor, even they are wrong sometimes		discuss with each other
coordination	Sweden	Easy to cooperate with other staff		Share information and resource		Share information and resource across departments		Sometimes share knowledge, but mainly depend on individual
	China	Departments are related but closed		Departments are related but closed		Departments are independence, it depends on guan xi between departments		The extent of coordination with other department and colleague is rely on Guanxi

4.3.3 Adaptability

		Sense air		Future position x		Sandivik		Karolinska institution
Creating change	Sweden	It is an innovation company and the technology updates in time		The company continues improvement		The company is very concerned with R&D and have more than 5000 patents		There is a profession company KIAB in Karolinska institution to support R&D
	China	The company likes to change but lack of technology information		Less focus on new management method		Concerned about hardware investment and expand company scale ,but lack		There is lack of technology and professor on R&D

				in software investment and technology development
Organizational learning	Sweden	encourage	Strongly encourage	On top position of advance technology
	China	Less incentive to study more	Stop improving	Respect to traditional form

4.3.4 Mission

		Sense air	Future position x	Sandivik	Karolinska institution
Strategic direction	Sweden	The company has a clear strategic objective in the following year	The company has a systematic and clear long-term planning	Long-term strategy builds on advanced R&D and products.	Have a clear mission
	China	Have a strategic direction but not so realistic	Have a strategic direction but not comprehensive	Have a strategic direction but do not adapt market	Have a clear mission
Goal	Sweden China	In both of Sweden and China, managers are willing to share goal and value with employees			

5. Analysis and discussion

In this chapter, the empirical material from the case-studies will be analyzed and the most interesting findings will be discussed in order to answer the research questions.

5.1 Involvement

5.1.1 What differences exist between China and Sweden

Involvement refers to individual participate in and fulfill organization objectives with a collaborative manner, which can be observed in three dimensions: **empowerment, team orientation and capability development**. Empowerment is the process of increasing the capacity of individuals or groups to make choices and to transform those choices into desired actions and outcome (<http://web.worldbank.org>). As the results of the interview shows, Swedish company tends to encourage employees to participate in the process of decision making and give them more power to arrange their task. The interviewee who has been working for twenty years said: “In Sweden, the employees, especially for the first line staffs, are encouraged to participate in the decision-making process, and then all counsel and advice will finally back to the manager, manager will make decision with considering these factors.” Xin in future position X also mentioned:” the project is assigned by the superior, but the whole process is arranged by employees themselves.” However, Chinese managers are character as a dictator, they would like to arrange everything by themselves, and the employees just act as performers. Su said:” Chinese managers are more dictatorial, although there are regular meetings every week as well, the employees are afraid to express the different opinions, which may cause the manager unhappy.”

Moreover, **team orientation** emphasizes on working in the company is like being part of team and coordinating to get job done rather than hierarchy. According to the interview, Swedish company operates as a big team which means everyone plays a different role and coordinates with others; on the other hand, there is a rigid hierarchy in Chinese company. Su mentioned:” Swedish employees works as an individual, but the whole company is worked as a group. If you meet a problem in the task, colleagues and superiors would give you a hand to solve the problem.” Xin also said:” Chinese company looks like a big team, but indeed, it is not.”

From the aspect of **capability development**, most of the interviewees think there are more chances to update knowledge, and the training system in Sweden is more pragmatic. As Xin, Liping and Su said: there is a seminar at regular intervals; every employee can apply for the knowledge what they want in the meeting, if the company think this improvement is valuable, the employee will be supported, which in keeping with pragmatism value in Swedes, they emphasize learn to meet practice needs. However, Chinese organization arrange the training program by managers whom don't really know what knowledge the employees should update, the result is the employees are still lack in the knowledge.

5.1.2 Why the difference occurs

As mentioned above, Swedish managers are more likely to encourage employees to participate in the decision-making process whereas Chinese managers tend to be a dictator which decision made by themselves. This phenomenon may be caused by the large power distance, masculine value and paternalism style of leadership in China. According to Hofstede (2001), the degree of power distance in China is ranked by 80 while it is only reach 30 in Sweden and the MAS in China is 50 while Sweden is 1, which implies the less powerful members of organizations and institutions accept and expect unequal power distribution in China rather than in Sweden, and people used to assertive and autocratic. Moreover, in the high distance country, the lower power people such first-line employees have to follow as much as the higher power people such as managers and bosses.

On the other hand, from the aspect of leadership style, Swedish company is more tend to be decentralized and democratic while it is mainly characterized as the paternalism style of leadership in China. Both large power distance and the paternalism style of leadership will create centralized authority and hierarchical structures, as well as masculine value and control mechanism in Chinese company. In contrary, low power distance and the democratic leadership will emphasize on very flat chart of organization and low level of hierarchy. Obviously, people are easier to communicate and coordinate to get the work job in the low power distance and the democratic organization rather than in the centralized and hierarchical organization.

At present, many companies remain this type of management in China, particularly in those state-owned enterprises. These enterprise and managers obtain absolute power and authority so that they always attach their own ideas and interests to the company and make any decision without considering disagreement from others. Therefore, it is rather hard for them to adapt the suggestion from employees and encourage self-management.

With referring to low power distance, feminine value and decentralized management style; Swedish manager plays a role as consultant, to make decisions by the democratic process. It means managers will not force employees to do the work which they don't like as well as give suggestion to employees rather than give them a specific order.

5.2 Consistency

5.2.1 What differences exist between China and Sweden.

Consistency is the organization's core values and the internal systems that support problem solving, efficiency and effectiveness at every level and across organization boundaries. To sum up the interview, we found Sweden and China are quite difference

in term of **agreement** and **coordination and integration**. Agreement involves the way of dealing with the conflict and disagreement. In Sweden, the conflict is solved by communication rather than by autarchy, so Swedish employees directly express their suggestion and idea when they do not agree with superior. To contrary, Chinese company deals with the conflict by autarchy rather than communication. As a result, employees are afraid to propose their ideas and advice when disagreement occurs. All interviewees felt” there is an open and free communication environment in Sweden; people express their different idea and opinion directly. But in China, employees are afraid to point their disagreement directly due to fear to embarrassed their colleagues and managers.”

Furthermore, **coordination and integration** refers to people from different organizational units still share a common perspective and coordinate easily across functional units. In Sweden, people are willing to share the knowledge and information with others and also easy to coordinate and cooperate across different department. Whereas the extent of sharing information and knowledge is up to the relationship or *guan xi* in China, the more close the relationship, the more easily to coordinate. As interviewees said: the communication and coordinate among the company is frequent and fluent, even managers and employees didn't know each other. Because in their opinion, the entire company is a team, resources should be shared. But it is different form China, “if you don't possess a favorable relationship or *Guan Xi* with your colleagues, others would not share resource with you, even you are in the same organization” one interviewee told us. Xin also said: “In China, I have to spend about 40 percent of my working time to deal with interpersonal relationship or *Guan xi* in the workplace.

5.2.2 Why the difference occurs

With referring to the agreement, the paper found the conflict is solved by communication rather than by autarchy in Swedish companies whereas Chinese is just opposite. There are many reasons for this, but masculinity and femininity as well as leadership style are considered as main reasons. Masculinity vs femininity is one of Hofstede's five dimensions. It describes the extent of roles division between sexes to which people in a society put different emphasis on work goals. According to the survey of Hofstede, the index of masculinity is 50 in China while the rank is only 1 in Sweden. Obviously, China is such a masculine country and Sweden is a typical feminine country. Hofstede(1991) states the way of resolution conflicts is to let the strongest win in masculine country, however, in feminine country; the conflicts are solved by compromise and negotiation. In the workplace, Chinese managers and bosses hold an absolute power compared with general employees at all level of organization, whatever they say is always considered as right. Because of the rigid hierarchy, employees always show highly agreement with superiors instead of proposing different thought. On the other hand, problems are settled politely and humanely in Swedish company, which means disputes are resolved with dignity and respect for the individual, taking care not to hurt the feelings of others. Within this

circumstance, people are encouraged to directly and freely express different thought and idea in the workplace.

Moreover, the attitude of coordination and integration is quite different. In Sweden, people are willing to share the knowledge and information with others and also easy to coordinate and cooperate across different department. Whereas the extent of sharing information and knowledge is up to the relationship or guanxi, the more close the relationship, the more easily to coordinate. Hofstede figures out that China is a typical collective country and Sweden is a representative individual country, the individual index in both countries are 11 and 70, respectively. On the individual side, the social ties between individuals are loose; on the collective side, people from birth are integrated into strong, cohesive in groups. This may give a brilliant explanation to the different attitude of coordination and cooperation in both countries. In the work place, people are identified into different group depends on what they are doing and who they are close to. Normally, each department is considered as independent group and every employee within the department belongs to this specific group. Moreover, for masculine country, people live in order to work and more money is preferred over more leisure time (Hofstede). Obviously, this will cause intense competition within Chinese company. Therefore, those specific groups will compete with each other for resources of company and promotion opportunities, in turn, leading to difficult in coordinate across the departments or the specific groups. At deep level, the relationship and guanxi is connection between each individual and different department. If these is a good guanxi between two departments and their also gain from common benefit, those two department would be sorted as one group. Then coordination and integration between them becomes more efficient and closer. However, if there is an abominable guanxi between two department, it would extremely hard for cooperate with.

On the other hand, the social connection between individual are loose. In the workplace, people thought their just play a different role during the work. They don't need to create special relationship with others but getting the job done. It is similar to actors on the stage; people are necessary to coordinate and cooperate in order to perform a wonderful show. Moreover, with referring to feminine country, Swedish people emphasize on having a happy life rather than having a great job, more leisure time is preferred over more money. Therefore, competition within the organization is not as intense as in China, in turn; individual does not have a strong incentive to compete others for the better resources and promotion opportunities. As a result, people are free to share the knowledge and information with others.

5.3 Adaptability

5.3.1 What differences exist between China and Sweden.

Adaptability is the ability of the company to scan the external environment and

respond to the ever-changing needs of its customers and other stakeholders. It involves creating change, customer focus and organizational learning, but only **creating change** and **organizational learning** will be discussed in this paper.

Creating change is mainly relative to the organization continually adopts new and improved ways to do work so that surviving from competition. In general sense, every company will try their best to adapt the changes of environment and again the advantage of competition. The result of interview shows Swedish companies are more concerned continually adopted new work method and upgrade advanced technology than Chinese company. One of interviewees stated “the Swedish company clearly notices that the advanced technology allows company to seek high added value, so they are very concerned about upgrade technology and develop personnel skill. However, Chinese production companies are less sensitive to updating the market information and new technology”.

Other factor of adaptability is **organizational learning**. Organization learning is about the effective processing, interpretation of, and response to, information both inside and outside the organization; to further explaining, organization learning focuses on the way people make sense of their experiences at work (Mark 2001). From interviewees’ view, Sweden has a better environment for organizational learning, although Chinese organization emphasize continues learning too, the system and atmosphere of learning is not as good as in Sweden relatively.

5.3.2 Why the difference occurs

As mentioned above, Swedish company is more concern with continually adopted new work method and upgrade advanced technology than Chinese company. Though China have been developed extremely fast, Chinese tradition management still occupy an important place in many companies, particular in state-owned companies. This type of management becomes an obstacle in the way of accepting the new method and technology. The paternalistic approach allows bosses and managers to acquire an absolute power within the company. This power is not only representing leading position within the organization, but also relate to respect and fortune. Therefore, any development of management method and new approach, may intimidate and agitate their power, will be intervened and prevented by manager position. From general employees’ side, they have to obey the order and decision because of the large power distance. On the other hand, China is a typically Masculinity society, the MAS in China is 50 while Sweden is 1, so managers used to be assertive and power, employees don’t have such incentive to propose the new method of management such as western style of management. However, Swedish company is quite different. It is characterized as decentralized and democratic, and as it has mentioned before, Sweden is famous as its innovative value, so these kinds of organizations are easily to adapt new work method and advanced technology, employees are encouraged to expose their new ideas. Moreover, Sweden is a small power distance and femininity society; there are less powerful members of organizations and people are supposed to

be modest, which means the hierarchy in organization is less focus.

Both of Chinese and Swedish organizations are concern with **Organizational learning**. However, due to the development level of economic in China, there is not so good environment for continues learning, employee have less chance to get the latest information; further, the learning system is imperfect, influenced by the paternalistic approach and Masculine value, the Chinese managers like to arrange the learning program for the employees, so that employees can not achieve the knowledge what they actually need, and employees are afraid to propose their demands ; unlike in Sweden, employees apply for the program by themselves during the meeting, Swedish organization arrange the different program for different employees. Nonetheless, it has to note that the requirements of leaning for Chinese employees are urgent, they often go to school by themselves because the uncertainly feeling, whereas Swedish employees are more easy. Almost all interviewees felt that they were harder than Swedish employees because they have high uncertainly value. Related to Hofstede's theory, the UAI index in China is 35 which is higher than Sweden, people are more anxious about the future life, the competition are fiercer in China. Moreover, China has over 1.3 billion population whereas Sweden only has 9 million population. With the large population, the advantage of Chinese company is low labor cost. However, the labor cost is very high in Sweden. In some extent, this may decide that Chinese company tends to be operation units and Swedish company is more likely to innovative units. Bengt-Arne(1980) states operating units is relative to lower-skill personnel and capital intensive while innovative unites involves highly-trained professionals, 'brain' intensive. Therefore, Chinese company has much less incentive to develop and improve the skill and knowledge of personnel than Swedish company.

5.4 Mission

5.4.1 What differences exist between China and Sweden.

Mission refers to the organization and its members know where they are going, how they intend to get there, and how each individual can contribute to the organization's success. To more specific, mission in this paper involves **strategic direction** and vision as well as **goals**. Strategic direction and vision states the organization has long-term purpose and share vision with employees in order to creating excitement and motivation for them. Moreover, goals stress on the widespread agreement about objectives and stating it clearly. All of interviewees agreed that Swedish company has a systematic and clear long-term planning. They mentioned Chinese company constitutes long-term strategy as well, but some of strategies are not as realistic as Swedish company. Moreover, they felt that managers are willing to share goal and value with employees in both of Sweden and China.

5.4.2 Why the difference occurs

As motioned above, the strategic direction what Chinese organization has is not as realistic as Swedish company. Due to the paternalistic management style and Masculine value in China, managers always follow their own ideas without demands

of marketing, and Chinese organizations are tend to be centralized, as a result, the Chinese bosses may set a unrealistic strategy orientation, with the reason of large power distance, nobody in the organization would like to give the suggestion. Oppositely, Swedish organizations emphasize on market research, as interviewees said, according to the sales status last year and market trend analysis, as well as lots of employees' advices, the company finally set a suitable strategy orientation. All of these due to the small power distance and feminine value in Sweden.

On the other hand, it has to note that both of Chinese and Sweden managers are like to set the long-term goal and share their views with subordinators. China is a typically long-term orientation society (LTO=98), which focus on the long-term rewards, persistence and ordering relationships by status, so it is very important to have a long-term goal in Chinese organization; at the same time, in order to act as role of supervisor well, managers are always like to share their planning and view with subordinators. Contrarily, Sweden is a short-term orientation society, but due to understanding of marketing, they know how important the long-goal it is, they would like to let employees know what the goal they have.

6 Conclusions

In this chapter, the answers to the research questions and further research are presented.

6.1 Main conclusion

Through investigated five Chinese employees who work in Swedish company, some information and perspectives of Chinese employees have been obtained. This study does find out there are different management styles between Chinese and Swedish organization, furthermore, the culture do impact the management style. As a result, the conclusion can be drawn:

6.1.1 Research question 1

The different management styles do exist between Chinese and Swedish organization.

- ◆ ***Involvement.*** Swedish company operates as a big team which means everyone plays a different role and coordinates with others, it tends to encourage employees to participate in the process of decision making and give them more power to arrange their tasks; whereas there is a rigid hierarchy in Chinese company, and managers are character as a dictator, they would like to arrange everything by themselves, and the employees just act as performers. On the other hand, the training system in Sweden is more pragmatic while Chinese organization is more pharisaism.
- ◆ ***Consistency.*** In Sweden, the conflict is solved by communication rather than by autarchy, people are willing to share the knowledge and information with others and also easy to coordinate and cooperate across different department. To contrary, Chinese company deals with the conflict by autarchy rather than communication, the extent of sharing information and knowledge is up to the relationship or guan xi; as a result, employees are afraid to propose their ideas and advice when disagreement occurs.
- ◆ ***Adaptability.*** Swedish companies are more concerned continually adopted new work method and upgrade advanced technology, and it has a better environment for organizational learning. In contrary, Chinese production companies are less sensitive to do the market research and the system and atmosphere of learning is not as good as in Sweden relatively.
- ◆ ***Mission.*** Swedish company has a systematic and clear long-term planning. While Chinese company constitutes long-term strategy as well, but some of strategies are not as realistic as Swedish company. Moreover, the managers are willing to share goal and value with employees in both of Sweden and China.

6.1.2 Research question 2

From perspective of Chinese employees who work in Swedish organization, related to culture factors, this study found the culture actually can impact the management style.

- ◆ ***Involvement.*** This phenomenon may be caused by the large power distance, masculine value and paternalism style of leadership in China. Both large power distance and the paternalism style of leadership will create centralized authority and hierarchical structures, managers obtain absolute power and authority so that they always attach their own ideas and interests to the company; whereas low power distance and feminine value in Sweden, Swedish company is more tend to be decentralized and democratic.
- ◆ ***Consistency.*** It may caused by masculine/feminine factor, collective/ individual value and Guanxi factor. China is such a masculine and collective country; so people live in order to work and more money is preferred over more leisure time, which causes intense competition within Chinese company. Therefore, leading to difficult in coordinate across the departments, and relationship and guanxi connected between each individual and different department. If these is a good guanxi between two departments and their also gain from common benefit; moreover, because of the rigid hierarchy, employees always show highly agreement with superiors instead of proposing different thought. Contrarily, Sweden is a representative individual country, with referring to feminine country, people emphasize on having a happy life rather than having a great job, the disputes are resolved with dignity and respect for the individual, taking care not to hurt the feelings of others. Therefore, people are free to share the knowledge and are encouraged to directly and freely express different thought and idea in the workplace.
- ◆ ***Adaptability.*** The paternalistic approach and masculine value in China allows bosses and managers to acquire an absolute power within the company, not only representing leading position within the organization, but also relate to respect and fortune. On the other hand, due to the development level of economic in China, there is not so good environment for continues learning, influenced by the paternalistic approach and masculine value, the learning system is imperfect. However, Sweden is famous as its innovative value, organizations are easily to adapt new work method and advanced technology; due to Sweden is a highly developed country, employees have a very good environment to expose their new ideas. Moreover, Sweden is a small power distance and femininity society; there are less powerful members of organizations and people are supposed to be modest.
- ◆ ***Mission.*** Due to the paternalistic management style and masculine value in China, Chinese organizations are tend to be centralized, and the Chinese bosses may set a unrealistic strategy orientation, with the reason of large power distance, nobody in the organization would like to give the suggestion. Oppositely, due to the small power distance and feminine value in Sweden, Swedish organizations set a suitable strategy orientation. Moreover, China is a typically long-term orientation society, which focuses on the long-term goal; whereas Sweden is a short-term orientation society, but due to understanding of marketing, they know how important the long-goal it is, they would like to let employees know what the goal they have.

6.2 Further research

As the world becomes closer, the global competition is getting fiercer, so it is necessary to understand different management style as well as culture difference in organization management. Robert (2008) states three levels of organizational management. This study found that Chinese organization are consistent with the “Foundation level”, which is relative to hierarchical command and control, transactional and aggregated, cost and risk reduction, and product and growth. Moreover, this paper figures out Sweden is somewhere between advanced level and breakthrough level (advanced level refers to departmental silos integration across the enterprise, productive improvement and segmented but still product based; and breakthrough level involves self-directed virtual teams, learning service delivery architecture, collaborative improvement and customers’ individual needs and value). Therefore, there are several advanced aspects of management method that Chinese organization can learn from the Swedish organization. To further research, quantitative method should be considered in order to measure effectiveness between China and Sweden more precisely. Finally, this study suggests that Chinese organization should adopt some changes to follow the breakthrough level in the future.

Table 6 Three levels of organization management

	Foundation	Advanced	Breakthrough
Management	Hierarchical command and control	Departmental silos	Self-directed virtual teams
Information	Transactional and aggregated	Integration across the enterprise	Learning & service delivery architecture
Operations	Cost and risk reduction	Productivity improvement	Collaborative improvement
Customers	Product	Segmented but still product based	Customers’ individual needs and value
strategy	Growth	Growth and performance	Innovation

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Wanli Guo

Zhen Li

Appendix

Interview question

Name		Gender	
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Background information

- What company do you work for? In what department do you work?
- What position do you have in the organization?
- How long have you been work in this company?

1 What is the decision-making style in your organization? Is the decision made by mangers or related employees? What do you think about it? Is there any difference from China?

2. Is team as a mainly form to do the job during the work in your organization? Do you think it same as in China?

3. Does organization encourage employees to learn more and more knowledge? Do employees like to take more challenge during the work? How about you and your Swedish colleagues?

4. Does everyone think it is good to have and follow the strict rule in your workplace? What is your opinion? How are about your Swedish Colleagues?

5. When the disagreement occurs, would you like to express your opinion or just keep silence? How about your Swedish colleagues?

6. Is it easy to coordinate across departments in your organization? Is it the same as China?

7. Does organization continually adopt new and improved ways to do the work? Take for example.

8. Does your organization have a clear long-term strategy? Do you think it is same as Chinese company?

9. Do Swedish leaders always share their vision and value with employees? Do you think Chinese leaders will do the same?

10. Does your organization control the cost strictly? How do you think about Chinese company?

Thank you very much for your support!