

**CROSS-CULTURAL MANAGEMENT
ASSESSMENT COURSEWORK TWO**

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Introduction

The majority of organisations operating in different countries follow their specific cultural background in determining their managerial and leadership perspective. This study greatly emphasises the cultural comparison of the UK and China using different cultural models. Further, the study also puts forward a recommendation for improving internal conflicts that are based on cultural differences in different organisations along with dealing with cross-cultural issues.

Background of the Culture of the UK and China

The UK has a culture grounded in more on-time control with scheduled working patterns of businesses. Organisations operating in the UK follow strict time planning as they have a high value on time. People in the UK are all organised in comparison to other countries and take decisions before circumstances that have a chance to appear. At the same time, organisations in the UK emphasise more on social etiquette, protocols and usage of important information in organisational decision-making. Focusing more on a qualified management workforce, UK organisations emphasise on generalisation in terms of developing skills and efficiency of employees. Managers in organisations in the UK deal with quality and punctuality in terms of business interaction and problem resolutions.

In comparison to UK culture, China is more focused on meeting the requirements of customers irrespective of time. People working in organisations in China are more humorous and much more dynamic in the working environment. Rather than making free schedules, Chinese organisations emphasise changing decisions at the last moment focusing on the current situation. Context of this, employees working in Chinese organisations have much tighter control over businesses and place leadership and management stage emphasis on “customer comes first”. The organisational principle of China is to develop personal relationships with employees. Leaders in Chinese organisations support members to develop self-motivation in them to grow a sense of self-dependency.

Main body

A critical review of Leadership and management styles in Organisations for the UK and China

The leadership and management styles in organisations in the UK and China are much different based on cultural differences and grounded ideologies. Every organisation's leadership,

organisational objective and employee perspective greatly depend on the cultural background they belong from. In this context, it has been evident that China following an authoritarian leadership style maintains the flow of power and managerial distribution of responsibilities in the workplace. In China, the majority of organisations are solely controlled by owners thereby making managerial heads responsible and accountable to a single head (Wu *et al.* 2020). This authoritarian leadership makes it much easier for Chinese organisations to take decisions and make judgements in critical scenarios. Employees working in China organisations have a habit of taking command from higher authority following authoritarian leadership. Employees in Chinese organisations are helped to ensure skill development and progress in their future careers irrespective of their needs and abilities. However, because of the authoritarian leadership prevalent in Chinese organisations, employees find it difficult to escalate their suggestions and ideas to higher authorities (Shen *et al.* 2019). In authoritarian leadership, organisations in China have the benefit of supporting the needs of employees with a top-down communication of commands from leaders to employees.

In comparison to this, the UK emphasises transformational leadership as it allows organisations to maintain transparency in the workplace with equal power distribution. British organisations are much familiar with open communication and workplace behaviour grounded with cultural beliefs. British traditional culture has a prevalent dominance in the work environment thereby affecting the perception of leaders. Focusing on equal power distribution in organisational culture, managers using transformational leadership also emphasise on developing transparent behaviour with their employees focusing on specific needs and requirements. In this context, British businesses are most flexible to employee needs and thereby ensure high employee satisfaction. British leaders and organisational management emphasise the self-interest of employees thereby engaging them in decision-making. These businesses are much more flexible in decision-making aspects and emphasise situations to undertake relevant decisions. As per the views of Enget *al.* (2023), transformational leadership also helps managers to motivate employees irrespective of their needs thereby allowing them to explore their skills and competencies. Organisations operating in the UK also prioritise the motivation of employees in terms of minimising internal tension and developing leadership abilities in them. However, in certain cases, it has been witnessed that British class division of cultural background prevails in deep-seated beliefs of leaders in such organisations based on the importance of both ranks.

However, organisations in the UK are trying hard to drive fairly in helping employees to achieve their individual goals.

Comparison of decision-making of companies in the UK and China

The decision-making aspect of companies greatly depends on the management and leadership styles that organisations follow which are highly grounded by their cultural background. Every organisation belonging to a specific culturally driven mindset has a specific perception towards viewing scenarios thereby affecting their decision-making abilities. Organisations in the UK following the transformational leadership and management style emphasise making decisions based on the welfare of employees as well as customers (Tourky *et al.* 2020). In this context, it can be stated that UK organisations emphasise taking suggestions from employees along with ideas that help them to get a wide range of recommendations for specific solutions. British leaders at the same time also engage employees in the decision-making role thereby believing in equal distribution of power. However, in comparison to this, China following the authoritarian leadership style centralises the decision-making power of organisations. Chinese organisations provide very less importance to the subordinates in the decision-making role thereby controlling the overall operations of businesses (Weiss and Dafoe, 2019). In most cases, it has been evident that Chinese businesses make big decisions based on the current scenario thereby being less focused on the long-term goal. However, in this context, UK businesses take decisions in a much pre-scheduled manner thereby aiming for a long-term settlement. The decision-making role in UK businesses provides the environment for every individual with the decision-making role thereby developing a sense of commitment to the organisations (Sheehan *et al.* 2020). Whereas on the other hand, Chinese leaders have less acceptance of employee suggestions and prefer to make decisions based on their judgement and ideas. UK businesses deal with decisions that help them in making a lot of cohesiveness and commitment towards the team. Compared to it, Chinese leaders following authoritarian leadership and management style emphasise having a top-down command over employees. Organisations in China doing much friendlier to employees does not involve them in the decision-making role and mostly engage them in following though come on top-down the decisions taken by the authority (Zhang and Guo, 2021). On the other hand, British businesses irrespective of this size and operating market allow every employee to manage their work thereby making them responsible and accountable for their operations (Lo *et*

al. 2020). However, the freedom of making individual strategies specific to situations is provided to employees in UK businesses which is much absent in Chinese work culture.

Comparison of cultural differences in the UK and China

Hofstede Cultural Model

Hofstede's Cultural Model is widely used by scholars to formulate a detailed comparison between the cultures of two different countries keeping in mind religious and professional groups. However, Hofstede's Cultural Model segregates a country's culture into six different aspects including power distance, individualism, masculinity, uncertainty avoidance, long-term orientation and indulgence helps in understanding business is the probable growth in operating in different countries (Chun *et al.* 2021). Considering the cultural difference between the UK and China it has been evident that the Cultures of these two different nations are much opposite in terms of beliefs and cultural indulgence.

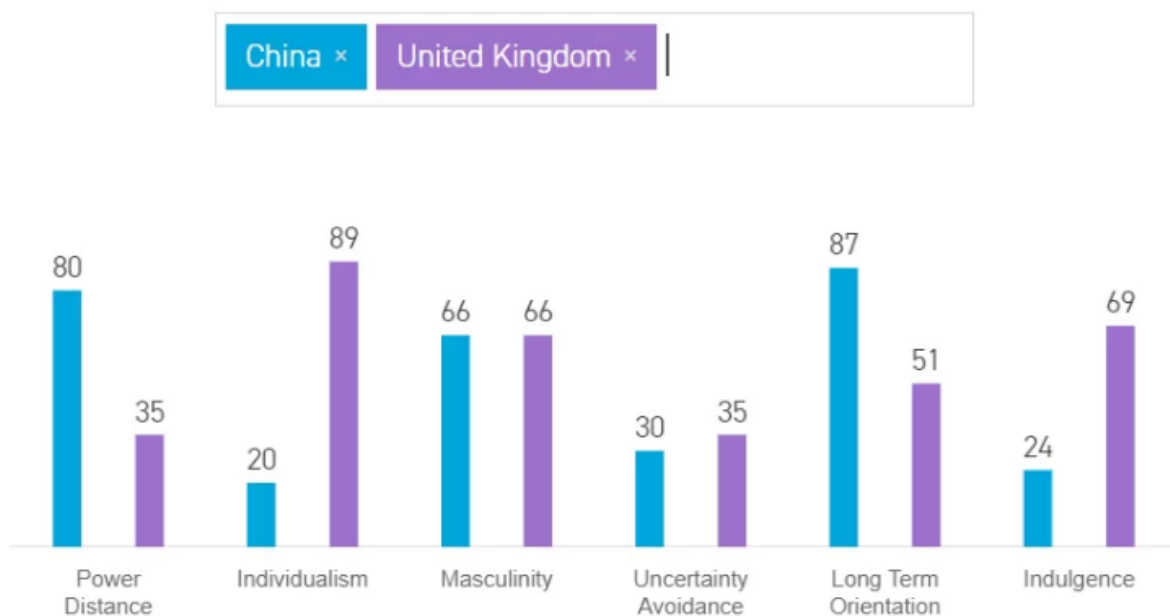


Figure 1: Hofstede Cultural Model

(Source: hofstede-insights.com, 2023)

According to the Hofstede cultural model, it has been evident that in terms of Power distance, the UK has a score of 35% whereas China has an 80% of power distance. In this context, it can be evident that China believes in the prevalence of inequalities among people and are much more acceptable to society whereas the UK focuses on the minimisation of inequalities among people (hofstede-insights.com, 2023). Similar aspects are reflected in the businesses and the

management style of organisations operating in these countries. In the UK, the majority of leaders and managers create an environment where every individual has equal opportunities for growth and skill development. At the same time, employees in UK businesses have the chance of being a part of the decision-making role of organisations thereby putting forward their suggestions and ideas. On the other hand, Chinese businesses are much less likely to accept the suggestions of subordinates thereby creating social inequality in organisation and workplace environment. The command of one individual is mainly prevalent in Chinese organisations where the command and the decisions are taken by the owners of the higher authority only.

Considering the aspect of individualism, it has been evident that the UK has a rate of 89% reflecting a culture that pushes individuals to think by themselves and put forward their opinion. On the other hand, China reflects a highly collective culture with 20% of individualism that emphasises teamwork rather than individual interest (hofstede-insights.com, 2023). Organisations operating in the UK have their individual goals and objectives along with organisational values. Such businesses along with employees understand their loopholes and develop their skills and development. On the other hand, China emphasises the professional development of skills of employees as a team to meet the organisational objective. Chinese businesses focus on the broader perspective rather than emphasising their narrowed self-interest. Considering masculinity as a cultural aspect, both the UK and China have a high success orientation with 66% (hofstede-insights.com, 2023). But these countries are highly driven by their culture and thereby organisational success. Employees in these countries have the urge of sacrificing their personal and leisure priorities to achieve professional success. At the same time, businesses and the managerial decisions prevalent in organisations of these countries also sketches out strategies to seek long-term success keeping aside their personal interest and preferences.

Focusing on uncertainty avoidance, the UK and China are much similar with 35% and 30% rates respectively (hofstede-insights.com, 2023). Organisations operating in the UK and China are much happier with stable business strategies and thereby take some decisions accordingly. But these countries have a culture of maintaining comfortability and stability in businesses rather than undertaking risk for the future. The cultures of the UK and China are much threatened by the time it was an unknown situation and therefore have created a belief to avoid such uncertainties in their businesses. The rate of undertaking risk and trying new experiments in

business decision-making is much lower compared to other countries. Companies operating in these cultures are not much accustomed to the changing plan thereby emphasising the maintaining of comfort zones in business operations.

Focusing on long-term orientation, the UK has a rate of 51% whereas China rates 87% (hofstede-insights.com, 2023). Organisations operating in the UK mostly value their own bust in dealing with organisational challenges in present and future situations. On the other hand, Chinese culture with a pragmatic orientation emphasises the ability to get addicted to traditional aspects of the engine condition. Most businesses in the UK focus on learning from their own past experiences in handling conflicts and organisational challenges which means helping them in strategy decisions based on practical experience. Chinese businesses are grounded in traditional beliefs and emphasise bringing resolutions based on their traditions. Indulgence, the UK has a much higher rank in terms of China with 69%. In this context, China has a length of 24% as it is evident that businesses operating in this country have a culture of restraint that does not allow them to focus on the fulfilment of their personal desires (hofstede-insights.com, 2023). Chinese businesses mainly emphasise the achievement of an organisational team perspective rather than focusing on individual goals. On the other hand, UK businesses give every individual a chance to explore their individual desires and fulfil their dreams along with having their own space of enjoying life.

Vroom Expectancy Theory

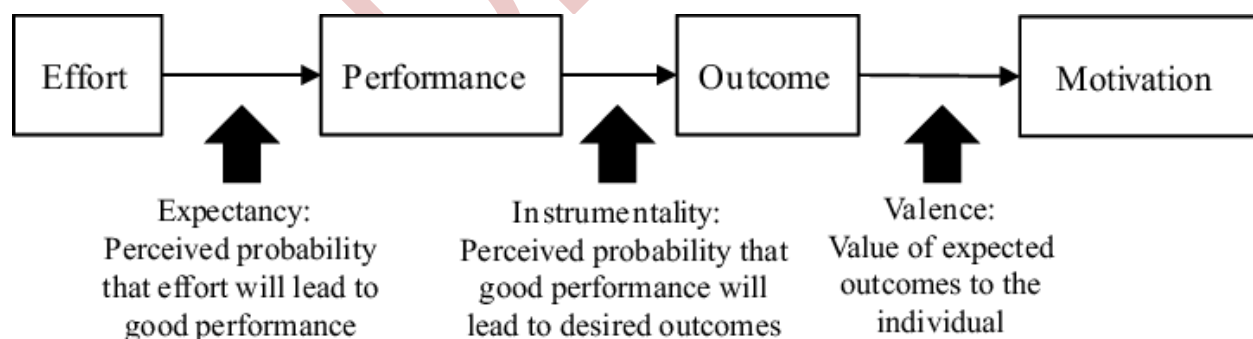


Figure 2: Vroom Expectancy Theory

(Source: Researchgate.net, 2023)

Vroom Expectancy Theory mainly deals with the four stages that act as a motivation for individuals and leaders to undertake the effort and strategies. This theory is greatly driven by the council and predominantly for leaders in terms of perceiving the outcome. The four stages of this theory include effort, performance, outcome and motivation that are completely based on the

perceived notion of every individual (Researchgate.net, 2023). As inspired by Vroom Expectancy Theory, UK business leaders deal with developing ideas from past experience and executing them to the present and future scenarios which reduces the chance of expectancy in terms of course the probability. Businesses operating in these cultures prefer in undertaking decisions based on the predefined notion of the cultural background allowing them to pre-plan every action. According to Vroom Expectancy Theory, businesses are not likely to undertake risk and therefore believe in developing the idea that their effort would probably bring high-performance results to better performance and desired outcomes acting as a motivation to individuals. Similar is in the case of China as they are much more reluctant to come out of their comfort zone and undertake a risk in business decision-making. Both these countries with a high avoidance rate are much more reluctant to undertake business risk thereby preferring to believe the perceived impact of their performance to the desired outcome.

Conclusion

Culture plays a primary role in determining the mindset of individuals working together as well as their approach to working with cross-cultural teams. Organisations operating in a specific country formulate their goals, decisions and perspective based on ground and cultural perception. Considering the two cultures of China and the UK, it has been witnessed that you follow transformational leadership and management style whereas China emphasises the authoritarian style of leadership. Two different cultural models have been used namely Hofstede cultural model and Vroom expectancy theory. From buying this model, it can be concluded that UK equality among employees they're giving them a chance of sharing opinions in decision-making. On the other hand, Chinese businesses emphasise the execution of common delegations by minimising the scope of openness and transparency in businesses.

Recommendation

In order to ensure the effective development of negotiation skills for resolving internal conflicts that arise in the cross-cultural engagement of employees, the application of Douglas McGregor's Theory X and Y can be effective. This theory focuses on developing communication practices and easy adoption of different cultures in the workplace so as to minimise the conflicts of ideologies in cross-cultural business operations and enhance negotiation skills with mutual understanding. On the other hand, Locke's Goal Setting Theory can also be effective in ensuring a specific goal for the team. Cultural differences automatically fade away when every employee

strives for achieving a common goal. Chances for developing mutual understanding in Locke's goal-setting theory are much higher as it keeps away the personal interest and ensures coming to a mutual understanding for easy execution of the team goal. I have worked under different team leaders especially while operating in multinational organisations where I had to follow these theories in order to understand their perception. Often meeting a common goal and interest has allowed me to put forward my opinion to come to a mutual understanding and negotiation.

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