Is there both a metaphorical and a physical great wall between management in Shanghai, China and Stockholm, Sweden?

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Abstract: Management is central to organisations achieving their goals. Sweden, as a matured industrial country, attracts more and more Chinese companies to invest and there is an increasing number of Chinese employees moving to Sweden to work. China also attracts many Swedes to invest, relocate production facilities, and to work. During those interactions, the different national cultures and management styles of these two countries are encountered. This paper looks into what cultural factors there are between those managers in China and Sweden, especially in and around Stockholm and Shanghai. This paper then analyses the findings of case studies made by in-depth, semi-structured interviews. The research is done inductively. Theories subsequently follow.

Key words: Management Style, China, Sweden, Cultural Difference.

Purpose: This paper aims to explore and give insights into the cultural nuances that Chinese and Swedish managers should take heed of when cooperating with Swedish and Chinese companies and employees respectively.

Methodology: In this paper, national cultures and corresponding management styles of Swedish and Chinese managers in Shanghai and Stockholm are identified and stated. Theories and dimensions of cultures are used as tools to explore and analyse case studies. The study takes as a point of departure previous research (Guo & Li 2009 & Andersson, et al. 2004) and
literature (Isaksson 2009, & Lundgren et, al. 2009) on the core theme. A qualitative methodology has been chosen in order to inductively explore and understand the phenomena presented.

**Theoretical perspectives:** The theoretical perspectives presented and used in the thesis revolve around the concepts of *power distance, individualism versus collectivism, masculinity versus femininity, uncertainty avoidance, short term orientation versus long term orientation (Confucian Dynamism)*, as well as the concepts of context and time within cultures along with traditional management styles in Sweden and China.

**Empirical foundations:** The empirical data is from primary data gathered by in-depth, semi-structured interviews with both Swedish managers and Chinese managers, searching for feedback about the comparisons of cultural difference and management views from their own perspectives in a snap-shot time frame.

**Conclusions:** The differences between the management styles in the Shanghai region and the Stockholm region outnumber the similarities. The prejudices held by each group of managers against the culture of the other group are quite in line with what our research shows is the actual norm in those ‘foreign’ cultures. It would be beneficial for the cross-cultural manager to stand in the shoes of the other culture to better facilitate understanding that can lead to mutual success through cooperation.
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- Gantt Chart
- Interview questions
This chapter introduces the problem at hand, as well as, presenting the purpose of the research and the questions asked, along with the limitations on the research faced by the authors.

1. Introduction

1.1 Background to the problem

Recent years have seen a great increase in the interest shown by the western world, i.e., Europe and North America., to the rapidly developing nations of the east, such as China. Much of the literature the authors of this report have viewed is plagued by different versions of the same question; is China going to be the next superpower?

Seeing as the rise of the east seems to have such a great impact on the developed, western, world, the authors of this report feel that there is a missing piece in the process of cooperation between the two. In many places we are missing direct, Sweden versus China, culture comparisons. Studies have been carried out comparing specific countries in the west and east respectively, yet this mostly encompasses Great Britain and/or the U.S.A. with China and/or India, or is heavily concentrated on one of the cultures and spread lightly over the other. There have been few studies regarding the similarities and differences between management styles in Sweden - more specifically the greater Stockholm area - and China - more specifically the greater Shanghai area. This exposes companies from each of these areas, doing business in the opposing area, to potentially problematic misunderstandings. Seeing as both of these places are the financial capitals of their respective countries, it seems that they are of utmost importance for further research.

1.2 Previous studies

In light of the authors’ focus on the area of comparison of Chinese management style and Swedish management style from a cross- analysis angle, the authors have respectively studied previous theses (Guo & Li 2009 & Andersson, et al. 2004), and articles, (Isaksson 2009, & Lundgren et, al. 2009) which introduced the management styles in those two countries, as well as some comparisons. However, the resources are still quite limited. Previous research in the area of Chinese and Swedish cultural comparisons by Guo and Li (2009) has been made viewing five Chinese cases in Sweden, albeit from a Chinese perspective. Andersson, et al. (2004) really only looked into how Swedish management works in China. Also, the authors of this paper believe that Isaksson (2009) and Lundgren et al. (2009) had their own ethnocentric perspectives interplay in their studies of Chinese perspectives on Swedish management style.
and Swedish perspectives on Chinese management style, respectively. The former are limitations which have, as yet, not been dealt with in research in this area, as far as the authors of this paper are aware.

1.3 Problem
China and Sweden’s national cultures and cultural heritage make for emphasis on different aspects by managers. Swedish management style is essentially about empowering and coaching employees, whereas the Chinese management style is concerned with face, relationships, and a paternalistic approach. Cooperation by the two nations is likely to increase year on year in light of China’s rise as a global super power (Jacques 2009) and Sweden’s established position as an exporting nation (Hansson 2007). So, the question of whether Swedish managers will be able to take charge and guide Chinese employees, and reciprocally, whether Chinese managers can do the same for Swedish personnel due to their respective national cultures’ influences is brought into play. A better understanding of each other’s culture should be seen as a precursor to doing successful business with one another.

1.4 Purpose
The purpose of this multi-case study is to explore and give insights into the cultural nuances that Chinese and Swedish managers should take heed of when working in Sweden/China and with Swedish/Chinese employees respectively.

1.5 Research questions
- What cultural factors need to be understood by Swedish/Chinese managers “when in Rome” (Shanghai/Stockholm) especially during work in this non-native milieu?
- What knowledge, skills, and attitudes do local managers deem necessary for successful management in their respective countries?
- What are the prejudices/stereotypes of the foreign culture held by Swedish/Chinese managers and how could they hinder cooperation?

1.6 Limitations
In view of the limitation of time, the number of interviews conducted by the authors are limited. Two have been conducted with Chinese managers (one in the Shanghai region and one in the Stockholm region), the other two being with Swedish managers (one in Sweden and one in China). It is also reasonable to suggest that the case-study interviewees’ thoughts and opinions may have been influenced by misunderstandings and/or contemporary issues, which may have made them give different answers and conclusions than their national
cultures dictate. Based on the use of the qualitative research in the thesis, organizational culture is consciously ignored in the analysis of national culture differences for managers in Sweden and China. Finally, this is a thesis for a Bachelor’s degree level, so the authors have had to narrow the scope and the scale of research to reach the thesis’s own research limits.

This chapter introduces the theoretical backgrounds taken into consideration by the authors, which include culture and cultural typologies as prescribed by Hofstede & Hofstede (2005), as well as Hall (1966 & 1976). The differing perspectives of Chinese managers and Swedish managers on each other’s management styles are also shown.

2. Theoretical Background

![Figure 1. Created by Jones, Wright, & Anon., 2010.](image)

2.1 Culture

Culture is something that is shared by the members of a group and is also something that elders pass on to younger members, and as such is something that shapes behaviour and structures peoples’ perceptions of the world (Adler 1997: 15). The core of culture is formed by values which are implicitly learned preferences to certain states over others, dealing with such things as “evil vs. good, dirty vs. clean, ugly vs. beautiful, [etc.]” (Hofstede 1994: 8).
When interpreting values, one distinguishes between how people think the world really ought to be versus what people actually want for themselves (Hofstede 1994: 9). The differences therein are in the nature of the *norms* involved, which are categorised as the standards for values that exist within these different groups of people (Hofstede 1994: 9). Of these values, managerial values have been shown to affect all forms of organisational behaviour from superior/subordinate relationships to conflict management styles (Adler 1997: 16). Culture also affects peoples’ attitudes, or the expression of values that dispose a person to act/react in a certain way (Adler 1997: 16). Together, culture, along with a person’s values and attitude affects what is deemed appropriate behaviour. This behaviour is ergo any form of human action, and is, as such, defined by a person’s culture (Adler 1997: 17). Essentially then, culture is “the collective programming of the mind which distinguishes the members of one group... from another” (Hofstede 1994: 5) and is made visible in the ways human beings think, feel, and behave, none of which is random or haphazard (Adler 1997: 32).

The work of Tajfel (1982) on culture has found that if people believe that someone else is in a group to which they belong, then they will have positive views of them and give them preferential treatment (Changing Minds 2010a). This has been termed in-group bias. People, it is postulated, build self-esteem through their belonging to a group of some sort, and the presence of someone else from that in-group reminds one of that belonging (Changing Minds 2010a). Obversely, an out-group bias finds that people of out-groups are viewed negatively and given worse treatment than in-group members, which is subsequently the basis of racial inequality (Changing Minds 2010a). The research by Henri Tajfel (1982) had people divided in to random groups from whence “they rapidly found in-group people preferable to out-group people, even finding rational arguments about how unpleasant and immoral the out-group people were” (Changing Minds 2010a).

The question as to whether organisational culture erases national culture is brought up by Adler (1997) in International Dimensions of Organizational Behavior and “her surprising conclusion is that there actually is more evidence to the contrary” (Katz 2005). Professor Adler cites André Laurent’s findings that managers working for multinational corporations show significantly greater cultural differences than managers working in their native countries; the point being made that “Germans seemingly became more German, Americans more American, [and] Swedes more Swedish” (Katz 2005). Nevertheless, organisational cultures are different in many respects from national cultures (Hofstede 1994: 18).
Employees choose to join firms, are usually only active and involved with the firm during working hours, and may leave one day, whereas this is not really viable in a social milieu. However, “managers’ attitudes influence their own behavior, which in turn influences employees’ attitudes and behavior, which then reinforces the managers’ original attitudes and behavior” (Adler 1997: 42). Hence, one can see that a manager influenced by his national culture will inevitably influence the organisational culture in which he works.

Generalisations of populaces there may be, but there is credibility in the literature describing what culture is, which can be seen in the plethora of research referencing Hofstede and Adler. One can, thus, take the aforementioned definitions of culture and accept Montesquieu’s argument that there is a “general spirit of a nation... following our natural genius” (Hofstede & Hofstede 2005: 19) and delve further into how culture and the differences between different nations’ cultures play a part when managing in international settings and/or inter-culturally.

2.2 Cultural dimensions

As Hofstede and Hofstede (2005) state, dimensions are aspects of cultures that can be measured relative to other cultures, thus allowing for a comparison of one culture directly against another. There were initially four dimensions, although a fifth was added trying to avoid the previous Western bias (Hofstede & Hofstede 2005: 30) in the questionnaires used to compile Hofstede’s empirical data from IBM offices worldwide in 1970 and 1979. The fifth dimension is comparable with the preceding four, although it had a new questionnaire designed for it with a deliberate non-Western bias, more importantly, a Chinese cultural bias (Hofstede & Hofstede 2005: 30). All the countries researched by Hofstede were given a score for each of the dimensions that were calculated by use of statistical methods. The dimension scores are available for both Sweden and China although they were gathered at separate occasions (Hofstede & Hofstede 2005: 27). The scores are presented hereunder side by side.

2.2.1 Power distance

Due to an inherent inequality in societies the world over (Hofstede & Hofstede 2005: 40), a measure for the degree of inequality has been brought about in the form of the power distance index (PDI) (Hofstede & Hofstede 2005: 42). It is simply defined as “the extent to which the less powerful members of... organizations within a country expect and accept that power is distributed unequally” (Hofstede & Hofstede 2005: 46).
Table 1 presents the explicit differences between small PDI and large PDI in the workplace.

<table>
<thead>
<tr>
<th>Small PDI</th>
<th>Large PDI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisational hierarchies lead to inequalities in roles as a matter of convenience.</td>
<td>Organisational hierarchies reflect existential inequality in roles.</td>
</tr>
<tr>
<td>Decentralised organisational structures.</td>
<td>Centralised organisational structures.</td>
</tr>
<tr>
<td>Short hierarchies.</td>
<td>Tall hierarchies.</td>
</tr>
<tr>
<td>Managers rely on experience and subordinates.</td>
<td>Managers rely on formal rules and superiors.</td>
</tr>
<tr>
<td>The ideal boss is a resourceful democrat.</td>
<td>The ideal boss is a benevolent autocrat.</td>
</tr>
<tr>
<td>Subordinate-superior relations are pragmatic.</td>
<td>Subordinate-superior relations are emotional.</td>
</tr>
<tr>
<td>Privileges and status are frowned upon.</td>
<td>Privileges and status are the norm and expected.</td>
</tr>
<tr>
<td>Manual labour hold same status as clerical work.</td>
<td>White-collar jobs valued more than blue-collar jobs.</td>
</tr>
<tr>
<td>Subordinates expect to be consulted.</td>
<td>Subordinates expect to be told what to do.</td>
</tr>
</tbody>
</table>

Table 1. Workplace differences between small and large PDI Source: Hofstede & Hofstede (2005: 59).

The perspective of this dimension is from that of subordinates, and it is an important facet to be analysed as the only way that there can be a subordinate is if there is an authority. How this relationship is, i.e., whether there is dependence upon the boss by subordinates, or if there is a form of interdependence between the parties involved, says a lot about the expectations placed upon a manager in a certain country. In small PDI countries, of which Sweden is one with a PDI score of 31, ranked at 67-68, there is limited dependence on bosses, there being a preference for consultation with employees by managers (Hofstede & Hofstede 2005: 45). At the other extreme of the index there is a large PDI, wherein one finds China, with a PDI score of 80, ranked 12-14. Here it is said that there are autocratic or paternalistic bosses upon whom subordinates depend on considerably, and there is a large emotional distance between the hierarchical layers in firms (Hofstede & Hofstede 2005: 46).
2.2.2 Individualism & collectivism

There is a fundamental issue in human society, one that has a profound effect upon meetings cross-culturally if mismanaged; the role of the individual versus the role of the group (Hofstede & Hofstede 2005: 74).

Table 2 presents the explicit differences between low IDV and high IDV in the workplace.

<table>
<thead>
<tr>
<th>Low IDV</th>
<th>High IDV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Higher educational degrees provide entry into higher status groups.</td>
<td>Higher educational degrees increase economic worth and self respect.</td>
</tr>
<tr>
<td>Occupational mobility is lower.</td>
<td>Occupational mobility is higher.</td>
</tr>
<tr>
<td>Employees are members of an in-group and pursue that groups interests.</td>
<td>Employees are ‘economic men’ who pursue the interest of their employers if it coincides with their own.</td>
</tr>
<tr>
<td>Employees in-group membership taken into account when hiring/promoting.</td>
<td>Employee skills and company rules taken into account when hiring/promoting.</td>
</tr>
<tr>
<td>Employer-employee relationship is basically moral, like a family.</td>
<td>Employer-employee relationship is a contractual agreement.</td>
</tr>
<tr>
<td>Management is management of groups.</td>
<td>Management is management of individuals.</td>
</tr>
<tr>
<td>Open criticism (negative and positive) spoils harmony.</td>
<td>Management training teaches the honest sharing of true feelings.</td>
</tr>
<tr>
<td>In-group customers get better treatment.</td>
<td>Every customer gets the same treatment.</td>
</tr>
<tr>
<td>Relationships prevail over tasks.</td>
<td>Tasks prevail over relationships.</td>
</tr>
</tbody>
</table>

Table 2. Workplace differences between low and high IDV Source: Hofstede & Hofstede (2005: 104).

The dimension, individualism index (IDV), reflects scores as a measure of the level of individualistic tendency by members of a society. The bare essence of this dimension lies in whether one see things from the perspective of “I”, as in ‘I’m signing a deal with Sony worth $n USD’, or “We”, as in ‘We’re signing a deal with Sony worth $n USD’. Low scores can be seen on the index for collectivist countries, whereas high scores are shown for individualistic countries.
Individualism is said (Hofstede & Hofstede 2005: 76) to have the following work goal items: *Personal time* (for a life after work), *Freedom* (to work one’s own way), and *Challenge* (i.e., a sense of accomplishment in work tasks). Collectivism, on the other hand, has *Training* (skill and/or self improvement), *Physical conditions* (the work environment), and *Use of skills* (full use of abilities) as work goal items.

Sweden has a relatively high IDV score of 71, ranking in at 13-14th, whereas China has a much lower IDV score of 20, bringing its ranking in to 56-61st. Wealth is said to be correlated to a high IDV score (Hofstede & Hofstede 2005: 78).

### 2.2.3 Masculinity & femininity

In every society there are gender roles, wherein the male role is to be assertive, competitive and tough, and the female role is tenderer, being more concerned with taking care of the home, children, and of people in general (Hofstede & Hofstede 2005: 117).

As a dimension, the *masculinity index* (MAS) refers to how a society’s gender roles play out amongst the inhabitants of said society, and as such a society would be classified as masculine “*when emotional roles are clearly distinct: men are supposed to be... focused on material success, whereas women are supposed to be more modest... and concerned with the quality of life*” (Hofstede & Hofstede 2005: 120). Feminine societies, conversely, are not deemed to be wholly made up of women, rather, they exist “*when emotional gender roles overlap: both men and women are [thus] supposed to be modest, tender, and concerned with the quality of life*” (Hofstede & Hofstede 2005: 120). High scores on the index would have societies as markedly masculine, where work goal items would include *Earnings* (with opportunities for raises), *Recognition* (as deserved for a job well done), *Advancement* (in the form of promotions), and *Challenge* (i.e., a sense of personal accomplishment in work tasks), and a low score would distinguish a feminine society where work goal items include the actions of the *Manager* (good relations with superiors), *Cooperation* (working well with others), *Living area* (in a desirable milieu), and *Employment security* (a cradle to grave employment provision) (Hofstede & Hofstede 2005: 118-119).
Table 3 presents the explicit differences between low MAS and high MAS in the workplace.

<table>
<thead>
<tr>
<th>Low MAS</th>
<th>High MAS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management is by intuition and consensus.</td>
<td>Management is decisive and aggressive.</td>
</tr>
<tr>
<td>Resolution of conflicts by compromise and negotiation.</td>
<td>Resolution of conflicts by letting the strongest win.</td>
</tr>
<tr>
<td>Preference for smaller organisations.</td>
<td>Preference for larger organisations.</td>
</tr>
<tr>
<td>People work to live.</td>
<td>People live to work.</td>
</tr>
<tr>
<td>Leisure time preferred over more money.</td>
<td>Money preferred over more leisure time.</td>
</tr>
<tr>
<td>Careers are an option for both sexes.</td>
<td>Careers are compulsory for men, yet optional for women.</td>
</tr>
<tr>
<td>Higher percentage of professional women.</td>
<td>Lower percentage of professional women.</td>
</tr>
<tr>
<td>Work humanised by contact and cooperation.</td>
<td>Work humanised by job content enrichment.</td>
</tr>
<tr>
<td>Agriculture and service industries more competitive.</td>
<td>Manufacturing and bulk chemistry industries more competitive.</td>
</tr>
</tbody>
</table>

Table 3. Workplace differences between low and high MAS Source: Hofstede & Hofstede (2005: 147).

Sweden ranks lowest on this dimension, in at number 74 (out of 74), with a MAS score of 5. China ranks in at 11-13th, with a MAS score of 66. Concern for work against the concern for people, it is said (Hofstede & Hofstede 2005: 143) are of equal importance for an enterprise to be a success, but the optimal balance between the two is where masculine and feminine cultures differ.

2.2.4 Uncertainty avoidance

The future is uncertain and whatever happens, i.e., the handling of uncertainty, is faced by people in any country (Hofstede & Hofstede 2005: 165). Cases of extreme ambiguity create intolerable anxiety in so well modern as traditional societies and these feelings are not just personal, but also can be shared with other members of one’s society (Hofstede & Hofstede 2005: 165). As the literature propounds, culture is regurgitated by elder members of a society
on to the younger, and as such the feeling of coping with uncertainty “belong to the cultural heritage of societies (Hofstede & Hofstede 2005: 166).

Table 4 presents the explicit differences between weak UAI and strong UAI in the workplace.

<table>
<thead>
<tr>
<th>Weak UAI</th>
<th>Strong UAI</th>
</tr>
</thead>
<tbody>
<tr>
<td>There should be no more rules than strictly necessary.</td>
<td>There is an emotional need for rules, even if they do not work.</td>
</tr>
<tr>
<td>Hard-work undertaken only when needed.</td>
<td>There is an emotional need to be busy and an inner urge to work hard.</td>
</tr>
<tr>
<td>Time is a framework for orientation.</td>
<td>Time is money.</td>
</tr>
<tr>
<td>There is tolerance for ambiguity and chaos.</td>
<td>There is a need for precision and formalisation.</td>
</tr>
<tr>
<td>Belief in generalists and common sense.</td>
<td>Belief in experts and technical solutions.</td>
</tr>
<tr>
<td>Focus on the decision process.</td>
<td>Focus on the decision content.</td>
</tr>
<tr>
<td>Top managers are concerned with strategy.</td>
<td>Top managers are concerned with daily operations.</td>
</tr>
<tr>
<td>Intrapreneurs are freer from rules.</td>
<td>Intrapreneurs are constrained by existing rules.</td>
</tr>
<tr>
<td>Better at invention, worse at implementation.</td>
<td>Better at implementation, worse at invention.</td>
</tr>
</tbody>
</table>

Table 4. Workplace differences between weak and strong UAI Source: Hofstede & Hofstede (2005: 189).

This dimension, uncertainty avoidance index (UAI), is simply defined as “the extent to which the members of a culture feel threatened by ambiguous or unknown situations” and UAI scores are lowest for those who show weakest uncertainty avoidance, and strongest for those who show strongest uncertainty avoidance (Hofstede & Hofstede 2005: 167-8). Sweden has a very low UAI score of 29, ranking it in at 70-71st. China, too, has a very low UAI score of 30, being ranked just higher than Sweden as 68-69th. Essentially, low UAI scores means societies are willing to run unfamiliar risks (Hofstede & Hofstede 2005:188), but Hofstede & Hofstede’s (2005) point that strong UAI does not necessarily dampen creativity also has the consequence that weaker UAI does not, perforce, guarantee creativity’s free-flow.
2.2.5 Long & short term orientation (Confucian dynamism)

Confucian principles make up the long-term orientation index (LTO), wherein long-term orientation is defined as “the fostering of virtues oriented toward future rewards... perseverance and thrift”, whereas short term orientation has it that societies foster “virtues related to the past and present- in particular, respect for tradition, preservation of ‘face’, and fulfilling social obligations” (Hofstede & Hofstede 2005: 210).

Table 5 presents the explicit differences between short-term orientation and long-term orientation in the workplace.

<table>
<thead>
<tr>
<th>Short-term orientation</th>
<th>Long-term orientation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main work values include freedom, rights, achievement, and thinking for oneself.</td>
<td>Main work values include honesty, adaptiveness, accountability, and self-discipline.</td>
</tr>
<tr>
<td>Leisure time is important.</td>
<td>Leisure time is not important.</td>
</tr>
<tr>
<td>Focus is on the bottom line.</td>
<td>Focus is on market position.</td>
</tr>
<tr>
<td>Current year’s profit important.</td>
<td>Profit 10 years from now important.</td>
</tr>
<tr>
<td>Managers and workers are psychologically in two camps.</td>
<td>Owner-managers and workers share the same aspirations.</td>
</tr>
<tr>
<td>Meritocracy present, rewards by abilities.</td>
<td>Wide social and economic differences undesirable.</td>
</tr>
<tr>
<td>Personal loyalties vary with business needs.</td>
<td>Investment in lifelong personal networks, Guan Xi.</td>
</tr>
<tr>
<td>Little money for investments.</td>
<td>Funds available for investment.</td>
</tr>
</tbody>
</table>

Table 5. Workplace differences between short and long LTO Source: Hofstede & Hofstede (2005: 225).

This dimension in itself if not a Confucianism scale, as both extremes of the index are made up of the principles of Confucius’ teachings, namely, Persistence, Thrift, Ordered relationship status, and a Sense of shame on one pole (i.e., long-term orientation), and Reciprocation of favours/gifts, Respect for tradition, Protecting ‘Face’, and Personal steadiness and stability on the other (i.e., short-term orientation) (Hofstede & Hofstede 2005: 209-10). An important facet of Confucius’ teaching was missing from the Chinese values survey (CVS) that helped
gather the data for the aforementioned index, the notion of Filial Piety, which Hofstede & Hofstede (2005) mention is associated with collectivism (212). However, guan-xi, or personal connections and networks of acquaintances, which is a key concept of Asian business (Hofstede & Hofstede 2005: 221) is present and reflected in the LTO scores. China, understandably, ranks 1st on this dimension, with a high LTO score of 118. Sweden ranks 23rd, with a lower LTO score of 33.

2.2.6 Critique of Hofstede & Hofstede’s cultural dimensions

According to McSweeney (2002: 4), in Culture’s Consequences (1980) Hofstede endorses national cultural determinism. McSweeney points out that there is extensive literature by Alexander and Seidman from 1990 that critiques the concept of culture being nationally determinate (McSweeney 2002: 6). The authors of this paper would have to agree with McSweeney on this point. Even though two of the authors of this paper are Swedish nationals, there is no reason, as the authors see it, why two Swedes would necessarily hold exactly the same views about a particular subject or deem a particular value as important as each other. Sweden may have been quite a homogenous society prior to the World Wars of the 20th Century, but since those days society in Sweden has become much more heterogenous. China, too, is a country of many nationalities, such as the major ethnic group of the Han who share their People’s Republic of China with Tibetans, Mongolians, Koreans, and many more minor groups. Thus, the notion that a national culture can be used to contrast against others in the hope of forming an absolute description of said cultures can be seen to lose some credibility. However, the acceptance of Hofstede’s work in academia cannot be overlooked. Therefore, the authors of this paper feel Hofstede’s dimensions can be used for the purpose of trying to contrast Sweden and China’s management styles in relation to said countries’ national cultures.

2.3 Beyond Culture- Context within culture

The work of Hall (1976) found that cultures can also be examined in relation to the emphasis they place on context when determining the meanings of gestures or tones of speech et cetera. High context cultures, such as that of the Chinese, have deep rooted contextual elements that help people brought up in said culture(s) to understand their roles within that culture and the rules that are defined therein. A result of this is that much is taken for granted in high context cultures (Changing Minds 2010b) and this can be very confusing for an outsider or member of an out-group who does not understand the 'unwritten rules' of the culture being encountered. It
is within stable populations that higher context cultures may develop (Changing Minds 2010b).

Low context cultures, of which Sweden is one, see very little taken for granted (Changing Minds 2010b) as much is spelled-out for members of these cultures. Accordingly, more explanation is needed by members of low context cultures when it comes to the particulars of meetings with outsiders. However, it also means that the chance of misunderstandings in dealing with non in-group members is lessened (Changing Minds 2010b). In low context cultures business and legal contracts/documents tend to be long in order to explain particulars.

Table 6 presents the explicit differences between high context and low context cultures.

<table>
<thead>
<tr>
<th>High Context</th>
<th>Low Context</th>
</tr>
</thead>
<tbody>
<tr>
<td>Messages are covert and implicit with use of metaphors as well as reading-between-the-lines.</td>
<td>Messages are overt and explicit with clarity and simplicity.</td>
</tr>
<tr>
<td>An inner locus of control with personal acceptance for failure.</td>
<td>An outer locus of control with blaming of others for failure.</td>
</tr>
<tr>
<td>High level of nonverbal communication (i.e., body language).</td>
<td>Focus on verbal communication.</td>
</tr>
<tr>
<td>Expressions reserved with inward reactions.</td>
<td>Expressions visible with outward reactions.</td>
</tr>
<tr>
<td>Distinctions between in-groups and out-groups.</td>
<td>Open grouping patterns that change as needed.</td>
</tr>
<tr>
<td>Strong bonds between people and affiliation to family and communities.</td>
<td>Fragile bonds between people and little sense of loyalty.</td>
</tr>
<tr>
<td>High commitment to long-term relationships, wherein relationships are more important than tasks.</td>
<td>Low commitment to relationships, wherein tasks are more important than relationships.</td>
</tr>
<tr>
<td>Time is flexible and processes are more important than products.</td>
<td>Time is organised and products are more important than processes.</td>
</tr>
</tbody>
</table>

Table 6. Differences between high context and low context cultures Source: Hall (1976).
2.4 The Hidden Dimension- Time within culture

Hall’s (1966) Monochronic time entails the concept that only one thing is doable at a time by an individual. In the boundaries of monochronic time, one will find that the peoples of cultures that have a tendency to be monochronic, such as the Swedes, have careful planning and scheduling as well as a proclivity for precision familiar to them (Changing Minds 2010b). Monochronic cultures tend also to be low context (Changing Minds 2010b).

Polychronic time implies that more than one task is manageable at a time and that human interaction is valued over time and material objects, which leads to lesser concerns for the getting of tasks completed. Tasks are completed, but more in their own time (Changing Minds 2010b). Polychronic people tend also to be high context (Changing Minds 2010b).

Table 7 presents the explicit differences between monochronic and polychronic cultures.

<table>
<thead>
<tr>
<th>Monochronic</th>
<th>Polychronic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Take one task at a time.</td>
<td>Multi-task.</td>
</tr>
<tr>
<td>Concentration on task-at-hand.</td>
<td>Easily distracted.</td>
</tr>
<tr>
<td>Emphasis on when things must be achieved.</td>
<td>Emphasis on what things will be achieved.</td>
</tr>
<tr>
<td>Rarely borrow or lend items.</td>
<td>Often borrow or lend items.</td>
</tr>
<tr>
<td>Put work first.</td>
<td>Put relationships first.</td>
</tr>
<tr>
<td>Emphasise punctuality and promptness.</td>
<td>Promptness based on relationship factors.</td>
</tr>
</tbody>
</table>

Table 7. Differences between monochronic and polychronic cultures Source: Hall (1976)

2.5 Chinese perspective on Swedish management

The Chinese perspective on Sweden management is that it is the same as the lifestyle in Sweden; slow paced, quite, and simple. Sweden is a low-contextual culture (Bjerke 1999: 207). “Scandinavians do not rush in a meeting; they find it appropriate to wait for an answer, not to force it.” (Bjerke 1999: 204) Flat organisation structures, such as those of Swedish companies, not only lead to management cultures focusing on both team-work spirit and individual inspiring, but also shorten the distance horizontally and vertically at the management level. It is quite easy for a new employee to say ‘hi’ to the top managers. Employees are close to their managers with hierarchy merely standing for the inequality of roles which, themselves, are built-up for convenience. The respect the person gains does not
depend on family background. Leadership is achieved, not ascribed, and managers are not selected on seniority and can be younger (Bjerke 1999: 199). So, it is reasonable for Chinese to think and agree that there are more women and younger leaders in Sweden.

In Swedish management operation process, there are many meetings, which is the same as the Chinese management style. However, the difference between them is that the Swedish way gathers employees and managers together to gain more opinions and to try to reach a more common agreement. In the Chinese way, delegating tasks is the purpose of meetings. Chinese employees’ take it for granted that their managers have strong capabilities and the power to have already made good decisions (Isaksson 2009). The Chinese perspective thinks to some extent that the Swedish management style’s meetings are a nice combination of effectiveness and efficiency, and are more likely to lead to brainstorming and would like employees to participate.

During the implementation process of the Swedish management style, managers are not afraid to show weakness to their employees. Managers would also like to hear different opinions or even “bad words” from employees for suggestions and advice. Managers are not afraid to lose “face” or “power” to their subordinates and don’t make relationships intense between themselves. This is the same as the Chinese management style, which avoids conflicts and keeps harmony. From the Chinese point of view, the Swedes prefer to stay polite and behave properly, which is the same as the Chinese tradition of good conduct. Swedes also have the same principal of conduct as the Chinese; the middle way (中庸之道) which is similar to the Swedish notion of lagom or being just right (Språkrådet 2010).

In recent years, the development of the economy and society has rocketed, especially in the east coast pioneer cities, of which Shanghai is at the forefront. As in most countries of the world, seniors are usually nominated as the managers. Conversely, in the Swedish management team, it measures more open attitudes to nominate the leaders. In the Scandinavian type of culture, the societal norm is that inequality in society should be minimised, the prevalent view being shown in Sandemose’s Janteloven where “you should not believe that you are...wiser than us...better than us” (qtd. in Hofstede & Hofstede 2005: 137). The Chinese view on Swedish management style is one of trustworthiness, similar to the traditional Chinese belief in honesty (信). At the managerial level, the Swedish way shows high decentralisation with a preference to empower personnel. So, it is possible in first time cooperation between Chinese and Swedes that maybe the Chinese thinks the Swede’s
management structure is too loose, with doubts and uncertainties about their attitude to management. Nevertheless, “China is Sweden’s largest trading partner in Asia and the volume of trade between our countries is growing” (Lundgren, et al. 2009: 2), reports the Swedish Embassy in China.

The Chinese view on Swedish management also concerns privacy, whereby Chinese agree with the opinion that the Scandinavian style of leadership does not consist of being responsible for the employees’ private sphere (Steinberg & Åkerblom 1992 qtd. in Bjerke 1999: 201). In other words, the Chinese think Swedes separate their private affairs from their working affairs and as Scandinavians, they are not supposed to speak, unless they have something to say (Bjerke 1999: 202).

2.6 Swedish perspective on Chinese management

The Chinese market is an opportunistic emporium although the avenues travelled can be long and strenuous. This is, in part, due to China’s language, but also because of her culture, and traditions (Sweden China Trade Council 2010), which make it difficult for Swedish enterprises to get those valuable first contacts in the country. It is not an impossible task, though, and many Swedish companies have been long established in The People’s Republic of China.

Opinions of Swedish businesses on their activities in China, as a whole, are replayed for interested parties to see via the Swedish Embassy homepage. It has been shown that there are obstacles to trade in China, among which are non-transparent governance (which incorporates management) that happens to be more pronounced at local and provincial governments levels (Lundgren, et al. 2009: 8). Furthermore this transparency issue is said to permeate the whole of Chinese society, both in legislation and its implementation. Seemingly, as a comparison against practices in Sweden where transparency creates predictability, trust, and a fair, competitive environment, the lack of this feature in Chinese managers, makes for the exact opposite (Lundgren, et al. 2009: 8), i.e., a lack of predictability or of a fair competitive environment. It can also be felt by Swedish businesses that local authorities in China sometimes promise too much and that rules and regulations are continuously adjusted and/or modified, the same going for Chinese managers. Thus, it is advised that Swedish businesses always double check information from Chinese authorities (Lundgren, et al. 2009: 8).

The Swedish perspective on Chinese management sees that the Chinese are extremely good at networking. They use it to the fullest and operate in networks as extended families
(Bjerke 1999: 166). This is regarded as Guan Xi or relationships (Xiaoma Cidian 2010) and is part of Chinese culture. These relationships are formed between colleagues, the boss and subordinates, business partners and the relationship between business organisation and other all kind of organisations at all levels of authorities. As such, a lot of relationships need to be handled and that makes the Chinese management style autocratic and paternalistic, which makes use of a centralised style of management (Bjerke 1999: 143). In Chinese society, people are proud and have a strong sense of identity; are self-reliant but honour obligations in their networks of contacts; have respect for education, but are direct and practical; are very superstitious but willing to take risks (Bjerke 1999: 166). The Chinese also look at honour, reputation, shame and prestige as very important, wanting always to gain “face”, not lose it (Bjerke 1999: 161). Individual and organisational success are important and the Chinese, thus, judge success in their business ventures mainly by sales figures (Bjerke 1999: 167).

As with most international business ventures, the foreigner must quickly adapt to the local customs, taking in consideration how the locals conduct business. These ways are usually not found as obvious parts of the system, rather they pronounce themselves beyond language and expressions, in unspoken customs. In comparison to the Swedish management culture, Confucius’ five hierarchal relationships permeate the management culture in place in China, creating an atmosphere where all know what role they have, what behaviour is expected and where in the hierarchy they stand.

For the Swedish companies that are currently in China, which range from the long established large companies such as Ericsson and Ikea to the small -and medium- sized (SME) companies currently entering the Chinese market, 98% of their workforces are locally employed, wherein there is a clear increase in white collar workers (Lundgren, et al. 2009: 4). There happens to be clear indications in a report from the Sweden-China Trade Council “that Swedish companies are competitive and gaining ground vis-à-vis their competitors.” (Lundgren, et al. 2009: 5). In part, this indicates that the Swedish managers in China either are adapting unexpectedly quickly to the Chinese culture, or that the Chinese employees are able to “meet halfway” with their new foreign manager, finding some common ground.

The strong Chinese economy with well established supply chains and low-cost human resources are cited advantages of doing business in China. However, findings (Lundgren, et al. 2009) also indicate there being corruption, poor enforcement of IPR regulations, and a lack
of transparency which are seen as tenable negative aspects of doing business in China. Consequently, advice to companies considering entering the Chinese market proffered by the Embassy of Sweden in China, The Swedish Chamber of Commerce in China, and the Swedish Trade Council ranges from minimising friction by employing dedicated people that know “how to deal with Chinese authorities” (Lundgren, et al. 2009: 7) to evaluating alternatives thoroughly before setting up business in China (Lundgren, et al. 2009: 12). This is as a result of the plethora of different standards (Lundgren, et al. 2009: 10) in play in China, which are “a headache for Swedish companies as many Chinese standards are different from well established international standards.” (Lundgren, et al. 2009: 9). Simply put, companies with a well thought through business plan often do better than those entering China within sufficient experience and understanding of the Chinese market (Lundgren, et al. 2009: 12).

This chapter describes the methodological approach in use and touches on the considerations taken into account during data collection, as well as defending the quality of the research.

3. Methodology

3.1 The methodological approach

The research philosophy of this paper helps the reader to understand the nuances of cross-cultural management styles. Exploration into the subject of culture and its affect on two different regions’ management styles is undertaken. The study relies on qualitative information in the guise of words. These words are based on interviews/conversations and descriptions/observations. This paper is proffered with a mixture of pragmatic and interpretative philosophy. In pragmatism the most important determinants of the epistemology, ontology, and axiology adopted are the actual research questions put forward (Saunders, et al 2009: 109). Thus, there is more freedom to go about answering the questions at hand, rather than taking up the debate as to which philosophy is of more worth.

The epistemology of this paper follows pragmatism’s view that “both observable phenomena and subjective meanings can provide acceptable knowledge” (Saunders, et al 2009: 119). Also, different perspectives, those of both Swedes and Chinese, are in use when
data is interpreted. It is the intention of this paper to analyses what is going on in order to better understand the nature of the phenomenon at hand. The result of this analysis is the formation of our theory.

Ontologically speaking, the research of this paper cannot escape the personal meanings that the authors have attached to the social phenomena being studied. As such, the interpretivist philosophy’s notion that “it is necessary to explore the subjective meanings motivating the actions of social actors in order to be able to understand these actions” (Saunders, et al 2009: 111) is a value deemed requisite for this study. There are no definite answers; the answers to the questions we ask constantly change depending on the time and place in which they are asked.

This paper’s axiology rings with pragmatism’s tune, in the sense that both objective and subjective points of view are adopted in the interpretation of results. An emic approach, or “description of a particular... culture in terms of its internal elements and their functioning rather than in terms of any existing external scheme” (McKeats 2005), is in use in analysing the data produced by this paper. Values in themselves, albeit of the research subjects, are also part and parcel of the analysis in use as it is very hard to separate oneself from one’s own culture. This goes for the authors of this paper, too.

It is the belief of the authors that an attempt at being objective yields broader results rather than no attempt at all to separate oneself from what is being researched. Thus, as the authors of this paper intend to also be as objective as possible in their analysis, there is an etic element involved, i.e., “an approach to the... description of a particular... culture that is general... and objective in its perspective” (McKeats 2005).

The paper has a less structured approach, as it is charged with understanding the way in which humans interpret their social world. The paper is concerned with the context in which events take place. The research approach in use allows the reader to gain an understanding of the meanings humans attach to events. It also allows for the collection of qualitative data, as well as, a flexible structure (to permit changes of research emphasis in light of subsequent data analysis). The researchers, i.e., the authors of this paper, are part of the research process. All in all, this type of research approach lessens the need to generalise about the data received (Saunders, et al 2009: 127).

Not wanting to introduce a premature closure on the issues and phenomena to be investigated, as Bryman (1988: 81, qtd. in Saunders et al. 2009: 489) proclaims it will, a
deductive approach is not taken by the authors of this paper. Alternatively, and due to the need for exploration of data collected, an inductive approach is employed herein. The data gathered is particular to each case being studied, and from this set of specific data patterns are formed. These patterns explain what is happening but not really why, so the authors intend to form their own theories to answer the latter. There is a clear research purpose to this paper and in the collection of data this purpose helps to guide the subsequent work. In use is a grounded approach whereby explanations emerge as a result of the research process, meaning that a “theory emerges from the process of data collection and analysis” (Saunders et al. 2009: 490).

3.2 Research design

3.2.1 Data collection

This paper presents an exploratory study, and as such finds out what is happening. New insights to cross-cultural questions are sought, and phenomena are assessed in a new light. Therein, literature is reviewed, then local and expatriate managers are interviewed on questions of management styles and cultural stereotypes. This design allows one to go from specific data of case study individuals to a broader view (generalisations) of a national culture that progressively gets narrower again as the paper turns to analysis. Specific answers are then able to be given for the research questions at hand.

The research is undertaken by way of case studies, whereby empirical data are investigated to highlight and understand contemporary phenomenon within their real life contexts. The data are from multiple cases and are compared with dimensions from the literature, as well as, the authors’ personal observations. The rational for using multiple cases is to establish whether the findings of each case occur in the other cases. The cases consist of four people; two who are in the Shanghai region; one being Swedish; the other a local (a Chinese). The remaining two subjects are in the Stockholm region; one being Chinese and the other being a local (a Swede). This is hoped to strengthen the argument for absolute national cultures, as the effect of the foreign culture on the part of the ex-patriot managers should, according to Adler (Katz 2005), make the ex-patriot managers’ national culture influence stand out more.

The interviews are based on a selection of questions (see appendix) given either over the internet using the Skype programme, or in person. The interviews are recorded and subsequently summarised. As time and money are constraints, the interviews in Sweden are in person, but those with individuals in China are via the internet. These choices of cases tie-in
well with our research purpose to find cultural differences between the two regions. This strategy is a useful and worthwhile way to explore the research subjects’ management styles from a specific angle.

The primary data needed in this thesis has been collected through in-depth, semi-structured interviews with four research subjects being used as case studies. A cross-sectional design tends to be the prevalent approach to qualitative data gathering (Saunders, et al 2009: 153). This paper uses this to justify its choice of time horizon. As a ‘snapshot’ of the reality in Shanghai and Stockholm at present, it is not only of suitability due to the time constraints felt by students on academic courses, but also because of the rapid development taking place in the world. China may be quite different culturally in the future if it retakes its centre-of-the-world position as its name in Mandarin Chinese suggests (i.e., Zhong Guo 中国, or literally the Middle Kingdom), and the same can be said of Sweden if the Alliance government continues on in power. Thus, a comparison of here and now, 2010, is what interests the authors of this paper.

The questions used for the interviewing process are open-ended questions aimed at making the interviewee speak out about the answer and give more detail as to what he or she means. Some answers include an example where the interviewee ties in his or her response to something that has actually occurred. This not only gives answers to the questions which are then analyzed; it also makes available the opportunity to compare and contrast different individual examples - stories or anecdotes - which are presented.

To further facilitate the desired response, the questions are preceded by a quick exemplifying story or narrative that the interviewee can relate to. This is intended to lead to more in-depth answers. Naturally, the questions, as well as, the interview process are undertaken in a relaxed manner, to make sure that the interviewees answers the questions in as truthful to life a way as possible. The interviewees are also reminded of the fact that the interview is an entirely anonymous process and there is no way that a reader can establish with whom the interviewee is actually taking place. This is to make sure that the answers are completely honest and, as such, will give the research as much credibility as possible.

3.2.2 Justification of methodology for data collection

During the process of data collection and data analysis and with the time and resource limitations for bachelor degree level students in mind, the authors of this paper chose a mono-method, i.e., a qualitative method of data collection and data analysis. As described above,
this methodology lends itself well to doing inductive research. The authors of this paper believe that an inductive approach really is the best method to be used when dealing with case studies, as there are personal views that need to be intertwined with, in this instance, established notions of culture. Only from this can any fresh theories be formed.

3.2.3 Justification of research

The research at hand is justified because, as suggested by Isaksson (2009: 28), further research is suggested into how Chinese and Swedish companies manage teams, make decisions and handle conflicts. The authors of this paper believe that the field of study is relatively new, and current affairs reports are much concerned with questions of Sweden and China at present due to acquisitions and investments going both ways.

3.2.4 Access to interviewees

Personal connections have helped set up face to face interviews with participants in the Shanghai region and Stockholm region (over Skype). Purposive sampling was used to select the cases to be studied as this can lead to information-rich cases. To enable the authors to study the cases in greater depth, homogenous samples were used, albeit in two distinct groups; Chinese and Swedish managers. The purposive sampling in use to select the cases to be studied in this paper adds weight to the validity and reliability of this paper. Such selection allows for cases that are particularly informative (Saunders, et al. 2009 237) even if they cannot be considered to be statistically representative of whole populations.

3.2.5 Idiographic explanation

This paper focuses on complete, in-depth understandings of four cases. The cases are made up of individuals, who are seen as entities in their own right, with properties setting them apart from other individuals. It is in this light that, due to the qualitative nature of this paper, the authors have made every effort to specify and understand the meanings of the phenomena at hand. As such, the paper is idiographic rather than nomothetic (specific rather then generalised).

3.2.6 Potential audience

Since the intention of this research is to make both theoretical and practical contribution, the potential audience of this paper are both relevant managers in Stockholm and Shanghai as well as relevant researchers in those regions who are interested in the theoretical contributions of this paper. The research may even be extrapolated to apply to managers throughout China and Sweden or even other Scandinavian countries/cities.
3.2.7 The authors’ inherent knowledge
The authors’ backgrounds are quite different. One of the authors has worked in a Swedish company for several years, another has worked in eastern China for several years and the other has studied in the Shanghai area, which makes their inherent knowledge complementary and supplementary.

3.2.8 The authors’ personal and professional goals
The authors can use this thesis research experience in future employments, or even in the interviews on the way to gaining said employment. The authors of this paper are already intertwined in a cultural experiment, and how the leadership roles play out during the course of this paper crops up in later analysis.

3.2.9 Data analysis
Non-standardised results from interviews are summarised to help recognise relationships and produce conclusions. Explanations are compared to existing theories as they emerge. As such, one can see an explanation building approach to the data analysis of this paper, which is inductively based.

3.3 Research quality
3.3.1 Intellectual value and worth of the study
This paper intends to make both a theoretical and practical contribution to the topic at hand. As such, and in light of the paper’s ability to investigate issues from different angles along with a narrow scope of regions, one can see the intellectual value and worth of this paper.

This is an exciting subject, seeing as there are many companies established in both the specific regions (Stockholm and Shanghai), but also as globalization takes an even stronger grip on the world. A comparative study of the management style in the two regions, per se, has yet to be found by the authors of this paper, and seeing as these two regions are the financial capitals of their respective countries, it is of utmost importance to have a good insight into this. Furthermore, Volvo (Swedish) has been sold to Geely (Chinese), so there may well be a strain on the manager-employee relationships as there are two different cultures trying to work together in a new organization. Even if personnel from each culture know that there will be differences, many may not know what those differences are. This paper aims to shed some light on this.
3.3.2 Reliability
To make the research as reliable as possible, the authors have taken certain steps to diminish the threats to said reliability. Subject bias, which may be a problem for interviewees used to authoritarian managements styles or (Saunders, et al. 2009: 156), of which the Chinese management style is one (管理阶层权威式管理 as the Chinese put it), has, hopefully, been lessened by the use of anonymity for the subjects. As to observer bias, on the part of the authors, this has, hopefully, been lessened by the use of both Chinese and Swedish perspectives in analysing the data. Therein is where the authors feel that previous studies (Guo & Li 2009 & Andersson, et al. 2004) have been less reliable as the authors of those papers were not a mix of the two cultures being studied. They were either solely Chinese or Swedish, whereas the authors of this paper represent both countries working together.

The authors feel that if other observers were to reproduce this research and were able to create the same snap-shot of time as has been available for this study, then similar observations would be found. However, as already mentioned, China and Sweden are changing. As such, a reproduction of this research in a completely different time frame and in other regions of Sweden and China may not yield the same results.

3.3.3 Validity
Whether the findings of this paper are truly about what they appear to be is an issue of validity (Saunders, et al. 2009: 157). If there is an actual causal relationship present in the conclusions made, i.e., where one variable causes a change in another variable (Cherry 2010), then it can be said that said conclusions are valid. The authors of this paper believe that their choice of interviewees allows for the building of strong links between cultural factors and their effect on subject perceptions. Bringing in a slight mix up, in the form of having expatriate managers as interviewees, also allows the authors to see if variables for local and expatriate managers can bring the same conclusions. Ambiguity in the results is supposed to be dealt with by the deeper probing nature of the semi-structured interview questions used.

The research subjects for this paper are, in the minds of the paper’s authors, a logical choice of population as they are made up of people employed as managers in China and Sweden and they are of Chinese and Swedish ethnicity/nationality, respectively. However, it is not the intention of this paper to create generalised results, conclusions, or theories. In this way, the authors believes there is external validity to this paper.
3.3.4 Ethical considerations

When interviewing takes place it is important to not forget the integrity of the interviewee. The interviewees remain anonymous, and data that can threaten this is handled with care. Under no circumstances has anonymity be compromised. The integrity of the authors of this paper lead to a deontological view of the research, i.e., the ends served by the research does not justify the use of research that is in any way unethical.

Questions that might be considered taboo in a specific culture are handled with care. The interview questions, in general, are presented in a non-threatening way, and an interviewee is reminded that he/she does not have to answer a question if he/she does not see it fit.

This chapter presents the results of the case studies undertaken, separating the findings into the local manager and then expatriate manager’s answers in Sweden and China, respectively.

4. Results

As the theory gathered indicated in general, in our interviews we found out that, Swedes are quite an open group in comparison to their Chinese counterparts. The Swedish organisations are rather flat in structure and this is also depicted in the way Swedes work. Our results are presented in four different segments; a Swedish manager in Sweden, a Swedish manager in China, a Chinese manager in China, and a Chinese manager in Sweden. The interviews with managers in, for them, a foreign country are a bit shorter. They became comparative discussions where the interviewees looked at both cultures. (Please see appendix for the interview questions)

4.1 Swedish manager in Sweden

From this interview with a Swedish manager, a lot of information was gathered. Some excerpts from the interview follow.

The manager feels a great deal of involvement in problems encountered on his watch and refrains from laying the blame on somebody else. The interviewee seems to be more interested in finding the source of the problem; questioning the system and also asking if they themselves had a part in the mishap. Communication with the employee at fault should,
according to the interviewee, be kept professional and constructive. Talking to and informing an employee seems to be key to the solution preferred, instead of criticising the employee. The interviewee looks further to the future, making sure that the employee will still trust the manager, even after this mishap has cleared. Trust is evidently important, and is used as a spring-board to improve poor performance. Showing that the manager understands the predicament, they at the same time set out to demand an improvement, albeit nicely.

Another key in the approach taken in this theoretical misfortune is the fact that the manager would never scold or rebuke a subordinate in front of others; this is, in their opinion, something that should be done alone; again, to strengthen the bond between manager and subordinate.

A ‘good job’ seems to be easy for this manager to pass along to a subordinate. It goes to show that one can’t be the best at everything; instead, the appraisal should go to the person who has worked the hardest and succeeded. However, an “employee of the month” (or week) is not a system that this manager supports, opting for verbally showing his appreciation. If appreciation is shown from the top management it is only natural that this is passed down to the responsible employee. Top managers will be advised of who actually completed the job well, so that the actual subordinate receives praise.

If a customer sends an e-mail with thanks for a great job, the responsible team also gets this forwarded. A good time for this sort of group-praise is during meetings where groups and individuals, as well as, the entire entire workforce could receive positive feedback.

New ways of going about work should, in the interviewee’s opinion, be presented to the higher management in as a collective proposal as possible. “This department has come up with this new way of working”, might be a way. This would signal that the department is tightly woven and that it works as a team.

The interviewee states that it would not cross their mind to take credit for new developments; this, they say, will only come back and bite you. Also, the employee who has done the actual development needs to be credited for this personally as well, maybe by mentioning it to him/her, but also to his/her peers. However, this is not to say that the employee should be celebrated all too much, and it should definitely not signal to the other employees that ‘sucking up to the boss’ pays.

The interviewee also mentions that, as a manager, one should also not forget to give notice to employees who do not ‘stick out’ but who still do their job well.
The interviewee feels that they can talk with both subordinates as well as with higher management at a relatively personal level. They can speak about basically everything. Even, if the interviewee feels that it is smart to make a separation between work and leisure, it does not mean that one cannot talk about leisure with people at one’s work. This, in the interviewee’s opinion, shows that you are a human, and keeps the work-relationships tighter and less rigid.

A note given is the thought that the further apart departments are, the less friendly chatter happens between them. People who one communicates with each day will also get to know one better and therefore talk to you more on a private level.

The interviewee points out that they think it is important to show that they are part of the team. Devoting time to just ‘being there’ with subordinates can often mean that they open up and ask questions. This is not to be confused with a controlling manner. It is merely a way of showing that the manager is there for them. Also, the manager is not alienated from doing some of the duties that are not at all their; such as taking out the bins, fixing something that might be broken, etc. This shows, in the manager’s opinion, that they appreciate the work they do, at the same time, it shows that they are not ‘too good’ to help out.

If the interviewee sends out a directive (“this is the new way to do it!”), they expect that it is followed. The manager would want to present the idea in such a fashion as to bring about mutual appeal. Sometimes, however, the situation warrants the first mode, a more authoritarian way.

If the subordinates seem to not agree with the chosen route, the interviewee seems to first look into why. Is it the way it was presented? If so, a quick explanation usually solves the misunderstanding. Sometimes subordinates get an e-mail with more of a suggestion from the interviewee; this way they are able to give constructive feedback and give their thoughts on the matter.

It is in the manager’s experience that a decision is much easier to implement if it is backed up by a reason. This also lets the employees know that not all directives come from the interviewee, but sometimes they come from other employees. This, in turn, encourages the inflow of constructive feedback and ideas.

The culture in China, in the interviewee’s mind, is permeated by the fact that the leader really is a leader; a kind of management by fear. Chinese managers lay down distinct criteria and communication is more of a monologue than dialogue between managers and
subordinates. Directives are direct and there is not much room for discussion, in the interviewee’s opinion.

For the interviewee to work as a manager in China, they think they would need to become much more direct in their communication and not leave so much up to subordinates. Instead of showing a loose direction, the manager would need to spend much more time controlling what is actually going on and getting done. The interviewee does not think that subordinates would come and talk about a company problem, so management would need to be on top of it much more.

For a successful venture in China, the interviewee suspects that they would need to read up on the Chinese culture first; at the very least, spend some time asking someone with experience from managing in China their advice. In Sweden it is the employee’s market, in China it is the employer’s, in the interviewee’s opinion. This poses some great differences in how managing works.

The interviewee would feel some sympathy for their employees in China. The manager would not want to be in the subordinates’ shoes, and they think it would be hard on one to see employees treated in such a manner as in China. The interviewee does not think that they would be able to continue managing in the same fashion as in Sweden. This, in turn, would not fulfil the Chinese employees’ expectations of their manager and they might take advantage of the more laid back management.

When cooperating with a Chinese partner, the interviewee thinks that it would be easiest to communicate if they and their ‘opposite number’ were on the same level in their respective organisations. If the interviewee was talking with someone higher up than them self, it might be interpreted as a little bit offensive. The other way around, it might be hard to have constructive communication with someone further down in the hierarchy as well. This, in the interviewee’s opinion, is due to the subordinates surrendering to the managers’ every will and whim.

The interviewee also believes that with a Chinese customer, it is hard to get constructive feedback. The feedback does not come in as straight of a manner as in Sweden, and it would be lost in the hierarchy between the company officials and the customer. This hinders the development of the company’s services, and one must look to the results for a guide as to what is being done right or wrong.
4.2 Swedish manager in China

When this interviewee first came to China there was ‘one way’ to do things, but now the interviewee has tried to move the company culture in their organisation towards a more open version. It seems as if an employee is personally responsible for mistakes occurred at the workplace. An example is when an employee had drilled incorrectly and the costs incurred to the company were taken from the employee’s salary. This was not appreciated by the Swedish manager, but that was the way the Chinese management handled it.

There seems to be a more frequent application of the employee-of-the-month form of employee rewarding, where the interviewee uses this as a motivator for other employees. Chinese employees do what they are told; not much more, nor much less. Even if employees more easy going in their work, they do get the job done. The interviewee’s subordinates may not be as committed to the work as they are to the pay cheque. For Chinese employees, there is always a risk of being fired for a mishap, and there is a high staff turnover according to the interviewee.

There is a high risk of misunderstandings occurring, even between the Chinese managers and subordinates. The Chinese do not seem to be too self-reliant, in the interviewee’s opinion, and instead crave clear instructions or else the job will not get done correctly.

The interviewee recalls a time when a Chinese counterpart mentioned that they should not ride the bus or eat at the same locales as employees, as this would lessen the respect the employees had for them.

At Chinese New Year’s Eve, employees receive a *hong bao* (a little red bag of money) in which they are rewarded for their good work. This is where employees receive the benefit of being better than their colleagues. There are stories heard by the interviewee where employees even receive cars as presents at this time, to signify that they have done a great job.

The interviewee describes that some Chinese employees with a higher educational background and therefore a higher spot in the hierarchy, seem to have a much greater strive to have their input heard. However, the blue collar workers on the floor are much more careful in voicing their views.
4.3 Chinese manager in China

The interviewee focuses more on results than the process and when a problem comes up, the manager would like to identify the responsible party and give limited time to allow them to correct the situation. During that process, if the personnel make repeated mistakes and gives an unacceptable performance continually, no matter who he/she is, the subordinate can be punished via economic leverage such as reward reduction. The manager prefers to tell the truth to other managers in the organisation and to other employees. The manager would like to make all well informed so everyone knows what is to be done.

The manager evaluates subordinate’s individual capability and this person’s role/position in the whole work team. For good and continuous performance, the manager uses substance rewards; rewards and job promotions with mental and physical incentives to encourage and improve the moral of the employees. Judgments of employees are based on equal considerations and statements. The information of subordinate’s good performance can be spread to the all in the organisation, to let the rest of the workers know what is considered a job well done.

The interviewee prefers a new idea’s contributor to lead a work team. Related technical experts and other necessary support professionals can be at the disposal of the initial employee’s team, but, at the same time, those participating as supporters also play another role; as monitors through continuously evaluating, revising ways and result controlling. In other words, a new idea can be stopped since there can be problems during the period implementation. An idea’s contributor can freely contact his/her supervisors. If necessary, he/she can skip levels of hierarchy and directly make contact with top managers. However, his/her power is still limited. Without 100 per cent empowerment, leaders in teams cannot just make changes and revisions of methods of measurement must be ratified by upper managers rather than subordinates making their own decisions, even they are the best choice.

The interviewee manager is free to communicate with others during lunch time or out-of-work hours. The manager can ‘hang-out’ with subordinates and other employees and talk not only of topics within business affairs because they want to build up Guan Xi. During these moments, the interviewee, as a manager, adjust their etiquette, attitude, talking tone and all other behaviour according to the age, gender, and seniority of the other members of the group. When back in the working environment, everyone knows their own role explicitly within the working place and during working hours.
Top managers’ decisions can be altered only through the board of directors and all decisions are made from the board of directors. Then different levels of managers implement the details down the hierarchy. The interview relays that decisions are made and/or changed based purely on the business’ interests.

The manager regards them-self as a quite smooth-faced person, and believes in the power of team work. The manager doesn’t think the company’s management style needs be changed too much if it moves to the Sweden. The manager believes that, in such a hypothetical situation, Swedish employees can work a little bit harder and that the working pace can be improved, making things run a little bit faster.

The big problem for the manager to think about is market share and profit. Since the average purchasing power is high in Sweden, but the market is limited, moving to Sweden may be hard for the interviewee. The interviewee thinks the related laws and regulations can be big barriers for a Chinese company to move into the Swedish market. Management differences between China and Sweden, in the interviewee’s opinion rest on the realisation of division of labor in the work team, i.e., in Sweden the employees clearly know their own roles in their position and do not do much beyond that. Finally, the manager thinks that it is important to have open-minded thoughts to do business and work in the new country and new working environment.

4.4 Chinese manager in Sweden

The Chinese interviewee’s business card has title with engineer, but when the new recruits are coming, the person helps to train the new comers and seems like a kind of rookie trainer. The interviewee feels in general that Swedish organisations are less hierarchical that their experience of working in a Chinese organisation many years ago. The interviewee finds it easier to talk with higher managers and to get access to others in the organisation, especially in Fika time (Swedish coffee breaks). The interviewee doesn’t need to talk too much with the boss if they do not think it is necessary before taking the next step with a decision.

The interviewee does not feel much of a Guan Xi culture within Swedish organisations, which means that the interviewee does not need to deal with their relationship with colleagues, the bosses and others too much. The interviewee does not need to spend much time with people from work besides in job necessities. It is felt that there is not really coach role played by managers with new comers.
The interviewee both likes and dislikes the Swedish *Fika*, because the interviewee feels it’s a good time for relaxing during the working day, but at the same time, the interviewee feels the job is disturbed by these intermittent coffee breaks. It means that employees cannot concentrate on their work, in the interviewee’s opinion.

The interviewee mentioned that when work tasks are done well, the company shows appreciation more to team-work than individuals. Good news of someone’s hard work can spread around the organisation easily.

When a job is not well done, the boss will ask the employees to fix the situation as soon as possible. Swedish employees, in the interviewee’s opinion, are not usually too introvert. Subordinates can complain and then just go back to the job to do it again if something went wrong the first time round. Faults are usually fixed by the related working team and if there is someone who explicitly did wrong, the interviewee states, they need not fear having any economic leverage used as a punishment. A reward system based on work performance is in use at Swedish companies according to the interviewee, making Swedish companies feel more relaxed than Chinese ones.

Private life and working affairs are separated very clearly at the interviewee’s company in Sweden. It is normal for colleagues in their department to not drop by others’ homes. However, when someone retires from the company, all the employees will celebrate for the retiree, no matter which position or level said person belongs to.

Empowerment, in the interviewee’s opinion, has reduced due to the financial crisis. Managers in the entire company have more control over the subordinates than before. Also, the company currently recruits fewer people than before, so the interviewee’s managerial has lessened too.
This chapter analyses the results of the case studies undertaken. Facts are presented as they occur in the results.

5. Analysis

Our research shows that in the Shanghai region, more so than in Stockholm, employers seek out the person responsible for a mishap. When this has been established, the responsible employee will be given time to straighten up whatever the problem may be. Swedish management focuses attention on the systems in place in the company; “what might have caused the employee to make the mistake?”, whereas the Chinese think more along the lines of; “is this employee fit for his/her job?” Therefore we can see that Swedes look to the process and the Chinese look a little more to the task. Both management styles are conforming to their national culture positions of weak uncertainty avoidance making for focus on processes. The difference is where in the process the faults are found. One can look at the level of individualism to ascertain why this is. The Chinese, being more collectivist, are seeing the employee who does not pull his/her weight as letting the team down. The Swedes, however collectivist their society may seem with its admirable welfare system, are much more individualistic. Therefore, in figuring out why an employee has made such a mishap, the notion that there must be an alternative cause other than the employee’s ability that has brought this situation about, is only natural. This employee has been hired to his/her position because of merits they have. So, failure to complete a task must, in the Swedish thinking, be a problem of the process over a problem with the individual involved.

New ideas from employees are accepted by managers of both cultures, even if the Stockholm manager is more likely to empower their subordinate and let them “do their thing”, rather than having the subordinate propose an idea. One should note here, though, that this ties in very well with another point, namely, the observation that a manager in Shanghai needs to spend more time making sure that subordinates are actually doing their job to the right quality. This makes Chinese managers’ role a more overviewing one, and gives proof of the much higher Power Distance and the paternalistic management style in use in Shanghai.

Digging deeper into the role of the individual manager, our research shows that Chinese decisions are prone to be subjected - to a greater extent than in Sweden - to confirmation by larger groups of senior officials. A Chinese might call this teamwork, whereas a Swede would refer to it as a decision that could have been made by one person.
This is further evidence of empowerment found in Swedish firms, and again proof of the Power Distance differences between the two cultures.

On the topic of intra-personnel communication, both cultures seem to prioritise talking about work related subjects during working time.

An interesting prejudice brought forth during the interview with a Chinese manager is that “Swedes lack speed in their work”. Conversely, the Swede with experience in China explained that quality issues are a major problem in China. The negative views each has of the other, in this instance, can be attributed directly to the differing perspectives the managers’ national cultures prescribe to things. Managers in Shanghai, as explained earlier, live in a culture that is more collectivist. As such, it should be in the interest of all members of a group to get tasks completed as efficiently, i.e., as fast, as possible. Therefore, one can learn to understand how the Chinese are forming this view that Swedes are slow workers. The same analysis holds true for why Swedes sometimes find faults with Chinese quality. The individualistic nature of Swedes should have it that because the quality of something is the direct responsibility of an individual, then the quality should be high, as their thinking has it that no-one would want to show-case their own hard work in the guise of poor quality.

There is, according to our findings, a straight-forward hierarchy in China, with managers telling employees what to do and how to do it. In comparison, in the Swedish system a manager only says what the end goal looks like and lets the employees establish the best route there. The difference in the Power Distance of the two countries is here evident again. There are also elements of uncertainty avoidance at play here that need to be looked into. Both the Chinese and Swedish national cultures are relatively low on the index for uncertainty avoidance. Thus, there is no real fear of the unknown. So, why the Chinese managers feel the need to lay out a roadmap for task completion while the Swedish managers do not is a definite reflection of the national culture influencing management style.

Swedish employees are not, according to our findings, constantly watched by their managers, and can therefore relax and focus on the job at hand, or even fika (meaning to take a break from work and enjoy a minute or two of chit-chat and cup of coffee). The fika does not exist in the same way in China as there seems to be no time for it, although the Chinese do manage to find the time to have up to two hour lunch breaks. These cultural differences can, of course, lead the non astute observer to think that Swedish employees spend their time at the coffee table rather than working and the Chinese spend their days dining. However, the
preceding example is a perfect reflection of how the Chinese notion of Guan Xi is employed in daily life, but absent from the Swedish culture.

On the subject of working rather than resting, our findings have it that more genuine thought is put into the work of a Swede, whereas a Chinese employee will do what he or she is told; no more and no less. Our results point towards the Chinese employee (or manager for that sake) being more committed to their paycheque than they are to the company and their own work as a whole. The collectivist nature of China, then, sees the whole company unit as the producer of the desired quality, rather than the input of one single worker. As evidenced by the sheer amount of products that come from Chinese factories of both the highest international standards and amongst the lowest, Shanghai managers can get true quality out of Chinese workers. It boils down to how employees are led.

A Swedish manager would be advised to study the concept of ‘saving face’ before heading off to China. This concept seems to permeate the entire social network. There is an example in our findings where a Chinese manager traveling in China with a Swedish manager wanted them (the two managers) not to take the bus with their subordinates. This, in the Chinese manager’s mind, would bring them down to the level of the employees, who might lose respect for them. This is a sharp contrast to Swedish managers, who have no problem riding on the same bus as subordinates. The Power Distance difference is again here evident. Notions of class are also an issue here. Swedes have managed to break down class definitions of the last 50 or so years. The Chinese, on the hand, were very successful at bringing all members of the People’s Republic to the same level in the 1960s and 70s, but since the economic reforms in the 1980s one can see these class issues being recreated. The above anecdote is evidence of this happening in Shanghai now in the 2010s.

Our research shows that blue collar workers in the Shanghai region are not prone to make their voices heard. There seems to be two reasons for this; one is that this type of communication is not part of the culture, meaning that “nobody does it, why should I?”, takes hold; the other reason being that the employee does not want to stick out and risk loosing their job because they confront a superior. This is a great difference from the Swedish corporate culture, where most everyone’s ideas are listened to by superiors (although not necessarily acted upon). The Chinese way can, in light of our findings, hinder the positive evolution of workflow, but in other cases, it can be seen as a good way to make sure that employees spend less time thinking about their job, and more time doing it. Following orders is something
Shanghai employees can do well and this is due to the national culture of China prescribing high Power Distance, but also low Individualism. However, Swedes also have the ability to get the job done. So, this brings into question the extent to which national cultural dimensions are truly reflected in the above. The high context nature of China’s national culture and low context nature of Sweden’s culture, however, would prescribe the opposite management styles. This is peculiar, but seems, then, to be due to the overbearing strength of Power Distance as a cultural dimension.

In contrast to the big difference in blue collar worker’s communication with their respective superiors, there are striking similarities in the white collar communication. Here, employees, as well as managers, seem to be more prone to speak out in the pursuit of promotion and in grabbing the attention of superiors.

Strengthening the Swedish manager interviewed in Sweden’s prejudice, there is more of a need for managers to make sure that tasks are completed in a correct manner and that the results are satisfactory when managing in China. In Sweden, managers let their employees make their own decisions - working individually - and trust that they will report if there are any problems.

Our research shows that the rewards system used in China is more stick-and-carrot than that used in the Swedish corporate setting. Both the Swede in Sweden and the Chinese in China seem to indicate this, the Swede exemplifying by comparing the Chinese way to the well-known reward system in place in the U.S.A. where “employee of the week” is often used. This type of recognition is also seen in China, but was disliked, and not used, by the interviewed Swedish manager in Sweden. This brings out an individualistic nature in the Chinese culture. Individuals would seek personal compensation for work over-and-above what has been asked of one. Swedes, conversely, on this level, are being shown to be much more collectivistic. Why this may be, is, thus, due to the differing views of the Chinese and Swedes as to where one’s affiliation lays most. Chinese see the family and the country, as a whole, as the collective unto which they belong. Swedes see themselves as individuals, although their work unit depends on them to be part of a group to get things done.
In the discussion chapter we tie-in our findings to the theoretical background researched. Our reflections on the process of working together cross-culturally are also described so as to give the reader an insight into how we, one Chinese student and two Swedish students, managed working with each other during the writing of this paper.

6. Discussion

This thesis set out to explore and it found that the differences between the management styles of Shanghai managers and Stockholm managers are relatively profound. Similarities exists, but our research shows that these are rather minor, even though they can help the managers of the two said cultures find some commonality. Not understanding the differences poses a threat to doing business between the two regions. Learning more about these differences should, at least, lessen the problems faced and assist in facilitating good business relations.

As the analysis shows, all the interviewed managers view new ideas originating from subordinates positively and will, where possible, bring these new ways of working into effect. This means that employees in both regions are able to somewhat make their voices heard, but it does not mean that the employees have the courage to do so.

The analysis also shows that most communication in the place of work will in some degree be work-related. One could argue though, that the chit-chatting Chinese in China is establishing future business relationship ties, whereas the chit-chatting Swede in Sweden could be merely having a *fika*, both of which tie in to the avoidance of uncertainty, albeit with differing motives. To iterate, the Chinese may ask about their colleagues’ personal life with an aim of establishing a bond that could lead to business deals in the future.

In discussing the major differences between management styles in the Shanghai region versus the Stockholm region one can see that the biggest difference lies on the subordinates’ respect for and thoughts about their manager. The Chinese venerate their superiors more than their Swedish counterparts which has, in our opinion, an effect on the leadership style said manager. This can be the reason for the more stringent hierarchy seen in Chinese corporations. Venerated superiors should, naturally, use the power given to them through this corporate culture. The above exemplifies one extreme of the Power Distance dimension.

A similarity found while analysing the results was the fact that white collar workers of both regions were more prone than their blue collar counterparts to speak out in a corporate setting. The experience and the education these white collar employees have give their thoughts more substance. The similarity of this aspect is found when comparing the
relationship between Swedish blue collar workers and Swedish white collar workers with the relationship between Chinese blue collar workers and Chinese white collar workers.

Working together as a multi-culture team the authors of this thesis have gained some critical insight into the differences all of us have. A clear indication of the Chinese member’s heightened respect for seniority, in this case towards older men, was seen at the outset of working together in the group. That the oldest (male) author was being obliged by the (younger) Chinese author could be seen in the Chinese member’s communication style.

People may think they know much about other cultures. One may think one is savvy to others’ cultures. However, on closer inspection, this is not really the case; even a substantial length of time spent in a foreign culture may not have an assimilative effect on a person (although some of the authors were expecting it to).

In this concluding chapter, we would like to make judgments upon the facts presented in the preceding chapters. What we, the authors, feel can be concluded from the research undertaken is presented herein. We answer the questions that were laid down in the beginning, and make suggestions as to where some further research might continue on from.

7. Conclusion

Some of the differences found in our research were already known by those involved. However, some problems in doing business between the regions still persevere, which the authors find strange as it should not be all that difficult to assimilate or integrate when the differences are known and can be adapted to. It should be noted that the differences, as well as, the similarities, that an objective viewer can see might not be so obvious to the subjective participant.

The cultural factors that need, thus, to be understood by managers when dealing with their foreign (i.e., Chinese or Swedish) employees are as follows:

Chinese managers should get themselves accustomed to Swedish coffee breaks and also to working as a part of a team, where each member is equal, albeit not in the Orwellian manner where some are more equal than others. Swedish managers would be advised to take advantage of daily interactions with Chinese colleagues as these encounters can be the basis for long-term relationships both in business and from a personal angle. Swedish managers
may also wish to read-up on rewards systems for employees, as successful remuneration policies can lead to an answer to question of getting European standard quality out of Chinese production facilities and services.

Swedish managers believe that managing the Swedish way, and thus managing Swedish employees, entails listening to one’s subordinates. Part of this listening places the manager as mediator, rather than de jure leader, in a work team. Thus, knowing how to perform this role and being willing to act this part are essential to managing in the Stockholm region. The aforementioned are key points for Chinese managers in or coming to Sweden.

Keeping one’s distance from employees in literal proximity and in personal relationships, so as to affirm one’s position as manager and leader, is paramount when managing subordinates in the Shanghai region. However, when dealing with colleagues of the same rung in a company’s hierarchy, managers should be open to cooperation, and not take lightly interactions as they are the building blocks of long running, and hopefully, harmonious connections.

Swedish managers are under the impression that the Chinese only work when they have to, only do what they are told what to do, and that their only reason for getting jobs done is the paycheque. This prejudice needs to be dealt with by finding a way to involve employees in operations, although outright empowerment of subordinates is not an option due to roles being prescribed culturally. Delegating responsibilities in line with organisational hierarchy yet making use of a feedback system to facilitate a form of constrained empowerment may be a solution, as it takes advantage of the Chinese’ respect for power but also allows for their want to have some of that power themselves.

Chinese managers are under the belief that Swedish employees are quite slow in getting things done. There is a feeling that it is all talk and not much action when it comes to working with Swedes. This may well be a problem for Chinese managers of Swedish staff as there is a task based mentality as opposed to process based. Therefore, it would be suggested that strict timeframes are given to Swedish employees for the completion of their tasks; although a block of time for discussing what has been done may well be in order post task completion, to allow for reflections on the process to be aired.

This research paper strove to find the most important similarities and differences in the managerial styles of the Shanghai region of China compared to the Stockholm region of Sweden. Some prejudices have been discussed, as well as some plausible solutions to handle
the differences. The authors feel that this paper explains these points well, yet there are more questions to ask. Therefore, future research might include:

1. To what degree do cultural misunderstandings between Swedes and Chinese effect the performance of business start-ups by Swedish and Chinese firms in China and Sweden respectively?
2. Can the concept of localisation diminish cultural friction for Chinese/Swedish firms opening up abroad?

As the internationalizing of the world economy becomes more evident, and the BRIC (Brazil, Russia, India, & China) countries establish themselves on the international market, the issues discussed in this paper become very relevant. This thesis is very focused on the relationships between two specific countries and the authors have found some key differences and similarities that need to be understood. Understanding and acting upon the knowledge garnered from said understanding is, however, the prerogative of the reader.
References


### Appendix

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Gantt chart for project progress created by Jones, Wright, & Anon., 2010.
Interview questions

In English:
Your subordinate has completed his work in such a fashion that the end result does not live up to the organization’s expectations. The work can not be undone, and higher management has already seen the result. They are not happy, and are questioning why YOUR department has done such a mediocre job. What do you do? Who’s fault is it? What do you say to your managers? What do you say to your subordinate? When? How?

Your subordinate works both efficiently and with great enthusiasm. The end result is always well above both your and the organization’s expectations. Higher management is noticing the great achievements coming from YOUR department. They are very happy with you. What do you do? Who gets the credit for the job well done? What do you say to your managers? What do you say to your subordinate? When? How?

A subordinate proposes a new way to complete his/her task. You conclude that this is a great idea. It is far superior to the one in use at the moment. Who presents this new way of working to the other affected other employees? To the managers higher up in the hierarchy?

As a manager in your organization; do you often communicate with your supervisors and your subordinates? What do you share with each other? What tone is used in your discussion?

When you have made a decision, is it possible for others in the organization (both managers above you and your subordinates) to alter this decision? Who can do this? How? And why are they able to change a decision and in doing so, probably also the outcome?

How do you see your role as a manager, and would you have to change your management style if you were to work in China/Sweden? If so, in what way and why?

Where do you see the biggest problems with doing business with China/Sweden, and how can one overcome them?
As given in Swedish:


En anställd under dig föreslår ett nytt sätt att utföra sitt arbete. Du avgör att det är en bra idé, den är överlägsen det sättet som är i bruk. Vem presenterar detta nya sätt att arbeta till de andra berörda anställda? Vem presenterar det till dina chefer?

Som chef i denna organisation, kommunicerar du ofta med dina chefer och dina anställda? Vad brukar ni prata om? Vilken ton har dessa samtal?

När du har tagit ett beslut, är det möjligt för andra i organisationen (både dina chefer och/eller dina anställda) att ändra på detta beslut? Vem kan göra detta? Hur? Och varför får de ändra på ett beslut, och därav troligen också resultatet?

Hur ser du på din roll som chef, och tror du att du skulle behöva byta på din ledarskapsstil om du arbetade i China(/Sverige)? Om så är fallet, hur och varför?

Vad tror du är de största problemen som kan uppstå vid affärer med China (/Sverige), och hur kan man övervinna dessa?
As given in Chinese:

假设您下属完成的工作差强人意，没能交出一份令您的上司满意的工作结果。试想作为该管理专员，您认为您的部门怎么会出现这样的状况？您会怎么处理这种局面？您认为责任在谁？什么您对您的属下讲，什么您对您的上司讲？

您的下属工作出色，工作业绩令您和全公司很满意，更高的管理层已经意识到了您的部门的杰出表现，和很满意您在该工作上的管理。在这种情况下，您认为这归功于谁？什么您对您的属下讲，什么您对您的上司讲？

要是您的属下向您提出了一个好工作方案，您很欣赏认为值得全面推广，您认为谁该做这件事？这会导致更高的等级差异吗？

您经常与您的上下级沟通吗？什么您愿意与之分享和您是以什么口吻与之交流？

一旦您作出决定您的上下级在什么情况下可能再次左右您的先前决策，如何发生的，结果又会如何？

您如何看待您的管理角色，如果您工作在中国/瑞典，瑞典/中国，试想您是否您会改变您的管理方式？

在瑞中/中瑞商贸往来之间您个人认为什么是最大的考验，您的忠告和建议是什么？