

Scandinavian Management in China

The Adaptation to a New Cultural Context

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This bachelor thesis has been executed in connection with degree project in business administration, specialization in international business at Luleå University of Technology. During the creation of the thesis the authors have learned a lot about management and culture and hope that the thesis will be of interest to the reader and broaden their view of Scandinavian management in a Chinese business environment.

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“The only good is knowledge and the only evil is ignorance”

– Socrates

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Abstract

In the global society that exists today the likelihood of companies and organisations not having to conduct business internationally are rather limited. International business brings many new ways to create success stories but there are also risks and pitfalls associated with it. One of the main reasons for failure in an international environment is the neglect of cultural differences. Scandinavia and China are two vastly different environments but with rapid socio- and economic growth, China has become a more interesting market for many Scandinavian businesses.

This thesis endeavours to explore how Scandinavian managers have to adapt their leadership while working in China. In order to answer the problem area two research questions were developed:

RQ1: How do Scandinavian managers experience cultural differences in China?

RQ2: How do the cultural differences affect the leadership of the Scandinavian manager?

This thesis is of deductive nature with a qualitative approach. Moreover case studies were utilised to collect empirical data where three Scandinavian managers with ample experience of both management and the Scandinavian and Chinese business environment. The aim was to gather empirical data in order to determine and describe the cultural differences and leaderships styles between Scandinavia and China and how Scandinavian manager can adapt to the differences.

The empirical data states that there are both similarities and differences between the two cultures. Large differences can be found in how the organisations in the different cultures uses power and control between superior and subordinate, how the different cultures view teamwork and the way the managers has to express themselves. Differences concerning leadership was also found, the two cultures preferred different styles of leadership, were the most effective styles of leadership in Scandinavia did not coincide with the most effective styles in China. Overall the Scandinavian managers did not have to drastically change their leadership style however there were a few things to keep in mind whilst leading Chinese employees. The Scandinavian managers had to become more controlling which included taking more decisions for the employees, clear instructions and more follow ups.

The findings of this thesis hope to further enrich the field of Scandinavian management and be of value for managers and leaders of Scandinavia working in China, may it be in the present or the future.

Keywords: *management, leadership, leadership styles, Scandinavian management, Scandinavian leadership, Chinese management, Chinese leadership, culture, cultural dimensions.*

Sammanfattning

I dagens globala samhälle blir det allt vanligare att företag och organisationer agerar utanför hemmamarknadens gränser. Internationella affärer genererar många nya sätt att skapa framgång, men det finns även risker och fallgropar förknippade med att agera internationellt. En av de vanligaste orsakerna till en misslyckad internationell satsning är att de kulturella skillnaderna i den nya miljön försummas. Skandinavien och Kina är två geografiska områden där kulturen skiljer sig åt drastiskt, men med den snabba socioekonomiska tillväxten, har Kina blivit en intressant marknad för många skandinaviska företag.

Denna uppsats strävar efter att undersöka hur skandinaviska managers måste anpassa sitt ledarskap under tiden som de arbetar i Kina. För att svara på problemet har två forskningsfrågor utvecklats:

FF1: Hur upplever Skandinaviska managers kulturella skillnader i Kina?

FF2: Hur har de kulturella skillnaderna påverkat de skandinaviska managernas ledarskap?

Uppsatsen är av deduktiv karaktär med en kvalitativ metod. Vidare användes fallstudier för att samla in empirisk data där tre skandinaviska managers med stor erfarenhet av ledarskap samt skandinaviskt och kinesiskt företagsklimat intervjuades. Syftet var att fastställa och beskriva skillnader i ledarskapsstilar och kultur mellan Skandinavien och Kina för att få en förståelse för hur skandinaviska managers kan anpassa sig till dessa skillnader.

Empirin visar att det finns både likheter och skillnader mellan de två undersökta kulturerna. Stora skillnader finns i hur organisationer i Skandinavien och Kina använder makt och kontroll i relationen mellan överordnad och underordnad, hur de olika kulturerna ser på lagarbete och hur managers måste uttrycka sig för att uppfattas som goda ledare. Skillnader gällande olika ledarskapsstilar konstaterades också, de två kulturerna föredrog olika ledarstilar, där de som ansågs vara mest effektiva i Skandinavien ansågs vara minst effektiva i Kina. På ett övergripande plan behövde inte de skandinaviska managerna inte drastiskt ändra sitt sätt att leda men vissa faktorer var viktiga att tänka på vid ledandet av kinesiska anställda. De skandinaviska ledarna behövde bli mer kontrollerande vilket innefattar att ta fler beslut åt de anställda, ge tydliga instruktioner och använda sig mer av uppföljning.

Förhoppningen är att resultaten från denna studie ytterligare berikar forskningen inom skandinaviskt ledarskap och är av värde för skandinaviska managers och ledare som arbetar i Kina, må det vara i nuet eller i framtiden

Nyckelord: *management, ledarskap, ledarstilar, Skandinaviskt management, Skandinaviskt ledarskap, Kinesiskt management, Kinesiskt ledarskap, kultur, kulturella dimensioner.*

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“...which animal the ruler should impersonate depends strongly on what animals the followers are.”

- Geert Hofstede

1. Introduction

This chapter will provide background information of the chosen research area in order to introduce the thesis. Thereafter a problem discussion about Scandinavian management and its relationship with culture will be presented with the purpose of familiarising the reader with the problem area. Afterwards the overall purpose of the thesis and the associated research questions will be presented. Lastly an outline of the thesis will be presented.

1.1 Background

When goods, people, and ideas moves across traditional boundaries, different cultures will meet, mix or maybe even clash (Kim & Bhawuk, 2008). This has been the dynamic of culture through history and it has not changed. Culture is in many ways a highly complex construction, and several of its aspects will have an implication on the increasing amount of intercultural interactions that follows in the footsteps of the global ambitions of firms (Leung, 2014).

Previous research has already drawn attention to the connection between culture and leadership styles, an abundance of studies concerning country specific and cross-culture studies has been conducted in order to explore the link between management and culture (House, Wright & Aditya, 1997). Existing literature indicates a disparity regarding the view of patterns concerning a homogeneous management style (House, Javidan, Hanges & Dorfman, 2002). One argument is that the direct impact of culture on leadership styles where specific components of culture are “*bound to differentiate as much or even more than structural factors between societies*” (Lammers & Hickson, 1979). On the other hand some researchers believe that at least some parts of leadership may cross cultural borders and are therefore universally accepted (House et al., 2002).

According to Javidan, Dorfman, Sully de Luque & House (2006) traits including being visionary, inspirational and a team integrator are all perceived as important components for an effective leadership and can be considered universal in the sense that they are expected of leaders across most cultures. Dorfman, Hanges & Brodbeck (2004) agree that these traits are indeed universal, but also highlight other attributes of leadership that vary in relevance across cultures.

Furthermore research has been conducted in order to investigate leadership and management styles across different cultural contexts, highlighting distinctive aspects of organisational leadership in one region in relation to other cultural regions (Joynt & Warner, 1996; Ronen, 1986; Zander, 1997). The compatibility between social values and managerial practises influences critical organisational outcomes. Due to this it is important to keep exploring this complex but important link between culture and management styles since it provides more than a pure academic interest (Grenness, 2003). In today’s society there is a need for an understanding of leadership and organisational theories that cross borders in order to know what works and does not work in different cultural environments (House et al., 2002).

As described, there has been research conducted regarding management styles within specific cultures. One that has been around for over three decades and has been mapped by past research is the Scandinavian management style (Grenness, 2003). Scandinavian management style is a way of management that implies decentralised leading and horizontal organisations with high focus on individual opinions and high trust between managers and employees (Hofstede, 1984). Past research has consistently described the Scandinavian management style as individualistic, feminine and employee-oriented (Smith, Andersen, Ekelund,

Graversen & Ropo, 2003). According to research about how managers in Scandinavia perceive their own management style the conclusion was that humanization of work, democratic ideals and cooperation in general all were important values of the managers. These values correspond well with previous research stating that value co-operation, consensus, participation, and power sharing, together constitute the Scandinavian management style (Grenness, 2003).

1.2 Problem discussion

In all countries there is a concept called “management style” but what the concept really means depends on, and differs between, countries (Hofstede, 1993). The implicit leadership theory states that individuals assess leaders based on their culture’s implicit and tacit assumptions, stereotypes and beliefs about leadership (Lord & Maher, 1991). The closer the connection between the group’s implicit criteria and the leader’s actions and attributes, the higher the degree of acceptance is (ibid.). Previous research has discussed the importance national culture has on implicit leadership theories, and has come to the conclusion that it is a major determinant. It has been proposed that people within a specific culture share a common set of criteria and attributes for evaluating their leader (Shaw, 1990). Society from a specific culture reflects some sort of common agreement on meanings and interpretations, which consecutively lead to social influences by producing “*a set of compelling behavioural, affective, and attitudinal orientations and values for the members*” (House et al., 1997).

For the international organisation, one of the most common reasons for failure is the neglect of cultural differences; above all management may find handling cultural differences especially difficult (Fan & Zigang, 2004). For the managers working in a cross-cultural environment, language differences, different ways of thinking and contrasting views on the world might prove problematic (Xiao & Boyd, 2010; Fan & Zigang, 2004). These differences might lead to conflicts, and constitutes one of the biggest challenges for international managers, regardless of country of origin (Dong & Liu, 2010). Moreover, it is hard for organisations to prepare their managers for cross-cultural working situations due to the fact that many problems are contextual and there is no universal solution to these problems (Xiao & Boyd, 2010).

In order for the managers to succeed, they must be culturally sensitive and act in a way that is deemed acceptable within the given cultural context (Erez and Earley, 1993). As an example, in a typical high power distance culture the ideal leader would be a benevolent autocrat but in a low power distance culture, a leader that acts as a resourceful democrat would be more accepted (Hofstede & Bond, 1988). For a manager that is used to leading within their own cultural context it is important to remember what may work in one culture may not work in another (House et al., 1999).

China is an attractive market for foreign companies and the western firms that relocate or start subsidiaries in China face business environment that differs from their home environment. However there are several approaches the foreign firms can take in order to learn about the Chinese business environment. Foremost by being present in China gives the firm valuable knowledge of the Chinese market. Also if the firm possess previous experience of foreign operations should improve the firm's ability to learn about the new market. Insight into the market and a cultural knowledge accords the foreign organisations major advantages. (Carlsson, Nordegren & Sjöholm, 2004).

According to the study conducted by Hofstede, Hofstede & Minkov (2010), there are specific cultural differences between Scandinavia and China. Though the cultural dimensions created by Hofstede have been found to be stable over time, the 30 years of socio-political change should have had an impact on the culture of many nations (Evans & Mavondo, 2002). As previously mentioned the implicit leadership theory states that cultural differences affect leadership styles in different cultures (Lord & Maher, 1991). One cultural dimension covered by the Hofstede study states that China can be perceived as a collectivistic society. However, in the last decades China has experienced a rapid economic and urban development which in turn has had an affect on the underlying values of Chinese society. Values that make up factors such as individualism and collectivism may shift along with ecological changes such as urbanisation, economic development and the prospect of higher education. Furthermore, research illustrates that individualistic values have increased since 1970 whilst values that affect the collectivistic nature of Chinese society has either decreased or experienced a lesser growth rate than individualistic values. (Zang & Greenfield, 2015)

For the Scandinavian managers, who have developed their management style within their given cultural context and goes abroad it might get complicated due to the reasons previously mentioned. Knowledge about cultural interpretation and adaptation is a prerequisite for achieving success within any new cultural environment (Morden, 1995). Although the specific and unique characteristics of the Scandinavian management style have been extensively studied in the past, there is still a limited amount of research that emphasizes the potential problems Scandinavian managers might meet in a cross-cultural environment (Grenness, 2003).

1.3 Purpose and research questions

Based on the above mentioned problem discussion, the overall purpose of this thesis is to provide a deeper understanding on how Scandinavian managers adapt their leadership style in the Chinese market. In order to answer the overall research purpose the two following research questions have been developed:

RQ1: How do Scandinavian managers experience cultural differences in China?

RQ2: How do the cultural differences affect the leadership of the Scandinavian manager?

1.4 Thesis outline

This thesis consists of six chapters in total: introduction, literature review, research methodology, empirical data, data analysis, and, findings and conclusions. Chapter one is the introductory chapter, which serves the purpose of presenting the research area within the background and problem discussion. Furthermore chapter one states the overall purpose of the thesis and the research questions. Within chapter two, the literature review, theories connected to the research problem are presented and a frame of reference is developed. Chapter three, methodology, will illustrate and describe how the thesis and research was conducted. Chapter four, empirical data, is a presentation of the collected empirical data. Following chapter four is chapter five, data analysis, which will connect, compare and evaluate the collected empirical data to the frame of reference. In the final chapter, findings and conclusions, the research questions will be answered. In addition possible implications for further research and practitioners will be presented. The outline of the thesis is illustrated in figure one below.



Figure 1: Thesis outline

2. Literature Review

This chapter will present an overview of previous literature and theories relevant to the research area and subsequently the research questions. Firstly theories that are relevant to research questions one will be presented, thereafter relevant theories for research question two to will be described.

2.1 Management and leadership

Management and leadership are both well studied subjects, nonetheless a conceptualization or definition has always been difficult to accord to these two terms. The difficulty in defining management and leadership is mostly due to the interchangeability between the terms in the workplace which in turn creates confusion. Despite this it is important to note that there are nearly as many different definitions of management and leadership as there has been attempts to characterize the two terms. (Kotterman, 2006)

Etymologically the word “manage” is derived from two different sources. The first source is the Italian word “meneggiare” which meant handling things and was rather masculine in nature since its secondary meaning was taking charge. This meaning of the word came later to be confused with the French word “menager” which meant careful use, with a more gentle and feminine nature since it referred to the careful use of household resources. This development has resulted in a dual meaning of the term management that remains until these days. (Mant, 1977)

According to Toor & Ofori (2008) the term “management” contains three primary meanings: management-as-control (from the Latin word “manus”), management-as-caretaking (from the French word “ménager”), and management-as-coping (a modern understanding of management). The Oxford English Dictionary provides the following definition of the term “management”: “organization, supervision, or direction; the application of skill or care in the manipulation, use, treatment, or control (of a thing or person), or in the conduct of something.” (Toor & Ofori, 2008).

One can conclude that management is about controlling, supervising, application of skills, caretaking, and coping with prevailing circumstances (Toor & Ofori, 2008). As a consequence, a manager, is defined by the Oxford English Dictionary as “a person who organizes, directs, or plots something; a person who regulates or deploys resources; a person who manages (a department of) a business, organization, institution, etc.; a person with executive or supervisory function within an organization, etc.”.

The history of the English word “leadership” goes back much further than that of the word “management” and has its roots in the pre-Anglo-Saxon culture (Grace, 2003). During the twentieth century, leadership came to be defined as “the ability to lead” and came later to be used as a synonym for “manager” (ibid.). The current definition of “leadership” provided by the Oxford English dictionary is: “the dignity, office, or position of a leader, especially of a political party; ability to lead; the position of a group of people leading or influencing others within a given context; the group itself; the action or influence necessary for the direction or organization or effort in a group undertaking.”

In recent history, the difference between leaders and managers has been debated for over three decades and is still discussed among academics. In general the participants in this discussion can be divided into two schools of thoughts. The first group of scholars, including authors

such as Kotter (1982, 1990, 2006), Bennis (1989), Maccoby (2000), and Perloff (2004) support the thought of management and leadership being two distinct concepts.

The second school of thought, supported by Kotter (1990), Bass (1990), Conger & Kanungo (1992), Zaleznik (1998), Batemen & Snell (1999), Yukl (1999), Perloff (2004), and Hay & Hodgkinson (2006), consider the two concepts overlapping and hard to clearly differentiate. Even if the roles are different and distinct they are considered interrelated and complementary in many ways. Sometimes leaders manage and sometimes managers lead (Bass, 1990; Kotter, 2006). According to Yukl (2002), both leadership and management can be explained by using the same processes and models, since both uses a mix of leadership and management behaviours. The second school of thought regard leadership as an aspect of management and not a separate activity (Mangham & Pye, 1991).

Scholars often regard leadership as a relationship between a leader and the led that can have a large impact on the organisation. Previous literature has found that leadership can have several positive effects on a firm. Maccoby (2000) stated that good leadership can serve to energize an organisation. Thamhain (2004) found that it can create a supporting work environment. Moreover other researchers found that leadership also can work as an inspirational factor and a greater factor for achieving results through support and persuasion. (Bennis, 1989; Wethersby, 1999)

Management in comparison is mostly associated to power of position, formal authority and control of processes via orders from the top (Kumle & Kelly, 2000; Capowski, 1994; Daft, 2003; Toor & Ofori, 2008). Zaleznik (1977) also found that managers are of a more impersonal nature and that they rely on moderate and distributed attachment. Manager's authority comes from the position they occupy and manage to persuade and influence employees through a reward and reinforcement approach.

Although leadership and management can be regarded as two different entities literature also supports the idea that there is an interrelation between leadership and management since they often perform a similar function and achieve the same goal (Kotter, 1990; Bass, 1990; Conger & Kanungo, 1992; Zaleznik, 1998; Batemen & Snell, 1999; Yukl, 1999; Perloff, 2004; Hay & Hodgkinson, 2006; Toor & Ofori, 2008). However, Sharma (1997) state that “*All leaders need to be able to manage, but few managers have the talents, qualities, or inclination to be leaders*”.

According to Sharma (1997) the distinction between managers and leaders lies within a person's sense of purpose. It is not uncommon for managers to display leadership skills and a long term leader cannot function without managing peoples day-to-day needs. However leaders can exist without formalized power meanwhile a manager is in a power position due to being appointed to this position. Managers' positions are a top-down determination of control whilst leaders are selected by their peers. This often occurs informally and without a specific protocol. The approach in which a leader is chosen is a so called bottom-up determination of control. (Sharma, 1997)

Toor (2011) concludes that leadership and management overlap and complement each other within individuals and organisations. To only rely on either leadership or management is not enough to achieve organisational goals and will not result in effective teamwork. As a consequence, organisations need leaders with managerial skills and managers with leadership

qualities. So in order for organisations to achieve long-term competitive advantage, they should focus on developing competent leader-managers hybrids.

Moreover Toor (2011) states that management and leadership are different and distinct depending on how they are defined, the functions they involve, the underlying concepts and the behaviours manager and leader adopt whilst performing these roles. Although as the need for flexible thinking is more in demand within organisations leaders become more and more important as the manager's role becomes less important. (Sharma, 1997) Sharma also states that if managers are to survive the new millennia they need to learn how to become leaders.

According to Harung (1996) management can be defined into three different aspects that together form the concept of total management. These three aspects are managed, managing and manager. Managed is the first characteristic of total management and is concerned with what *is* managed. This is expressed as the objective aspects of an organisation such as task, numbers, money and so on. In short the managed aspect of total management are the things within an organisation that can be counted and quantified, and also stored and processed by management information systems. (Harung, 1996)

The managing aspect of total management however is more concerned with the process than with specific objects. The capability and capacity of a firm's ability of handling processes is becoming a more and more important facet of management due to reengineering and just-in-time management has become more pronounced. (ibid.)

The last part of the concept total management is the manager which is concerned with the knowledge that the manager possess. This part is more concerned with the psychological part of a human being and training and education. Values, self-esteem, and self-motivation belong to this domain. Moreover formulation of processes and visions belong to the manager. This is an important part of total management due to "no vision, no business". In other words if the direction provided by a goal is missing other components of business might suffer. These business elements could be quality, profit and productivity. (ibid.)

According to Zaleznik (1992) a managerial culture highlights rationality and control. Regardless of the objective, goal, resources, organisation structure, a manager is a problem solver. With this perspective, leadership is an effort to direct the affairs and reach the objective. In order to then be a manager, the attributes needed are persistence, tough-mindedness, hard work, intelligence, analytical ability, tolerance and goodwill. (Zaleznik, 1992)

According to Allison and Hayes (2000) understanding different management styles is vital when conducting international business. According to Albaum & Herche (1999) management style can be defined as "*a recurring set of characteristics that are associated with the decisional process of the firm*". This characteristic will change depending on the environment, which includes nation and culture. In accordance to this Bloom & Van Reenen (2010) found that management practices differ across countries. Ajiferuke & Boddewyn (1970) found that this was due to culture changing from place to place and from country to country, they will influence anything the particular culture touches and that includes management practices.

2.2 Culture

Culture is a well discussed subject and there are several definitions of culture. Ajiferuke & Boddewyn (1970) state that culture is a term that does not only have one single purpose definition. Moreover they continue to describe culture as that the meaning behind the term almost has as many meanings as there are people actually using the term culture. However in order to gain a deeper understanding of the effect and influence culture can have on management an approximate definition has to be established. Moreover a distinction between national culture and organizational culture should be made.

The reason behind a closer examination of national culture and organizational culture should be made is due to that previous research has illustrated a relationship between national and organizational culture on management. (Tse, Lee, Vertinsky & Wehrung, 1988; Poon, Evangelista & Albaum, 2005; Lee, Roehl & Choe, 2000)

2.2.1 National culture

Hofstede (1983) defines culture as *“the collective programming of the mind which distinguishes one group or category of people from another.”* Hofstede's definition implies that culture is a construct this also means that it is *“not directly accessible to observation but inferable from verbal statements and other behaviours and useful in predicting still other observable and measurable verbal and nonverbal behaviour.”* (Hofstede, 1983)

Hofstede (1997) also argues that culture is learned and not something inherent within every person moreover for the *“collective programming of the mind”* to be considered as culture it has to be shared with other. Hofstede states that *“Culture is always a collective phenomenon, because it is at least partly shared with people who live or lived within the same social environment”*. (ibid.)

This way of perceiving culture echoes across previous research. Several researchers have found that culture is a learned phenomenon that is taught by the individuals in the surrounding environment. Whether the surrounding environment is on a geographical, familial or organisational level, individuals learn the underlying assumptions of culture on a societal level. (Low & Chapman, 2003)

2.2.2 Corporate/Organisational culture

Corporate culture is synonymous with the term organisational culture and Sadri (2014) defined this phenomenon as the way the members of an organisation characterize who they are and how they should behave. Organisational culture has an impact on employee behaviour and thoughts. Organisations where employees hold similar beliefs and thoughts how they should behave within the organisation have a strong corporate culture. A strong corporate culture has a positive influence on employee job performance and job satisfaction. Moreover the strong corporate culture also creates consistency across the organisation, both across departments and employees and can as such work as rules and regulations. (Sadri, 2014)

A study conducted by Albaum & Hersche (1999) found that national culture had an affect on managers, especially the decision making process of managers were influenced by national culture. Corporate culture also influenced the decision making process. However the study found that corporate culture mostly was a representation of the cultural backgrounds of the managers. Therefore corporate culture was influenced by the national culture. Although Hofstede & Fink (2007) state that corporate culture and national culture are different subjects and phenomenon's they are interrelated as the national culture influences the individuals within the organisation and therefore the corporate culture.

2.3 The impact of cultural differences on management

A further in depth look of culture and management and how they relate to each other has to be conducted. This section will present the cultural differences that can have an effect on management. This will mainly be done by the utilisation of the Hofstede framework and the framework created by Fons Trompenaars and Hampden-Turner. Moreover the GLOBE project created by House, Javidan, Hanges and Dorfman and its implications will also be presented.

2.3.1 Hofstede's cultural dimensions

Hofstede (1983) describes culture by analysing a country's culture against six different bipolar dimensions. The position a country receives on these dimensions allows one to make predictions about how the society works. This includes the management style of the country and theories that would be applicable to their management. (Hofstede, 1983)

Table 1: Explanation of Hofstede's cultural dimensions

Cultural Dimension	Description
Power distance	Hofstede (1983) defines this dimension as to what extent inequality among a country's population considers as normal. According to Hofstede all countries are unequal however the amount varies from culture to culture. This dimension ranges from relatively equal which means that there is a small power distance to extremely unequal societies which would imply a large power distance.
Individualism vs collectivism	This dimension is a measurement of to what extent people in a country prefer to act as either individuals or part of the collective, i.e. a group. This index should not have a political association rather the individualism/collectivism dimension is concerned with the perceptions of "I" and "we".
Masculinity vs femininity	This index is a measurement if whether values that are often associated with the role of men, such as competition, success, performance and assertiveness, dominate over values that are most commonly associated with women, such as quality of life, maintaining warm personal relationships, service, care for the weak, and solidarity.
Uncertainty avoidance	This index is defined as to what extent people within a society prefer structured situations over unstructured situations. Hofstede (1983) defines the structured situation as when there are clear rules as to how one should behave. Countries that score high on the uncertainty avoidance index are more common to show nervous energy than those countries that have a low score on the index. The low scoring countries are often perceived as easier going. Furthermore countries with strong uncertainty avoidance can be described as rigid meanwhile countries with weak uncertainty avoidance are described as flexible.
Long term vs short term orientation	This index describes to what extent members of a culture are programmed to accept delayed results and satisfaction of their needs. On the long term side of the index a country's members regard values that concern the future as important. Meanwhile on the other side of the index, the short term

	orientation, members of a country regard values with the past and the present as of more importance.
Indulgence vs restraint	This index uses indulgence to describe a country where the members of society allow free gratification of basic and human drives related to enjoying life and having fun. Meanwhile restraint stands for a society with more strict social norms that help to suppress gratification of needs

Source: Adapted from Hofstede (1983)

2.3.2 Trompenaars and Hampden-Turner cultural orientations

Trompenaars and Hampden-Turner (1997) argue that specific cultures differentiate themselves depending on what solutions are taken when facing certain dilemmas. Furthermore the solutions that are undertaken can be divided into three different groups based upon what situation the dilemma is faced with. These three problem headings are; *“those which arise from our relationships with other people; those which come from the passage of time; and those which relate to the environment”*. From the cultural solutions Trompenaars and Hampden-Turner were able to define seven fundamental dimension of culture. (ibid.)

Table 2: Explanation of Trompenaars and Hampden-Turners cultural orientations

Dimension of Culture	Description
Universalism vs particularism	This dimension is utilised in order to define the meaning of what is more important, rule or relationship. If a culture is more inclined towards a universalist approach a thought pattern as expressed as <i>“what is good and right can be defined and always applies”</i> is more prevalent. However if a culture is more particular, greater attention is given towards the <i>“obligations of relationships and unique circumstances”</i> .
Individualism vs communitarianism	This dimension is an index to measure if a culture functions more as individuals or groups. According to Trompenaars and Hampden-Turner (1997) an individualistic society believes that importance should lay upon the individuals in order so that they can contribute to the community as they want meanwhile a communitarian society is more of the approach that it is more important to put focus upon the community due to that it is shared by many individuals.
Neutral vs emotional	This dimension is a measurement to discern whether a culture exhibits their emotions or not. This index asks if interactions within a society should be detached and objective or if it is acceptable to express emotions. Neutral cultures believe that the purpose of interactions is to reach and achieving objectives. This implies that emotions are not displayed as they are considered a hindrance for efficiency. On the other hand in more emotional cultures expressing emotions is common and accepted as business is considered a human affair.
Specific vs diffuse	This dimension is used in order to gain an understanding of whether a culture has a clear separation of private life and work life. In some cultures the business relationship has a large involvement and a large amount of personal contact is wanted and/or needed. This is a more diffuse approach whilst

	specific cultures are more concerned with the relationship that the contract prescribes.
Achievement vs ascription	This dimension is concerned with how one establishes oneself in order to receive status. Achievement oriented cultures judge individuals on what they have accomplished and their past record meanwhile ascription oriented cultures regard status as something that is attributed towards individuals. Attributed status involves individuals' birth, kinship, gender, age and connections.
Internal vs external control	This dimension is a measurement on a culture's attitude towards the environment, do they control the environment or does the environment control them? If a culture regard the major force that affects their own personal life as something within a person, values and motivations are derived from the own person, the culture can be considered as more internal. Meanwhile an external orientation implies that the world is more powerful than the individual.
Sequential vs synchronic	This dimension is concerned with the time aspect. This index can be defined as to answer the question if individuals within a society try to do everything at once or whether things are undertaken one at the time. A sequential culture regard time as a passing series of events while a synchronous culture regard time where the past, present and future are all interrelated and as such present action should be shaped by memories of the past and ideas about the future.

Source: Adapted from Trompenaar and Hampden-Turner (1997)

2.3.3 GLOBE project - House, Javidan, Hanges, Dorfman

The GLOBE project compiled previous work of 170 researchers who collected data from 18.000 managers in 62 countries. From this the GLOBE project was able to define nine cultural dimensions. (House, Javidan, Dorfman, 2001)

Table 3: Explanation of GLOBE cultural dimensions

Cultural Dimensions	Description
Uncertainty avoidance	This cultural dimension is defined as the extent to which members in an organisation aims to avoid uncertainty by using social norms, bureaucratic practises and rituals in order to reduce unpredictable aspects of future events.
Power distance	Is defined as the degree which members of an organisation or society expect and agree that power should be unequally shared.
Collectivism I	Societal collectivism concerns the extent to which institutional practices within organisations and society encourage and reward collective distribution of resources and collective action.
Collectivism II	In-Group collectivism is defined as the degree which individuals express pride, loyalty, and cohesiveness in their organisations or families.
Gender egalitarianism	When an organisation or a society minimises gender role differences and gender discrimination it is evaluated as a

	society with a high degree of gender equality.
Assertiveness	Defined as the degree to which individuals in organisations or societies are assertive, confrontational, and aggressive in social relationships.
Future orientation	The extent to which individuals in organisations or societies engage in future-oriented behaviours such as planning, investing in the future, and delaying gratification.
Performance orientation	The degree to which an organisation or society encourages and rewards group members for performance improvement and excellence. This dimension includes the future-oriented component of the dimension called "Confucian dynamism" by Hofstede & Bond (1988).
Humane orientation	Refers to the extent to which an organisation or society encourages and rewards individuals for being fair, altruistic, friendly, generous, caring, and kind to others. This dimension is similar to the dimension labelled "kind heartedness" by Hofstede & Bond (1988).

Source: Adapted from House et al. (2001)

2.4 Implicit leadership theory

This specific leadership theory highlights the connection between culture and management styles. According to implicit leadership theory, the cultural environment has direct impact on what is perceived as a proper management style. Furthermore this theory states that managers are formed by their culture and thus might be perceived differently within a different cultural context. This section will be used as a bridge between the two fields, management styles and culture. (Javidan et al., 2006)

Leadership theory states that a belief system contributes or impedes outstanding leadership. The belief system can be defined as the set of beliefs an individual holds about the kinds of attributes, personality characteristics, skills and behaviours that influence leadership. Moreover this theory states that these belief systems are assumed to affect the extent to which an individual accepts and responds to others as leaders. (Javidan et al., 2006)

2.4.1 Leadership perception

The evolution of leadership concepts are closely connected to principles formulated in psychological theories of human perception, cognition and behaviour. Cantor & Meschel (1979) and Rosch (1978) found that human information procession utilises context specific schemata to categorize perceptions where they define schema as a collection of attributes or characteristics of an object or a person. Lord & Maher (1991) also state in their leadership categorization theory that prototypical concepts, which are the same as schema concepts, are also formed concerning leadership traits and behaviours that are utilised in order to distinguish leaders from non-leaders and to separate leaders on different indexes such as outstanding to average or from amoral to moral leaders.

Further studies exploring implicit leadership theory has found that when people form perceptions of leadership they use a categorization process. This process takes the form of that individuals match a target person against a cognitive prototype that contains attributes that characterize a leader (Lord, Foti, & De Vader, 1984; Phillips & Lord, 1981; for a review see Lord & Maher, 1991). Cronshaw & Lord (1987) found that an individual recognized as a leader is also perceived to be more influential and powerful.

Schemata in person perception affect individual behaviour such as when a person's schema is activated it leads to a behaviour that is consistent with the activated schema. (Bargh, Chen & Burrows, 1996). If this is applied to a leadership perception, a feasible outcome is that individuals behave as followers when their leadership schema is activated. The more an individual is perceived as an outstanding leader the more positive is the response. Leaders are more likely to be accepted and the relationship between the leader and follower to be built upon trust, motivation and high performance when congruence between the implicit leadership theories of the individuals involved is high.

In Europe, countries differ in cultural values. Regional clusters (Anglo, Nordic, Germanic, Latin and Near East European countries) that shares similar cultures has their own perception of leadership prototypes. As a consequence, the compatibility of leadership concepts is greater between nations from the same regional cluster (Brodbeck et al., 2000).

Brodbeck et al. (2000) found that in order to move beyond a formal role in influencing others, the individual has first to be perceived as a leader. The authors also state that it is unlikely that an individual that is not perceived as a leader can exercise the requisite influence on other for effective performance. Furthermore concerning culturally endorsed leadership concepts, the less the concepts overlap in a cross-cultural leader- follower relationship, the less likely it is that the leader will be accepted. (Brodbeck et al., 2000)

2.4.2 Leadership theories and culture

As previously mentioned the GLOBE study gathered data that resulted in nine different cultural dimensions. With the cultural dimensions as a base six global dimensions of leadership could be defined that either inhibits or contributes to effective leadership (House, 2004). The GLOBE studies view on leadership was derived from implicit leadership theories created by Lord and Maher as mentioned above (Northouse, 2013). The leadership styles that GLOBE created are as following.

Table 4: Explanation of leadership dimensions according to GLOBE

Dimension	Description
Charismatic/value based style	This leadership dimension seeks to inspire people around a vision. The leadership style inspires and motivates people and stresses hard work. Characteristics of this style of leadership are being visionary, self-sacrificing, encouraging, innovation and decisiveness.
Team oriented style	Team oriented leadership aims to instil collaboration among organisational members. The style values team cohesiveness and tries to create a common goal or purpose within the team. Characteristics of this leadership style include administrative skills, diplomacy and cooperation.
Participative style	This style encourages equality and delegation. Input from others is highly sought after concerning decision making and implementation. Characteristics of the style are participation and democracy.
Humane style	Humane oriented leadership style is a style of leadership that highlights the wellbeing of the team members. Characteristics such as generosity and compassion are encouraged; moreover patience and supportiveness are also

	in focus.
Autonomous style	This style of leadership is focused on the leader. The leaders' wishes to be independent and a preference to work without including others is preferred. Characteristics of this style of leadership are individualistic and self-centric.
Self-protective style	This style focuses on the security of the leader and team members. Its main focus lies on behaviours that are procedural, status-conscious and so called face saving.

Source: Adapted from Northouse (2013)

2.5 The Scandinavian management style

In order to identify and fully understand the unique set of characteristics of the Scandinavian management style a thorough literature research regarding this topic must be conducted. When these specific traits have been identified it will be possible to use them as a framework, both in comparison with general leadership theories and with different cultural contexts. The identified traits will also provide basis for the data collection. According to Tixier (1994) the following cultural dimensions of management styles are of importance:

1) The degree of employee participation in a company

The Scandinavian management style is considered to be democratic and participatory. The employees are not only consulted but are considered an essential part of a frequent collective decision making process. Even if hierarchy is not prominent, the responsibilities are clearly defined at every level. In the Scandinavian countries the company organization charts generally have a horizontal structure and the distance between individuals are as a consequence smaller. The Scandinavian manager aims to obtain consensual results since the belief is that better informed and consulted employees will be more motivated, productive, and inclined to carry out the company plans. Because of this, the manager typically keeps in direct contact with the employees and is available for dialogue. The manager tends to not be either clear or specific when explaining the reasons behind a decision since the manager is in the process of grounding it in employees. In Scandinavia the manager talks a lot about a decision before making it. (Tixier, 1994)

2) The innovation potential of management staff

The degree of innovation displayed by company management has an impact on external communication and goes together with a certain type of unconventional relationship with people and things, and it can take various forms. According to the findings of Tixier (1994) there is a difference between the Scandinavian countries regarding this aspect. The Swedes are described as technically innovative and recognised for design whereas the Danish are described as traditional and conservative, with a low amount of intuition and imagination. (Tixier, 1994)

3) The insistence on performing and on obtaining results

The Scandinavian countries are among the most focused in Europe on performance, objectives and end results. In Sweden a specific trait is that compensation is given for goals that are not only financial. In Denmark they have borrowed a more result oriented managerial approach from the Americans and are quick at dismissing unproductive employees. (Tixier, 1994)

4) Pragmatism in problem solving

The Scandinavians are considered very pragmatic and base their judgments on facts. They also are effective problem solvers and do not need the use of complex demonstrations. The rationalism and pragmatism that characterises the Scandinavian problem solving, are founded on the fundamental values of Protestantism. (Tixier, 1994)

5) Attitudes towards conflict and risk

The conflict aspect within an organisation can be viewed in two distinct forms. First the tendencies of collective labour conflicts and second the conflictual relationships between individuals. The Scandinavian countries have a history of socio-democratic policies that strives for consensus. The labour climate in Scandinavia is considered cooperative much due to the positive collective relationships between employer and employee representatives that is encouraged by co-determination laws. (Tixier, 1994)

When it comes to interpersonal relations, the attitude towards conflict in Scandinavia differs from that in southern Europe. In Scandinavia, conflict is avoided since it is considered unproductive, while in south European countries conflicts are common and, therefore, difficult for the Scandinavians to decode. Due to their conflict avoidance, the Scandinavian manager weighs their words carefully while the French might be perceived as aggressive in their vocabulary. In commercial negotiations the Scandinavians prefer to use dialogue in an atmosphere of mutual respect in order to achieve a “win-win” situation where both parties will be satisfied. If any problem will arise between co-workers it will be settled politely and humanely. The managers are also supposed to help employees that are experiencing difficulty. Since conflicts within the organisation are dismissed, disputes are solved as soon as possible with dignity and respect for the individual. It is also important to not offend or hurt the feelings of others. (Tixier, 1994)

2.5.1 Scandinavian cultures according to the Hofstede framework

Hofstede’s framework scores cultures against the created cultural dimensions. The different dimensions receive scores between 0-100 and Figure 2 below illustrates Scandinavia’s score.

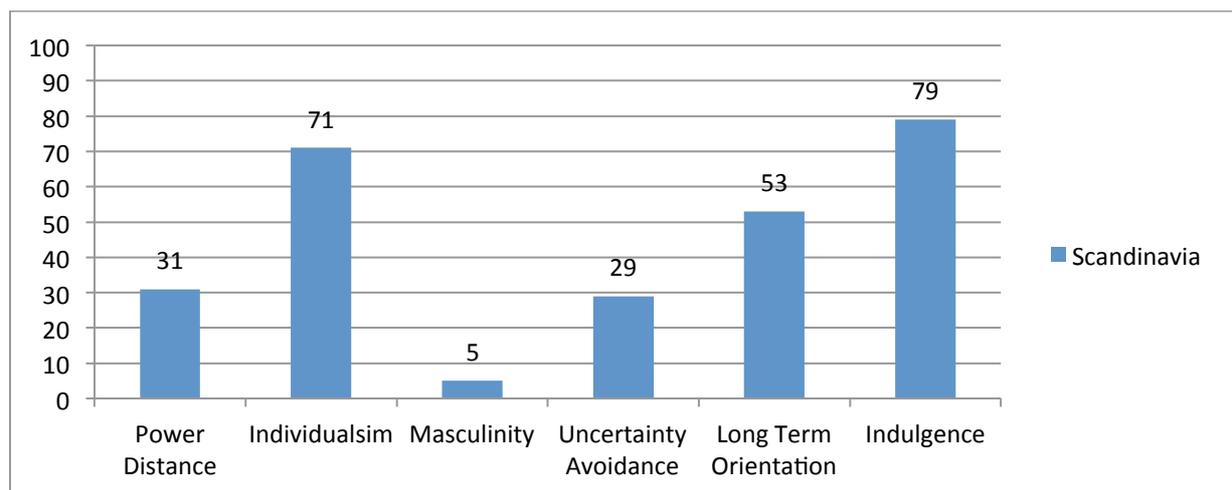


Figure 2: Hofstede’s cultural dimensions for Scandinavia

Source: Adapted from Hofstede et al. (2010)

The different scores that Scandinavia received in Figure 2 implies that Scandinavian culture acts in a specific way. The different dimensions and their implications for Scandinavian culture and management are further explained below in Table 5.

Table 5: Hofstede Framework for Scandinavia

Cultural Dimension	Explanation
Power distance	Scandinavia scores low regarding the power distance since it is characterised by its independent employees, belief in equal rights and use of organisational hierarchies for convenience only. The managers are accessible, coaching, facilitates and empowers. The power within organisations is decentralized and the managers believe in the experience of their team members. The employees expect to be consulted, dislikes control and their attitude towards managers tend to be informal and on first name basis. Communication is direct, participatory and consensus orientated.
Individualism vs collectivism	Scandinavia is considered an individualistic society where people prefer loosely-knit social frameworks where they are expected to take care of themselves and their immediate families only. There is a clear line between work and private life and the right to privacy is both important and respected. The employer-employee relationship is based on contract and the leaders focus on management of individuals. Hiring and promotion decisions are expected to be based on merit only and nepotism is not encouraged.
Masculinity vs femininity	The Scandinavian countries are considered feminine and are characterised by the importance of keeping the life/work balance and making sure that all are included. A manager is considered effective if being supportive to their people and decisions should be made through involvement. Furthermore, the Scandinavian managers strive to achieve consensus and solves conflicts by compromise and negotiation. This can lead to rather long discussions between group members until consensus has been reached. The Scandinavian people value equality, solidarity and quality in their working life and in their workplace they favour incentives such as free time and flexibility, both regarding work time and work place.
Uncertainty avoidance	With a rather low score, Scandinavia has a low preference for avoiding uncertainty and people do not need a lot of structure and predictability in life. They also feel that there should not be more rules than necessary and if the rules do not work they should be abandoned or changed. In working life schedules are flexible, hard work can be conducted when necessary but not for its own sake. Furthermore, precision and punctuality do not come naturally and innovation is not seen as threatening. If plans change overnight or new things pop up the Scandinavians are fine with it since it is a natural part of the work life.
Long term vs short term orientation	Scandinavia is considered relatively short term oriented and the culture is thusly more normative than pragmatic. As a result people tend to be concerned with establishing the absolute truth. Furthermore, they value and show respect for traditions, have a rather minor propensity to save for the future and focus on achieving quick results.

Indulgence vs restraint	Scandinavia scores high within this aspect which implies that the Scandinavians are rather impulsive and wish to realise their desires in order to enjoy life and having fun. They also have a positive attitude and are perceived as positive. Furthermore, they value leisure time, act as they please and spend money as they wish
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Source: Adapted from Hofstede et al. (2010)

2.5.2 Scandinavian leadership

According to the GLOBE study the Nordic cluster, which is the GLOBE study's term for Scandinavia and including Finland, values the leadership dimensions "Charismatic/Value-based leadership", "participative leadership" and "Team-oriented leadership". Meanwhile the "autonomous leadership" is regarded as neutral and the "humane-oriented leadership" is considered to have a slight positive effect on leadership whilst the "self-protective leadership" style is regarded as a negative leadership style. (Northouse, 2013)

Table 6: Leadership dimensions for Scandinavia

Value	Leadership dimension
Most efficient leadership style	Charismatic/Value-based leadership
Efficient leadership style	Participative leadership
Efficient leadership style	Team-oriented leadership
Neutral leadership style	Autonomous leadership
Slight positive effect on leadership style	Humane-oriented leadership
Least efficient leadership style	Self-protective leadership

Source: Adapted from House et al. (2004)

The Nordic cluster score high on dimensions such as future orientation, gender egalitarianism, institutional collectivism and uncertainty avoidance, meanwhile Scandinavia receives a low score on cultural dimensions such as assertiveness, in-group collectivism and power distance. This translates to that the Scandinavian people stresses long-term success and are more gender equal. Moreover family groups are less important and Scandinavian people identify with larger societal groups. Cooperation and group identity is also highly valued in Scandinavian leadership and culture. Also, rules, orders and consistency are prioritised. Modesty and tenderness are more valued than assertiveness and power is shared on all levels of society among the people. (Northouse, 2013)

The ideal leader according to above mentioned scores should be highly visionary and participative but at the same time should still be independent and lean towards diplomacy. That a leader should be humane oriented and/or self-protective is seen as less important. Moreover Scandinavians prefer a leader that is both inspiring and delegates who involves individuals in decision making. A Scandinavian leader is not thought to be highly compassionate or to concerned with rank and status. (Northouse, 2013)

2.6 The Chinese management style

A thorough literature research regarding Chinese management must be conducted to identify and understand the unique set of characteristics this specific style of management possesses. Subsequently a framework can be created of the specific Chinese management traits so as to compare the style of management with general leadership theories and with different cultural contexts.

2.6.1 Chinese cultures according to Hofstede framework

Hofstede's framework scores cultures against the created cultural dimensions. The different dimensions receive scores between 0-100 and Figure 3 below illustrates China's score.

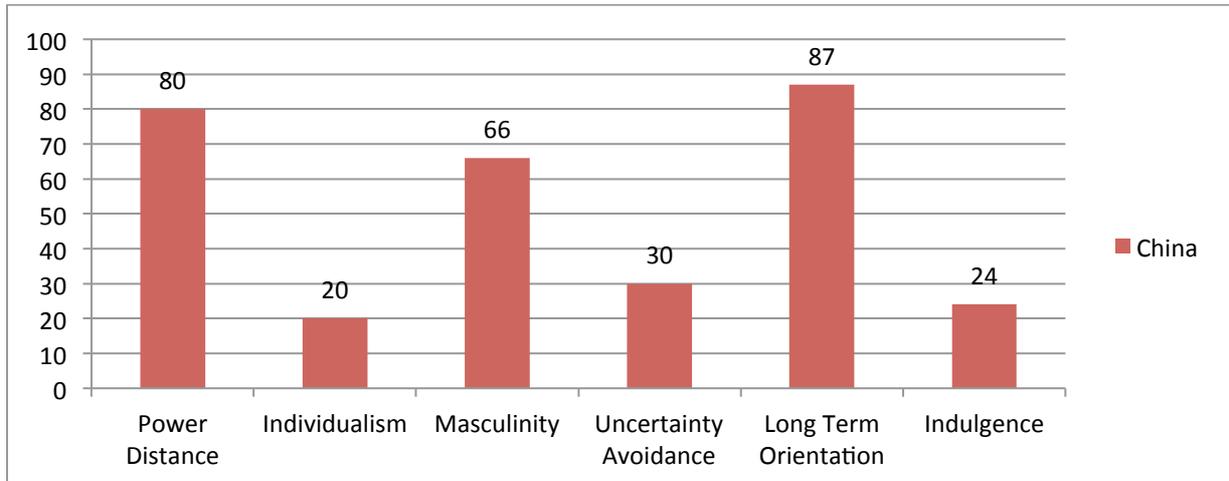


Figure 3: Hofstede's cultural dimensions for China

Source: Adapted from Hofstede et al. (2010)

The different scores that China received in Figure 3 implies that Chinese culture acts in a specific way. The different dimensions and their implications for Chinese culture and management are further explained below in Table 7.

Table 7: Hofstede Framework for China

Cultural dimension	Explanation
Power distance	China receives a high score on the power distance index. This translates into that inequalities amongst people are accepted. This means that in a business environment the relationship between subordinates and superiors are apt to be polarised and leaving lower ranked co-workers without a defence against higher ranked co-workers. Formal authority is also a strong influence in China and individuals are often positive about people's capacity for leadership and initiative. However an important factor in Chinese society is that individuals should not aspire above their rank.
Individualism vs collectivism	China is considered a highly collectivistic culture. This implies that individuals within Chinese society are more concerned with the interest of the group than themselves. This preference of belonging to a group has many implications. When it comes to hiring and promotion decisions, in-groups such as family gets preferential treatment. The relationships with co-workers that are considered in-group are cooperative but they are cold or even hostile to people who is not considered a part of the group. In China the relationships are more important than tasks and the company and the commitment to the organization is low, but not necessarily towards the people in the organization.
Masculinity vs femininity	China is a masculine society which implies it is a success oriented and driven society. The importance of achieving

	success can be exemplified by the fact that many Chinese sacrifices family and leisure in order to prioritise work. They work late and farmers leave their families behind in order to get a better job and higher salary in the cities. For students high grades are very important since these have a big impact on future success.
Uncertainty avoidance	China also scores low regarding uncertainty avoidance. They believe that the truth may be relative but in close in-groups there is a concern for an absolute truth and different types of rules. But in general people are flexible regarding laws and rules and believe that they should suit the actual situation and pragmatism is very common in the everyday life. The fact that the Chinese are used to ambiguity and that their language is full of ambiguous meanings can prove to be hard to follow for people from other cultures. The Chinese are also both adaptable and entrepreneurial.
Long term vs short term orientation	China is a very long term oriented nation, which implies that it is a highly pragmatic culture. This results in people believing that the truth is very much dependent on the situation, context and time. They also easily adapt traditions to changed conditions, prefer to save and invest and are determined to achieve results.
Indulgence vs restraint	With a low score regarding this dimension, China is considered a restrained society. The people tend to be more cynical and pessimistic and put less emphasis on leisure time and on the gratification of their desires. They also feel that their actions are restrained by social norms and that it is somewhat wrong to indulge themselves.

Source: Adapted from Hofstede et al. (2010)

2.6.2 Chinese leadership

China falls under the Confucian Asia cluster in the GLOBE study. This cluster values the “self-protective leadership”, “team-oriented leadership” and “humane-oriented leadership”. “Autonomous leadership” and “charismatic/value-based leadership” are regarded as neutral leadership styles meanwhile “participative leadership” is considered as a non-effective leadership. (Northouse, 2013)

Table 8: Leadership dimensions for China

Value	Leadership style
Most efficient leadership style	Self-protective leadership
Efficient leadership style	Team-oriented leadership
Efficient leadership style	Humane-oriented leadership
Neutral leadership style	Charismatic/value-based leadership
Neutral leadership style	Autonomous leadership
Least efficient leadership style	Participative leadership

Source: Adapted from House et al. (2004)

China is a highly performance oriented society and value institutional and in-group collectivism. This implies that China is result driven and prefers the group to be working together over individual goals. Loyalty and devotion towards ones family is highly encouraged in Chinese society. (Northouse, 2013)

Chinese leaders most sought after attributes is a leader that is self-protective, team-oriented and humane-oriented. Though being independent and inspiring, the Chinese leaders do not involve others in decision making or goal setting. A leader in Chinese society should be caring however will use the status that accompanies the title in order to use his power. (Northouse, 2013)

2.7 Frame of reference

With the past research within the research area reviewed, it is now important to establish a connection between the already existing theories and how they will be used in this study. In many cases there are different views among the academics on the different theoretical topics and it is thusly required to make a well-considered choice regarding what theoretical views are appropriate for this specific study. The overall purpose of the frame of reference is to develop a theoretical base that will be used as a basis for the data collection, performing analysis and finally answer the research questions and the overall research purpose.

2.7.1 Manager or leader

The focus of this study lies on Scandinavian managers and how they adapt their leadership style when working in China. Because of this, it was deemed necessary to investigate how the concepts of management and leadership are described within the existing literature in order to determine if there exist any contradictions regarding how the terms should be used.

When reviewing the past literature it becomes apparent that there is a vast amount of different definitions of the terms “management” and “leadership” (Kotterman, 2006; Toor & Ofori, 2008). There has also been an ongoing debate in the past three decades among academics regarding if the two concepts should be seen as two separate concepts or rather as overlapping and interrelated (Toor, 2011). The school of thought that supports the idea of management and leadership as two interrelated concepts argues that leadership can be seen as an aspect of management (Mangham & Pye, 1991) and that it is important for organisations to develop managers that possesses the ability to lead (Toor, 2011).

For this study, management and leadership will be considered as two interrelated concepts, and thus viewing leadership as an important tool in the toolbox of the managers. Past research has also concluded that a management style can be defined as “*a recurring set of characteristics that are associated with the decisional process of the firm*” (Albaum & Herche, 1999), which further highlights the interchangeability between management and leadership. Furthermore, the way managing and leading is conducted depends on the environment and differs between countries much due to the influence of culture (Bloom & Van Reenen, 2010; Ajiferuke & Boddewyn, 1970). Due to this it is necessary to develop an understanding of how different management styles are influenced by culture.

2.7.2 Culture defined

Past literature has illustrated that there is a vast amount of definitions of culture, concerning both national and organisational culture. However as both Hofstede (2007) and Albaum & Hersche (1999) states, organisational culture is either interrelated or largely influenced by national culture. Therefore this study will focus on the national culture of Scandinavia and China.

There are mainly three schools concerning culture and its influence on management. As mentioned in the literature review they are the six bipolar dimensions that Hofstede (1983) created, Trompenaars & Hampden-Turners (1997) seven cultural orientations and the nine dimensions uncovered in the GLOBE project (2001). This study however will mainly put its

focus upon the six dimensions that were created by Hofstede since the Hofstede model is generally accepted by academics within the field of business culture as the most comprehensive framework of national cultures (Evans & Mavondo, 2002).

2.7.3 Cultural differences between Scandinavia and China

In order to understand the cultural differences between Scandinavia and China the Hofstede's cultural dimensions framework will be used. The individual scores of each society is compared and illustrated below in Figure 4. Thereafter a brief explanation of the differences will be presented. The findings of the similarities and differences between the two societies will then be utilised for the foundation of the interview guide.

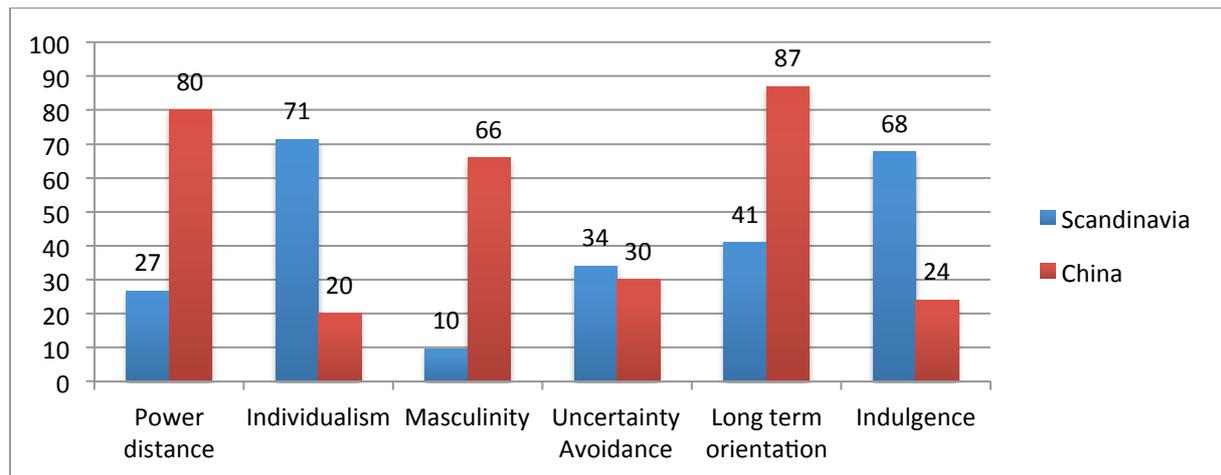


Figure 4: Comparison of Scandinavia and China within the Hofstede framework

Source: Adapted from Hofstede et al. (2010)

Power distance

Scandinavia receives a score of 27 regarding the power distance index and can therefore be considered a rather equal society meanwhile China is accorded a high score of 80. This implies that inequalities among people in the Chinese society are accepted. The differences between the societies are expressed as while Scandinavia believes in equal right, employees are independent and the organisational structure is decentralised, China is a society where the relationship between the superior and subordinate is polarized and the subordinate has no defence against power abuse from higher ranked co-workers. Moreover China uses strict hierarchical organisational structures where individuals are influenced by formal authority and sanctions and have a positive attitude towards control. This differs from the Scandinavian culture where the employees expect to be consulted and have an aversion for control. The most influential cultural differences are highlighted in Table 9.

Table 9: Differences in the power distance index

Aspect	Scandinavia	China
Believe in equal rights?	Yes	No
Hierarchies important?	No	Yes
Employee attitude towards control?	Negative	Positive

Individualism vs Collectivism

Scandinavia is considered an individualistic society with a score of 71 compared to the collectivistic culture of China with a score of 20. This implies that while Scandinavians prefer loosely knit social frameworks where the interest lies on the self, the Chinese prefer to act in the interest of the group rather than in self-interest. These differences have an impact on the

hiring and promotion aspect of the cultures. In Scandinavia hiring and promotion should have its base in merit only and nepotism is not encouraged. This differs from China where the hiring and promotion in-groups such as family get preferential treatment. Another difference between the two societies is the relationship within organisation. In Scandinavia the employer-employee relationship is based on contract and the leaders focus on management of individuals whilst in China the relationships are more important than tasks and the company and the commitment to the organization is low, but not necessarily towards the people in the organization. How praise is preferred is another difference, individual praise is more preferred and effective in Scandinavia whilst praise for the group is preferred in China. The most influential differences are illustrated in Table 10.

Table 10: Differences in the individualism vs collectivism index

Aspect	Scandinavia	China
Act as individual or group?	Individual	Group
Hiring and promotion	By merits	Preferential treatment
Praise as group or individual	Individual	Group

Masculinity vs Femininity

With a score of ten, the Scandinavian society is one of the most feminine, and thus highlights the importance of keeping the life/work balance and making sure that everyone is included. The people value equality, solidarity and quality in their working life. China on the other hand is a masculine society with a score of 66. Here the focus lies on achieving success and people value hard work, are success oriented and driven. In Scandinavia success is associated with achieving a high quality of life and the individuals are motivated by doing things they enjoy. In contrast success in China is derived from being the best in the field and they are motivated by the desire of achieving success. In Table 11 the biggest differences regarding the masculinity dimension is presented.

Table 11: Differences in the masculinity vs femininity index

Aspect	Scandinavia	China
Dominant values	Quality of life	Success oriented, driven
Sign of success	Quality of life	The winner/Best in field
What motivates people?	Liking what you do	Wanting to be the best

Uncertainty Avoidance

Regarding the uncertainty avoidance index, both cultures receive a low score, with Scandinavia's slightly higher score of 34 compared to China's 30. This implies that concerning this dimension the cultures are quite similar. Scandinavians do not need a lot of structure and predictability in life. Moreover they do not feel like there should be more rules than necessary and if the rules do not work they should be abandoned or changed. This is similar to Chinese society where people in general are flexible regarding laws and rules. Moreover they believe that the rules should suit the situation and pragmatism is very common in everyday life. Both cultures are also quite visionary. Scandinavians do not regard innovation as threatening and if plans change Scandinavians will accept the change without complaints or difficulties since this is seen as a natural part of working life. The Chinese are also regarded as adaptable and entrepreneurial. The similarities between the cultures are presented below in Table 13.

Table 12: Differences in the uncertainty avoidance index

Aspect	Scandinavia	China
Approach to rules	Flexible	Flexible
Attitude towards risk	Not threatening	Not threatening

Long term vs short term orientation

On the long term versus short term orientation index the two cultures are quite dissimilar. Scandinavia with a score of 41 is a relatively short term oriented culture while China is regarded as a long term culture with a high score of 87. Scandinavian being a short term oriented culture implies that it is more normative while China, being a long term oriented culture, is more pragmatic. Scandinavia being of a more normative nature results in that they are concerned with establishing the absolute truth and value and respect traditions. Moreover Scandinavians have a rather minor propensity to save for the future and focuses on achieving quick results. China on the other hand believes that the truth is dependent on the situation, context and time. Regarding traditions China adapt them to the conditions. Moreover they differ from the Scandinavians since they prefer to save and invest and are determined to achieve results. The differences are illustrated in Table 13.

Table 13: Differences in the long term vs short term orientation index

Aspect	Scandinavia	China
Short/long term	Short term	Long term
Culture	Normative	Pragmatic
Results	Quick	Invest

Indulgence vs restraint

Concerning the indulgence index Scandinavia has a high score of 68 and China a low score of 24. Scandinavia's high score implies that Scandinavians are rather impulsive and wish to realise their desires in order to enjoy life and have fun. Meanwhile Chinese society with a low score is more restrained. Chinese people tend to be more pessimistic and cynical and put less emphasis on leisure time and on the gratification of their desires. On the other hand Scandinavians are perceived as positive and have a positive attitude. The differences are illustrated below in Table 14.

Table 14: Differences in the indulgence vs restraint index

Aspect	Scandinavia	China
Society	Impulsive	Restrained
Individuals	Positive	Cynical and pessimistic
Leisure time	Highly valued	Do not indulge themselves

2.8.4 Leadership differences between Scandinavia and China

In order to determine what style of leadership is most effective and how leadership has to be changed and adapted, this study has focused on the implicit leadership theory. This is due to that implicit leadership theory connects the impact culture has on management (Javidan et al., 2006). Moreover the theory implies that managers are formed by their culture and therefore may be perceived differently depending on the cultural context (ibid.). Implicit leadership theory describes the link between the set of beliefs an individual holds and the influence this has on leadership (ibid.). The GLOBE study expanded upon this theory and created six global dimension of leadership that are influenced by culture. The GLOBE study also found that different regional clusters respond differently to the different styles of leadership. (House,

2004) Table 15 below highlights the different leadership styles and rank them from most effective to least effective in the Scandinavian and Chinese regions.

Table 15: Differences in the leadership dimensions

Scandinavia	China
Charismatic/value based leadership	Self-protective leadership
Participative leadership	Team-oriented leadership
Team-oriented leadership	Humane-oriented leadership
Autonomous leadership	Charismatic/value based leadership
Humane-oriented leadership	Autonomous leadership
Self-protective leadership	Participative leadership

Source: Adapted from House (2004)

Table 15 above presents the best and the worst styles of leaderships in Scandinavia and China. As the table illustrates the best leadership styles in Scandinavia might not always be the best to use in China which is due to the cultural differences that exist between the two regions (Javidan et al., 2006). It is interesting to note that the most efficient types of leadership styles in Scandinavia are among the least efficient leadership styles in China. This would imply that it might be necessary to adapt the leadership style. Since the theory implies that management adaption may be necessary the GLOBE studies leadership dimensions will serve as part of the foundation for the interview guide.

3. Research Methodology

In this following chapter the chosen methodologies for the thesis will be presented. The different techniques and approaches that have been used in order to collect required and reliable information in order to be able to answer the research questions will be described and presented. The purpose, approach and strategy of the study will be presented along with a description of the data collection, sample selection and analysis method. The chapter will conclude with a discussion about potential research problems regarding validity and reliability.

3.1 Research purpose

Generally there are three different common purposes when conducting a research study. The research purpose can either be *exploratory*, *descriptive*, *explanatory* or a combination of these. The purpose of the study depends primarily on how the research questions are formulated. (Saunders, Lewis & Thornhill, 2009)

An *exploratory* study aims to increase the understanding of a problem and to explore what is actually happening. This type of study can be conducted in three principal ways; through a literature review, interviews with experts within the field, and through focus group interviews. A *descriptive* study's purpose is to describe and illustrate backgrounds and procedures. According to Saunders et al. (2009) a research purpose of descriptive nature is to "*portray an accurate profile of persons, events or situations*". Furthermore, Saunders et al. (2009) state that a descriptive research study can be either a forerunner or an extension of an exploratory or explanatory research study. An *explanatory* research purpose is characterised as describing a relationship between variables. This research purpose focuses on a particular situation or problem where the relationship can be derived. (Saunders et al., 2009)

This thesis had a partially descriptive and partially exploratory purpose due to the nature of the stated research questions. Since the aim of the first research question was to describe the cultural differences Scandinavian managers face when working in China, it becomes evident that this part of the study had a descriptive purpose. The purpose of the second research question was to increase the understanding of how cultural differences affect the leadership of Scandinavian managers whilst working in a Chinese environment. This implies that this part of the study was of an exploratory nature. This was much due to the fact that a deeper insight was needed in order to fully understand the cultural differences that Scandinavian managers meet when going to China.

3.2 Research approach

When deciding upon a research approach there are two different ways to describe how a scientific problem should be addressed. These two approaches are deduction or induction and they describe two different ways of handling and connecting theory to the collected data (Saunders et al., 2009). A decision regarding the data collection method is also necessary and the choice stands between either qualitative or quantitative data collection (ibid.). The following sections will provide a short description of the different alternatives as well as a presentation of the choices that were made for this study.

3.2.1 Deductive or inductive

There are two different research approaches one can utilise whilst conducting a thesis. They are of deductive and inductive nature. The deductive research approach is based on the development of theories and hypotheses that are in turn analysed and tested in order to examine them with reality. (Saunders et al., 2009)

This thesis is of deductive character due to the thesis being built upon already existing theory and models and then expanded upon it. A frame of reference based on existing theory was developed in order to provide a framework that was utilised during the analysis of the collected data. Furthermore it was used to investigate how well the gathered information was consistent with the existing theory.

3.2.2 Qualitative or quantitative data collection

A qualitative research approach has the purpose to try to discover what may account for certain behaviours. This research approach aims to provide deeper understanding of certain factors, which is ideal when one seeks to gain a greater understanding of a phenomenon. Furthermore a qualitative approach implies that the gathered empirical data does not take on a numerical form. (Saunders et al., 2009)

This thesis aim was to provide a deeper understanding of how Scandinavian managers adapt their leadership style in Chinese markets therefore a qualitative research approach was appropriate. The intention of the thesis is to provide a comprehensive view and moreover describe the cultural differences, which is indicative of a qualitative study.

3.3 Research strategy

According to Yin (2003) research strategies can be divided into five different categories; experiment, survey, archival analysis, history and case study. When deciding upon a research strategy, the alternatives should be evaluated through three given factors. These are; what form of research question has been stated?, is control over behavioural events required?, and does the research focus on contemporary events? (ibid.). The use of this evaluation method provides an easier assessment of which research strategy to choose. In Table 16 the different research strategies and the evaluation factors described by Yin (2003) is presented.

Table 16: Research strategies for different situations

Strategy	Form of Research Question	Requires control over behavioural events?	Focus on contemporary events?
Experiment	How, why	Yes	Yes
Survey	Who, what, where, how many, how much	No	Yes
Archival analysis	Who, what, where, how many, how much	Yes	Yes/No
History	How, why	No	No
Case studies	How, why	No	Yes

Source: Adapted from Yin 2003, 5

Based on the fact that all the research questions were stated as “how” questions it was possible to delimit the research strategies to experiment, history and case studies. Since the study did not require any control over behavioural events, also experiment could be excluded from the possible alternatives. Finally it was possible to exclude history as an option since the study had a clear focus on contemporary events. This led to the conclusion that a case study would be chosen as the research strategy, which was deemed appropriate due to the fact that a case study contributes to a deeper understanding of a problem area, which further facilitated the answering of the research questions (Saunders et al., 2009).

3.3.1 Case Study

During the design of a case study there are certain aspects that needs to be taken into consideration regarding the strategy of the study. According to Yin (2003) there are four different strategies that can be selected based upon two different dimensions, single or multiple case studies and, fully covering or embedded case studies.

A single case study is based upon one specific case and/or case company. This research strategy is often chosen in order to study and analyse a phenomenon that has seldom been researched before. As a result of this, it is important to define the actual case that shall be studied. An alternative to the single case study is to choose a multiple case study that focuses on more than one specific case. This strategy is foremost used in order to study if the results of the study are consistent within the different cases and if it is possible to generalise the results. (Saunders et al., 2009)

Concerning the second choice regarding fully covering or embedded case studies the choice is dependent upon what unit of analysis has been chosen. If the study only focuses on an organisation as its whole the organisation is treated as a fully covering case study. If the study is also focused on studying subgroups within the organisation, for example different divisions or workgroups, the study will inevitably consist of more than one unit of analysis. If this is the case, it is an embedded case study that has been conducted. (Saunders et al., 2009)

During this research a multiple case study was conducted, since a cross-case comparison was deemed necessary in order to draw generalizations about experiences the Scandinavian managers had gathered during their time abroad. This thesis research strategy is also a fully covering case study. This is due to that the multiple case studies are each focused on a singular manager where every manager is regarded as a fully covering case study.

3.4 Data collection

When the research strategy has been decided upon, one can then choose the way of gathering empirical data. According to Saunders et al. (2009) collecting data can be categorised into two categories, primary and secondary data. Secondary data is data that has previously been gathered for a different purpose meanwhile primary data is new data collected by the researcher. Primary data is gathered through interviews, observations and questionnaires. Furthermore interviews can be divided into subcategories, structured-, semi-structured- and unstructured interviews. (Saunders et al., 2009)

Structured interviews use a standard questionnaire with an identical set of questions. Meanwhile semi-structured and unstructured interviews are non-standardised. Semi-structured interviews have a basic theme and/or questions however, these may vary from interview to interview. Unstructured interviews are completely informal and have no clear structure, there are no predetermined questions. (Saunders et al., 2009)

This thesis utilised a semi structured interview approach in order to collect data. This approach was chosen so as to keep the interview focused on the chosen research area but at the same time allow the interviewee the chance to expand upon areas of interest and allow questions that may not have appeared otherwise in structured interview to be asked. The interviews were conducted in two different ways. One of the interviews was conducted face-to-face in Luleå and two were conducted via Skype since the interviewees were located in other parts of Scandinavia and China.

3.5 Sample selection

In general the possible sample selection techniques can be divided into two different categories. These are probability and nonprobability sampling. The methods that are gathered under the nonprobability sampling category all have in common that all units or individuals do not have a chance to be selected for the sample. Within business research, where market surveys and case studies are predominant, it might not be possible or even appropriate to use a probability sample, which makes it necessary to make the sample in some other way. Nonprobability sampling provides many different techniques where the sampling is based on the subjective judgement of the researcher. (Saunders et al., 2009)

For this study purposive sampling was used since this sampling method made it possible to choose the sample based on the best judgement and thus picking cases that made it possible to answer the specific research questions. The fact that this sampling method often is preferred while conducting case studies further strengthened the arguments for this sampling method. In order to find suitable people to interview, a set of characteristics was established in order to secure that the interviewees had sufficient knowledge and experience in order to answer questions within the chosen field of study. The set of required characteristics is shown in Table 17.

Table 17: Interviewee requirements

Nationality	Swedish/Norwegian/Danish
Leadership experience	Working in a leadership position in at least 4 years
International experience	Working international in at least 2 years
Specific region	Asia/China
Management position	Before and during departure

In order to fulfil the requirements to become an interview candidate he or she had to be of Swedish, Norwegian or Danish origin. Furthermore it was required that they had experience of working in a leadership role for at least four years as well as been working abroad for at least two years. This was deemed necessary in order to secure that the interviewees had gained enough experience from leading in both a Scandinavian environment and a foreign environment. In order to further narrow the focus of the study it was decided that Scandinavians managers should have worked within China. Finally it was also required that the interviewees had been working in a management position both before and after the departure.

With the previously mentioned requirements in mind a total of three Scandinavian managers from different organisations were interviewed. In Table 18 relevant information about the interviewees is summarized together with lengths and dates of the conducted interviews. The respondents of the interview will remain anonymous throughout the thesis.

Table 18: Background information about the interview respondents

Respondent	Nationality	Leadership experience	International experience	Length	Date
Head of SCM development	Swedish	20 years	4,5 years	1h 15min	2015-05-11
Vice president	Swedish	20 years	10 years	1h 30 min	2015-05-13
CEO	Swedish	16,5 years	4,5 years	1h 15 min	2015-05-14

Table 18 illustrates that all the criteria that was established for the respondents of the interview was fulfilled. All three interviewees held leadership positions both before and during their stay in China. They also fulfilled the established experience over time criteria where all respondents had held a management position for over four years in a Scandinavian setting and a leadership position in China for over 2 years.

3.6 Data analysis

When the empirical data has been gathered the process of analysing the data can begin however before an analysis of the data can be conducted the empirical data has to be transcribed. This means that the interview is word processed, or in other words written down. Thereafter the analysis can begin. The data analysis is done differently depending on what kind of information has been gathered. Qualitative data consists of data that is neither numerical nor quantified and for the data to become useful the underlying meaning behind the data has to be understood. The information is often categorised and analysed through conceptualisation. (Saunders et al., 2009)

According to Saunders et al. (2009) the process of analysing data can be divided into three different categories. These categories are data reduction, data display, and drawing and verifying conclusions. Data reduction is a summarization and simplification of the gathered empirical data in order so that focus can be laid upon certain parts of the data. The next step in the process of analysing data is the data display. Data display implies that the reduced data is organised into tables and/or figures to create a clearer overview of the data that otherwise may be difficult to analyse in an extended text. The third part of the analysis process is the drawing and verifying of the data. This stage implies that the conclusions will be drawn and furthermore be translated into meaning. (Saunders et al., 2009)

Moreover Yin (2003) further explains that the process of analysing qualitative data in a deductive way through either pattern matching or explanation building. In this thesis pattern matching was used since a comparison between the empirical data and the theoretical framework was made. This approach made it possible to compare theory with reality and in turn gain a deeper understanding, which was the purpose of the thesis.

3.7 Validity and reliability

Within all studies there is a risk of encountering methodology problems. In order to minimize these risks, two aspects of the research must be considered, validity and reliability. The level of validity depends on to what degree the results could be considered as true and the level of reliability depends on the likelihood of someone getting the same results if conducting the same study. However, it is often hard to ensure that the study has both high validity and high reliability. It is thus important to make an effort in order to reduce the risks regarding these factors as much as possible. (Saunders et al., 2009)

When developing the research design of the study, Yin (2003) suggests that four different tests should be conducted in order to ensure the quality regarding validity and reliability. The tests are the following; construct validity, internal validity, external validity, and reliability. In Table 19 these tests are presented together with suggested tactics for decreasing methodology problems in different phases of the case study.

Table 19: Case study tactics for minimization of method problems

Tests	Definition	Case study tactic	Relevant phase of research
Construct validity	Correct operational measure for concepts	<ul style="list-style-type: none"> - Use multiple sources of evidence - Establish chain of evidence - Have key informants review draft case study report 	<ul style="list-style-type: none"> - Data collection - Data collection - Composition
Internal validity	Establishing a non-spurious causal relationship (only for explanatory)	<ul style="list-style-type: none"> - Do pattern matching - Do explanation building - Address rival explanation - Use logic models 	<ul style="list-style-type: none"> - Data collection - Data collection - Data collection - Data collection
External validity	Establishing the domain for generalization	<ul style="list-style-type: none"> - Use theory in single case studies - Use replication logic in multiple case studies 	<ul style="list-style-type: none"> - Research design - Research design
Reliability	Repeatability of operations of the case study	<ul style="list-style-type: none"> - Use case study protocol - Develop case study data base 	<ul style="list-style-type: none"> - Data collection - Data collection

Source: Adapted from Yin (2003)

Based on the information provided in Table 19, the four tests will be addressed in order to explain what actions have been made in order to reduce the risk for methodology problems within the conducted case study. First of all, the construct of validity will be discussed and explained.

3.7.1 Construct validity

The case study design is often criticised regarding validity since the researchers often fail to develop a sufficiently set of measurements and that subjective judgements are used to collect data. In order to construct higher validity, multiple sources and different data collection methods should be used. Furthermore key persons should review the study during the research process. (Yin, 2003)

In this thesis validity has been constructed by the establishing of a chain of evidence. A frame of reference was built on existing theories and was used when developing the interview guide that was used for the data collection. The collected data was then compared to the existing theory. Furthermore, draft and final version of the study has been reviewed by supervisors and peers, which has further increased the validity.

3.7.2 Internal validity

The internal validity is only a concern for explanatory case studies where the researchers tries to establish relationships between variables (Yin, 2003). Since the research purpose of this thesis was partially descriptive, partially exploratory, and not at all explanatory, no actions were taken in order to increase the internal validity.

3.7.3 External validity

One concern when conducting case studies is to know if the results of the study can be generalised beyond the specific case study. The single case study design is often criticised for offering a poor basis for generalisation since the results are derived from one single case. However, it is possible to strengthen the external validity by using theory as basis for the research design in a single case study or by using replication logic in multiple case studies. (Yin, 2003)

In this thesis the empirical data that has been collected will be analysed and compared to theories that exists in the literature review in order to create validity and to try to reduce the possibility of drawing false conclusions or incorrect assumptions. However important to keep in mind is that the findings and conclusion of the thesis may be rather specific due to the sampling size of the empirical data and it might be difficult to fully generalise the conclusions of the thesis. In order to strengthen the validity of the thesis the same steps have been taken concerning all the interviews and analyses in order to not create differences and create replication logic.

3.7.4 Reliability

The reliability refers to what degree a later researcher that follows exactly the same procedures as described by the first researcher and conducts the same case study all over again, would arrive at the same findings and conclusion. As a consequence, the goal of reliability is to reduce the errors and biases as much as possible in the study. In order to decrease the risk of reliability problems, the case study should be conducted in such a way external persons would be able to follow every stage of the research process and by using case study protocols and developing a case study database it would be easier to replicate the study for later researchers. (Yin, 2003)

When conducting the data collection and analysis there is a risk for errors and biases. According to Robson (2002), there are four threats to reliability and these are; subject or participant error, subject or participant bias, observer error, and observer bias. In order to reduce the risks for biases and errors an interview guide was developed and used in the data collection. The interview guide is also included in Appendix one, which makes it possible for external people to follow the process as well as repeating the data collection. In order to reduce bias when analysing the data, care has been taken, to ensure that the collected data correctly represent the thoughts and opinions of the interviewees. During the interviews both authors were present and took notes that was later compared in order to secure that the answers were correctly understood. This approach was also used during the analysis process.

3.8 Summary of methodology

In Figure 5 an overview of the methodology choices is presented. The white boxes in the figure illustrate the chosen methodology approaches this specific thesis has made.

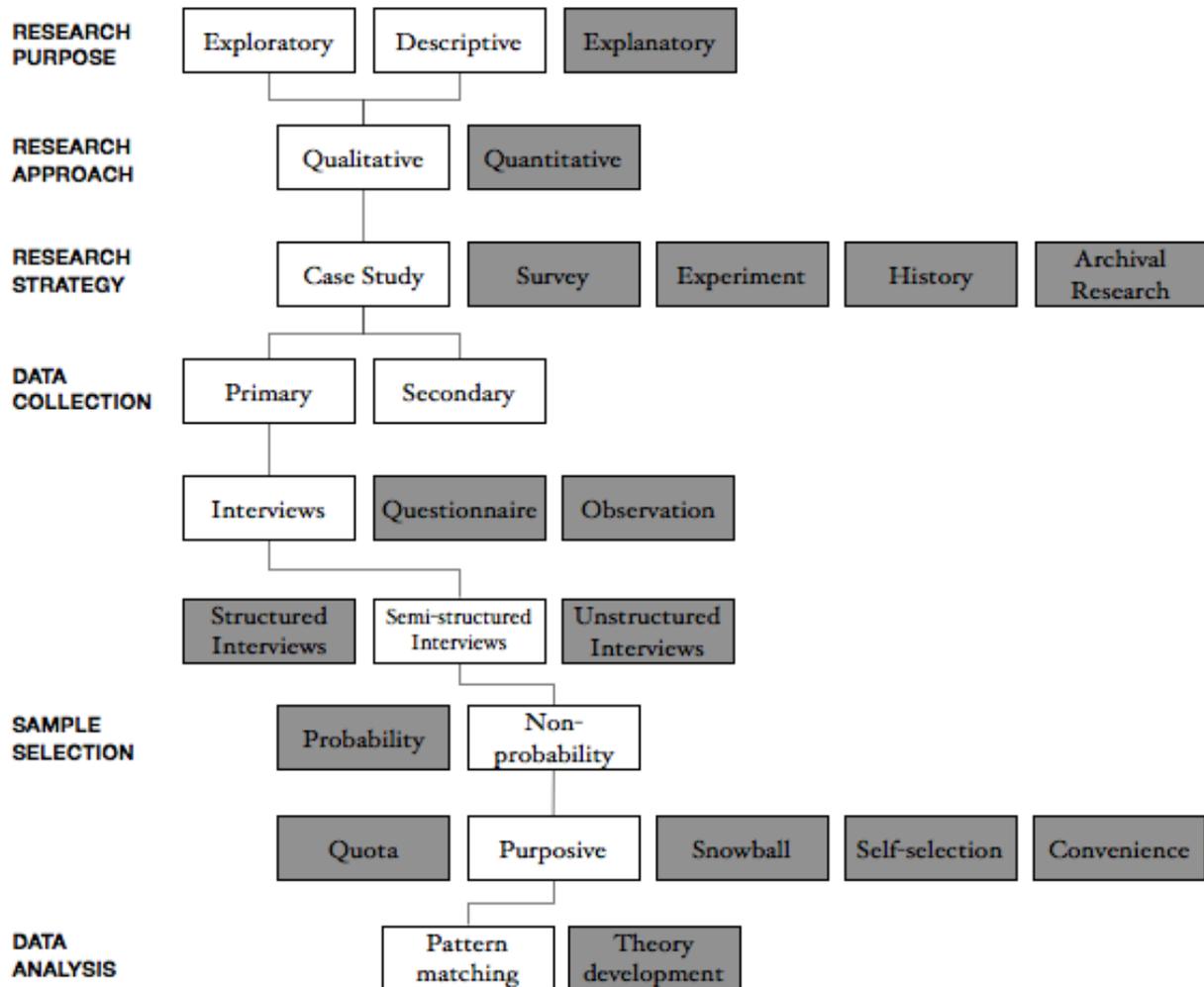


Figure 5: Overview of chosen methodology approach

4. Empirical Data

In this chapter the collected primary data that will be used in order to answer the stated research questions will be presented. The information is gathered through semi-structured interviews with three Scandinavian managers with experience of working in an international environment. The empirical data that will be presented will be a summarisation of the received responses in line with the frame of reference. The presented data will be used in the upcoming analysis.

The interview questions were as mentioned before based on theories that were brought up in the frame of reference. Three Scandinavian managers were asked that fulfilled the criteria that were mentioned in the methodology chapter. The answers that were received were often similar but sometimes different opinions were stated. In the below tables the summaries of the respondents answers are presented and the tables are divided into questions concerning different aspects of research question one and two. Table 20 presents the collected empirical data for research question one: How do Scandinavian managers experience cultural differences in China?

Table 20: Empirical data concerning research question 1

Interview Questions	Summary of interview answers
1. When working abroad in China, how did you feel that the different business environments, China and Scandinavia, differed on an authoritarian level?	All the respondents agree that the Chinese business environment is highly authoritarian compared to a Scandinavian business environment. Chinese companies work on a more hierarchal platform where title and age is of larger importance than in Scandinavia. Moreover decisions in Chinese business environment are solely taken by management meanwhile the Scandinavian business environment is more defused where one is allowed to make one owns decision.
2. How did you have to act in order gain respect from colleagues and to control your subordinates in China?	The respondents found that gaining respect from colleagues in Chinese culture was not particularly difficult; in fact one respondent replied that gaining respect is easier in China than in the Scandinavian region due to the fact that in the Chinese business environment a lot of respect is gained by title and age. This implies that the Chinese do not question or argue with decisions from superiors while Scandinavian colleagues do not think twice about questioning decisions. In order to gain respect no respondent replied that they acted largely different from how they would act in a Scandinavian environment. All respondents agree that people are people and if you treat them fairly they will respond in kind. All respondent also replied that they tried to adapt their leadership in the way that they tried to introduce a more Scandinavian leadership style to the Chinese business environment
3. How did you feel that the managers in China expressed their feelings compared to Scandinavian managers? More open? Did you have to change the way	In general the respondents thought that the Chinese were more formal than Scandinavians. Especially in formal situations as in meetings, negotiations and business relations. In a Chinese business environment titles and roles receives a larger role in deciding how you can and are allowed to act.

<p>you expressed yourself?</p>	<p>The respondents did not feel like they had to change, the only difference was that they had to make themselves clearer in instructions due to language barriers. However it is important to remember that the Chinese do not want to “lose face” and that inhibits the way a manager express himself. As a Scandinavian manager it is easier to express private matters, especially in front of a group. These private issues are not as common among the Chinese and if they occur it is face to face.</p>
<p>4. How do the subordinates in China view their superior? How would you describe their relationship? (Informal/formal) How does it differ from Scandinavia?</p>	<p>In general the relationship is very formal. It is built around the fact that the leaders want to have control and are controlling their subordinates. It is seen as a tool for achieving their goals. Moreover there is a higher degree of respect in China. This comes back from the title, if a Chinese meet a superior they automatically show respect. In Scandinavia the co-workers are maybe a bit to questioning or challenging. In Scandinavia everything a leader says is questioned.</p>
<p>5. How was the decision making process conducted in China? How is this compared to Scandinavia? Done by the managers or are employees consulted?</p>	<p>All the respondents answered the same with the answer of that the manager was responsible of making all the decisions.</p>
<p>6. Do managers share their visions with employees in China? How is this compared to Scandinavia?</p>	<p>The respondents agreed that the Chinese managers do not share their visions with the employees. Partially due to need of control but also because knowledge and information is power. It can also be explained by caution since they do not trust anyone. All this can be the result of some kind of self-preservation.</p>
<p>7. How did you reach consensus in China? If disagreements occur how would you express your opinion? Did you change the way you expressed yourself after time? How did your colleagues express themselves? How does this differ from a Scandinavian business environment?</p>	<p>The respondents replied that consensus is more usual within the Scandinavian business environment. The Chinese subordinates do not really dare to disagree with their superiors even if they would be wrong. It takes a while before the Chinese employees learn that it is okay to express their opinion. Maybe even years. During that time the manager has to step in to make the decision. One respondent further explained that If someone does not agree with an opinion they do not voice it in front of the group but face-to-face after the meeting.</p>
<p>8. Describe how employees in China work within different work settings, in group work and as separate individuals? Where is emphasis laid? How is this compared to the work setting in a Scandinavian environment?</p>	<p>This question received different answers. Two of the respondents replied that the Chinese are more individual meanwhile one respondent answered that the group is more important than the individual. The individualism can be discerned in the capitalistic structure that the Chinese work in. Money is very important for the Chinese, which creates an individualistic environment. However one respondent replied that he thought that the Chinese are more individualistic than in Scandinavia, where Scandinavian culture has taught</p>

	<p>Scandinavians to put the team before the self however the Chinese themselves consider them team players and don't focus on themselves.</p>
<p>9. How do employees in China prefer praise? Individually or as a group? How is this compared to Sweden?</p>	<p>All respondents agree that the Chinese prefer individual praise moreover it is more important to give praise in China than in a Scandinavian business environment. This is much due to the competitive environment that the Chinese are brought up in which has led to an eagerness to receive positive individual praise.</p> <p>Furthermore, the respondents replied that more important than praise is how the managers handled critiquing someone. To critique someone in front of a group is considered bad and when a manager delivers criticism it is important to be diplomatic in the way one express it. The Chinese are more focused on shame so it is important to make sure that no one "loses their face".</p>
<p>10. What is your opinion relating to education, work ethics and moral within the Chinese business environment?</p>	<p>The Chinese consider education to be very important both in an educational and a business environment setting. Receiving high grades is important during the educational years and in a business environment the Chinese employees enjoy to further learn by attending business courses and seminars. They are responsive and positive to new things and they learn quickly.</p> <p>All the respondents replied that the work moral is high. China is in a development phase where working is not a problem. They have no problem with working extra hours and when they are at work exhibit a great willingness to work. In general the salaries in China are lower and the workers do a lot in order to make their incomes higher. So the working morale increases in order to achieve a higher payment.</p> <p>On the other hand one respondent felt that a Scandinavian management style gave signals that nothing bad will happen if you do not follow deadlines etc. therefore it was important to communicate what was not deemed acceptable.</p>
<p>11. If you would compare the personnel within Scandinavia and China, are there any noticeable differences?</p>	<p>All the respondents thought that the Chinese are very career driven and have a great work moral. They are very willing to work a lot but it is also required that there is a leader present that ensures that people are working. They gladly work 12 hours per day, seven days a week.</p> <p>At the same time it requires a lot to keep good co-workers since they tend to swap work places when they are offered a slightly better opportunity and/or salary. In that regard the Scandinavians are more loyal.</p>
<p>12. When conducting business in China, how do you handle relationships? Need to build a strong</p>	<p>The respondents slightly disagreed concerning this question. All respondents replied that business relationships were important however the degree of importance differed amongst the respondents. One respondent thought that it was the same</p>

<p>relationship before a deal can be closed? How does this compare when conducting business in Scandinavia?</p>	<p>as in a Scandinavian business environment meanwhile another respondent said that the relationships were more important in a Chinese business environment.</p> <p>The respondents say that they have not seen this enormous difference that is described in theory but it is beneficial to build respect and confidence if problems would occur. But in general they have not experienced that the relationship is so important so it is decisive when conducting business.</p>
<p>13. Did you experience any norms and values in China that were different from Scandinavia? How could these be described?</p>	<p>The respondents all replied that they had experienced differences between China and Scandinavia however their answers varied concerning what they felt differed.</p> <p>On respondent answered that the main differences were the higher focus on status symbols whilst another respondent replied that the difference between shame and guilt may be the best way to summarize the differences in values. It has implications on how things are perceived. The third respondent replied that empathy was largely different between the countries. He said that whilst the Chinese do not lack empathy but in some aspects, what would be natural for us Scandinavians are not natural in China.</p>
<p>14. Can you compare the way of closing business deals in China to Scandinavia?</p>	<p>In general the same structure is used in China as in Scandinavia however when business is conducted in Scandinavia the procedure is more detailed and regulated. In China formal agreements are not as important. Even if you have signed a contract, the negotiations will continue.</p> <p>Moreover there can be a difference in how the contract is interpreted. Even if the contract is rather specific there still can be further negotiations according to the Chinese. In Scandinavia one is more bound to the written contracts, whereas the Chinese has a more arbitrary attitude towards contracts. There is a big cultural difference in how you interpret a contract and the Chinese can be very creative when it comes to interpreting contracts.</p>
<p>15. When conducting business, is importance placed upon the contract or the word of mouth trust? How does this differ from Scandinavia?</p>	<p>There is a slight difference between Scandinavia and China concerning the importance of business contracts. Fundamentally the structure is the same with a contract as a basis. The Chinese are honest and you can trust oral agreements and if they promise something that is not written in the contract they will keep their promise.</p> <p>However Scandinavians want to negotiate the terms of the contract and stipulate the agreement in writing. In China it is different, you can get a handshake upon agreement but it is not always sure that you can trust that handshake. It is important to be aware of that you can never leave your grip on the customer until the product is delivered and you received your payment. The negotiations can be rough but when you have</p>

	shaken hands you normally can trust that, but you must still be careful. If you do not get the agreement in writing they can come back afterwards and tell you that this was not what we agreed upon and the negotiations can go on forever.
16. How did the Chinese complete projects? Did you experience any difference between the ways projects were done in China compared to Scandinavia? (One task at a time/several tasks simultaneously)	<p>All the respondents agree that in general, the Chinese are more unstructured, it is often unclear who is doing what. Processes had to be implemented in to make the project work more structured.</p> <p>The Chinese are more focused at one thing at the time but they have some problems with knowing what to focus on and what to prioritise. They do not see the big picture; they maybe get a task but do not understand why they should do it.</p>
17. How did the Chinese encourage or discourage new ideas and taking risks? Is learning an important objective in the daily work? How do you encourage this? Is it the same in Scandinavia?	<p>The respondents replied that the Chinese are open towards new ideas but concerning risk it depends whether it is personal risk or business risk. Personal risks are avoided however some Chinese individuals are not risk avoidant concerning business revenues. However normal officials on the other hand do not take any risks and they want their supervisors to take the risk for them through their decisions.</p> <p>One respondent also replied that The Chinese are very open to new ideas and sees opportunities in many things. Sometimes so big opportunities so they forget about the risk analysis. If they get a bright idea they push forward until they stand in a corner. In Scandinavia we are better at risk analysis.</p>
18. Speaking from your own experience how do you feel equality is represented in the business environment in China? How does it compare to Scandinavia? (Gender and age distributions)	<p>All respondents agree that the Chinese business environment is more gender neutral compared to Scandinavia. On respondent replied that it is much more common to meet female managers in China than in Scandinavia whilst another respondent said that their female employees were much more mature when it comes to work moral and ethics. The working environment is rather equal when it comes to the ratio between men and women in different professions and positions.</p> <p>Regarding age distribution the respondents felt that the employees in China were rather young. They thought that this was a result of the lower retirement age (55 years in China).</p>

Since this thesis does not only focus on describing the cultural differences facing Scandinavian managers in China but also aims to explore how they adapt their leadership in order to properly manage their Chinese employees. Table 21 presents empirical data for research question two: How do the cultural differences affect the leadership of the Scandinavian manager?

Table 21: Empirical data concerning research question two

Interview Questions	Summary of interview answers
1. How would you describe Chinese corporate culture? How would you describe the Scandinavian?	<p>Chinese organisations tend to be more individual focused. And this influences the organisational culture. Cross-functional cooperation is not natural. This is something you need to work on since it is not natural for the Chinese.</p> <p>Moreover the respondents replied that a large difference is the hierarchical structure. Titles are very, very important in China. As a newly graduated Chinese you want a leader position within two years. Status symbols are more important in China, which makes the employees very driven. In China you do not want to make business with people who are not successful. It is important with a nice car, big office rooms on the top floors and you do not eat in the same canteen as people with a lower rank. As a middle level manager in a Chinese company you will not make many decisions on your own, since everything is directed from the top.</p>
2. How would you describe the Chinese management style? (Informal/formal, hierarchical/horizontal) How does it differ from Scandinavian? How?	<p>All respondents agree that the Chinese business environment is more hierarchal and formal than the Scandinavian business environment. In China it is common that the top manager comes in and solves a problem. Scandinavians are more decentralised which has created people who are capable to make their own decisions and thereafter tell the leader. In China the decision-making can be slow since you generally need to get decisions from higher up in the organisation before you can proceed.</p>
3. How, in what way, did you prepare yourself before leaving for China? - Courses - Workshops - Reading in the literature - Visiting China - Exchanging knowledge with colleagues - Changing your way of leading	<p>The way the respondents prepared themselves before moving to China differed however they all prepared themselves in some way. One respondent had a day of training together with his family and after that they went over to China for one week to check up on how all practical stuff would work out.</p> <p>One respondent had experience while still positioned in Sweden, working towards China and during that time the respondents visited China several times. He had also previously taken courses but nothing specific before his move.</p> <p>Whilst the third respondent replied that he had done everything on the list since he had no past practical experience of China.</p>
4. In your opinion, was the preparation process you received from your	<p>All respondents replied that they thought they had prepared enough, although one respondent said he would have liked to have known the language better. Moreover the respondents</p>

<p>company sufficient? In what way? What could have been done differently?</p>	<p>said that the most important thing is to be humble and if you are going to be a successful leader in a new country you must have respect for that country and accept their customs.</p>
<p>5. How difficult did you find it to accept the new business environment? Was there something in particular that you found difficult to accept?</p>	<p>The respondents found the business environment easy to accept however they all remarked that some differences existed that could cause slight frustration. In China individuals are more individualistic and bonus driven than in Scandinavia. This is due to the “anything goes” attitude that diffuses the lines of business ethics. As a result of this a Scandinavian may feel that, in some cases, might have been cheated on in a business negotiation. Although this is simply the Chinese way of conducting business.</p> <p>One respondent also replied that the way of working differs in China and Scandinavia. In Scandinavia decisions should solely be based on facts whilst in a Chinese business environment the “fact” that the decision is based upon might differ from what a Scandinavian may regard as fact. Chinese consider opinions and rumours to be facts and can base decisions upon that, they lack in source credibility compared to the Scandinavians.</p> <p>Moreover the respondents considered Scandinavians better at taking own decisions. The Chinese do not naturally initiate and manage projects on their own. This makes it necessary with clearer control/management, instructions, descriptions and deadlines. A more controlling management style is required in order to ensure results. It was also a challenge to develop the group into a team and get them to think more about the team than themselves.</p>
<p>6. What challenges do/did you face in your daily work? And in what way do/did you solve or handle them?</p>	<p>In Scandinavia when conflicts of interest arise regarding a decision or project normally Scandinavians would take the time is required in order to reach consensus. It might take a while but Scandinavians are generally ok with that. This approach might work in some contexts in China but sometimes people just sit and wait for the highest leader to make a decision and the Scandinavian leader has to accept this. To try and reach a consensus without employees willing to discuss will never work.</p> <p>One other difference is that a Scandinavian leader becomes more operative as a leader in China since they have to follow things up and make sure that they will be done, or done according to what was agreed upon in the beginning. This leads to a situation where the leader is in a position where they have a lot of different things that needs following up in order to assure that they are done in the correct way.</p>
<p>7. How did you adjust yourself and your leadership style to the new</p>	<p>The respondents all replied that they tried to transfer and adapt their Scandinavian style of leading in the Chinese business environment. One respondent replied that he had to be clearer,</p>

environment? Steps and timeframe of this process? What were the difficult part(s) and why? What was the easiest part(s) and why?

which was the most important difference. In the beginning he had to make a lot more decisions than he was used to. Though after time he tried to make the Chinese employees more comfortable with making their own decisions, but it took a while.

Another respondent replied that in general you can summarize it as Scandinavian management works in a Chinese business environment. People are people and they want to be treated with respect, and if you give them space, flexibility and freedom of action they will follow and work more independently. That is what you want from an organisation, the respondent did not want to lead an organisation where people sit and wait for instructions all the time. If a question or problem arises he expects them to handle it in a good way.

8. How was your relationship with superiors/subordinates in China and Scandinavia? Did you have to adapt to China? How?

All respondents tried in some ways to introduce a more Scandinavian management style to the Chinese business environment. On respondents said this entailed an “open door” culture where he was available for everyone. But here it is important to be careful, you must still respect your Chinese middle managers, even if some of them tried to use a more Scandinavian management style, there were still some that were very Chinese in their leadership style.

Another respondent replied that he tried to enhance some attributes of the Scandinavian style although he still said he was the same type of leader in China as he was in Scandinavia but that he tried to be a bit more informal at work in China, trying to show that the relationship between superior and subordinate does not need to be dead serious and formal. This respondent believes that the Chinese appreciate this kind of relationship and based this on the fact that he had kept the same workforce during all his years in China.

9. How did you adapt to the differences regarding praise and criticism? If you had to adapt at all.

The respondents did not think it was difficult to give more praise and adapted to this particular difference quickly. In fact one respondent replied that it was easier to give individual feedback in China compared to Scandinavia due to Scandinavian culture influences Scandinavians to feel uncomfortable when receiving individual praise in a public setting.

Concerning critique the respondents replied that some adaptation was needed so as not making the Chinese to lose face. This is something the respondents have worked on. Discussions with the Chinese were made and emphasis laid on that it is ok to tell someone you do not agree and it is nothing personal but rather a way to find a solution to the problem. One respondent also replied that he tried to lead by example by trying to see when someone did not agree with him and then try to make the Chinese employees tell that to the

manager in order to make them feel that it is okay ventilate your thoughts.

10. What are in your opinion the biggest risks with not adapting your leadership?

The biggest risk is that people will not follow the Scandinavian manager. The leader will have to adapt in some way and accept the situation and respect the culture the Scandinavian leader arrives to. In general all organisations want to keep their own corporate culture and because of that it is normally the employees that will have to adapt and take more responsibility.

One respondent further developed his answer with that there are great risks. One will have to adapt and become more controlling and do more follow ups. If the leader only asks yes or no questions one will always receive a yes as an answer. If the manager does not follow up, there will be consequences. There are businesses risks with not adapting ones leadership and the leader needs to come to the new environment with open arms. The leaders should also remember that they work with people and that they need to get people to where the leaders want. Even in Scandinavia there is a risk if one does not adapt ones leadership if a leader comes to a new environment. The leader needs to understand what people they are working with and if the leaders do not do that they cannot help them forward.

5. Data Analysis

In this chapter the analysis and interpretation of the gathered data and theories from the literature review will be presented. These will respond toward the purpose of the study and the frame of reference that has been used as a basis for this study. The results from the analysis will lead to the answering of the research questions.

5.1 Analysis of perceived differences

In order to answer the first research question the collected empirical data has been analysed towards the Hofstede (1983) framework which consists of six cultural dimensions. The dimensions describe different aspects of culture that influences management and during the analysis the empirical data will be compared to each dimension and differences and similarities towards the theories will be discussed. The first research question was stated as “How do Scandinavian managers experience cultural differences in China?”.

The main aspects of each dimension will be described and how each culture regards the main points of the cultural dimension in tables below. Moreover the tables will also summarize whether the empirical data either supports or contradicts the theory.

Power distance

According to the cultural dimensions created by Hofstede (1983), the theory states that there is a large difference regarding power distance between the Scandinavian and the Chinese culture. These differences express themselves in three main areas. First of all, the belief in equal rights is lower in China. The importance of hierarchies is higher and finally the employee attitude towards control is positive for the Chinese compared to a Scandinavian culture. This is an important aspect of management to consider since it will not only affect how much control a manager needs to wield over their employees but also dictates how the communication and the relationship should be between superior and subordinate.

The differences in the power distance index are supported by the collected empirical data. In the Chinese workplace inequality is highly accepted much due to the highly authoritarian business environment where there is a distinct difference between subordinates and superiors regarding rights and power distribution. In China the subordinates do not question or argue with their superiors since it is important to show respect towards one's superior. Furthermore the interviewees agreed that Chinese organisations work on a more hierarchal platform where titles and age are more important. The combination of authoritarian leadership and strong hierarchies leads to that all decisions are made by the management and that the employees expect to be controlled and thus do not prefer taking own decisions or initiatives. In Table 22 the theoretical differences in power distance compared to the collected data is summarised.

Table 22: Differences in the power distance dimension compared to theory

Aspect	Scandinavia	China	Supported by data
Believe in equal rights?	Yes	No	Yes
Hierarchies important?	No	Yes	Yes
Employee attitude towards control?	Negative	Positive	Yes

Individualism vs Collectivism

The individualism vs collectivism index from Hofstede's (1983) cultural dimensions illustrates a large difference between Scandinavia and China concerning whether the culture take on a more individualistic or collectivist tone. The main differences express themselves in

three main areas; if employees act as individuals or as a group, the way hiring and promotions are conducted, and the way praise is delivered. This index is of importance for managers to regard due to the fact that the index influences employees attitude of the work setting and the attitude towards the leader.

The collected empirical data however illustrates a difference towards the implications the theory states. According to the individualism vs collectivism index from Hofstede's (1983) cultural dimensions framework, Scandinavia is an individualistic culture meanwhile China is a collectivistic culture yet the empirical data illustrates a different picture. One aspect of the individualism versus collectivism index is whether if the individuals prefer to act as individuals or as part of the group. Theory states that within Chinese culture and consequently Chinese business environment a preference towards acting as a group is supported. Empirical data however implies that this might not be an absolute truth. The empirical data is inconclusive whether the preference lies with acting as a group or as an individual since there are two different opinions. One respondent replied that the group was more important whilst the other two respondents were of the opinion that self-interest of the self was more important than the interest of the group. Moreover the respondents replied that it was difficult to achieve cohesiveness across departments and that if groups existed they were not of a team nature. They may act as a group though the focus of each individual still lay with the individual itself. The Chinese work in a capitalist structure which means that they are largely driven by money, this according to the empirical data creates an environment where the Chinese are mostly concerned with themselves.

Furthermore to support the thought of Chinese culture being more individualistic than collectivistic is the third factor of the dimension. The third factor is concerned with how individuals prefer praise, whether as a group or individually. The empirical data is conclusive regarding this factor as it states that the Chinese prefer receiving praise as individuals and not as part of the group. The data moreover stresses the importance of individual praise within the Chinese business environment. According to the empirical data the act of praising individuals can be utilised as a positive form of feedback and effectiveness.

Though on the other spectrum of praise, the thought of "losing face" in Chinese culture is almost more important than praise and strengthens the thought of China being a collectivist society. This is due to the fact that the Chinese are so concerned with losing face that they do not express opinions in group settings and therefore simply follow the group dynamics.

The factor concerning hiring and promotion in the individualism versus collectivism index is hard to analyse due to the fact that that the respondents for the empirical data where of Scandinavian origin and could therefore not say if the Chinese hiring practices was of preferential treatments or done by merits alone. The Scandinavian managers had all handpicked and chosen their employees themselves. A summarization of the analysis regarding individualism vs collectivism is presented in Table 23.

Table 23: Differences in the individualism vs collectivism dimension compared to theory

Aspect	Scandinavia	China	Supported by data
Act as individual or group?	Individual	Group	No
Hiring and promotion	By merits	Preferential treatment	Inconclusive
Praise as group or individual	Individual	Group	No

Masculinity vs femininity

The Scandinavian countries are described as some of the most feminine nations in the world in the Hofstede study (1983). In comparison, China is described as a rather masculine society and thus differences regarding this cultural component are expected. In China people value success and are very driven whereas the Scandinavians value high quality of life. These values also reflect how people perceive success, in China you are successful if you perform better than your peers and is thus driven by the desire of becoming the best. In Scandinavia one is considered successful if you can achieve a high quality of life and people get motivated by doing things they enjoy. This index may be important for managers to consider since it can have an influence on the work environment and work moral and ethics.

The empirical data supports the differences described by the theory. The interviewees perceive the Chinese as very career driven with a high working morale. The Chinese employees do not have any problems with working extra hours and they exhibit a great willingness to work. In order to be successful, the Chinese put great importance on education, both during school and in the business environment. During their work life they enjoy further learning by attending seminars and courses and they are positive to learning new things and they also learn quickly. One of the biggest motivators behind their desire to succeed is the monetary incentive. Being brought up in a society with a much less developed welfare system, money becomes more important. This has the consequence that the Chinese work a lot in order to make their incomes higher. The strong will to succeed in their career is also seen in their tendency to swap workplace if they are offered a slightly better opportunity and/or salary. In Table 24 a summary of the analysis regarding masculinity vs femininity is provided.

Table 24: Differences in the masculinity vs femininity dimension compared to theory

Aspect	Scandinavia	China	Supported by theory
Dominant values	Quality of life	Success oriented, driven	Yes
Sign of success	Quality of life	The winner/Best in field	Yes
What motivates people?	Liking what you do	Wanting to be the best	Yes

Uncertainty avoidance

Theoretically Scandinavia and China score rather equal regarding this dimension. Both societies are described as having low preference for avoiding uncertainty and the individuals do not need a lot of structure and predictability in life. In both societies, individuals are rather flexible regarding laws and rules but in two different ways. In Scandinavia people feel that there should not be more rules than necessary and if a rule does not work it should be changed or abandoned. In China people are flexible regarding rules and laws in that concern that they should suit the actual situation. Both are also described as innovative and entrepreneurial. The uncertainty avoidance index can be important for managers to evaluate since it dictates how structured or unstructured people are. This could impact the need for rules and regulations at the workplace.

One way to determine the importance of uncertainty avoidance is to analyse how business contracts are perceived. According to the collected data, contracts are used as a basis for business agreements in China as well as in Scandinavia. However, there is a difference in how contracts are viewed upon. In Scandinavia the terms of the contract are normally negotiated

and stipulated in writing and after that the contact is followed. In China on the other hand, the negotiation continues after the contract has been written and how the contract is interpreted can differ a lot between parties. In the theory the Chinese is described as entrepreneurial and that is confirmed by the interviewees who describe them as open to new ideas and prone to see opportunities in many things. Table 25 below summarises the analysis of the uncertainty avoidance index.

Table 25: Differences in the uncertainty avoidance index compared to theory

Aspect	Scandinavia	China	Supported by theory
Approach to rules	Flexible	Flexible	Yes
Attitude towards risk	Not threatening	Not threatening	Yes

Long term vs short term orientation

Theory illustrates differences between Scandinavia and China on the long term versus short term index (Hofstede et al., 2010). Scandinavia is considered to be rather short term oriented meanwhile on the other hand China is regarded as long term oriented. Moreover three main aspects of this dimension index can be discerned. They are whether a culture and its management is either short or long term oriented and therefore wish to achieve quick results or invest. Moreover this index illustrates whether a culture is normative or pragmatic. This may influence management in what way their subordinates plan and assess the future.

Theory states that China is a long term oriented culture that invests for the long run and do not mind waiting in order to achieve result. However the empirical data illustrates a different result. The collected data states that the Chinese are short term oriented and their objective is to achieve result quickly. In fact the Chinese are according to the gathered data so concentrated on quickly achieving results that they forget the long term perspective. They are therefore not especially risk analytic.

Concerning the culture aspect in the long term versus short term index, theory state that China is a pragmatic culture and believe that the truth is dependent on the situation. This thought is supported by the empirical data that has been collected. This can be discerned through the way the Chinese regard facts as true. Chinese culture may view facts differently from what a Scandinavian objectively sees as a fact. The empirical data states that the Chinese in some instances may view rumours and opinions as facts and truths. The long term vs short term orientation index is summarised in Table 26.

Table 26: Differences in the long term vs short term orientation dimension compared to theory

Aspect	Scandinavia	China	Supported by data
Orientation	Short term	Long term	No
Culture	Normative	Pragmatic	Yes
Results	Quick	Invest	No

Indulgence vs restraint

Regarding the final cultural dimension described by Hofstede et al. (2010), Scandinavia differs from China. In Scandinavia indulgence is important and the people wish to realise their desires in order to enjoy life and have fun. Furthermore, they are regarded as positive and value leisure time highly. In contrast, China is a restrained society and their people are more cynical and pessimistic. They also feel that they are restrained by social norms and that it is bad to indulge themselves.

When analysing the collected data it becomes evident that the Chinese put less importance on indulgence. This could possibly be a consequence of an environment where the desire to succeed in life and perform well is high and combined with a highly competitive society. Even at a young age the Chinese are very result driven and are pushed by their parents. One of the interviewees explained that the Chinese students are so focused on achieving good grades they spend weekends and evenings study instead of enjoying their leisure time. In Table 27 the analysis of the last cultural dimension, indulgence vs restraint, is summarized.

Table 27: Differences in the indulgence vs restraint dimensioned compared to theory

Aspect	Scandinavia	China	Supported by data
Society	Impulsive	Restrained	Yes
Individuals	Positive	Cynical and pessimistic	Yes
Leisure time	Highly valued	Do not indulge themselves	Yes

5.2 Analysis of the effects on leadership from cultural differences

The analysis of the first research question has illustrated that there are some differences between theory and empirical data. The Scandinavian managers that were the respondents of the interviews have experienced some of the cultural differences that are described by theory. Due to the cultural context being of a decisive nature how one's style of leadership is experienced by one's subordinates, the way the Scandinavian managers adapt their style of management to the new cultural context will be analysed.

In order to analyse the Scandinavians adaptation process towards the new cultural context first of all an analysis of the preferred leadership styles in both China and Scandinavia has to be compared against theory. Thereafter an examination of the adaptation process can be conducted.

Scandinavian leadership

The GLOBE study's cultural dimensions of leadership that is based upon the implicit leadership theory states that the most efficient style of leadership within Scandinavia are the "charismatic/value based", "participative" and "team-oriented" leadership styles (House et al., 2004). This implies that leadership in the Scandinavian region is supposed to have a leader that leads around a vision and tries to inspire people. Moreover Scandinavian leadership should be participative where the leader seeks input from subordinates and delegates tasks. Being team oriented also implies that the Scandinavian style of leadership involves teams and tries to utilise collaborations both across and within departments. (ibid.)

The empirical data that has been collected mostly supports the theory. Scandinavian managers value team orientation and participation. This is illustrated as the respondents in the empirical data state that they prefer to utilise a leadership style that is built around teams and try to create a cohesiveness within the organisation where cross functional team work is not only seen as a possibility but part of everyday working life. Moreover they value subordinates opinions and do not mind reaching consensus before making a decision. Being part of the workforce is seen as important and participation is highly valued. The respondents also replied that they focused on a leadership style that corresponded with respective respondents organisations value. This can be illustrated in the empirical data where the scandinavian managers chose not to utilise the punishment system that is often used in Chinese business environment. The Scandinavian organizational values did not coincide with a punishment

system, instead the respondents tried to lead by example and guide and inspire Chinese subordinates through values and visions.

Chinese leadership

According to GLOBEs leadership dimension the most efficient leadership style in China should be “self-protective”, “humane oriented” and “team oriented” (House et al., 2004). This implies that a Chinese leadership is supposed to have an independent leader who decides all objectives and makes the decisions. However the leader should also be inspiring and lead from the vision. Moreover team collaborations and cohesiveness is seen as valued aspects of leadership. (ibid.)

The empirical data that has been gathered both supports and contradicts theory about Chinese leadership, however the empirical data is based upon Scandinavian managers view about Chinese management from working in a Chinese business environment so therefore the empirical data may not provide a perfect picture of the preferred Chinese leadership styles. If Chinese managers had been interviewed, a different view and opinion might have been collected.

The empirical data states that Chinese managers prefer to make all the decisions in the organisation themselves and this coincides with the theory that “self-protective” leadership is preferred. This style of leadership is very status conscious and the empirical data support this since it illustrates that titles are very important in China. Titles in China automatically hands the person that possess that title power and Chinese subordinates will not argue or question decision made by the authority figure. This coincides with the hierarchical and authoritarian business environment.

Concerning the humane oriented style of leadership, theory states that this leadership style is concerned with the wellbeing of the organization's members. Moreover the theory states that qualities valued by this style of leadership are attributes such as generosity and compassion. The empirical data contradicts this theory on one main factor, the punishment systems. Chinese management often rule and regulate with a punishment system that for example reduces the pay of the employees if they do something wrong. Moreover the Chinese business environment in general is rather strict and formal which does not indicate towards a compassionate environment.

Adaptation process

In order to create a clear picture and try to fully understand how Scandinavian managers adapt their leadership style while working within a new cultural environment, an analysis of the different steps in their adaptation process will be conducted. This will include the preparation done before the departure, their initial approach and attitude towards changing their leadership style and finally what adaptations that were deemed necessary in order to properly manage their Chinese employees.

Preparation before departure to China

All of the interviewed Scandinavian managers stated that they had prepared themselves properly before moving to China. However, the way they prepared themselves differed and the degree of preparation could be connected to the past experience of working abroad or in close connection to the Chinese business environment. In one case one of the managers had received experience of China while being positioned in Sweden and thus did not feel it was necessary to prepare to a higher degree. In contrast one of the interviewees had little past

experience of China and thus prepared extensively before moving to China. Furthermore one of the respondents stated that it would have been useful to learn the language better before moving to China. The plan had been to take language lessons while being on site, but since the job was rather hectic in the beginning of his stay in China, the language course became suffering. As a final note, all the interviewees agreed on the importance of being humble if you want to be a successful leader in a new country. No matter of how you prepare, it is still important to have respect for the new country and accept their customs.

Approach/attitude towards changing their leadership style

One important aspect to remember is that all interviewees are working for Scandinavian companies and during their period abroad they worked in subsidiaries with a Scandinavian business culture. This had a certain impact on their approach towards adapting their Scandinavian leadership style. Since they all wanted to maintain the organisational culture from their Scandinavian mother companies, they tried to introduce the Scandinavian management style to their Chinese employees. So in one sense, it was rather a question of how well their Chinese employees would perceive and adapt to the Scandinavian management style than the managers changing their ways of leading. One of the interviewees explained that he wanted to explore how far it was possible to go with an unadapted Scandinavian leadership. He further explained that during the course of time he found out what parts of the Scandinavian leadership worked and what did not. To summarize, one could divide the efforts of the Scandinavian managers into two different parts. One part consisting of the efforts they made in order to make their Chinese employees adapt to their original management style and the other part focusing on their efforts of adapting those parts of their leadership that did not seem to work within the Chinese cultural environment.

Adapting the leadership style

One of the major challenges that the Scandinavian managers faced in China was the lack of own initiative and decision making among their Chinese employees. As previously discussed this could be interpreted as a direct effect of the Chinese business environment, which is highly authoritarian and hierarchical and the employees expect the management to make every decision for them. This was something the Scandinavian managers were not used to, so in the beginning they had to be clearer in their communication and make a lot more decisions than they were used to back in Scandinavia. Furthermore, the Chinese do not initiate and manage projects on their own, which made it necessary for the Scandinavians to use clearer control, instructions, descriptions and deadlines. They felt that a more controlling management style was required in order ensure that results are delivered as expected.

In the long term, the Scandinavian managers wanted to make their Chinese employees more independent and more inclined to make their own decisions since they did not want to lead an organisation where people sit and wait for instructions all the time. By treating the employees with respect and giving them space, flexibility and freedom of action they became more inclined to follow their Scandinavian leaders and started to work more independently. This was a process that took time, one interviewee stated that it took about two years until he was satisfied.

One other difference that follows the hierarchical and authoritarian business environment is the increased importance of age and titles and the respect that comes with them. In the Chinese business environment, ranks and titles are important and have an influence on what behaviour is considered appropriate in different situations. However, the Scandinavian managers did not have to act in any special way in order to gain respect since much of the

respect comes automatically with their titles. One of them even said that it was easier to gain respect in China, compared to Scandinavia. Once again they agreed that people are still people and if you treat them fairly, they will respond in kind.

One of the important cultural factors that the Scandinavian managers had to adapt to, was the “loose face” aspect. In the Chinese culture it is important that criticism is not given to an individual in front of the group since this would cause shame. In order to reduce the risk of making a Chinese employee loose face, the Scandinavians had to adapt the way they expressed themselves, using a more diplomatic approach and remember to deliver the critique individually. Furthermore the loose face factor is also present in the other communicative situations and the respondents felt that it somewhat inhibited the way they could express themselves. In a Scandinavian environment it is easier to express private matters, especially in front of a group. Divulging private issues is not as common among the Chinese and if it occurs it is normally only face to face.

The Scandinavian managers felt that the loose face factor could have negative consequences since it made the Chinese employees reluctant to express their opinion when they did not agree on something. In order to change that behaviour, discussions were held with the employees, where the emphasis was laid on making them understand that it is ok to tell someone that you do not agree and it is nothing personal but rather a way to find a solution to the problem. To further emphasize this message, one of the respondents tried to lead by example by trying to see when an employee did not agree with him and then try to make the employee tell him that and thus reinforce the feeling that it is ok to not always agree.

In the Chinese business environment the relationship between superior and subordinate is more formal than in Scandinavia. Perhaps a bit too formal according to the Scandinavian managers who actively tried to create a more informal relationship between themselves and their Chinese employees. They all stated that they tried to implement a more Scandinavian relationship between superiors and subordinates. This was done by actively behaving in a more informal way at work and thus showing that the relationship does not need to be dead serious and formal.

The adaptation process in connection to the GLOBE leadership dimensions

The empirical data presented in the adaptation process in the previous section, described how the Scandinavian leaders managed the cultural differences they encountered while working in China. When analysing their efforts it becomes evident that in the long term the Scandinavian managers wanted to implement a more Scandinavian way of leading. This would imply that the style of leadership would take the form of a charismatic/value based, participative and team oriented style. According to the GLOBE study these styles of leadership are ill suited or less effective for the Chinese employees, except for the team oriented aspect of leading. (Northouse, 2013) However the empirical data does not support the theory regarding the effectiveness of a team oriented leadership style in China. So one could say that all three preferred styles of Scandinavian leadership are unsuitable. This might explain why the Scandinavian managers experienced that it took time for the Chinese employees to adapt to the Scandinavian style of leading.

During the time it took for the Chinese employees to adapt to the new leadership style, the Scandinavian managers had to adapt their leadership towards a more Chinese way of leading. In accordance with the self-protective style of leading described by Northouse (2013), the Scandinavian managers became more controlling and operative. The way they expressed

themselves also changed for the Scandinavian managers. In order to be sensitive regarding the losing face aspect of Chinese culture the Scandinavian managers also had to become more conscious of how they expressed themselves and delivered critique. This is also in congruence with the self-protective leadership style.

6. Findings and Conclusions

The purpose of this chapter is to summarize the most important results that has emerged from the data analysis and will thusly answer the research questions and the research purpose. The findings and conclusions are based on the analysis that in turn was based on the gathered data and the information provided by the literature review.

This study has concentrated its efforts to study culture and management in Scandinavia and China. The first research question examined the way managers perceive cultural differences between Scandinavia and China meanwhile the second research question examined how the perceived cultural differences affected the leadership style of the Scandinavian managers.

6.1 Findings and conclusions for perceived differences

The first research question is formulated as following: “How do Scandinavian managers experience cultural differences in China?”. After collecting the empirical data and conducting the analysis one can conclude that the Scandinavian managers experience differences between the Scandinavian business environment and the Chinese business environment.

Most notable was the difference in power distance. The Scandinavian managers found the Chinese business environment to be a lot more strict and controlling than the Scandinavian. The distance between the employer and employee was also more formal and polarised.

Another difference compared to the Chinese business environment the Scandinavian managers perceived Scandinavians to be a lot better at working in teams and together for the interest of the company. Scandinavians also are more cohesive than Chinese employees and are able to effectively work cross departments. In the Chinese business environment the individual was the focus and teamwork did not come as naturally for the Chinese employees as it does for the Scandinavians. Moreover the Chinese do not work across departments and functions and when they do it is not especially effective without the manager meticulously controlling the procedure.

The Scandinavian managers also perceived a difference in the work ethics and work morals between the two cultures. The Chinese employees are more willing to work and do not shy away from working long hours for several days a week. Moreover the Chinese employees are all willing to learn and further develop themselves. The Scandinavians on the other hand are a bit more complacent in the work place. Scandinavians work but do not feel the same need as the Chinese to actively seek out promotions and extra work. Concerning the work ethics the business environments are different although the Scandinavian managers did not perceive the Chinese as amoral, their way of conducting business differentiated itself from the Scandinavian way. The Chinese conduct themselves under an attitude that can be summarised as “anything goes” whilst Scandinavians are more prone to follow rules and regulations.

Moreover the Scandinavian managers experienced differences concerning time. They found that the Chinese were more concerned with achieving results at once and therefore sometimes ignored problems that would arise in the future in order to get results. Meanwhile in Scandinavia employees are more risk conscious and think ahead and perform risk analysis before making a decision.

By utilizing the Hofstede framework six cultural differences have been examined towards empirical data where differences and similarities towards the theories have been brought up.

In general the empirical data coincided and supported theory however a few disparities were found.

The main disparities that differed concerned the dimensions “Individualism/collectivism” and “long term versus short term orientation”. Theory states that the Chinese prefer to work as in groups whilst the empirical data states that they are of a more individualistic nature and if there are groups they do not work as a cohesive team, the self is still more important than the interest of the group. Moreover theory also illustrates that praise should be given towards groups in China whilst the empirical data implies that praise is more effective and is preferred towards individual. This further supports the disparity between theory and empirical data concerning the individualism vs collectivism index.

The second contradiction is that theory states that the Chinese society is of a more long term orientation where they do not mind to invest in order to receive results. However the empirical data illustrates a different picture. The empirical data implies that the Chinese prefer quick results.

The reason behind the divergence between theory and data is hard to make a general conclusion about however one can speculate if the rapid changing socio- and economical culture may be a reason. In the past years China has undergone a fast development phase and the Chinese society has become more and more fixated with monetary success. This in turn has turned a collectivistic culture into a more individualistic society. This has influenced the business environment where teamwork has taken a back seat to the self-interest of the individual. As previously mentioned Chinese employees prefer to be individuals and do not effectively work across departments. The Chinese keep information to themselves and do not divulge it to other people to keep control and in order to assert oneself.

As a summary of the findings the Table 28 presents the differences the Scandinavian manager experience Chinese culture compared to Hofstede’s cultural dimensions scores.

Table 28: Differences between theory and Scandinavian managers’ perception

Cultural Dimension	Theory state	Manager says
Power distance	High level of power distance	High level of power distance
Individualism vs collectivism	Collectivistic culture	Individualistic culture
Masculinity vs femininity	Masculine culture	Masculine culture
Uncertainty avoidance	Low uncertainty avoidance	Low uncertainty avoidance
Long term vs short term orientation	Long term orientation	Short term orientation
Indulgence vs restraint	Restrained culture	Restrained culture

Table 29 presents the differences Scandinavian managers’ perceived of Chinese culture compared to Scandinavian culture.

Table 29: Differences between Scandinavian managers perception of Chinese and Scandinavian culture

Cultural Dimension	Scandinavia	Chinese culture according to managers
Power distance	Low	High level of power distance
Individualism vs collectivism	Individualistic culture	Individualistic culture
Masculinity vs femininity	Feminine culture	Masculine culture
Uncertainty avoidance	Low uncertainty avoidance	Low uncertainty avoidance
Long term vs short term orientation	Short term orientation	Short term orientation
Indulgence vs restraint	Indulgent culture	Restrained culture

6.2 Findings and conclusions regarding effects

Through the literature review the cultural differences between Scandinavia and China were found and tested against the collected empirical data. While the first research question focused on finding how the Scandinavian managers perceive the cultural differences, the aim of the second research question was to find out how the Scandinavian managers gets affected by the cultural differences. The second research question was formulated as following: “How do the cultural differences affect the leadership of the Scandinavian manager?”.

The perceived cultural differences experienced by the Scandinavian managers clearly had an effect on their leadership. In order to obtain a clear picture of how they got affected by the differences, their adaptation was analysed in a three step process, including preparations, approach/attitude and conducted adaptations.

During the preparation step it was found that the extent of preparation was connected to the amount of previous experience the managers had with China. No or limited amount of experience led to a higher degree of preparation and with a larger amount of experience, a lesser amount of specific preparations were required.

Regarding the approach and attitude the Scandinavian managers had towards adapting their leadership, it was found that all the managers had the aim to use the Scandinavian management style as far as possible since the organisations they worked for while in China were Scandinavian subsidiaries with Scandinavian organisational cultures. This had the implication that their Chinese employees had to adapt to a leadership style they were not used to.

Finally the analysis provided insights regarding how the leadership of the Scandinavian managers got affected by the cultural differences and how they acted in order to handle them. One of the greatest differences in the Chinese business environment was the lack of own initiative and own decision making among the Chinese employees. This is mostly due to the authoritarian and hierarchical aspects of Chinese culture. The strict and formal organisational structure implies that management is the solely responsible for decision making and creating goals and objectives. In the short term the Scandinavian managers had to adapt to these differences in order to get things functional. A more controlling management style was required to ensure that results were delivered as expected. However, in the long term, the managers worked hard in order to make their Chinese employees more self-going and susceptible to make their own decisions.

In conclusions it can be said that the Scandinavian managers believe in their leadership style and wants to use it as far as possible in China. However, since the Chinese are not used to this kind of leadership, it will take time before they have fully embraced the more value based and participative leadership style of the Scandinavians. During the time period where the Chinese gets used to a new kind of leadership, the Scandinavian managers need to adapt their leadership to a more controlling and self-protective type of leadership in order to make the Chinese follow them and deliver results for the organisation.

6.3 Theoretical implications

The findings from the analysis of the empirical data showed that the theoretical information regarding the Chinese national culture was not fully supported. Regarding the two cultural dimensions “individualism vs collectivism” and “long term vs short term orientation” the Scandinavian managers perception differed from the theory, stating that China is a individualistic nation rather than a collectivistic and short term oriented instead of long term oriented as stated by theory. China is a nation with high power distance, masculine values, low uncertainty avoidance and restrained people as stated by the theory was supported by the findings of this thesis.

Furthermore the theory of preferred leadership styles in China presented in the GLOBE study was also contradicted by the empirical data. According to Northouse (2013) the most preferred leadership styles in China are “self-protective leadership”, “team-oriented leadership” and “humane-oriented leadership. Only the self-protective leadership style was supported by the analysis of the empirical data.

Regarding how the leadership of the Scandinavian managers was affected by the cultural differences between Scandinavia and China, the findings of the thesis concluded that some adaptation was required. Even though the Scandinavian managers had the aim to use the their Scandinavian leadership style as far as possible, their experiences showed that it was necessary to adapt the leadership, especially in the beginning of their time in China. This was due to the fact that it took time for their Chinese employees to get used to the Scandinavian way of leading.

6.4 Managerial implications

This thesis contributes with interesting findings that hopefully can be helpful for Scandinavian managers who currently work or will be working in China in the future. Furthermore the findings of this thesis could prove to be equally useful for organisations that are or will be active on the Chinese market.

Preparing before moving to China is important, but it is even more important to go there with an open mind, being humble and be aware that the culture is different and that the country and their customs should be respected. Furthermore it is always useful to acquire some Chinese language skills before the departure if possible.

A Scandinavian leader should be prepared that some adaptation of their leadership will be required in order to properly manage the Chinese employees. This is due to the cultural differences between the societies, where especially the cultural dimension of power distance has a large impact on how the Chinese employees perceive their leaders and how they expect them to act.

It is useful to bare in mind that the most preferred Chinese leadership style is self-protective where the leader is supposed to make all decision and create the goals and visions of the company. This has the implication that the Scandinavian managers must be prepared to take a more controlling and operative role as a leader.

If you give the Chinese employees the time to adapt to a more Scandinavian leadership style, it is likely that they will become comfortable with this kind of leading and even prefer it over a more Chinese leadership style. The Scandinavian managers interviewed in this thesis stated that using a Scandinavian management style in the organisation could be seen as attractive for Chinese employers as soon as they have got used to it.

Finally it is also important to note that there are risks connected with not adapting the leadership style to the Chinese culture. The biggest risk is that the Chinese employees will not follow you as a leader. Since the Chinese are used to being controlled by their managers and do not work independently to the same extent as Scandinavian employees, there will be negative consequences if the Scandinavian manager does not become more operative and uses more follow ups.

6.5 Implication for further research

Since the findings of this thesis points out that the empirical data does not fully support the national cultural dimensions theory by Hofstede et al. (2010), it would be interesting with further research regarding this matter. Since the sample size of this thesis was small, a study including a larger sample would be interesting in order to find out if the conclusions of this specific study would be validated or falsified.

Since this study concluded that the cultural differences experienced by the Scandinavian managers in some aspects differed from the description provided by Hofstede et al. (2010), it would be interesting with a study that investigates if the culture in China has changed in the past years. Even though culture is regarded as a slowly changing factor, China is a nation that has experienced fast and large socio-political change, and it is thus not unlikely that this has had an impact on the culture.

There is also an underlying suspicion regarding whether a Scandinavian manager fully can grasp the cultural differences between Scandinavia and China. In order to get a fairer and possible a more correct picture of the Chinese culture, a study including how the Chinese perceive their own culture would be interesting in order to determine if there is any differences in perception depending on if you are an insider brought up in the culture or if you are an external observer of the culture.

6.6 Limitations of the research

There are some limitations to note concerning this thesis. First of all one should remember that the empirical data that was collected was based upon a small sample of respondents. If more than three Scandinavian managers had been interviewed there is a possibility that different thoughts and opinions would have been received and the findings may have been different. Moreover it is important to remember that the respondents of the interview were Scandinavian managers that tried to implement a Scandinavian style of leadership in a Chinese business culture. This may imply that the Scandinavian managers did not receive the full experience of Chinese leadership and business culture. If Chinese managers had been the base that the empirical data was built upon one can only speculate if the received answers and in connections the thesis findings may have been different.

7. References

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Appendix 1 – Interview guide English version

Background information

1. Name:
2. Age:
3. What is your field of study, educational background:
4. Current position and area of responsibility:
5. Number of years within the company and current position:
6. Have you worked abroad/outside of Scandinavia:
7. Position while abroad and number of years:
8. Number of years in a leadership/managerial position before going abroad:
9. Number of years in a leadership/managerial position while abroad:

Questions concerning RQ 1

1. When working abroad in China, how did you feel that the different business environments, China and Scandinavia, differed on an authoritarian level?
2. How did you have to act in order gain respect from colleagues and to control your subordinates in China?
3. How did you feel that the managers in China expressed their feelings compared to Scandinavian managers? More open? Did you have to change the way you expressed yourself?
4. How do the subordinates in China view their superior? How would you describe their relationship? (Informal/formal) How does it differ from Scandinavia?
5. How was the decision making process conducted in China? How is this compared to Scandinavia? Done by the managers or are employees consulted?
6. Do managers share their visions with employees in China? How is this compared to Scandinavia?
7. How did you reach consensus in China? If disagreements occur how would you express your opinion? Did you change the way you expressed yourself after time? How did your colleagues express themselves? How does this differ from a Scandinavian business environment?
8. Describe how employees in China work within different work settings, in group work and as separate individuals? Where is emphasis laid? How is this compared to the work setting in a Scandinavian environment?
9. How do employees in China prefer praise? Individually or as a group? How is this compared to Sweden?

10. What is your opinion relating to education, work ethics and moral within the Chinese business environment?
11. If you would compare the personnel within Scandinavia and China, are there any noticeable differences?
12. When conducting business in China, how do you handle relationships? Need to build a strong relationship before a deal can be closed? How does this compare when conducting business in Scandinavia?
13. Did you experience any norms and values in China that were different from Scandinavia? How could these be described?
14. Can you compare the way of closing business deals in China to Scandinavia?
15. When conducting business, is importance placed upon the contract or the word of mouth trust? How does this differ from Scandinavia?
16. How did the Chinese complete projects? Did you experience any difference between the ways projects were done in China compared to Scandinavia? (One task at a time/several tasks simultaneously)
17. How did the Chinese encourage or discourage new ideas and taking risks? Is learning an important objective in the daily work? How do you encourage this? Is it the same in Scandinavia?
18. Speaking from your own experience how do you feel equality is represented in the business environment in China? How does it compare to Scandinavia? (Gender and age distributions)

Questions concerning RQ2

1. How would you describe Chinese corporate culture? How would you describe the Scandinavian?
2. How would you describe the Chinese management style? (Informal/formal, hierarchical/horizontal) How does it differ from Scandinavian? How?
3. How, in what way, did you prepare yourself before leaving for China?
 - Courses
 - Workshops
 - Reading in the literature
 - Visiting China
 - Exchanging knowledge with colleagues
 - Changing your way of leading
4. In your opinion, was the preparation process you received from your company sufficient? In what way? What could have been done differently?
5. How difficult did you find it to accept the new business environment? Was there something in particular that you found difficult to accept?
6. What challenges do/did you face in your daily work? And in what way do/did you solve or handle them?

7. How did you adjust yourself and your leadership style to the new environment? Steps and timeframe of this process? What were the difficult part(s) and why? What was the easiest part(s) and why?

8. How was your relationship with superiors/subordinates in China and Scandinavia? Did you have to adapt to China? How?

9. How did you adapt to the differences regarding praise and criticism? If you had to adapt at all.

10. What are in your opinion the biggest risks with not adapting your leadership?

Appendix 2 – Intervjuguide svensk version

Backgrunds information

1. Namn:
2. Ålder:
3. Vad är ert ämnesområde, utbildning:
4. Nuvarande position och ansvarsområde:
5. Antal år inom företaget och nuvarande position:
6. Har du arbetat utomlands/utanför Skandinavien:
7. Position utomlands och antal år:
8. Antal år inom en ledarskap roll innan arbete utomlands:
9. Antal år inom en ledarskaps position utomlands:

Frågor om Forskningsfråga 1

1. När ni arbetade utomlands hur kände ni att Kina och Skandinavien affärsmiljö skiljer sig på en auktoritär nivå?
2. Hur har du fått agera för att få respekt från kollegor och att kontrollera underordnade i Kina? Hur agerar du i en Skandinavisk miljö?
3. Hur fann ni att ledare i Kina uttryckte sina känslor jämfört med personer inom en ledarposition i Skandinavien? Var ni tvungna att ändra hur ni uttryckte er?
4. Hur ser anställda på sin chef/ledare i Kina? Hur skulle du beskriva deras relation? Hur skiljer det sig från Skandinavien?
5. Hur fattades besluts process i Kina? Hur jämförs det med Skandinavien?
6. Delar ledare med sig av sin vision i Kina? Hur är det jämfört med Skandinavien?
7. Hur nådde ni överensstämmelse i Kina? Om oenighet skulle uppstå hur uttryckte du din åsikt? Ändrades sättet du uttryckte dig på över tid? Hur uttryckte dina kollegor sig? Hur skiljer sig detta från Skandinavisk affärsmiljö?
8. Beskriv hur anställda i Kina ställer sig till arbete inom grupp eller individuellt? Ligger focus på gruppen eller individen? Hur skiljer/jämför sig detta med en Skandinavisk affärsmiljö?
9. Hur ställer sig anställda i Kina till beröm? Föredrar de beröm individuellt eller som grupp? Hur skiljer sig detta med Sverige?
10. Vad är er åsikt angående utbildning, arbetsmoral och vilja Kina?

11. Om du jämför Skandinaviens och Kinas personal upplever du några skillnader?
12. Vid bedrivande av affärer i Kina hur hanterar ni relationer? Behov av att bygga en stark relation innan en affär kan göras? Hur jämförs det med när ni gör affärer i Skandinavien?
13. Upplevde du några normer eller värderingar i Kina som var annorlunda jämfört mot skandinaviska? Hur skulle du beskriva dessa?
14. Kan ni jämföra hur ni går till väga att göra en affär i Kina till Skandinavien?
15. När ni gör affärer läggs vikt på själva kontraktet eller kan man lite på det som sägs muntligt?
16. Hur kompletterade/avslutade Kineser sina projekt? Upplevde du några skillnader Kina och Skandinavien gick till väga?
17. Hur ställer sig Kineser till nya idéer och risker? Är företaget öppet att lära sig nya saker? Är lärande ett viktigt objekt i ditt dagliga jobb? Hur uppmuntrar ni det? Hur skiljer det sig från en Skandinavisk miljö?
18. Utifrån dina egna erfarenheter hur upplever du jämställdhet i Kina arbetsmiljö? Hur skiljer det sig från Skandinavien?

Frågor om forskningsfråga 2

1. Hur skulle ni beskriva Kinas organisationskultur? Hur skulle ni beskriva Skandinaviskt?
2. Kan ni beskriva Kinesers ledarskaps stil? Hur skiljer det sig från Skandinavien?
3. Hur förberedde ni er innan ni lämnade för Kina?
4. Enligt din åsikt, var förberedningsprocessen du fick från företaget tillräcklig? På vilket sätt? Vad kunde ha gjorts bättre eller vad saknade du när du ser tillbaka?
5. Hur svårt fann ni att acceptera den nya affärsmiljön? Fanns det något speciellt som ni tyckte skiljde sig och var svårt att acceptera?
6. Vilka utmaningar mötte du i ditt dagliga arbetsliv? Och på vilket sätt löser du eller hanterar du dem?
7. Hur anpassade du dig själv och din ledarskapsstil till den nya miljön? Dem olika stegen och tidsramen för denna process? Vad var svårast och lättast, varför?
8. Hur var era relationer med överordnande/underordnande i Kina och Skandinavien? Behövde ni anpassa er till Kina? Hur?
9. Hur anpassade ni er till dessa skillnader? Om ni behövde anpassa er.
10. Vad är enligt er de största riskerna med att inte anpassa sitt ledarskap?