Organisational values and styles of decision-making process: a comparative study of Chinese and Australian managers

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ORGANISATIONAL VALUES AND STYLES OF DECISION - MAKING PROCESS:
A COMPARATIVE STUDY OF CHINESE AND AUSTRALIAN MANAGERS

A thesis submitted in fulfilment of the requirements for the award of the degree

Doctor of Philosophy

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BY
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Delicated to Xin-Sheng Zhang for his understanding and support.
DECLARATION

I hereby declare that this thesis has not been submitted for any other degree and is the result of my independent research.

Yuan Wang
ABSTRACT

This study explores the relationship between Styles of the Decision Making Process (SDMP) and organisational values. During the past decade the relationship between decision making and organisational values has attracted academic attention. However, most of this kind of research focuses on how values influence the decision making content. The impact of organisational values on SDMP has been largely ignored.

Selecting and controlling SDMP is a key of management success. SDMP involves the roles of participation as well as cognitive style that play in the decision making process. Organisational process-oriented values (OPV) act as the major factor in determining the degree of participation of SDMP within an organisation. With a comprehensive review of previous relevant studies, discussion of the nature of organisational values and the impact of the environment on SDMP, a conceptual model is presented for studying the determinants of the relationship between OPV and SDMP. Methods of cross-cultural comparative survey and interview were used as instruments in this research. 440 questionnaires were distributed among managers in eight organisations of both China and Australia.

This research contributes to the literature on organisational values and decision theory by inferring that the theory of organisational process-oriented values has a broad application in organisational behaviour, by providing theoretical and empirical evidence to confirm the existence of a linkage between OPV and SDMP, and by providing an analysis of the differences of OPV and SDMP between Chinese and Australian managers related to backgrounds of national values. Both scholars and managers may benefit from understanding the relationship between organisational values and decision making, especially OPV and SDMP, from a perspective of the cross-cultural setting.
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**Abbreviation**

AUS: Australia.
CCPC: Chinese Communist Party Committee.
CI: Continuous Improvement.
CVS: Chinese Values Survey.
DMP: The decision making process.
NV: National values.
OV: Organisational values.
Orgs: Organisations.
OPV: Organisational process-oriented values.
ORV: Organisational results-oriented values.
PID: Power Distance.
PVQ: The Personal Value Questionnaire.
PRC: People Republic of China.
SDMP: Style of the decision making process.
SDMPI: Style of the decision making process inventory.
VI: Value Inventory.
VSM: Values Survey Module.
WC: Workers' Congress.
Chapter 1

An Introduction

This chapter identifies the research problem through brief review of previous research and indicates the necessity for further study on the relationship between the style of the decision making process and organisational process-oriented values

1.1 The Research Problem and Background

Organisational values have received attention in recent years as a key component of organisational culture. As underpinning culture, values have been discussed as having an indirect effect on issues as diverse and general as corporate strategy, competitive advantage, motivational methods, and organisational reform and development. However there has been a relative lack of work which looks at direct effects on specific processes. In this study the focus is on the relationship between organisational values and the decision-making process

It is often maintained that decision making is the most crucial part of managerial work and organisational functioning (March and Simon, 1958). Along with the development of management science, numerous organisational researchers in recent decades have investigated and written about organisational decision-making behaviours from a variety of perspectives and approaches such as leadership style, industrial relations, political process and both individual and group psychology (March and Simon, 1958; Simon, 1961; Cyer and Lawerence, 1970; Heller, 1971; Vroom and Yetton, 1973; Drucker 1974; Kast, 1974; Mintzberg et al, 1976; Marchington, 1982). More recently has been argued that decisions sometimes happen without ‘action’ as fluid types of decision making (Hickson et al, 1986; Mintzberg, and Waters, 1990) and even from an philosophical point of view it is discussed that decision-making without ‘action’ in the traditional sense of the concept is an
ontological process - a natural and inseparable outcome of the process of human "being" in the world. (Chia, 1994).

With the increase of global economics and internationalised corporations in the 1980s, some researchers argue that differences in national cultures and specific organisational value systems also shed light on explaining the effectiveness of different decisions within organisations (Perry, 1990; Liedtka, 1991; Rowe, 1992), after they compared management styles and effectiveness between different countries or organisations with a country. Research has explored a number of questions, including who should be involved in the decision making process and what kind of organisational goals should be achieved. The answers to this and other questions vary between managers for different organisational value-system and national cultures. Therefore they use cultural arguments to explain these features of decision making effectiveness. Researchers (e.g. Schmidt and Posner, 1982; Wakhlu, 1986; Harrison, 1987) strongly argue that organisational values determine which problems may become the decision objective, what standards are viewed as the decision criteria for selecting alternatives, and what strategies of every decision should try to realise for best results. That organisational values have implicit an impact on organisational decisions is increasingly being taken for granted (Schmidt and Posner, 1982; Enz, 1989; Johnson, 1993). Following previous managerial theories on decision making activities the existing body of research is able to conclude that, in particular, organisational values influence decision making behaviours. This conclusion provides a theoretical starting point for the present study.

Nevertheless a troublesome problem remains from previous studies. That is that the relationship between organisational values and decision making processes is largely ignored (Liedtka, 1991; Ali, 1992), whilst the relationship between the decision making content and organisational values or the relationship between individual psychology and
the decision making process are given more attention (Hambrick and Brandon, 1988). The organisational values focused upon by those who highlight the influence of organisational values on decision making behaviours mainly are those who can influence an organisation to plan or to implement efficient strategies for a particular set of desirable ends, instead of other kinds of values which emphasise doing things appropriately through desirable means within an organisation.

Most recently, the 1990s have seen the development of decision studies from the new angle of organisational cultural analysis. The relationship between the decision making process and organisational values has been examined to a certain degree, though there are not many examples of such studies (Stewart, 1985; Liedtka, 1991; Ali, 1992; Rowe, 1992; Choi, 1993; Johnson, 1993). The relationship between individual value systems and the style of decision making has been identified by Ali’s study. His research supports that value systems are predictors of the managerial decision process style. Choi’s work extends this understanding of value system by distinguishing two types of organisational values: organisational process-oriented values (OPV) and organisational results-oriented values (ORV). His distinction on organisational values is a useful one which supports the investigation of decision making from the perspective of process-oriented values.

Some flaws can be found in Ali and Choi’s work. Ali did not conduct his study in a cross-cultural setting and only suggested that further empirical work was required in this area (Ali, 1992). Nor did he place organisational values within the scope of his research. From another crucial angle, although Choi contrasted two value orientations: process orientation and results orientation, unfortunately he merely associated the process-oriented values with one aspect of organisational development, that is ‘Continuous Improvement’ (Choi, 1993). His principle of organisational values in fact can be applied to other areas of organisational
behaviour, especially decision making. Secondly, he did not give OPV a definitive definition and close analysis.

Pioneering works (Ouchi, 1981; Liedtka, 1991; Rowe, 1992; Choi, 1993) on organisational values and decision making behaviours leave two main questions unanswered. These are: 'What is the significance of distinguishing OPV and ORV within organisational values when decision making is studied?' and: 'Is there a concrete relationship between organisational process-oriented values and the decision-making process?' These questions require explanation through further research studies. Put simply, doing the right things and doing things right in decision making are the two different sides of the matter. Decision theories should explain the former but should not neglect the latter in approaching organisational values. The purpose of this study is to address these questions, incorporating both existing qualitative research and quantitative methods in the data analysis.

1.2 Research Focus and Definitions.

1.2.1 Focal Points of the Research

In the light of the above analysis of the research gap, the present study focuses on the relationship between organisational process-oriented values and the style of the decision making process associated with national culture and economic backgrounds. A comparison of cultures between China and Australia is used to examine this relationship.

Based on this understanding of organisational values and decision making behaviour, to achieve the research goal effectively, the present study explores three points. The first one is that there are two categories of organisational values: organisational results-oriented values (ORV) and organisational process-oriented values (OPV). Of these, OPV influences behaviour in terms of the organisational means for the accomplishment of corporate goals. The second one is whether OPV is related to the style of the decision making process
(SDMP). Different OPVs should lead to different styles of the decision making process. *The third one* is whether the OPVs and SDMPs of Chinese organisations are different from those of Australian organisations.

### 1.2.2 Definitions of Key Concepts

The main concepts in this research are culture, organisational values, organisational process-oriented values and the style of the decision making process. They are the basic elements of the research frame. It is helpful then to set up definitions at the beginning of this thesis and give fuller explanations and origins of these definitions at greater length in subsequent chapters. Decision making can be viewed as a base on and around which the organisations is built, it has drawn substantial academic attention for several decades and has developed a relatively stable definition. In contrast, the more recently developed concept of organisational values has aroused controversy and confusion among various scholars as to its precise meaning.

Organisational values and OPV, which are the focus of this research, are related to culture. The concept of culture is a difficult and complex one. There are many possible definitions of culture. However the characteristics of *shared* idea systems, values and ways of behaviour are common to most of the relevant discussions about culture (Smircich, 1983; Westwood, 1992; Cooke and Szumal, 1993; Mead, 1994). Culture is frequently seen to exist in layers (Schein, 1984; Sathe, 1985; Hofstede, 1991; Trompenaars, 1993). Generally, the first layer contains the physical, visible elements such symbols and behaviour patterns. The second one is the deeper, indirectly visible expressed values and the third one consists of invisible basic assumptions. Hence, values are believed to be a crucial part of culture and act as kind of bridge between the first and third layers.
Culture is also represented by different levels. At the highest, most general level is the national culture. Then subcultures such as organisational culture are expressed within a specific organisation. The third level could be functional / professional cultures within, but possibly across organisations (Trompenaars, 1993). This research will focus on the second level, the role of values in culture at the organisational level and its connection to the first level. In sum, organisational values as shared ideas within an organisation are embedded in organisational culture. They can be seen to have the following features:

1) Organisational values concern what should be in the organisation. They are explicitly or implicitly desirable for a group or the whole organisation, and are the normative standards which influence the selections made from the available modes, means and ends of action (Jacob et al 1962; Beyer, 1981; Adler 1986). For the purpose of this research, organisational values are simply defined as shared normative standards of desirable behaviour for possible means and ends of action within an organisation. The respective ranges of organisational values are organisational process-oriented values (OPV) and organisational results-oriented values (ORV) - in light of the terms used by Choi (1993).

2) Organisational process-oriented values explain the basic shared preferences with regard to the most important or the best ways and means of realising the goals of the organisation and act as guide for managerial behaviour. Of organisational values, OPVs play a major part in decision making processes and are the focus of this study.

3) Drawing on the traditional model and successive commentaries, style of the decision-making process in this study is defined as: the tendencies which characterise the decision making process, involving, as a course of action differing from decision content, the four fundamental stages of decision making behaviour, and displaying different degrees of participation. The four stages are defining the decision objective; searching information;
making the final decision; and implementing the decision. In the strict etymological sense, 'style' (fr. Latin 'stylus') is only an instrument for writing. 'Style' can be understood as the manner of executing a task or performing an action, or as a particular mode or form of skilled construction or execution. 'Style', therefore, as used in the present research, refers to the main behavioural characteristics or tendencies of the decision making processes (Heller, 1971; Muna, 1980).

1.3 Implementation of the Research.

The basic method used in this research is that of comparative cross-cultural study. The sample is selected from organisations of both The People's Republic of China (the PRC) and Australia (AUS). The comparative study is designed to identify the similarities and differences between national values, OPV and SDMP across two or more cultures. The research results in this present study not only test whether a certain value pattern produces a corresponding SDMP, but also identifies culturally specific features of Australian and Chinese organisations. Specially designed questionnaires, drawing on constructs used in other studies, which combined the identification of national values, organisational process values and the style of the decision-making process were distributed and selected interviewees were contacted for further investigation in organisations in both the PRC and Australia.

1.4 The Significance of This Research.

Exploration of the relationship between organisational values and SDMP with a cultural comparison of China and Australia is significant and important for the following reasons:

1) Distinguishing process-oriented values from result-oriented values and putting them into the proper context of the decision making process offers a new dimension for decision theory and will redress the lack of attention given to the linkage between organisational
values and the decision-making process. The distinction between organisational process-oriented values (OPV) and results-oriented values (ORV) is an important one which is not made by most current research in the area.

2). Managers can benefit from better understanding the relationship between organisational values and the decision-making process in cross-cultural settings, in order to make decisions effectively. One of the basic purposes of management is to steer organisational behaviour towards the accomplishment of organisational goals. Values are the basis of human behaviour. Understanding the impact of organisational values on the decision-making process will enable managers to improve the process. Further this will enable managers to gain insight into the specifics of managing organic organisations. This can be achieved by stressing the importance of the relationship between organisational values and decision making processes, and subsequently by using this knowledge to improve them.

3). The comparison of a sample of managers from Australia and the PRC provides meaningful insights which will assist both Australians and Chinese managers. Today's world is characterised by global communication networking, international trade and a growing number of multinational corporations. As a consequence, contact between members of different cultural groups is increasing in frequency. As people bring different kinds of conventions, attitudes and values to transactions and communication, misunderstanding is inevitable, particularly in situations where people of different cultures need to work together (Kume, 1985). To make decisions effectively in intercultural business requires some prediction, or anticipation, of other people's decision-making behavioural patterns. It would be difficult, if not impossible, to do so without knowing how values impact on these managerial behaviours.
Apart from the differences in their political and economic systems, China and Australia have very different national cultures. Australia has a Western, Anglo-Celtic cultural background. In contrast to this, China is the originator of Confucian culture which is in many ways representative of some Asian cultures (Chen 1995; Ralston, 1997). Those differences can produce different values and attitudes towards management styles in organisations. Despite the tremendous differences between these two countries, they both play important roles in the economy and the politics of the Asian-Pacific region. Recently the commercial relationship between China and Australia has developed positively, since Australian Prime Minister John Howard visited China, specifically to discuss their bilateral trade which is expanding rapidly. Accordingly, business persons and officials in both countries need to get to know each other better, especially regarding their preferred and customary behavioural patterns in organisational management. By comparing organisational values of the two countries and their associated decision making styles this study will provide useful insights into managerial processes in each country.

4). To some extent, the study also redresses the lack of information about decision making behaviour in the PRC for researchers, particularly following recent management reforms. Chinese decision making behaviour has attracted researchers' attention for some time due to the success of Chinese businesses, but these researches are mainly limited to overseas Chinese organisations.

In spite of having the same written language and same cultural origins, organisations in the PRC may show different characteristics of behaviour from overseas Chinese organisations because of their entirely different forms of ownership and economic system. The dominant form of most Chinese organisations is the Chinese family business whose leadership or decision making style is directive and authoritarian (Bond and Hwang, 1995). In contrast, the organisational structures of most organisations in China are characterised by a variety
of public or private forms of ownership. These may result in particular characteristics of decision making behaviours which are not similar to that of overseas Chinese organisations. Studies of the decision making behaviours of overseas Chinese organisations, therefore, cannot substitute for direct studies of organisations in the PRC. Only a picture of both the characteristics of organisational behaviour in overseas and mainland China can construct a comprehensive overview of Chinese organisational behaviour. The results of this study of organisational values and SDMP in the PRC are an important part of this picture.

Owing to the need for reform, many organisations in China are absorbing managerial ideas and methods from Western countries as their essential instruments of improving management. However, no management theory is perfectly abstract. All are based on a cultural background (Hofstede, 1991). Western management theories are products of their home culture. Many organisations in China, thus, are faced with a type of cultural shock resulting from the impact of Western theories. This situation is bound to result in the changing of organisational values or behaviours in some Chinese organisations. Under these circumstances knowledge of what are the emergent, distinctive and specific characteristics of organisational behaviours in some organisations in the PRC is of particular interest.

1.5 Outline of The Thesis.

The thesis consists of eight chapters. Chapters 2 to 8 are to develop our argument as follows:

- Chapter 2 specifies a theoretical gap in the understanding of the relationship between organisational values and decision making behaviours by discussing the existing literature.
• Chapter 3 reviews previous studies of Chinese and Australian national and managerial values, and decision making styles.

• Chapter 4 argues that OPVs play a special role in affecting styles of the decision making process, discussing OPVs and organisational results-oriented values (ORV). It establishes a conceptual model of the linkage between OPV and SDMP. The basic hypotheses explore the linkage between organisational values and the style of the decision making process, and whether organisational values and the styles of the decision making process between Chinese and Australian organisations are different.

• Chapter 5 focuses on the methodology of the present research. It argues for the necessity of using multiple methods to investigate OPVs - organisational values and SDMP in Chinese and Australian organisations. The methods of the research are introduced in detail.

• Chapter 6 provides statistical results and interpretation in relation to the hypotheses and reports interview results. The profiles of Chinese and Australian managers' OPV and SDMP are identified based on the data collected from China and Australia.

• Chapter 7 empirically explores the linkage between OPV and SDMP. It also applies the factor of national values to probe the managerial differentiation between Chinese and Australian organisations in depth.

• Chapter 8, the concluding chapter, outlines the contribution and limitations of this research. It finally assesses the implications for future work and makes suggestions for the development of theory and practice in organisational management.

1.6 Summary.
The style of the decision making process varies in organisations under different circumstances. Managers' ways of thinking, and the degree of authorising participation are not random or haphazard, but are profoundly influenced by organisational values.
organisational values, organisational process-oriented values are assumed to have a linkage to SDMP directly.

This chapter has laid out the framework for this thesis by introducing the research background, gaps, focus of study and significance. For many years, people have discussed the impact of organisational values on decision-making content, but the influence of organisational values on decision making processes has been largely neglected. However a few studies such as those of Ali (1992) and Choi (1993) indicate the need for an exploration of the gap in this area. The predictive function of individual values for the style of the decision making process and the distinction of OPV and ORV among organisational values are indicated by these authors. The development of organisational culture and decision theories indicates that knowing the relationship between SDMP and organisational values is not only possible, but also necessary. China and Australia are selected as good examples for comparison, since they are respectively representatives of two different cultures clusters. On these foundations this account can proceed with more detailed description of the research in subsequent chapters.
Chapter 2

Cultural Values and Decision Making

This chapter will undertake a review of the relevant literature in the field in order to identify the strengths, weaknesses, contributions and omissions of previous research. The first section of this chapter introduces previous studies of culture and values. The second section works on organisational values. The third section reviews previous studies of styles of the decision making process (SDMP) from the perspectives of decision theory, industrial relations and leadership style. The final section focuses on the incorporation of values in decision making theories.

2.1 Culture and Values

2.1.1 The Concept of Culture.

2.1.1. a). The Concept of Culture.

The phenomenon of culture has been the subject of systematic study by anthropology since the 19th century, but the concept is one which has proved controversial, and difficult to be defined precisely with common agreement (Ott, 1989). In its broadest sense, culture refers to both the material and mental achievements of human beings (Herskovits, 1948, Malinowski, 1960). As Malinowski indicates, the concept is complex “Whether we consider a very simple or primitive culture or an extremely complex and developed one, we are confronted by a vast apparatus, partly material, partly human and partly spiritual” (Malinowski, 1960:36). One of the dominant emphases in the definition of culture is on viewing culture as a shared system of ideas, knowledge and meanings, or behavioural pattern (Tylor, 1871; Parsons, 1973; Schein, 1984, 1987; Adler, 1986; Westwood, 1992). From this point of view, the concept of culture includes everything which is involved in the fields of human social and mental life within a shared value system - social norms, beliefs and customs. As Popenoe observers:
Culture may be formally defined as the system of shared values and meanings of a group or society, including the embodiment of those values and meanings in material artefacts (Popenoe, 1974:82).

Culture in this formulation is acquired through social learning and socialisation processes, as the individual develops and matures into a competent member of a particular society (Terpstra and David, 1985; Rousseau, 1990).

The general functions of culture are also contained in many definitions. 1) Culture, as a software of the mind, collectively programmes people’s minds and distinguishes the members of one group or category of people from another. Each group or category of people shares the same social environment, which is different from that of other groups. People belonging to a certain group or category come to share a way of thinking, living, behavioural norms and rules for showing feelings in order to fit in that society. Culture modifies individual behaviour and values in common with that of others. (Hofstede, 1991).

2) Culture provides solutions to problems of external adaptation and internal integration, and is the way in which people solve problems (Terpstra and David, 1985; Schein, 1985, Hampden-Turner, 1990; Trompenaars, 1993). In every culture a limited number of universally shared human problems need to be solved such as the relationships of the individual to others and human beings to nature. One culture chooses a characteristically specific solution to each the set of problems which is differently from that chosen by other cultures

2.1.1 b). Layers of Culture

Although there are substantial disagreements about the definition of culture, outlines of the structural layers of culture have achieved greater consensus, at least from a broadly functionalist perspective. Culture is represented as having a number of layers like the

Schein (Schein, 1984) proposes that there are three layers which include artifacts, values and assumptions within a culture. The most visible layer of the culture is its artifacts, containing physical elements including art, technology, and visible and audible behaviour patterns. The second layer, espoused values, is about the sense of what “ought” to be, as distinct from what is. The values provide day-to-day operating principles to guide behaviour to be congruent with the underlying assumptions. At the deepest layer of culture are basic assumptions. The assumptions are often unconscious and deals with fundamental aspects of the culture (Figure 2.1). Sathe and Trompenaars agree with Schein on the components of the structural layers of culture (Sathe, 1985; Trompenaars, 1993).

![Image of Figure 2.1: The levels of cultural and their interaction](image1)

![Image of Figure 2.2: Manifestations of culture different levels of depth](image2)
For Hofstede (1991) each of layers of culture has different components. Objects as symbols represent the most superficial layer and shared values are the deepest manifestations of culture with celebrated heroes and behavioural rituals falling in between these two layers (Figure 2.2). He emphases that values are the core of culture (Hofstede, 1991). Clearly values are of central importance in both models.

2.1.2 The Nature of Values

2.1.2 a) The Nature of Values.

(1) A Kind of Enduring Belief

Values are like all beliefs, initially learned as part of the social background, such as family and society, and are acquired through socialisation (Rokeach 1970, 1973; Hofseted, 1991). Subsequently, values have motivational, cognitive, affective and behavioural components (Harrison, 1987; Robbins, 1994). But values are not entirely equivalent to any general beliefs. The general concept of belief reflects a view of the relationship of past, present and future (Bamberger, 1986), whereas values refer to views of ‘how things ought to be’ (Enz, 1989). Beliefs have a factual basis based on factual basis - what people believe to be true or not true about events in the world, whereas values are relatively stable on some absolute basis - what is important to people about events. (Scott, 1951; Kast 1974; Ott, 1989). Rokeach defines a value as an enduring belief in a specific mode of conduct or end-state of existence and a value system is an enduring organisation of beliefs concerning preferable modes of conduct or end-states of existence. (Rokeach 1973).

(2) A Kind of Desirable or Preference.

Values are concerned with the desirable both in terms of means and goals of means (Schmidt and Posner, 1982; Westwood, 1992; Adler, 1986). Kluckhohn (1951) defines value as a conception of the desirable, which influences the selection from available modes, means and ends of action. Similarly, in essence, values are concerned with preferences. Values as preferences are used as a standard of choice, when a person is
faced with many alternatives (Rokeach 1973). Hofstede proposes that a value is 'a broad tendency to prefer certain states of affairs over others' (Hofstede, 1980). Schmidt and Posner (1982) argue that a value is not an idealised state, but rather what is preferred. Values are those deep preferences that may generate and anticipate volitional action.

(3) A Kind of Absolute Goal or Standard.

Values are argued to be absolute goal or standard for behaviour. That a value provides goals for action to achieve (Kluckhohn 1951; Rokeach 1973; Adler, 1986; Harrison 1987). Wakhlu argues that rather than a concrete situation or an objective, a value refers to the absolute and transcendental goals or standards which can be applied in any situation, objective or judgmental, and indicate an ultimate and desirable end-state of existence. (Wakhlu, 1986).

Secondly, values serve as a standard for guiding behaviour (Scott, 1951; Allport, 1951; England, 1975, 1978; Rokeach, 1973). Values also provide the motivation behind behaviour (Kluckhohn 1951, Rokeach, 1973). Why do people behave in such a way? Or further more, why do they want to do so? Values offer reasons. Thirdly, values are thought to provide a relatively permanent and stable framework of perception against which to judge other people's or one's own behaviour (Deal & Kennedy, 1982; Rokeach, 1973). England finds that a personal value system is viewed as relatively permanent perceptual framework which shapes and influences the general nature of an individual's behaviour (England, 1967). Harrison (1987) argues that values enable an individual to judge the propriety of their own conduct in reference to standards they have has learned to apply to the self.

Values guide behaviour through attitudes. (Enz, 1986; Hui, 1992). This linkage is expressed as a sequence: Values—Attitudes—Behaviours (Enz, 1986; Woodock, 1989). These values affect people's attitudes and behaviours in any given situation. Changing patterns of behaviour eventually, in turn, influence the values again
(Bamberger, 1986, Adler, 1986). How cultures influence behaviour through values modelled by Adler in Figure 2.3. Cultural values are the crucial factor which affects behaviour.

**Figure 2.3** The Influence of Culture on Behaviour.


(4) As a Dichotomy.

The literature on values shows that they are dichotomous (Kluckhohn, 1951, 1961; Rokeach, 1973; Choi, 1993). Kluckhohn (1951) distinguishes between values of something being valuable as an end in itself versus it being valuable as a means to an end. Rokeach (1973) also makes the distinction between values of preferable modes of conduct and preferable end-states of existence. He distinguishes between them by the concepts of ‘instrumental’ and ‘terminal’ values. Instrumental values are related to preferable behaviour models, and are classified by moral values and *self-actualisation* values. Moral values lead a person to feel that they are behaving morally, whereas *self-actualisation* leads them to feel that they are behaving competently. (Rokeach, 1970). Klukhohn and Rokeach’s idea is accepted by Harrison (1987), and developed by Choi (1993) at the organisational level. Values are divided into organisational process-oriented and results-oriented values by Choi (1993).
Previous studies of the concepts of culture and values provide sufficient background for the our understanding of the organisational process-oriented value and its relation to decision making behaviours. The value dichotomy is important, as it indicates that different types of behaviours are guided by different categories of values. Setting behaviour goals is influenced by 'terminal' values. Selecting behavioural means achieving the goals is influenced by 'instrumental' values. However these previous studies have not explored how the 'instrument' values-means values influence managerial behaviours at the organisational level. This indicates a need of a further study of the organisational process-oriented values from managerial points of view for the present study.

2.1.2. b) Linkages among Values

Due to the different purposes of previous investigation, many definitions of values including personal values, work values, managerial values, organisational values, social values or national values\(^1\) have been given (Hofstede 1980; Harrison 1987; Ali, 1988; Hambrick, 1988; Ravlin and Meglino 1989). To summarise previous research, they can be divided into three levels: individual values, organisational values and national values (Ouchi, 1981; Deal and Kennedy, 1982; Enz, 1989; Hofstede, 1991). Work values and managerial values can be variously attributed to both individual or organisational values. For example, Harrison argues that organisational values are synonymous with managerial values and that managerial values are a composite of the basic personal values, and some values derived from the particular managerial role in organisations (Harrison, 1987).

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\(^1\) The concepts of social values and national values are applied in both sociological and management theories. In the present study national values are a hierarchical concept linking with organisational and individual values. The first reason is that social values are not clearly distinguishable one from the others. In a certain sense, organisational values may be defined as a kind of social value. The second reason is that although national values are not an accurate concept either, as they may cover a variety of values within a country, at least, they are not to be confused with organisational and individual values in terms of conceptual level at which they operate.
There is a close link between national values, organisational values and individual values. Hofstede (1991), Schein (1992), and Ouchi (1981) have all argued for the interaction between them. Hofstede argues that a key issue for organisation science is the influence of national culture on management. The national values do affect both individuals and organisations. (Hofstede, 1983, 1985). People all derive part of their identity from national values, as an effect of early life experiences in the family and later educational experience in schools and organisations. People accordingly share some of their values with other members of their nation (Hofstede, 1981, 1991). The present research starts from the premise, it is necessary to consider the influences of national values on organisations when studying organisational values and behaviours.

Some researchers have developed measures for values, which shown in Figure 2.4. They have been used in a variety of studies from cross-cultural comparisons to management assessments, in particular the Allport and Rokeach, England and Hofstede’s measures of values have been wildly discussed. England and Hofstede’s measures of values will be respectively detailed in the review of Chinese and Australian value studies in Chapter 3.

Allport's value model is one of the earliest examples of this type of study. Allport’s manual aims to measure value preferences or ways these preferences are realised in personality. He identifies six main personality orientations in terms of these values preferences.

- *The theoretical man* is interested in discovering truth.
- *The economic man* is characteristically interested in what is useful and based originally upon the satisfaction of bodily needs (self-preservation). In his relations with people he is more likely to be interested in surpassing them in wealth than in dominating them or in serving them.
- *The aesthetic man* places the highest value on form and harmony. In social affairs he tends toward individualism and self-sufficiency.
- *The social man* holds the love of people as his dominant value. The social man regards love, or affiliation, as itself the only suitable form of human relationship.
- *The political man* is interested primarily in power. He wishes above all else for personal power, influence, and renown.
- *The religious man* pays most attention to transcendental unity. He is mystical, and seeks to comprehend the cosmos as a whole, to relate himself to its embracing totality.

**Figure 2.4 Instruments for Measuring Values**

<table>
<thead>
<tr>
<th>Individual Values.</th>
<th></th>
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<tbody>
<tr>
<td>Study of Values (Allport, 1951).</td>
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<tr>
<td>The Value Survey (Rokeach, 1970).</td>
<td></td>
</tr>
<tr>
<td>Managerial Values for Working (Flowers, 1975).</td>
<td></td>
</tr>
<tr>
<td>Survey of Work Values (Wollack et al. 1971).</td>
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</tbody>
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**Organisational Values.**


**National Values Related to Work.**


Allport's value measures focus on the aspects of 1) personal interests 2) the ways of dealing with the world around the individual in pursuit of goal. A few studies of the relationship between individual values and decision making have used Allport's value measure as a basic reference for measurement (Palmer, 1979; Rowe, 1992). As Rowe comments, "the Allport test is well validated and has been accepted by the professional community for many years" (Rowe, 1992:75).
Rokeach’s value measure is also used in several studies (Munson and Posner, 1980; Frederich and Weber, 1990). One of his categories of instrument values is the self-actualisation values. This includes values related to competence in goal attainment such as being ambitious, capable, courageous, imaginative, self-reliant, self-sufficient and responsible (Rokeach, 1970). Rokeach and Allport’s value measures offer basic references for measuring process-oriented values. They are a significant reference point for the present study in developing a means to measure organisational process-oriented values.

2.1.3 The Structural Levels and Differences of Culture

Cultures are frequently represented as having different structural levels. (Popenoe, 1974; Hofstede, 1991; Alvesson and Berg, 1992; Trompenaars, 1993). According to Trompenaars, the highest and most general level is the culture of a national or regional society. The second level is organisational or corporate culture. The third level is the culture of particular functions within/across organisations such as departmental or professional orientations. Hofstede divides the structural levels of culture into six: national, regional/ethnic, gender, generation, social class, and organisational levels. National and organisational levels are structurally differentiated by most research (Popenoe, 1974; Hofstede, 1991; Alvesson and Berg, 1992; Trompenaars, 1993).

Cultural differences are found to exist at all structural levels of culture such as at levels of national cultures, cross-subcultures: organisational cultures or departmental and professional cultures. (Westwood, 1992). Much research of cultural comparison has been conducted at both national and organisational levels. (eg. England, 1975; Hofstede, 1980; Ralston, et al, 1992, 1993; Trompenaars, 1993).

Hofstede (1991) conducted his survey of 50 countries and three regions in a single company by using four dimensions of work-related values: power distance, uncertainty avoidance, masculinity/femininity and individualism/collectivism. Among of four
dimensions *power distance* is the extent to which the less powerful members of institutions and organisations within a country expect and accept that power is distributed unequally; *Individualism* refers to loosely knit social framework in which people are chiefly supposed to look after their own interests and those of their immediate family; *collectivism*, the opposite of individualism, is characterised by a tight social framework in which people expect others in groups to which they belong to look after and protect them, and in exchange, they feel their own absolute loyalty to the group (Hofstede, 1991).

Trompenaars (1993) also uses several concepts, including a category of relationships with people, to compare cultural differences at a national level. Values of ‘losing face’ and ‘universalist versus particularist’ are considered in his survey as a means of comparing how different cultures deal with relationships differently. Some dimensions of both Hofstede and Trompenaars’ measures are effective in distinguishing the differences of national cultures. They provide the foundation for identifying differences in national values between the PRC and Australia in the present study. These values repeatedly emerge as key variables for distinguishing cultural differences in comparative studies. It indicates that to understand organisational behaviours and differences in cross-cultural setting, values may be a key to focus.

### 2.2 Organisational Values

Organisational values play an important role in the organisational culture by influencing organisational behaviours (Schmidt and Posner, 1982; Wakhlu, 1986; Hofstede, 1983, 1991; Johnson, 1993).

#### 2.2.1 Organisational Culture and Values

In spite of disagreements about whether an organisation 'has' or 'is' a culture amongst academic researchers, organisational culture and values are nevertheless widely acknowledged to be useful concepts in management (Mead, 1994). Organisational
culture is recognised as the second level of the culture - that of subculture (Ott, 1989; Trompenaars, 1993). It has its particular properties which differ from national or societal culture, whilst having some general features which are similar to those of societal culture. As Popenoe noted:

When a group of people within the culture formulate a way of behaving that includes some of the dominant features of this cultural average but also includes certain features not found elsewhere in the society, we call this a subculture (Popenoe, 1974:107).

Each organisation has a corporate culture which is a managerial manner or style suited to its own organisational characteristics (Eubanks and Kenneth, 1992). Although there are different terms to describe the components of organisational culture, the shares value system, normative system, patterns of behaviours are common elements mentioned in most relevant research. Some researchers describe organisational cultures as being composed of the shared value system and the other elements: the normative system, cultural networks, cultural heroes and rituals within an organisation (Deal and Kennedy, 1982; Hofstede, 1991; Wang and Zhang, 1989; Neuijen, 1992). Some describe organisational culture as being artifacts, patterns of behaviour, norms and values and assumptions (Schein, 1984; Rousseau, 1990). In organisational culture, organisational values give rise to patterns of uniformity in behaviour (Burack, 1991) and represent implicit assumptions about how to behave (Schein, 1987). According to this research, organisational values are a basic element of organisational culture influencing behaviour within an organisation.

Hofstede defines organisational values as the collective programming of the mind which distinguishes members of one organisation from another (Hofstede 1991:180). Liedtka defines organisational values as the form of guiding principles and beliefs perceived to exist by organisational members as whole. (Liedtka, 1991). Enz (1990) defines the organisational values as the beliefs held and selected as most desirable by a
group or individual that speak to the goals and focus on the corporation, actions and persons within that firm. Whatever specific definitions are given to organisational values, they are substantially shared by members and shape managers’ behaviours towards a goals (Schmidt and Posner, 1982; Schein, 1984, Wakhlu, 1986; Brightman, 1990; Johnson, 1993).

2.2.2. Organisational Values in Management.
Managerial values have a profound influence on the management style of organisations. As early as the era of Taylor's scientific management in the 1910s, the value of economic man (Taylor, 1911; Wern, 1979) led to a kind of autocratic style that did not allow workers to take any part in organisational decision making, but controlled and directed them. Then, Elton Mayo (1933) put forward the concept of social man in establishing the human relations movement in the early 1930s. The values of human relations were that employees liked to feel themselves important to the enterprise, a valued member of a group. This value assumed that if employees social needs were met, the group to which they belonged would develop high morale which would promote the achievement of the group’s objective (Maier, 1952). After the twenty years, the managerial values of organisational humanism, which put greater stress on 'power equalisation' and 'self-actualisation' (Wren, 1979), turned attention from the group orientation to the whole organisation and influenced the adoption of the democratic management style (Likert, 1967; Wren, 1979). Disagreeing with views of the economic and social man values, the values of organisational humanism explained that people had varied needs shaping by their educational backgrounds and other factors. This managerial value assumed that harmony between the organisation and its members was the key to enhance organisational productivity. It proposed that employees would like to take responsibility for work, and that democracy and 'self-actualisation' at work were important for management (Wren, 1979).
It can be seen that, over the years, managerial values have undergone an obvious change. Managerial values regarding the role of human resources in productivity have gradually changed from controlling employees to allowing them to self-actualise; from distrust to trust; from directing to cooperating in work; from believing that work is for meeting individual existential needs to achieving harmony between individual and organisational goals. These changing views of the managerial values are a base for a measure of OPVs in the present study.

The important role and deeper location of organisational values in organisational culture has received broad support in the literature since the 1980s (Schein, 1984; Miller, 1984; Enz, 1989; Posner 1992). Organisational values offer guidance in learning the ropes of the organisational culture for prospective members. As Hampden-Turner (1990) argues, it is impossible to appreciate a corporate culture until it is understood that its actions follow logically from its beliefs and assumptions.

Specifically, organisational values indicate to the employees what they ought to do in terms of superordinate goals, and sometimes how they ought to do it (Wang and Zhang 1989; Enz, 1989). The question of values congruency between organisation and person or department has frequently been one of the key considerations. Based on an empirical survey, Posner and his colleagues (Posner et al, 1985; Posner 1992) found that the person-organisation values congruency is directly related to positive work attitudes. The greater level of person-organisation values congruency, the more positive work attitudes employees held. Brightman and Sayeed (1990) argue that dissimilar values between senior management and team members negatively affect accomplishment of their organisational mission. These studies indicate that individual and organisational values have an impact on employees’ behaviour and attitudes towards work.

Organisational values directly or indirectly impact on the decision making content and processes. (Ouchi 1981; Deal and Kennedy 1982; Schmidt and Posner, 1982; Enz,
More detail of these studies will be reviewed in the final section of this chapter.

2.2.3 The Nature of Organisational Values.

The nature of organisational values - enduring beliefs, standards or guides for organisational behaviour, and the preferences of an organisation - has been discussed by researchers and managers (Watson, 1963; Miller, 1984; Liedtka, 1991; Enz, 1986, 1989; Wakhlu, 1986; Posner, et al, 1985, Harrison 1987). Some of the studies of the nature of organisational values are not rigorous and scientific, but they still shed some light on the nature of organisational values.

1) Organisational values enhance organisational system stability. An organisation uses organisational values to cope with challenges from the external environment. Organisational strategies represent the changeable aspects of organisational operating, whereas organisational values represent the stable aspects of organisational operating. Based on his experiences at IBM, Thomas Watson Jr. outlines his understanding of organisational values (Watson, 1963):

I believe that the most important single factor in corporate success is faithful adherence to those beliefs. And, finally, I believe if an organisation is to meet the challenge of a changing world, it must be prepared to change everything about itself except those beliefs as it moves through corporate life. (Watson, 1963:5).

2) Organisational values are the glue that helps hold the organisation together by providing appropriate standards for members' behaviours. They serve as a control mechanism that guides and shapes the attitudes and behaviour of members (Schmidt and Posner, 1982; Wang and Zhang, 1989). Posner and his colleagues (1985) argue that shared values are related to organisational commitment and self confidence, whilst
Miller (1984) argues that they can guide members to work towards organisational goals cooperatively.

3) As an indicator of priorities of organisational work, organisational values show managers how to assign priority to organisational goals in order to meet organisational requirements (Deal & Kennedy, 1982; Peters and Austin, 1985) "It is important for organisations to identify their key management values and then to design policies, programs, and opportunities that are consistent with them" (Schmidt and Posner, 1982).

Nevertheless the dichotomous nature of organisational values was not paid enough attention until the early 1990s. Choi (1993) distinguishes between process-oriented and results-oriented values of organisations. He proposes that organisational values significantly link with management behaviour in two directions. A process-oriented value perspective views action as valuable in its own right, whereas a results-oriented perspective value views action as valuable only as a means to a desirable end. He argues that a process-orientated value focuses on doing things appropriately and is normatively acceptable here and now. A results-orientated value, on the other hand, focuses on the rationalisation of the steps required to achieve the strategic goal in the future. Choi’s dichotomy of organisational values is a development of previous work by Kluckhohn and Rokeach (Kluckhohn, 1951; Rokeach, 1970). Choi focuses on management performance and processes at organisational levels, instead of on individual management characteristics.

Distinction between OPV and ORV is significant for the present study. The dichotomy of organisational values indicates that OPV may be a useful way to study the decision making process. Despite distinguishing the two types of organisational value, Choi does not give specific definitions for both oriented organisational value orientations in his studies. To explore the relationship between OPV and decision making behaviour it is
necessary to develop a specific definition of OPV and a measure of OPV in the present study.

Previous studies of the linkages between values at different levels are helpful in discussing the influences of cultural factors on the style of the decision making process and are helpful in the process of defining and measuring OPV, though some of these are not sufficiently rigorous.

2.3 Studies of The Decision Making Process in Management Science.
Decision making is so important that it is often assumed to be the primary concern of management. Some researchers, such as Herbert Simon (Simon, 1961), have considered decision making and management to be synonymous terms. Although we would not claim that all management is decision making, decision making does prove to be a highly useful focus for the analysis and study of management.

2.3.1 Decision Making.
The development of decision theory has been very important in the history of management science. The field is divided into two main branches, that is, aspects of decision technique and decision behaviour. The former may include ratio analysis, break even analysis, mathematical programming, queuing theory, decision trees, and network analysis. Most of these utilise mathematical techniques and tools that can be applied primarily to a relatively narrow range of well-defined, quantifiable problems at middle- and lower-management levels. Approaches of the latter which are relevant to behavioural aspects of the decision making process can be used in making the majority of decisions in a particular organisation. (Kast, 1974)

In the behavioural context of decision making, theories consider two key aspects. That is, the decision making process (DMP) and the decision-making content (DMC). Generally speaking, decision making is composed of four steps: problem definition,
Chapter 2

information collection, choice of alternatives and implementation (Simon, 1961; Rowe, 1992; Adler, 1986). Both decision making content and decision making process need to be analysed through these four steps, but from different analytic orientations. DMC asks the question: 'What kind of decisions are made?', whereas DMP asks the question 'How do decision makers reach decisions correctly and effectively?'. The four steps approach poses the following questions of decision making content: 'Do managers identify the right problem as the decision objective? Do they collect appropriate information while investigating the problem? Do they frame a sufficient number of alternatives? Do they select the correct criteria for choice from those alternatives?' On the other hand, the decision making process orientation poses the following questions: 'How do managers identify the right problem as the decision objective? How do they collect sufficient and appropriate information to frame alternatives? How do they select the final decision and how do managers then implement the chosen decisions?' (Blankenship, 1968; Kast, 1974; Drucker, 1967, Adler, 1986)

In spite of a different perspective from decision making content, the impact of the decision-making process has as much importance as does decision-making content on the correct decision, and in particular on management as a whole. Both theoretical and practical dimensions of the process need to be studied and improved continuously.

2.3.2 Participation in the Style of the Decision Making Process.

The published literature on the decision making process is voluminous, since decision making is considered one of the most important organisational activities. In addition an abundance of literature on leadership and leadership styles often incorporates or discusses the decision making process (Heller 1971; Muna 1980). Hence it is difficult to completely review the previous literature. The present review is confined to the
main factors of the decision making process which are the essential elements necessary to describe its chief characteristics.

Most researchers study the style of the decision making process from two different perspectives, that is, participation and cognition. The former involves topics such as employee involvement, information sharing, autocratic/democratic style, decentralisation/centralisation of decision procedures (Muna, 1980; Hunt, and Krzystofiak, 1989). The latter discusses ways of thinking such as the degree of tolerance of ambiguity, intuitive/analytic orientation, feelings and thought process (Brightman and Sayeed, 1990). The present study which attempts to analyse the characteristics of the decision making process selects the degree of participation as the focal point of analysis. The reason that cognition is not taken as a prescriptive element to measure SDMP in this research is that taking the perspective of OPV analysis limits the present study in covering this dimension. First of all, the characteristics of cognition and the degree of participation prescribe the different dimensions of SDMPs. Standards of measuring them for the prescription of SDMP are different. For example, a manager who has a democratic style of decision making may have an analytic style or may have an intuitive style as his/her way of thinking. Secondly, OPVs which are one main variable of the present study have a specific link with participation, but do not influence cognitive styles of managers. OPVs involve the evaluation of relationships between human resources and productivity, and do not involve the evaluation of an effective way of thinking. The degree of participation of SDMPs may be influenced by OPVs, while the cognitive characteristics of SDMPs may be influenced by language, social knowledge and other cultural elements.

Decision process models typically are influenced by formal management structures, but participation can make the process appear different (Kingsley and Reed, 1991; Rowe 1992). Since early studies of behavioural decision making, there was a trend which departed from classical organisational theory which embedded decision
making in an organisational context of hierarchical authority flows. Many scholars argue that participation in decision making will determine the leadership style or decision making style, and have significant consequences for organisational effectiveness (Muna, 1980; Rowe, 1982; Vroom and Jago, 1988). Japanese success in world trade during the 1970s and 1980s led to more interest in studies of participation in decision making, because consensus decision making is thought to be one of the factors promoting Japanese success (Fukuda, 1988).

When examining the degree or the characteristics of participation in the decision making process, research normally focuses on what forms and which person are involved in each stage of the decision making process. The variety of dimensions of participation in decision making include informal/formal, direct/indirect, immediate / distant, and structured/unstructured participation.

Formal participation usually entails following a set of written rules, regulations or guidelines on how decisions should be made, and what bodies should be consulted. It governs who is eligible for membership of which bodies, and what are their responsibilities and lines of accountability. Workers’ Councils and Supervisory Boards in Europe, and the Enterprise Bargaining System in Australia are examples of formal participation body, governed by national legislation, but the rules and procedures may be confined to one organisation and still be formal. Informal participation is characterised with individual relationships between managers and their subordinates rather than by contract, when managers seek the advice of their subordinates prior to making decisions. The opportunities for employee informal participation are always raised by managers situationally in various forms from casual conversations to group meetings (Vroom and Jago, 1988).

Direct and indirect participation involves issues of who actually makes the decision. Direct participation means that workers make or help managers to make the decision-
they are part of the decision itself. Indirect participation means that workers give advice which is part of the decision process, but other bodies make the relevant decisions. Immediate and distant participation involves issues of whether decisions are directly made by people who are immediately impacted by those decisions. Immediate participation means that workers who will immediately carry out or be affected by decisions participate in making the decisions face to face with managers. Decision making is “on the job”. Distant participation takes place through representation and members may not be consulted directly on issues (this is the classic from of Western liberal democracy), but they are informed of the final outcomes later after higher body makes these decisions. Structured/unstructured participation involves the issues of time and regularity in participation. Structured participation means that a time frame in which managers meet workers for ongoing advice on impending decisions are formally or informally patterned on a regular base. Unstructured participation means that managers involve workers, on an ad hoc basis, situationally without any regular pattern on time frame. This involvement may nevertheless be immediate and direct. These forms affect the degree of participation in practice, according to how the dimensions are combined.

According to Vroom and Jago, a formal system creates opportunities for both direct and indirect participation. Those who are official members of the decision making body and those who are invited to participate in a certain matter in terms of a written policy and procedure participate directly in decision making. Others may have indirect opportunities for influence through official advisory bodies (Vroom and Jago, 1988). A formal participation system may also create opportunities for both immediate and distant participation according to the written procedure. Informal participation provides opportunities for both direct and indirect participation as managers are free to consult and act on advice; and immediate and distant participation, which will depend on whether managers feel it is appropriate situationally. For instance, a senior manager may provide an opportunity for indirect
but immediate participation for workers, by adopting what Peters and Waterman call of ‘Management By Walking Around’ in workplaces (Peters and Waterman, 1982). Examples in Figure 2.5 illustrate typical kinds of participative opportunities related to the indirect/direct and immediate/distant dimensions that may be created through formal or informal participation systems. In practice, both formal and informal participation may exist side by side, as they are not _ exclusive. In this study, the use of interviews as well as survey data was designed to explore the possible co-existence of participation forms.

![Diagram](image)

**Figure 2.5** Different Types of Participation

Participation is a central issue in management practice and theories. Vroom proposes that differences amongst leadership styles are rooted in the ways that managers provide employees with opportunities for participation (Vroom, 1988). In studies of leadership style (Lewin et al, 1938; Maier, 1946; Vroom and Yetton, 1973, 1988) or decision making style (Heller, 1971; Muna, 1980), several inventories have been developed. Despite different style names or designations of scales in each of those inventories, the degree of participation in the decision making process is always a key dimension to directly or indirectly distinguish the various styles within their models. This point is illustrated in the Table 2.1, which is discussed in detail below. Previous theoretical attempts to link participation with the DMP in the various fields can be
broadly seen to have passed through two phases of development: what we will term the *positive* period and the *contingency* period. The role of participation in DMP in each period is viewed differently.

### 2.3.3 The Style of Decision Making Process

#### 2.3.3 a) The Positive Period (the 1930s-1960s).

During what is sometimes termed the Human Relations and Neo-Human Relations period, following the Hawthorne Studies (1924-1932), researchers held an absolutely positive attitude towards participation (Mayo, 1933). From the perspective of leadership styles, it was believed that the more participation in the decision making process, the more effective the decisions that were made (Lewin *et al.*, 1938; Lewin, 1943; Maier 1946; Argyris 1957; Likert 1967) with relatively new exceptions.

The study of DMP from the perspective of participation can be traced back to the 1930s. The research of *Lewin, Lippitt, and White* (1938) clearly demonstrated that three styles of group leadership could be categorised from the point of view of participation, that is, the autocratic style, the democratic style and the laissez-faire style (Lewin, 1943). Following Lewin, there several commentators claimed to theories in which demonstrate that the democratic style of leadership is more favourable in most practical situations with the exception of crises (Maier, 1946; Argyris, 1957; Likert, 1967).

Likert (1967) devised four management systems from a comparison of leadership styles. The different styles of the decision making process are examined across six dimensions in his study based on a concern with participation. Likert claimed to confirm the positive relationship between participation and the decision making process for leadership styles, and also identified four developmental stages of the decision making process, rather than viewing it as one general process or only one stage as in previous studies (Lewin 1938; Maier 1946).
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<tbody>
<tr>
<td>Autocratic leadership</td>
<td>Autocratic management</td>
<td>Manager makes decision and announces it</td>
<td>Manager presents ideas and invites questions</td>
<td>Exploitive authoritative. (System 1)</td>
<td>Benevolent authoritative. (System 2)</td>
<td>Own decision without detailed explanation. (Style 1)</td>
<td>Own decision with detailed explanation. (Style 2)</td>
<td>Manager makes decision himself (AI)</td>
</tr>
<tr>
<td>Consultative management</td>
<td>Manager presents tentative decision, subject to change</td>
<td>Manager presents problems, gets suggestions makes decision</td>
<td>Consultative. (System 3)</td>
<td>Prior consultation with subordinate (s). (Style 3)</td>
<td>Manager shares problem with subordinate, makes own decision. (CI)</td>
<td>Manager shares problem with group, makes own decision. (CII)</td>
<td>Prior consultation with subordinate (s). (Style 2)</td>
<td>Manager makes decision with ideas from subordinate (Consultation Style)</td>
</tr>
<tr>
<td>Democratic leadership</td>
<td>Group decision</td>
<td>Manager defines limits, asks group to make decision</td>
<td>Manager permits group to make decisions within prescribed limits</td>
<td>Participative Group. (System 4)</td>
<td>Joint decision making with subordinate(s). (Style 4)</td>
<td>Manager and subordinate together arrive at mutually agreeable decision. (GI)</td>
<td>Manager and group discuss, evaluate and make a group decision. (GII)</td>
<td>Joint decision making with subordinate(s). (Style 3)</td>
</tr>
<tr>
<td>Laissez-faire leadership</td>
<td></td>
<td></td>
<td></td>
<td>Delegation of decisions to subordinate(s). (Style 5)</td>
<td>Delegation of decisions to subordinate. (DI)</td>
<td>Delegation of decision to subordinate (s) (Style 4)</td>
<td>Delegation of decision to subordinate (s) (Style 4)</td>
<td>Group has the ultimate authority for the final decision (Shareholder style)</td>
</tr>
</tbody>
</table>
The affirmation of the relationship between participation and the decision making process and noting its developmental nature emphasised the element of choice decision-making, despite its overall normative argumentation. The tendency in this period to argue that the more participation the decision maker encourages, the better the SDMP outcome was heavily criticised by later studies from contingency perspective.

2.3.3. b) The Contingency Period (the mid-1960s - onwards).

Contingency theory has dominated the study of management since the 1970s, despite its more recent critics. Many researchers in this period criticise previous work regarding participation in the decision process (Heller, 1971; Muna 1980). They argue that evaluation of managerial behaviours, especially their participative approach, depends on salient characteristics of the particular situation. Participation and contingency theories thus must be incorporated in the study of the decision process styles and theories of leadership style (Vroom and Yetton 1973; Vroom and Jago, 1988; Rowe, 1982; Selvin, 1991). Apart from the field of leadership style and decision theory, participation has also drawn considerable attention in the area of industrial relations and the political processes of organisational behaviour during this period.

(1). Participation in Leadership and Decision Making Style

Based on the ‘Continuum of leadership behaviour”, Tannenbaum and his colleagues (1961) propose that the degree of authority used by the boss and the amount of freedom available to his/her subordinates in reaching decisions depends on managers’ awareness of forces in themselves, their subordinates and the situation. The forces involved are the managers’ value system, the degree of confidence in subordinates; subordinates’ readiness and abilities to assume responsibility for decision making and other situational factors, information, urgency, and implementation issues among them. Participation in the decision-making process here is an instrument that is used by the
formal leadership of an enterprise in the pursuit of its goals. Tannenbaum and his colleagues argue that participation as a managerial device not only is likely to improve the quality of decision making, but also is likely to contribute to motivating individuals in enterprise (Tannenbaum et al, 1961). Their discussion of participation raises an issue that managers’ values and awareness of the possibilities of participation are one of the most important factors which influence the degree of participation in enterprise. Investigating managers’ values and their views of participation in this present study reflects these concerns

The core of leadership can be argued to be decision making, following Simon who said that the management process is a decision process (Simon, 1961). This relationship results in the fact that many researchers pay most attention to decision making behaviours when they study leadership or managerial styles.

Researchers in the contingency period also associated participation with the decision making process as in the positive period, when studying leadership or decision making styles. Nevertheless they stress that whether the participation is involved in decision making for an effective decision depends entirely on the situation (Heller, 1971; Muna, 1980).

In his scale of decision styles, Heller points out that his 'Influence-Power Continuum', using five defined styles of decision making does not suggest that any one of the five alternative styles is better or worse than any other for an effective decision process (See Table 2.1). Sharing some ideas with Heller, Muna (1980) designs a continuum to measure the style of decision making which is similar to the 'influence-power-continuum'. But Muna defines and measures decision making styles by four equal interval scales reflecting the various degrees of power sharing between the executive and his/her subordinate(s) instead of the five more manager-focused styles employed by Heller.
- **Style 1. Own decision** - executive makes decision without consulting subordinate(s), but may consult superiors, partners or outsiders.
- **Style 2. Consultation decision** - executive has prior consultation with subordinate(s).
- **Style 3. Joint decision** - executive and his subordinate(s) together analyse problems and come to a decision - subordinates have much influence on the final decision.
- **Style 4. Delegated decision** - executives ask subordinate(s) to make the decision on his/their own.

The trend from style 2 to style 1 is that the executives' control over decision outcomes increases, whereas the trend from style 3 to style 4 is that the influence of subordinate(s) increases.

![The power-sharing continuum](Source: Muna, 1980:47).

Muna's profile of the SDMP briefly but clearly distinguishes the styles of decision making by the degree of the participation. Some researchers refer to this typology as a tool to distinguish decision making styles (Ali, 1993). This will be an important reference of our inventory of SDMP in the present study.

**Alan J. Rowe** (1982) also emphases that participation is the main standard by which to distinguish SDMP. Rowe pointed out that decision making style involved participation when a person got support from a power block. He distinguished decision styles into seven types by the degree of participation: the first category that
the manager makes the decision alone through to the seventh one that managers make the decision jointly with subordinates. Rowe also suggested that SDMP could not be taken out of its environmental context.

In a later book, Rowe (1992) further refined the model of SDMP by including the two factors of cognitive complexity and participation - views of a task/people orientation. He clearly indicates that participation is one of the most important factors for measuring the decision making style. He compares the difference between his measures of SDMP and others as:

"An important aspect of managerial decision making is the identification of decision styles. Early work on decision making focused on how individuals actually used information - the amount of data used and number of ideas perceived. These and concern for people are incorporated in the current decision style model" (Rowe, 1992: 41).

In his typology of SDMP, **Directive style**: has a low tolerance for ambiguity and is often autocratic; **Analytic style**: has a more cognitively complex personality and is an autocratic bent of position and ego; **Conceptual style**: tends to use data from multiple sources and will frequently use participation; **Behavioural style**, is low on the cognitive complexity scale and accepts loose control.

However he puts participation and cognition, and even some beliefs, into one category for measuring the decision making style. This makes it rather hard to clearly measure the profile of the style of decision making. For instance, an analytic way of thinking may not inevitably lead to an authoritarian style of decision making. Similarly, we can not conclude that the analytic way of thinking may inevitably lead to a democratic style of decision making either. From this point of view, an inventory of SDMP which measures the degree of participation needs to be developed. In Rower's study, how
individual values influence cognition and the degree of participation of decision making style is also examined, and this linkage will be reviewed in section 2.4.

Participation is highlighted in Vroom's (1988) leadership theory. Vroom considers that there are two dimensions to distinguish the decision process in leadership style. The first is a focus on the amount and forms of participation of decision making and the second is the situation. He defines participation as "influence resulting from a person's assuming an active role in a decision-making process" (Vrooma and Jago, 1988:15). He believes that participative leadership practice benefits team building in the DMP, because participation creates the situation of working through a common problem and sharing information, experience and skills.

In Vroom's theory the degree of participation is used as a basic standard for measuring and distinguishing the types of decision process. Five styles of group problems are defined, based on participation. "These five processes can be thought of as steps on a scale of participation or power sharing" (Vroom and Jago, 1988:33). Vroom considers that the way people share problems, the means to obtain information, the power to reach a final decision and the avenue by which to select alternatives, are the key factors for measuring the degree of participation. 'A' stands for autocratic; 'C' stands for consultative, and 'G' stands for group decision in these types.

Al. You solve the problem or make the decision yourself using the information available to you at the present time.

All. You obtain any necessary information from subordinates, then decide on a solution to the problem yourself.

Cl. You share the problem with the relevant subordinates individually, getting their ideas and suggestions without bringing them together as a group. Then you make the decision. This decision may or may not reflect your subordinates' influence.
CII. You share the problem with your subordinates in a group meeting. In this meeting you obtain their ideas and suggestions, then you make the decision, which may or may not reflect your subordinates' influence.

GII. You share the problem with your subordinates as a group. Together you generate and evaluate alternatives and attempt to reach agreement on a solution. You do not try to 'press' them to adopt 'your solution' and you are willing to accept and implement any solution that has the support of the entire group. (Source: Vroom and Jago, The New Leadership, 1988:33).

To determine the most effective decision-making process, Vroom raises seven situational factors of making a decision. A decision tree is designed to deal with these seven situational factors in the decision process. He argues that a manager faced with a decision make can check situational demands by answering each of the seven questions. The answers provide the basis for selecting types among the decision processes (AI through GII).

A. Does the problem possess a quality requirement?
B. Do you have sufficient information to make a high-quality decision?
C. Is the problem structured?
D. Is acceptance of a decision by subordinates important for effective implementation?
E. If you were to make the decision by yourself, is reasonable certain that it would be accepted by your subordinates?
F. Do subordinates share the organisational goals to be attained in solving this problem?
G. Is conflict among subordinates over preferred solutions likely?
Vroom's study is of creative behavioural decision making theory and clearly uses the degree of participation to define leadership styles. Following him, Roskin (1989) and Selvin (1991) respectively propose a practical orientation for analysing leadership style, but both of them share Vroom's theoretical opinion. They use the degree of participation in the decision making to identify the leadership style (Table, 2.1).

These previous studies focusing on either the decision making style itself or on leadership style gradually develop some implicit or explicit models of SDMP. Participation is situationally used as one of the crucial factors to distinguish the different decision making or leadership styles. From a methodological perspective, their research approaches indicate that determining the degree of participation is an effective way to distinguish between different SDMPs. This directly gives the present research a direction in which the study of the SDMP may be based on the element of participation.
Furthermore, the situation is an important factor which influences the degree of participation. However situational factors studied by previous research are mainly limited to managers’ preferences, the maturity of followers, the structure of problems and time requirement and so on. Organisational values are not paid attention as a situational factor which impacts on the degree of participation.

(2). Participation in Industrial Relations.

Participation in organisational decision making has been a central concern of industrial relations in Europe and America since the Second World War but particularly during the 1970s (Wall and Lischeron, 1977). From situational perspectives, many topics with respect to participation in the decision making process of organisations have been investigated since that time. What are the conditions for workers to be willing to participate? What are the conditions for management to accept and encourage workers’ participation? and What are the real effects and functions of participation on management? There is a common agreement among researchers that management, stewards and shop floor workers both expect and implement ‘participation’ in different ways (Katz and Kahn, 1978; Marchington and Loveridge, 1979; Knight, 1979).

Since the Second World War, with an expansion in the mid-to-late 1960s indirect and direct participation as different forms have introduced into organisations. In a number of countries such as West Germany, Yugoslavia, Israel, Norway and Holland attempts have been made to increase the influence of non-managerial employees in organisational decision-making by the introduction of formal systems of representation through such bodies as Workers’ Councils and Supervisory Boards and the election of Worker Directors (Wall and Lischeron, 1977). Along with the implementation of participative schemes in many organisations, a need for research emerged. However the results of this research were far from establishing support for regarding participation as a win-win tool by all means. It become clear that there were
any limitations of the effectiveness of participation in organisational level decisions were raised (Clegg et al., 1978).

From a perspective of studying workers' willingness to participate, it was found that whether workers' participation was favourable to management decision-making was related to issues such as their interests, expertise and capacity (Wall and Lischeron, 1977; Marchington and Loveridge, 1979; Marchington, 1981). Workers mainly have a desire for immediate participation, that is, they merely want more participation in decisions that directly affect their own job. But there is a lack of evidence concerning worker desires for distant participation (Wall and Lischeron, 1977, Ramsay, 1976). Workers including shop stewards were also found not to possess the necessary expertise or knowledge to enable them to contribute effectively to participative bodies (Marchington and Armstrong, 1981). Even some of researchers, based on their research results, argue that personally workers are unlikely to want to participate in organisational level decision making (Ramsay, 1976; Holter, 1965). Stewards who sit on management committees of any kind are found to experience role-conflict (Marchington, 1981).

From a perspective of studying managers' acceptance of participation, researchers found that whether participation at the organisational level was possible depended on the management's acceptance of workers' participation. Ramsay argues that participation is best understood as a means of attempting to secure labours compliance by management. (Ramsay, 1977). Although management are always interested in participation in the hope of productivity rises, in practice, they feel that it threatens their traditional managerial prerogatives and that workers are not educated or responsible enough to become involved in such high level decision making (Ramsay, 1977; Marchington, 1982).

In contrast, other researchers conclude in favour of workers' indirect participation. They argue that despite some difficulties in implementing such programs, participation
still can play a very valuable role in employee relations (Katz and Kahn, 1978; Nicholson, 1978; Knight, 1979; Buckingham, 1980). Analysing elements of consultation, Nicholson stresses that organisations can benefit from employees’ involvement in the decision making process, if the right conditions are set, motivation is there and expectations are realised (Nicholson, 1978). Consultation with employees does not fundamentally disturb management’s decision-making prerogative, because it is up to them to shed personal power and privilege, and share important information in the early stages of the decision making process.

Buckingham (1980) argues that participation is not intended to reduce managers’ responsibility, but, on the contrary, requires them to evolve a management style to take up this challenge and to carry out their vital role. Sharing ideas with Nicholson and based on the facts of employee involvement in Europe, he points out that the success of most organisations depends fundamentally on the commitment and contribution of those who work for it and who can only be encouraged by a positive leadership style (Buckingham, 1980).

Constructive suggestions are also provided by these researchers. For instance, They propose that 1) if the participative process is be direct and is not to become overwhelmingly absorptive of time and energy, organisations must either be very small or loosely coupled. 2) If the process of participation in major decisions is to be indirect, the problem is to make it something better than formalism and to maintain strong ties between representatives and the constituencies. 3) The making of decisions should be by those who will be affected by them, or by those who have the information and experience to make them best, or even those who ‘want to’; 4) Management takes the role of the active supporter and shows commitment to participation (Katz and Kahn, 1978; Knight, 1979).
In the early 1990s, in accumulation of several decades of research on participation, Whyte (1991) more positively argues that participation ‘works’ when it is developed skillfully in the industry. He suggests that researcher may identify the factors, in various types of situations and with varying structure and processes of participation in order to implement participatory projects, which are not only satisfying to participants but also lead to improved task performance.

The issue of participation in the management of industrial relations is quite controversial, and both positive and negative comments on it are raised. However no matter what bitter criticisms are given, no one proposes that management should get rid of participation entirely. A key question in the debate is how to apply participation in the decision process practically instead of emphasising the role of participation excessively. In similarity to the studies of leadership and decision making style, previous studies in industrial relations confirm the point that situational factors are important to the degree of participation in decision making. There are two specific issues in this debate which indirectly or directly influence late studies of participation. That is that the types of decisions and the interests of participants are conditions for the successful implementation of participation. Another point raised in these previous studies is that the practice of participation is a cross-cultural concern. Different countries are involved in a variety of degrees and forms of participation. This supports the direction of the present study in which it is necessary to understand the practice of participation culturally.


Hickson and his colleagues (Hickson et al, 1986) think that the degree of participation in the decision making process depends on two elements, decision topics and interests. Firstly, different decision topics require different resources of information and timetable, which are defined along two dimensions of discontinuity and dispersion. In terms of information sources and time needed, they distinguish the decision making process as
being one of three types: fluid, constricted and sporadic. If a decision must be made in a short time in terms of set constraints and regulations, it may not need any participation and the fluid decision process is suitable. If the sources of information required are more varied or a longer time-scale is needed to reach decisions, the more participation is likely to be involved and the sporadic process is likely to be suitable.

Secondly, the reasoning which shapes the decision process is interest-directed. They argue that managers deal with decision-sets politically. Politicality is the degree to which influence is exerted through a decision making process upon the outcome. Internal groups, unions and the outsider shareholders of organisations have an interest in decision making, when shaping a decision making process (Hickson et al, 1986).

Politics represents the realities of organisational life (Luthans, 1992; Robbins, et al., 1994). Organisations are made up of individuals and groups with different values, goals and interests (Pfeffer, 1981). This sets up the potential for conflicts of interest in decision making, because participants are likely to actively seek to influence outcomes of decision making through the use of power (Fulop, et al 1992). Vroom and his colleague (1988) argue that the political process within organisations often limits the amount and degree of participation in decision making and propose that there are two typical situations in which the tendency to put personal goals over organisation goals causes problems for participative systems. One involves conflicts in goals between the senior and lower-level managers, lower-level managers and first-line shop-floor workers, or directors and senior managers in vertical conflict. The second involves conflicts in interests between departments within organisation lateral conflict.

High quality decisions need to share common objectives (Vroom and Jago, 1988). An awareness of the influences of the political process on participation in the decision making process can improve the understanding of SDMP. The conflicts of interest within an organisation often limit the degree of participation. SDMP of the organisation
is affected by the conflicts of interest. Hickson and others’ studies indicate some specific conditions for applying participation in the decision making process from both the perspective of decision types and the political effects. These conditions are important for our investigation of the grounds of participation of SDMP in the present study, and are explored by the dual questionnaire survey/interview method adopted.

Previous studies of decision making and leadership styles have identified the decision making process as having four stages, namely, the locus of defining the problem; the way of searching for information; the way of making final decisions and the manner of implementing the decision (Tannenbaum and Schimdt, 1958; Muna, 1980; Vroom and Jago, 1988) repeatedly. This work provides a reference point for the analysis of SDMP for the present study, though they do not measure the degree of participation in each stage.

Previous studies of participation in decision making and leadership styles, and industrial relations, have analysed the situational elements which affect the degree of participation in the decision making process, namely, decision types, time requirement, political process, managers and workers' awareness for participation. However values as situational factors have not been paid enough attention. A further study on this particular situational factor is necessary, which is the purpose of the present research.

2.4 Values and Decision Making.

The studies of values and SDMP have been reviewed respectively. What is the relationship between values and decision making? Some studies of this aspect have been concluded. These value theories are applied in the fields of decision making content and the decision making process.
2.4.1 Values and Decision Making Content.

Herbert Simon demonstrated the role of values in decision making content as early as 1958 (March and Simon, 1958). He emphasised that decision making must be based on both factual and value elements to obtain a satisficing solution (Simon, 1961). In a satisficing decision model, the decision maker proceeds to review alternatives only until he/she identifies an alternative that satisfices in terms of his preferred -value judgement. This is rather than the decision maker selecting the optimising alternative that technically scores higher after all options have been evaluated. Satisficing, then, is value - driven sub-optimisation. Values provide a standard for a satisficing solution for decisions. Following Simon, many researchers explored the relationship between individual values and the content of decision-making patterns, including those in cross-cultural settings (Cohen, et al 1972; March & Olsen, 1976; Palmer, 1979, England, 1967, 1975; Rowe, 1992; Bamberger, 1986). It is also argued that individual values influence strategic decisions (Bennett, 1987). Palmer (1979) proposes that managerial value profiles can be the predictors of policy decision by a survey of using Allport’s Study of Values. Summarising an investigation of small businesses in eight European countries, Bamberger argues that managers’ individual values influence strategic decision-making. From those research it is evident that there is a relationship between managerial values and decision content.

Since the appearance of the concept of corporate culture in the late 1970s, more scholars (eg. Enz 1986, 1989, 1990; Harrison, 1987; Johnson, 1993, Bronner, 1993) have begun to pay attention to the application of value theories for decision making at organisational levels. Management practice demands that organisational value studies are broadened to encompass their connection to decision making process. Organisational values guide the direction of organisational strategies at all levels within an organisation, and can have beneficial impact on the employees’ commitment to decision implementation (Schmidt and Posner, 1982; Enz, 1989; Beyer, 1981; Harrison, 1987; Johnson, 1993).
Widely quoting anecdotal examples of many large American companies, several commentators argued for organisational values having a dominant impact on the decision making content of organisations (Pascale and Athos, 1981; Peters and Waterman 1982; Deal and Kennedy, 1982). Unfortunately their researches have been criticised for their lack of systematic data and rigorous scientific analysis. Schmidt and Posner provide a more comprehensive account of the application of organisational values in decision making in their survey (Schmidt and Posner, 1982). Their data collection is empirically and much more rigorous. They argue that organisational values silently give direction to the hundreds of decisions made at all levels of the organisation, and offer a basic solution to conflict both between organisations and between individuals.

At the other end of the organisation, when exploring corporate strategy, Johnson (1993) argues that frames of reference in managers' minds are especially important at the higher organisational level of the strategic decision making processes. In the light of case studies in the UK, Johnson indicates that core beliefs and assumptions represent and constitute a powerful force in shaping actual organisational strategies. The influence procedure is displayed as Figure 2.8. The cultural context which is primarily composed of group values influences the strategies through expectations of the decision process. The researches of Schmidt and Posner, and Johnson explain that organisational values can influence decision content based on the results of rigorous empirical research or systematic in depth case studies. The results of their research are more reliable than that of those researchers such as Deal, Kennedy, Peters, and the like.

Unlike his predecessors, Harrison (1987) links both individual and organisational values to decision content. He supposes that both individual and organisational values provide a decision maker with a set of guidelines for steering through the entire decision making process. Value judgments in the decision process are taken from
personal values and are conditioned by organisational values. His study indicates for us that the study of the relationship between organisational values and decision making needs to consider the influence flow between individual and organisational values.

Figure 2.8 Culture, shareholder expectations and organisational purposes.'
Source: Johnson 1993:157

Similar to the discussion regarding the relationship between value congruency of department-organisation and work attitudes of individuals or departmental strength (Posner, 1992, Enz, 1986), issues of the relationship between value congruency of organisation - departments and decision content are addressed as well (Enz, 1989, 1990; Wakhlu, 1986). With another empirical survey, Enz and Wakhlu respectively identify that department-organisation values congruence is positively related to the effectiveness of strategy making at the department level (Enz, 1986, 1989, 1990; Wakhlu, 1986). Enz’s study shows that the greater the similarity of departmental values to organisational values, the greater the assessed ability of the department to

The 1980s saw considerable growth in work theorising the application of values to decision making. It has been seen that the literature pays a great deal of attention to the topic of the relationship between values and decision content. The results may lead managers to become aware of the important but often unacknowledged role of values in decision making practice. However, while the application of values to decision making content seems to have been well studied, the other aspect of decision making - the decision making process (DMP), which is also very important for management effectiveness - is more or less neglected. Analysis of the relationship between values, especially organisational values, and DMP has been rare until the beginning of the 1990s.

2.4.2 Values and the Decision Making Process

Values not only impact on decision content, but also affect the decision making process. Some valuable studies of the relationship between values and the decision making process have appeared, though there are only a few.

2.4.2. a) Individual Values and the Decision Making Process

As early as the middle 1970s, England proposed that decision making behaviours are associated with personal value system based on his cross-cultural empirical studies (England, 1975). Unfortunately he did not explored how managers’ personal values influence their decision making behaviours.

In response to the shortcomings of previous studies, Ali (1992) conducted a research whose purpose was to link managerial value systems, which are actually individual value systems in his sense, with the style of decision making process.
A review of the literature indicates that few research studies have investigated the relationship between managerial value systems and decision styles in cross-cultural settings. (Ali, 1992: 19)

He analyses this relationship from both the perspectives of the degree of participation and cognitive characteristics. To discover the relationship between managerial values and decision making styles, both variables are measured through a questionnaire survey. The instrument developed by Flowers (et al, 1975), known as the 'Values for Working Questionnaire', is used to measure individual values. The categories for measuring the decision styles adopted by Ali are a modified version of those used by Muna (Muna, 1980). Managers in three Arab countries were asked to indicate the one decision style that best described their behaviour and individual values.

The findings of Ali's study provide support for the use of value systems as predictors of managerial decision making style in the Arab cultural setting. Ali provides a systematic analysis of the reasons why managers in certain cultural backgrounds adopt one SDMP rather than another. First, managers' individual value systems determine that they adopt a specific SDMP. Secondly, the social culture influences the formulation of their individual value systems. Nevertheless, Ali's research is just an initial excursion into this theoretical area and is confined within a few Arab countries which share a common Arabic cultural background. Furthermore the topic focus in his research is limited to the influence of individual values.

As previously mentioned, Rowe (1992) contributes to this area. Rowe argues that since personal values provide a relatively permanent perceptual framework, decision making behaviour must reflect basic values. He identifies the relationship between the decision making styles and values by using his own inventory of decision making style and the Allport value inventory. With both cognitive complexity and a degree of participation, four styles: directive style, analytic style, conceptual style, and behavioural style comprise his typology of SDMP. The details of these styles have
been introduce in section 2.3 of this chapter. In his research, Rowe finds that decision making styles have positive or negative correlations with the values as shown in the Figure 2.9.

He proposes that linking the decision style inventory with Allport's values inventory provides a powerful measuring instrument to better predict decision-making behaviour or the particular decisions an individual will make. Rowe’s theory provides a further direction for the study of the linkage between individual values and the degree of participation in decision making.

Both Ali and Rowe explore the relationship between values and the style of the decision making process at the individual level. Their research begins to explore a new area of application of values in decision theory. Moreover both of them use participation as one of the key elements to measure the styles of decision making, when linking the decision styles to values. Their studies are useful for methodology of the present study. Both Muna’s instrument of decision making style and Allport’s value study which are respectively applied in Ali and Rowe's research are useful for measures of OPV and SDMP. However both of their research are limited to individual values and are not applied to a cross-cultural setting. To comprehensively understand the role of values in management, further research on the effects of organisational values on SDMP, as in the present study, is required.
### Allport Values

<table>
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<tr>
<th>Decision Style</th>
<th>Political</th>
<th>Economic</th>
<th>Theoretical</th>
<th>Aesthetic</th>
<th>Social</th>
<th>Religious</th>
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<tbody>
<tr>
<td>Directive/Analytic</td>
<td>Positive</td>
<td></td>
<td></td>
<td>Negative</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Conceptual/Behavioural</td>
<td>Negative</td>
<td></td>
<td></td>
<td>Positive</td>
<td></td>
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</tbody>
</table>

**Figure 2.9** Correlation between Allport and DSI


#### 2.4.2. b) Organisational Values and SDMP.

The relationship between organisational values and SDMP has drawn the attention of researchers since the early 1980s, but there has not been empirical research in this field until the 1990s. For instance, although Ouchi (1982) indicates that SDMP results from both organisational and national value influences in a cross-cultural study, he only links organisational values with the decision making process at an anecdotal level. Ouchi comments that due to Japanese organisational values towards the collective value, what is important to the Japanese is not the decision itself but how committed and informed people are, namely, the participative process in decision making.

Liedtka (Liedtka, 1991) analyses the impact of organisational values on DMP from the perspective of managerial mindsets. She points out that although organisations do not make decisions and individuals do, they do have organisational values. These organisational values take the form of guiding principles and play an important role in shaping the individual decision making process, since visible shared beliefs and
values can give meaning at a collective level to individual action. As a result of her empirical survey, she found that individual managers' perceptions of values tended to converge and yield a widely shared view of organisational values. Liedtka proposes that organisational value contention contributes to creating a decision-making context that managers find difficult to deal with. It influences the three stages of the decision making process by the degree of freedom to choose among a variety of alternatives, the model of analysis for making the choice and the patterns of behavioural response. Her study suggests that individual choices of the decision making process are impacted by organisational values. However her study does not provide a whole profile of the relationship between organisational values and the decision making process, since this relationship is not a focus of her study.

With a broadly cross-cultural scope, a comparative study on the impact of managerial values on decision making behaviour was conducted by Ralston and his colleagues (Ralston, et al. 1993). This research group do not specifically use the term organisational values, but they do indicate that a group's culture subsequently becomes the dominant variable determining an individual member's value framework, and decisions are made within these value frameworks of both individual and group systems (Ralston, et al. 1993).

Their research studies the issue from three aspects. First, are managers and students' values different between these two countries? and if so, will their decision-making behaviours be significantly different? Second, if values are similar between and of the student and manager groups, what are the implications for managerial behaviour in those environments? Finally, if a pattern of differences in values is found between these groups, would this be a consideration for decisions about organisational strategies and expectations? Results of a t-test applied to their data indicated that there were significant differences between Hong Kong and US groups of managers and students on the values of Machiavellianism and Dogmatism and on the decision
making behaviours of locus of control and intolerance of ambiguity. Accordingly, they argued that since values differ significantly between current and future managers in both cultures, different decision-making processes are likely to result in dissimilar business strategies.

Ralston and his colleagues’ research indicates that identifying the significant differences of values and decision making behaviours between two countries is a way to discover whether there is a linkage between values and decision making behaviours in a cultural setting. It may be not enough for their research to conclude that values have an impact on decision behaviours without a statistical test for linkage, but their research provides a useful reference point for the present study.

Based on an analysis of the nature of the dichotomy of organisational values, Choi (1993) applies organisational process-oriented values to an aspect of organisation development, which he calls Continuous Improvement (CI). CI focuses on the improvement of workers' participation and flow of communication with management. Choi argues that organisational process-oriented values are more highly associated with CI implementation than organisational results-oriented values.

Choi’s study indicates that organisational process values may be an effective way to study organisational behaviour. The decision making process can be studied form a perspective of organisational process-oriented values in the present study. Regrettably Choi only uses the dichotomy of organisational values relating the study of one aspect of organisation development.

Although there is relatively rich research on the application of organisational values on decision making content, there is the limited research on the relationship between organisational values and DMP. None of these studies links organisational values to
the degree of participation of SDMP. It significantly indicates that future studies in this field are needed.

2.4.2. c) Analysis of Reasons for The Existing Weakness.

The reasons for the relative neglect of the relationship between organisational values and the decision making process in previous studies may have both a theoretical and cultural background.

(1) Theoretical Reasons for the Existing Neglect.

The theoretical reasons are that there is a lack of understanding and application of the dichotomy of the nature of values in decision theory. Rokeach, and Kluckhohn probe the dichotomy of values and make a meaningful distinction between means and ends (Kluckhohn 1952; Rokeach, 1970 and 1973), but their results were not applied in management science. The application of the dichotomy of values in decision theory has not attracted enough attention in academic management circles until the late 1980s. Harrison (1987) recognise that instrumental values formulate decision models. Harrison states:

With regard to Rokeach's classification of instrumental values, managers favour competence values over moral values as desirable modes of conduct. Given this value orientation, it is not hard to understand why managerial values form a significant boundary within which the rational managerial decision maker seeks a satisfying outcome in the open decision model.

(Harrison, 1987: 197)

But like others, he still focuses on the relationship between values and decision making content and does not analyse the relationship between values of means and the decision making process in detail. Ultimately, the intrinsic linkage between values serving as means and the decision making conduct model is not established by the existing research.
(2). Cultural Reasons for the Existing Neglect.

The cultural reasons for the existing neglect are that Western, and particularly American, theories of management, which are in a dominant position in general management theory, exist in a cultural background in which pragmatism prevails (Miller, 1984; Ouchi, 1981; Rowe, 1992; Choi, 1993). This cultural background makes many scholars and managers place too much stress on the results of decision making, when they consider decisions in both theory and practice (Imai, 1986). Accordingly this tendency inevitably drives them to overemphasise the impact of values on decision making content and to neglect the impact of values on the decision making process.

As a matter of fact, this problem was noted by the American scholar Drucker many years ago (Drucker, 1974). In a comparative study of Western and Japanese management, Drucker describes the phenomenon that Western authors lay stress on the results of decision making and ignore the process of decision making.

There are countless books on the techniques of decision making. Complex logical and mathematical tools have been developed for the decision making process. But there is little concern with the essential process itself. What is a “decision”? What are the important elements in it? (Drucker, 1974:465)

Drucker further argues that the emphasis in management in the West is on the that decision makers are offered a variety of approaches to the ‘correct answer to the decision-making ‘problems’. However, it is regrettable that Drucker does not further explore the reasons behind the phenomenon. In more recent, Chia also comments on this phenomenon as that “decisional ‘choices’ were better understood as outputs of mixture of routinized patterns of behaviour and bargaining games played out by significant members of the organisations.” (Chia, 1994: 783).
2.5 Summary.

It is evident from the literature that values, as the core of culture, play an important role in influencing behaviour and are the key elements for cross-cultural comparison. Organisational values have an impact on both decision content and the decision process. It has been also indicated that the degree of participation is a significant dimension of the style of decision making process, from our discussion of participation in decision theory, leadership styles, and industrial relations. The degree of participation is influenced by various factors or conditions. Values are one of these factors. The achievements of previous research furnish the present study with its theoretical basis.

Nevertheless the problem confronting us is that only a few pieces of research have concentrated on the relationship between organisational values and the style of the decision making process. More research on this field is necessary. Organisational process-oriented and results-oriented values have been distinguished for the study of organisational behaviours, but there is no specific definition and measure of OPV and no study of the relationship between OPV and SDMP. A study of this relationship is needed. To study this relationship, a specific definition and valid measure of OPV are also required to be developed.

Although values are studied as a factor which influences SDMP in the literature, the topic of which organisational values would lead to which degrees of participation, because they vary at organisational and national cultural levels, has been little paid attention. It is evident that a cross-cultural study of the relationship between OPV and SDMP is necessary.

To meet these needs, to some extent, the present study will make preliminary efforts on aspects of 1) discussing a specific definition of OPV; 2) developing measures of OPV, SDMP and national values; and 3) studying the relationship between OPV and
SDMP in cross-cultural setting - across the PRC and Australia. The following chapter will review existing work on cross cultural studies with particular reference to this area.
Chapter 3

Studies of Chinese and Australian Values and Decision Making.

Chapter 2 has examined the literature on studies of SDMP and values from a general point of view. In this chapter we will examine studies of Chinese and Australian values and the decision making process, as the present study will specifically demonstrate the relationship between OPV and SDMP through a comparison between Australian and Chinese managers. Previous studies of Chinese values and SDMP are reviewed in the first section of this chapter, and previous studies of Australian values and SDMP are the focus of the second part.

3.1 Research on Chinese Values and SDMP.

In the 1980s, since the 'Four small Dragons of Asia' that is, South Korea, Taiwan, Hong Kong, and Singapore experienced a taking off of their respective economies, Chinese culture has attracted even more attention - not only from religious and psychological viewpoints but also from a managerial one. The cultures in these countries and regions are all thought to derive from the same cultural origin, that is, Confucianism which is at the core of Chinese culture. Many academic results appear to support the hypothesis that Confucian values play a role in the business success of these countries and regions (Bond, 1987; Hofstede, 1991; Ralston, et al 1993).

Like the Chinese saying that 'the observer knows the situation more clearly than the participant', many Western researchers realise that Chinese culture is useful for explaining the managerial characteristics of the Chinese, when they first access Chinese management. At the same time, some Chinese researchers, both in the PRC and overseas, have also taken a similar approach. They focus on Confucian culture and regard it as the basic cultural component in shaping Chinese management behaviour.
3.1.1 Chinese Culture in Cross-cultural Studies

The most important contributions to surveying Chinese values are Hofstede's Values Survey Module (VSM) and Bond's Chinese Values Survey (CVS). As mentioned in Chapter 2, Hofstede uses four major value dimensions to provide a unique profile for each national culture. As mentioned in Chapter 2, two of these dimensions are labelled as 'power distance' and 'individualism-collectivism'. The results of Hofstede's survey of work-related values (1980) indicated that power distance and individualism-collectivism appear to differ significantly between many Western countries and Chinese societies. Hofstede found that the Chinese-related countries in the survey scored higher on Power Distance (PDI) than did Australia, Germany and the USA. They scored lower on Individualism than did Australia, Germany and USA. These results indicate that those countries which are influenced by Confucian cultures value and respect hierarchy and collectivism. It may be expected that people in the PRC which is the origin of Confucian culture would have the same values on these dimensions.

Bond argued that the Hofstede instrument featured an inevitable cultural bias, as all the concepts it measured were Western ones. He developed a unique instrument for measuring Chinese values: A Chinese Values Survey (CVS) in which typical Chinese concepts are used. He gave the reasons for developing this new instrument accordingly:

Much concern has been expressed recently about the limitations imposed on psychological knowledge by doing social science exclusively from a Western cultural background. One way to address this issue empirically is to use the constructs available in a different cultural tradition as one's starting point. The Chinese heritage certainly meets this requirement of difference: philosophically, artistically, socially, and historically. (Bond 1988:1010).
Bond pointed out that Western theoretical concepts cannot properly be applied to the analysis of Chinese culture. Some concepts of Chinese culture cannot be found in Western culture and do not appear to have any direct equivalent. Other researchers also share Bond’s view and argue that the VSM should be limited to countries which are internally homogeneous in a given cultural background, and need to be modified for those which are culturally heterogeneous such as some Asian countries (Westwood and Everett, 1987; Huo and Randall, 1991).

Bond conducted the CVS survey in twenty one countries including Hong Kong, Japan, Australia, the U.S.A and S. Korea. One of the groups of values 'Confucian work dynamism', relates to people's attitudes and beliefs to work and is argued by Bond to be related to the core of Confucian ideology. These values (called CVS II by Bond) are Ordering relationships-hierarchy; Reciprocation-group orientation; Respect for tradition-respect for age; Protecting face. Not surprisingly, his results show that the factor scores on CVS II of Hong Kong, Taiwan, Japan, S. Korea and Singapore are at the top of this national comparison. Bond thinks that this important result provides evidence for a post-Confucian hypothesis that the fundamental aspects of Confucian social philosophy are responsible for the stunning economic development of some cultures which fall under the influence of a Chinese cultural heritage (Khan 1979; MacFarquhar 1980; Bond 1987,1989). After the design of Bond's CVS, Hofstede was able to analyse Chinese culture in the PRC by making use of CVS (Hofstede, 1991). He agrees with Bond that the CVS is an important tool for studying some Asian countries in order to avoid cultural bias. (Hofstede, 1991).

Hofstede and Bond's researches offer a direction for the present study from a methodological point of view. Firstly, in designing a questionnaire for comparison between Chinese and Western cultures attention needs to be paid to different cultural

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2 There are, of course, other attempts to explain this success which prioritise economic conditions or institutional arrangement rather than cultural factors. Wilkinson (1996) gives a useful summary.
concepts to ensure that meanings of items in it can be understood by both sides. Secondly Hofstede’s VSM and Bond’s CVS outline some specific dimensions which can distinguish differences between Chinese and Western values at the level of national culture. They include power distance/respect for hierarchy, ‘face protection’, individualism/collectivism, and respect for tradition.

### 3.1.2 Research on Values and SDMP in Overseas Chinese Organisations.

Recent research on how Confucian values influence decision making or leadership styles in overseas Chinese management has suggested that Chinese managers’ values display the central importance of family relationships; ‘face’ protection; collectivism; less trust and a respect for hierarchy and tradition (Yau, 1988; Ho, 1995; Chen, 1995; Bond, 1995; Redding and Wong, 1995). Westwood (1992) argues that whether there is trust depends on an informal relationship-guanxi within Chinese organisations. One would trust family. However trust will be high with other people, only if a good relationship has developed.

Linked to the influence of these values, the style of decision making process in overseas Chinese organisations is thought to be authoritarian. It is characterised by powers of decision making being controlled by top management (Fukuda, 1988; Baird et al, 1990, Bond, 1995; Redding and Wong, 1995). Fukuda describes this kind of decision making process as a ‘top-down approach’ (Fukuda, 1988). It is argued that the leaders of Chinese overseas organisations tend to make all the important decisions. Moreover it is assumed that subordinates appreciate this style (Fukuda, 1988; Bond, 1995).

Bond (1995) finds that Chinese culture highly values collectivism, interpersonal ‘dependency’, and ‘face’ protection. These values strongly impact on Chinese people’s behaviours. ‘Face’ is concerned with manifold interpersonal relationships. It deals with the relationship of 1) one’s own qualities or status and public acceptance;
2) one and another's reciprocal obligations; 3) one individual and the higher or lower social scales. He points out that these traditional values support an authoritarian leadership style in the Chinese organisations. Chinese managers place a low value on democracy and participation and employees submit to control from a superior in managerial processes due to the hierarchical structuring of interpersonal relationships (Bond, 1995).

Redding and Wong (Redding and Wong, 1995) also argue that the impact of Chinese values lead to an authoritarian style of decision making process. They indicate that the Chinese values discourage individual participation in the decision making process in overseas Chinese organisations. First of all, family relationships as a central value in Chinese business organisations result in a model of *paternalism*. Most power of decision making is concentrated at the top of the organisation and remains in family hands. This leads to tension in vertical relationships, which is alleviated to some degree by the Confucian obligation to exercise this authority benevolently ('Li'). Redding and Wong report that most decisions in overseas Chinese owned factories are made solely by proprietors, in contrast to non-Chinese owned factories which reported that only 5% of factories regularly rely on kinfolk in decision making (Redding and Wong, 1995).

Secondly, *collectivism* is also responsible for the directive and authoritarian style. They point out that, in Chinese terms, individuals do not perceive themselves as related to each other on a fundamentally equal basis. Due to this sensitivity to collectivism, individually measured performance is rarely taken into account and individual participation in the decision making process is discouraged.

Thirdly, Redding and Wong examine the influence of 'face' protection. They argue that there is a strong connection between 'face' protection and support for a centralised authority pattern in overseas Chinese management. Due to their
consideration of the need for 'face' protection, individuals search for interpersonal
harmony through deference, compliance and cooperativeness within specifically
defined groups. Their summary remarks on the decision making style of overseas
Chinese organisations suggest that there is only room for one key personality to
control the strategic making process.

In summary, we have received evidence supporting the idea that there is a relationship
between Confucian values and decision making behaviours in overseas Chinese
organisations. That is to say, Confucian values result in the authoritarian style of the
decision making process. This point may also be helpful in understanding Chinese
managerial values and decision behaviour in the PRC, which shares the same cultural
heritage as overseas Chinese organisations. However their conclusions cannot be
directly applied in any research about organisational management of the PRC,
because the economic and political environments of overseas Chinese organisations
differ from that of organisations in the PRC.

3.1.3 Research on Values and Decision Making in the PRC.
For political reasons, Western researchers had few opportunities to observe
management behaviour and culture in the PRC before the 1980s. Even Chinese
researchers themselves in the PRC in this period seldom provided an insight into the
characteristics of management behaviour from the perspective of cultural values.
Another reason for the absence of such study is that there was no modern sense of
management in many organisations in the PRC and almost every organisational
activity was 'dyed with the political colour' from 1966-1977. This means that
organisations were mainly operated for political purposes without considering
productivity. A third reason is that Chinese people were forced to avoid or not to
mention the influence of traditional culture, the so-called 'old culture' of
Confucianism, though traditional culture has not lost its impact on the Chinese
people. It would be hard for any researcher to explain or understand managerial concepts or practice in the PRC without mentioning the Chinese cultural background.

Since 1978 when the PRC 'opened the door' to the world, it has become possible for both Chinese researchers in the PRC and Western researchers to assess Chinese management from cultural perspective, though up until now there have not been many studies on values and styles of the decision making process.

3.1.3.a) Managerial Values in Chinese Organisations in the PRC.

Management in the PRC is found to be still deeply influenced by Confucian values (Laaksonen, 1988; Lockett, 1988; Child and Markoczy, 1993; Child, 1994; Zhao, 1994; Graf et al, 1991; Chen, 1995). Confucian values have descended from one generation to the next through family socialisation in the PRC, despite the fact that Chinese governments attempted to prevent the spread of Confucianism from 1949-1977. (Ralston, et al 1992). The main Confucian values which are often singled out have been summarised by Chen and Pan (1993), and are consistent with the main features of Confucianism identified by research on overseas Chinese:

1) Respect for hierarchy and age.
2) Group orientation.
3) The important of relationship.
4) A protection of 'face'.

(1) The Impersonal Achievement Orientation of Management in the PRC.

Myers (1987) proposes that Chinese managers in the PRC insist on orientation towards groups. Individual credit for accomplishments is denied. Any achievement by individuals is required to give the credit to group (Nevis, 1983; Shenkar, 1993; Baird et al, 1990). 'Absolute average' values among employees, namely, the 'iron rice bowl' is emphasised. That is, employees believe that everyone does the same amount work for the same rewards and no one should be outstanding above others (Zhao,
1994). Ralston (1995) concludes that there is an environment that places little value on personal needs and self-determination in organisations in the PRC.

Due to this value of group orientation, Chinese managers adhere to a non-competitive ethic. Some studies indicate that there is little value put on competition or self-actualising within Chinese organisations (Child and Markoczy, 1993; Myers, 1987; Tung, 1988). Baird and his colleagues (1990) argue that the Chinese managers' philosophical ideal is impersonality.

Myers finds that Chinese organisations place the emphasis on group motivation and reward for industrial workers instead of on the individual (Myers, 1987). Only a kind of ‘friendly competition’ between factories, workshops and individuals is developed in Chinese organisations. Its aim is merely to surpass past performance records and help the less advanced workers (Tung, 1988).

In a comparative study of human resources between Chinese and American students, who were business undergraduates for business, Chinese students were found to be less likely to be motivated by occupational achievement, and to exhibit self-assurance and initiative than American students (Specter and Solomon, 1991). This result provides a psychological evidence that Chinese managers do not hold a self-actualising orientation individually.

(2) The Value of Distrust Based on Hierarchy Within Organisations.

It is argued that hierarchical values lead to a climate of non-trust in Chinese organisations in the PRC (Mente, 1994). Mente proposes that the traditional Chinese social system in the PRC did not foster trust in anyone outside of family members who were under absolute control of the father. Sequentially, “every Chinese company is run exclusively by one powerful father-figure”, and “not being members of the ‘immediate family,’ they are not trusted” (Mente, 1994). Actually there are seldom
real members of 'immediate family' in the state-owned organisations, but Chinese managers' hierarchical values still lead to a distrusting view. This is consistent with Westwood’s argument regarding overseas Chinese management (1992).

Chen and Pan (1993) argue that Chinese have been socialised to respect authority and age. Filial piety is taught from birth and children learn to obey the wishes of their parents without questioning. Chinese managers in the PRC are found to highly value a display of authority among employees for management (Nevis, 1983; Myers, 1987, Baird et al, 1990). Shane (1993) argues that low degrees of interpersonal trust correlated with high-power distance. In a survey conducted by Baird and his colleagues (1990), Chinese managers in the PRC described themselves as in agreement with an essentially power-based system in which managers used power to assure work accomplishment and expected subordinates to comply with their instructions. Baird and his colleagues argue that hierarchy is important in Chinese managers' philosophies. Not surprisingly, it is found that conformity and the obedience of subordinates are expected and sometimes taken for granted by Chinese managers (Baird et al, 1990).

(3) The Importance of Relationships and Harmony within Organisations.

Chinese managers are thought to place higher value on informal relationships within organisations. These informal relationships often are translated as guanxi, “connections”, the use of unofficial channels to get favours done (Myers, 1987; Ralston, et al, 1995; Chen 1995).

Chinese managers in the PRC were reported to pay more attention to the relationship or maintenance of a harmonious social environment, even more than to the job to be done, compared with managers in other countries and areas: American, Hong Kong or Hungarian managers in both Ralston and Child’s research (Ralston et al, 1992, 1993; Child and Markoczy, 1993).
Ralston and his colleagues identified that managers of the PRC were more ‘people oriented’ than managers from Hong Kong and America in a comparative study in the early 1990s. The term ‘people oriented’ in the context of their study refers to the view that a network of relationships with others can be useful in terms of role – asking “how is the other person important to me?” They contrast this value to the value ‘task oriented’, which emphasises getting the job done (Ralston, 1992).

Chinese managers are found to desire cooperation (Graf et al, 1991). They strongly praise cooperative workers, and meanwhile are keen to establish a close relationship with higher management (Nevis, 1983; Shenkar, 1993). Baird and his colleagues argue that Chinese managers think that maintaining good relationships through all levels of the organisation is crucial. They comment that “Chinese managers are concerned with authority and power, but use their position in a paternalistic manner, to build good feelings and friendly working relationships” (Baird et al, 1990:67).


Some researches find that ‘working to live’ is an important work-related value of Chinese managers. (Nevis, 1983; McGrath et al, 1992; Shenkar, 1993). McGrath and her colleagues argue that this kind of work belief stresses wealth creation and upward mobility, which contrasts with another work belief ‘living to work’ which stresses a value of ‘self-fulfilment’. They describe that “This view of work, coupled with a sense of duty and conformity with social norms, leads to a sense of work as something done for its extrinsic rewards.” (McGrath et al, 1992:447).

3.1.3.b) SDMP in the PRC

Leadership or decision making styles in the PRC are found to be paternalistic or authoritarian (Laaksonen 1988; Baird, et al 1990). The delegation of power is very limited, with most of the decision-making power concentrated in the hands of top managers and party officials in organisations of the PRC (Chen, 1995). This style is
mainly studied in two aspects by researchers: the formal participation system and the role of managers in the decision making process.

(1) Formal Participation Systems.
It has been pointed out that theoretically, worker participation is one of the strong points of the Chinese management system, but it does not really work in practice in some enterprises (Nelson, 1985; Graf et al., 1991). A formal participation system has been established in the PRC for a long time. Its form is the Worker Congress, which has been authorised rights to check the managerial work annually, to be involved in decision making on various matters and to give suggestions through representatives. Representatives to the Worker Congress are elected directly by workers and staff (Tung, 1988). But researchers found that the role of the Worker Congress in the decision making of Chinese enterprises was quite modest. As Laaksonen commented "The real power actually given to them (Worker congresses) seemed to be as small as possible in the frame of the official norms." (Laaksonen, 1988: 263). No strategic decisions but only decisions about working conditions involved them.

Likewise, Nelson (1985) also argues that there is a phenomenon of the divorce of the theory from the practice of participation in Chinese Industry in the PRC. He thinks that the reason for this is that China's system of management is basically hierarchical. Therefore to combine these characteristics with the principle of workers' participation in the workplace is rather difficult in practice. Whether or not worker participation is a reality probably depends mostly on the personal inclinations of those managers in charge of the enterprise (Nelson, 1987)

Chinese managers of enterprises in the PRC have been characterised by a deference to higher-placed authorities for most decisions and a reluctance to recognise

Having compared Chinese and Hungarian managers in equity joint ventures in the PRC, Child and Markoczy provide a profile of the Chinese style of decision making in terms of research. Chinese managers are 1) reluctant to take responsibility for decision implementation; and 2) unwilling to participate in decision making processes when needing individual suggestions or opinions (Child and Markoczy, 1993).

Laaksonen also said that top management was able to hold all the strings of making decisions, and middle manages did not dare to make decisions independently, but waited for decisions from higher management because of a one-man management system in the early 1980s (Laaksonen, 1988). Ralston argues that hierarchy in Chinese organisations results in systematically discouraging employees’ individual decision making and initiative. (Ralston, et al 1995).

3.1.3. c) The Impact of Management Systems and Confucian Values on the Decision Process.

What is the reason for the authoritarian style in Chinese organisations of the PRC? Previous research emphasises two aspects.

(1) The Management System.

Management of Chinese enterprises is found to be negatively affected by two factors. The first one is the excess of hierarchy within organisation structures (Lockett, 1988). Lockett thinks because of this that differentiated activities are inadequately horizontally integrated in organisational structures and decisions have to vertically be passed to higher management. This inevitably leads to an autocratic decision making process and characterises organisations with high power distance (Baird, et al 1990).
Even after management reform in the PRC in the middle 1980s, the essence of the authoritarian style of leadership was thought not to change much in the management system. Investigating the decision making style of Chinese organisations in the PRC in 1982, 1984 and 1986, Laaksonen (1988) found that the leadership style was rapidly changing from the old style to a new one. However he pointed out that that new style was merely a professional one man system in which the general manager had the most influence in crucial decisions because he/she was responsible for the profits and losses of the enterprise. The middle managers could play only a minor function in decision making process. Employees on the other levels could only have influence on limited types of decisions. (Laaksonen, 1988).

The second negative factor is the substantial overlap between top management and the Party Committee in Chinese organisations in the PRC (Myers, 1987; Lockett, 1988; Zhao, 1994). Schermerhorn and Nyaw have commented on Chinese enterprises where “substitutes for leadership have operated in the past based on the external state bureaucracy, the enterprise party structure, and the historical lack of managerial authority” (Schermerhorn, et al, 1991). Lockett thinks that the substantial overlap between top management and the Party Committee in Chinese organisations not only impedes the manager's ability to make decisions efficiently, but also makes the political or supervisory roles of top management and the Party Committee more difficult. (Lockett, 1988). These two facets of the management system lead to lack of participation in the decision making process.

(2) The Impact of Confucian Values

Influences of Confucian values on the decision making process of organisations in the PRC are discussed from both negative and positive perspectives (Nelson, 1987; Laaksonen 1988; Lockett, 1988; Baird, et al 1990; Child and Markoczy, 1993).
Three negative aspects are mentioned. 1) It is argued that hierarchical values in Chinese organisations cause an autocratic decision making style (Baird et al, 1990; Chen 1995). In other words, in the PRC, the Confucian value of respect for authority favours centralised decision making and leads to loyalties in a vertical direction. Baird argues that managers in low PDI countries such as America are expected to have more democratic attitudes than the Chinese managers in high PDI countries or regions and to have more employee involvement in decision making than the latter (Baird, 1990). His views might apply for Chinese managers in the PRC.

2) A value of a strong orientation toward the group tends to present difficulties for the development of individual responsibility in the decision making process. (Lockett, 1988; Child and Markoczy, 1993). 3) 'Face' protection is also likely to discourage individual contributions to discussions or problem solving (Child and Markoczy, 1993). 4) It is also argued that respect for the age is unfavourable to encourage subordinates to participate in management (Zhao, 1994).

Lockett (1988) proposes that the respect for hierarchy will increase the problems of organisational integration and will worsen the overloading of senior managers. Group orientations of managers will tend to undermine attempts to separate Party and management functions and will conflict with economic reform based on the responsibility system involving stricter definitions of responsibilities down to the individual level (Lockett, 1988).

From a positive perspective, Lockett anticipates potential benefits of Confucian values for management. He points out that the group orientation could make group-based payment and incentive schemes more effective than in other societies, as well as giving greater potential for the sharing of goals. Although face considerations may inhibit critical discussion of issues within organisations, it may be a powerful force for non-financial motivation (Lockett, 1988).
To summarise the results of these studies of the values and SDMP in the PRC, researchers are in agreement that SDMP in the Chinese organisations of the PRC is mainly authoritarian. One of the reasons for this style is the influence of Confucian values. Secondly, Confucian values are found to result in some managerial values such as lack of trust, an impersonal orientation, cooperation for harmony and ‘work to live’ orientation. These managerial values form an important basis for the further study of Chinese organisational values in the present study. They are used as factors for comparison between Chinese managers and Australian managers through a survey of organisational process-oriented values.

However, the relationship between Chinese values and decision making style is discussed, but neither has much relevant empirical research been done nor proper measures established. Additionally, the research on Chinese managerial values is scattered across several studies, but so far no attempts to systematically study Chinese organisational values in the PRC have been made. These limitations are evidence that a further empirical study of the relationship between Chinese organisational values and decision making styles is needed.

3.2 Previous Research on Australian Cultural Values and Decision Styles.
Although there are few direct studies of the values of Australian managers, Australian managers have featured in a number of relevant cross-cultural studies of work-related values.

3.2.1 Values of Australian Managers
3.2.1. a) National Values.
Hofstede (1980) catalogues Australian culture into a pattern of work related values exhibiting low 'Power Distance', a high index score of individualism and weak uncertainty avoidance. Concerning a power distance, according to Hofstede, Australian national values are characterised by the traits that the use of power should
be legitimate and is subject to the criteria of good and evil; that all should have *equal* rights; that power is based on formal position, expertise, and the ability to give rewards; that hierarchy in organisations means an inequality of roles established for convenience; that subordinates expect to be consulted; and that the ideal boss is a resourceful democrat.

Concerning individualism, Hofstede argues that Australian national culture is characterised by the traits that identity is based in the individual; that the relationship between employer-employee is a contract supposed to be based on mutual advantage; that management is the management of individuals; and that task prevails over relationship. Hofstede's analysis usefully indicates what may be considered to be general characteristics of work values held by Australian managers.

### 3.2.1. b) Managerial Values

A more systematic piece of research on a profile of Australian managers' personal values and behaviour is England's (1975) study, *The Manager and His Values*. Managers from five countries including America, Australia, India, Japan, and Korea were surveyed in this research. Compared to the other four countries in the survey, the outstanding value characteristics of Australian managers as a group are summarised by England as “moralistic orientation, high level of humanistic orientation, low organisational goal orientation, low level personal and organisational competence orientation, and a relatively low level of achievement orientation” (England, 1975: 91). He also indicated that the value system of Australian managers was most similar to that of American managers.

In England’s study, some Australian managers’ values within their value system were found to have direct influence on behaviours. These exposed values included ‘my subordinates’, ‘ability’, ‘cooperation’, ‘trust’, ‘loyalty’, ‘achievement’, and ‘organisational stability’ (England, 1975:90).
When studying the personality characteristics and management styles of Australian managers, Barry and Dowling (1984) link individual value, personality and management style to one another in comparing Australian to U.S and British managers.

Australian managers tend to be more dominating and assertive than British or U.S. managers. Australian managers appear more imaginative (and less practical) than British or U.S. managers. Australian managers are more self-sufficient than British or U.S. managers. (Barry and Dowling, 1984: 9)

Barry and Dowling believe that the characteristics of self-sufficiency and dominance reveal a tendency of Australian managers to pursue their own decisions assertively.

Some comparative studies have found that there were only subtle differences in managerial values between Australian and American managers (Jenner, 1982, Dowling and Nagel, 1986, Posner and Low, 1990). Jenner's (1982) study indicated that there were some differences in work values between Australian and American managers, though a striking similarity existed between them. Australian managers were much less oriented to free enterprise and achievement than were the American managers. Australian managers were more likely to agree that the average worker avoids responsibility than were American managers.

Using an adaptation of England's (1967) Personal Values Questionnaire, Posner and Low (1990) also conducted a comparative study among Australian and American business executives. In their empirical study, they found there were subtle differences in the managerial values of Australian and American managers. American managers placed a greater emphasis on economic goals such as profit maximisation and organisational growth than did the Australian managers. Australian managers rated societal goals (such as organisational values to the community and job satisfaction) as considerably more important managerial values than did the American managers.
Nevertheless there were many similarities in the managerial values of competitiveness, ambition, ability and creativity between Australian and American managers. They argue that similarities of cultural elements such as a common Anglo-Saxon heritage and languages between Australian and America cause subtle differences in managerial values, but striking similarities.

These comparative studies of Australian and American managers, to some extent, provide an Australian managers' value profile. The results of these studies importantly indicate that national cultural backgrounds are one of the key factors influencing the degree of differences or similarities of managerial values across cultures.

With increasing emphasis on organisational culture in management circles in the 1980s, Australian researchers themselves also paid attention to Australian organisational culture. One such study of organisational values is a summary of value profiles of Australian organisations made by Kabanoff (1992). Kabanoff identifies four ideal organisational culture types, namely, the Elite, Leader Focused, Meritocratic, and Collegial. He argues that a Collegial culture possesses strong values of affiliation, commitment, participation, and teamwork. A Meritocratic culture is supposed to hold values of performance, reward, equity and other values which Collegial culture also has. The strong, espoused values in the ‘Elite cultural type’ held by Australian organisations are defined by him as reward, authority, performance and equity. He adds that this profile is strong on economic and performance values. The strong espoused values in the ‘Leader focused culture’ are affiliation, leadership, commitment, teamwork, authority, performance, reward and equity. He argues that this type seeks to build integration through creating a system of leadership and teamwork throughout the organisation.
After clustering the espoused value profiles of Australian organisations, he finds that the two largest groups of Australian companies are those which possess the 'Elite and Leader Focused' cultures. Summarising the popular organisational value profiles of Australian organisations mentioned by Kabanoff, it seems that reward, equity, authority and performance are dominant in Australian managers' value systems. In his study, 'reward' means that employee remuneration is now based on job 'size' and individual performance; 'performance' means the group is dedicated to continuing that development, achieving greater efficiency and competitiveness; and 'equity' means that organisations (banks) in his case, offer shares to staff and employees for their loyalty and responsibilities. Organisational values of Australian organisations in the survey emphasise linking individual and organisational goals together.

3.2.2 Studies of Australian Managers' Decision Making Behaviours
To describe managerial decision making behaviour, England developed a behaviour questionnaire measuring the self-reported behaviour of managers. With this instrument, England found the behaviours of Australian managers in the decision making process were consistent with their value system and represented in a modest degree of delegation. According to his analysis, there were linkages between Australian managers' value systems and actual decision making behaviours. Their placing value on 'my subordinates' was related to decision behaviours of delegating more power to employees; and values 'power' and 'authority' were related to decision making behaviours of delegating less power to employees (England, 1975: 90).

Like some European countries, Australian companies implemented worker participation in managerial practice in the 1970s with positive expectations (Giles, 1977). Unfortunately a progress report on employee participation in Australia in the early 1980s from an Australian authority partially confirmed England's conclusion. It maintained that following government policies of employee participation they found that there were some forms of employee participation at corporate and organisational
levels. However, employee participation in the decision process mainly occurred in departments and on the shop floor with limitations (Gunzurg, 1980) and could not be found much at higher levels of organisational structure.

A change in Australian managers’ SDMP can be seen in Barry and Dowling’s study. Barry and Dowling use a model of management styles to identify that of Australian managers (Barry and Dowling, 1984). This model includes four styles: the autocratic, persuasive and consultative and participative styles. In their survey, they found that 51% of Australian managers studied expressed a preference for the consultative style, which is defined as being the 'manager usually consults with his/her subordinates before he/she reaches a decision, listens to advice, considers it, then announces a decision, and then expects all to work loyally to implement it whether or not it is in accordance with the advice they gave' (Barry and Dowling, 1984).

As Barry and Dowling report, the percentage of Australian managers choosing the participative style in their survey is much higher than that in a similar investigation by Sadler and Hofstede in the early 1970s (Barry and Dowling, 1984). The result of Barry and Dowling’s investigation may indicate that the participative sense of Australian managers is gradually increasing, along with the general improvement of management over the decade. Thus changes in the decision styles of Australian managers are evident from the research reviewed here. There is a tendency towards encouraging greater participation in the decision process.

As studies of Australian managerial values and SDMP are few, it is difficult to establish conclusive views. However one point is clear, that is, none of the research above links Australian organisational values with the decision making process. The present research on Australian organisational values and the style of the decision making process is intended to meet this need.
There are some significant differences between Chinese managers in the PRC and Australian managers as the review of the literature shows. These are Chinese managers' high PDI and low individualism versus Australian managers' low PDI and high individualism; Chinese managers' distrust, impersonal orientation and work to live versus Australian trust, achievement and social goals of managerial values; and Chinese managers' authoritarian style versus Australian managers' consultative style. The present study will examine these phenomena by a more directly comparative study.

3.3 Summary

The literature review in this chapter has covered the previous studies of Chinese and Australian managers' values and SDMP. The relationship between Chinese values and SDMP is addressed in the literature, but few empirical investigations on this relationship have been made. There are even fewer discussions of it in previous studies of Australian management. This indicates that further direct empirical study of this relationship is needed. The present study will directly explore this relationship empirically.

As the literature review revealed, there are some differences between Chinese and Australian managers on national values, managerial values and the styles of the decision making process. However so far no comparative study between China and Australia on the relationship between managerial values and the styles of decision making has been made. Further comparative studies in this field are required. The present study will partly meet this need. A conceptual model is developed in the next chapter to form a theoretical framework for the research. A measure for organisational values and the styles of the decision making process will also be developed based on the information reviewed in the literature of Chapter 2 and this chapter.
Chapter 4

Theories of Organisational Values and Their Applications.

Why are there different patterns of decision making in different organisations? What is the role of organisational values in shaping specific decision making behaviours in organisations? These questions remain unanswered from the previous research.

Initially this chapter defines OPV and discusses the distinction between organisational process-oriented values (OPV) and results-oriented values (ORV). It also points out that OPV and ORV play different roles in influencing decision making. Finally the chapter establishes the model regarding relationships between OPV and the style of the decision making process (SDMP), develops the measures of OPV and SDMP, and finishes by specifying the hypotheses of the present study.

4.1 Organisational Process-oriented Values (OPV).

OPV is a key variable in the present study. Therefore it must be defined before the establishment of the conceptual model of OPV and SDMP.

4.1.1 Definition of OPV

OPV is defined by referring to previous studies of organisational values and the dichotomy of values in Chapter 2 (Schmidt and Posner, 1982; Enz, 1989; Choi, 1993), as there is previously no existing definition of OPV. Organisational Process-oriented Values are the ideas which: 1). Are shared by most managers within an organisation; 2). Explain the basic preferences with regard to the most important or the best ways (means) to realise the superordinate goals of the organisation, especially the evaluation of the role of human
resources in promoting productivity; and 3). Act as a guide for the conduct of managerial behaviour.

OPVs have the general nature of organisational values as discussed in the literature and also possess the unique properties which distinguish them from organisational results-oriented values.

1. **Enduring Beliefs in the Best Managerial Means.**

   OPVs are enduring beliefs with regard to the basic means of operating an organisation. Appropriate OPVs stem from an appropriate understanding of the culture, structure and goals of an organisation. The relative stability of OPV is the basis of behavioural continuity for an organisation. A realistic view of organisational change recognises that both stability and adaptation are essential to survival and growth.

2. **Desirable Standards for Organisational Action.**

   OPVs represent the organisational behavioural expectations and ideal behavioural pattern for achieving goals. They are not a factual proposition describing what the current state of an organisation is, but are value propositions of what the particular organisational state ought to be or should be (Hofstede, 1991). They are based on the evaluation of the basic means of organisational operation. That is, they express the ideas that organisations ought to or should use certain kinds of means as the best way to realise competitive advantages. OPVs may, for example, be regarding an advanced level of technological capability in an industry that an organisation should seek to retain, or a high degree of participation that an organisation should maintain. They may through the process connected with challenges have a motivational effect on their members' competitive instincts.

One of the differences of organisational values from either individual or national values is that they are the ideas shared among members within a certain organisation. Individual values are unique views held by one person and national values are popular throughout a whole country. OPVs are understood and accepted by the majority within an organisation, the main distinctions of OPVs held among managers are embodied in their evaluations of the roles of the elements of productivity. Any organisational goal is achieved with a reasonable allocation and use of the human and other resources which include financial, technological, information and material resources. Aligning these resources provides the basic means to realise an organisation's goals.

Choosing appropriate OPVs actually has become some people's criterion for judging the effectiveness of managerial style (Miller, 1984; Choi, 1993; Ouchi, 1981; Wang and Zhang, 1989), though they do not use the words OPV explicitly. Thomas Watson’s (1963) argument supports this idea:

I believe the real difference between success and failure in a corporation can very often be traced to the question of how well the organisation brings out the great energies and talents of its people. What does it do to help these people find common cause with each other? And how can it sustain this common cause and sense of direction through the many changes which take place from one generation to another? (Watson, 1963:4)

The relationship between the roles of human and substantive resources in productivity is a continuum, and neither of them can be neglected. The issue of how to balance their relation
in the continuum is determined by managers' process-oriented values. Therefore we can figure out what OPVs in an organisation are, by checking how much weight managers put on human resources in this continuum. Beliefs on how to utilise human resources are an essential standard by which to measure OPV.

OPV, theoretically, have an impact on a broad range of managerial behaviours including motivation, the decision making process, direct, control, and organisational development. The management of all levels of an organisation should pay enough attention to OPV in order to effectively promote their organisational productivity.

4.1.2 Organisational Process-oriented Values and Results-oriented Values

According to the existing literature, organisational values influence organisational behaviour (Schmidt and Posner, 1982). Organisational values are the basic beliefs and behavioural standards shared by major organisational members, and are composed of the desirable superior goals that the organisation pursues for success and the preferable means of realising the superordinate goal. They play the role of both guiding and normalising organisational behaviours. Organisational values inevitably are influenced by national and individual values (Ouchi, 1981; Hofstede, 1985; Schein, 1992). National values act directly on the individual values as well as on the organisational values. Obviously, in any study of the characteristics of organisational values, some overlap with individual and national values is to be expected as the three are linked as summarised in Figure 4.1.
Organisational values are dichotomous, consisting of both organisational process-oriented values (OPV) and results-oriented organisational values (ORV) (Choi, 1993). Organisational values in these two categories contribute to or detract from organisational effectiveness in different ways. Clarifying the roles of OPV and ORV in affecting organisational behaviour lays a foundation for understanding OPV and its relation with SDMP of organisation.

As expressed previously, values provide the standards for two aspects of behaviours:
- A desirable end in terms of results of actions.
- A desirable means of realising the desirable end (Kluckhohn, 1951; Rokeach, 1973).

Organisational values provide these two standards for types of organisational behaviours. ORVs are the desirable superior goals that the organisation pursues for success. OPVs are the preferable means of realising the superior goals. However, the literature review of Chapter 2 shows us that previous theories of organisational values unilaterally pay attention to ORV when studying the applications of organisational values. In effect they treat organisational values and ORV as being the same and neglect the dichotomy how understood as different in organisational values, in other words, most of them simply view
organisational values as ORV. Previous studies do not point out the influences of OPV in the organisational behaviour process and nor is a definition of OPV usually given. Actually, ORV only provides a standard that people should make efforts in a certain direction, while OPV defines the best ways of moving towards the goal.

Each of these organisational values impacts on different aspects of organisational behaviour. In the first instance, ORV embodies the idea that the organisation should pursue a specific desirable organisational goal for the competitive advantage and influences the final results of behaviour. For example, Macdonald's 'Quality first, Service unified', IBM's 'Serving customers', and so on, are examples of ORV. They describe the ultimate standard and provide a strong focus force for organisations.

On the second dimension of organisational values, OPV indicates clear ideas about a desirable behavioural means that the organisation is more likely to realise its organisational goals. McGregor's theory X and theory Y are good examples of OPV or proof of the impact of OPV on management style (McGregor, 1960). McGregor points out that managers adopt different managerial behavioural models in order to promote productivity because of their assumptions about human nature (Borys, 1989). From his point of view, the reason that the behaviours of managers are different is that managers hold different OPVs. Managers with an OPV of theory X adopt a managerial model that most people must be controlled, directed or threatened in order to get them to work. On the other hand, managers with an OPV of theory Y prefer another managerial approach in which most employees can be given as much as appropriate responsibility and can be trusted.

Another current example which demonstrates the existence of OPV is from the Dana Corporation. This company announces its one value as 'Productivity through people'.
enlisting the ideas and commitment of employees at every level. They explain that this idea is in support of Dana's strategy of competing largely on cost and dependability rather than product differentiation. Obviously they establish an OPV of 'Productivity through people' as a means to realise ORV of 'competing largely on cost and dependability rather than product differentiation' as an end (Deal and Kennedy, 1982). Therefore, understanding organisational behavioural processes needs to start with OPV. Knowing the nature of OPV is an initial step which links SDMP with organisational values.

If we link the nature of organisational values with decision theory, the distinction of OPV and ORV can be seen more clearly. When deciding on the decision content such as a monthly production plan, the objectives of quality service, financial targets or competitive strategies, managers are influenced by ORV. All of these decisions are concerned with the organisation's superordinate goals and depend on the guidance of the appropriate ORVs. How to make these decisions effectively involves another, related aspect - the decision making process. These behaviours depend on the managers' views of OPVs.

The appropriate decision making process is a prerequisite for making the right decisions. OPV provide the standards of determination among the multiple decision making processes. The relationship between the organisational values and decision making can be summarily illustrated by Figure. 4.2
4.2 SDMP and the Main Elements of Influencing SDMP

The purpose of the present study is to explore the relationship between organisational process-oriented values and SDMP. As discussed in Chapter 2, the specific indicator differentiating SDMPs is taken in this study to be the degree of participation in decision making by organisational members.

4.2.1 Definition of SDMP

As mentioned in Chapter 1, 'style' is the way in which a method is pursued (Pheysey, 1993). The reason for using the term 'style' here is that it provides a research linkage of the specific characteristics of the decision making process related to issues of value. A decision making process is made up of a set of activities that begins with the identification of an issue and ends with action. To classify these activities, a framework is imposed on them. The decision-making stages of problem definition, information search, choosing alternatives and implementation are distilled from Rowe (1992) and Adler's (1986) formulations. Despite no overall consensus in the research on SDMP, previous research
indicates that participation is a crucial point in identifying the SDMP of an organisation.\(^3\) (Tannenbaum et al., 1961; Vroom and Jago, 1988; Ali, 1992).

Styles of the decision making process of organisations are the tendencies which: 1) Characterise the decision-making process; 2) Involve, as a description of a decision making procedure differing from decision making content, and identifying the four fundamental elements of decision making behaviour: namely, the four stages of problem definition, information search, choosing alternatives and implementation, and 3) Show the degree of participation of organisational members.

### 4.1.2 The Elements Influencing Organisational Decision Making.

It has been explicitly indicated in the literature of decision theory, leadership style, industrial relations, and organisational value theory in Chapter 2 that the degree of participation, as a dimension of SDMP, is influenced by a variety of elements. SDMP is situationally influenced by: internal and external factors of an organisation, as summarily illustrated in Figure 4.3. These internal factors are the political process, management system, types of problem, time pressure, manager's value system and followers' maturity as identified by the research already reviewed in the previous chapters (Tannenbaum et al., 1961; Vroom and Jago, 1988).

**The Political Process.** Organisations are political entities and powerful internal and external interest groups influence the decision processes including the decision output. When information becomes a source of power for managers who control the information

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\(^3\)From a contingency point of view, there is no fixed SDMP in any organisation. Any style adopted in an organisation must be situational. Discussion of the style of decision making in this research is based on a relatively normal situation with consideration of the relative stability of organisational and national cultures, and does not assume that any style of the decision making process is the single best style in a certain organisation. The model of linkage of the SDMP and the OPV stresses relativities as a way of finding out whether a certain OPV is more suitable for a kind of SDMP.
which is seen to be important; and when powerful managers and groups try to strongly influence the identification of key issues and the strategies selected, the degree of participation in decision making will be decreased (Vroom and Jago, 1988).

**Elements Influencing SDMP**

![Diagram](image)

Figure 4.3 Elements Influencing SDMP
The Management System. Formal systems of participation, job descriptions and organisational policies set up regulations about the degree of participation for different roles. They lay down rules about the possibilities of informal / formal, distant/ immediate, and indirect/direct participation (Wall and Lischeron, 1977).

The Types of Problems. The nature of the problem may determine what degree of participation should be applied by managers in the decision making process (Tannenbaum et al, 1961). As Hickson (1986) has analysed, long term strategies or complex problems may need more people to be involved in decision making. Those programmed decisions or fluid decisions may need little or no participation for adequate decision making.

The Pressure of Time. When managers feel the need for an immediate decision, they will feel that it is difficult to involve other people and use a high degree of authority with relatively little delegation to subordinates. When the time pressure is less intensive, managers are more likely to bring subordinates in on the decision making process.

The Followers' Maturity. The degree of participation, to a extent, depends upon the essential capacities which subordinates possess (Ramsay, 1976; Nicholson, 1978). For example, if they have a readiness to assume responsibility for decision making; if they are interested in the problem and feel that it is important; if they have the necessary knowledge and experience to deal with the problem; if they have learned to be expected to share in decision making, then their participation would be more likely to be accepted by the management and sought by the employees.

The Manager's Value System. The degree of a manager’s acceptance of subordinates’ participation is important for SDMP. How strongly does a manager feel that subordinates
should have a share in making the decisions? It depends on how much relative importance that he attaches to factors such as organisational efficiency, personal growth of subordinates and confidence in subordinates. Manager can create a variety of opportunities for participation for subordinates, when they strongly feel that it is necessary to share power with their subordinates in decision making (Tannenbaum et al, 1961; Vroom and Jago, 1988).

Organisational Values. Organisational values are shared amongst members and provide guidance for certain modes of organisational decision-making behaviour (Liedtka, 1991). More managers will share the perception that subordinates should participate in decision making, if organisational values attach significance to it. Otherwise participation in decision making may be discouraged within the organisation.

SDMP is influenced by the external factors as well. Organisations are not independent of society. They are dynamic and exist within an evolving social system composed of political, legal, economic, educational and technical systems and a national culture and. The national culture includes the historical background of the country, ideologies, customs, values, beliefs and norms (Kast, 1974). To make any decision effectively, decision makers in organisations must take these all relevant environmental elements into account. However amongst these environmental factors, some influences are usually recognised by organisations, some are not. For instance, educational systems impact on the quality of management and the skill and knowledge of employees. Their effect on both decision making process and results, hence, is broadly recognised. But cultural influence is often not noticed by managers, because a whole set of cultural conditions is often unconsciously accepted or taken for granted. National and organisational cultures are the parts of both the external and internal environments of organisations and play crucial roles throughout the
decision making process (Haberstroh and Gerwin, 1972) - especially as world economies cause national cultures to interact more frequently.

To summarise the above analysis, there are many elements which influence SDMP and they comprise a complex interacting system. A relationship between each of these elements and SDMP could be an interesting research topic, although the present study will only focus on the relationship between organisational values, as the overarching importance of this relationship was indicated by our review of existing research on SDMP.

4.3 The Model of the Linkage between OPV and SDMP.
Organisational values influence stages of the decision making process (Liedtka, 1991). Organisations vary in the degree(s) to which they encourage members to participate in making decisions. The formalised structure constrains the decision making process by routines and regulation. But standard operating procedures can exclude some organisational members from participation and can be a rigid form of control. How can decision making procedures not only conform to the general principles of problem solving, but also adjust to the specific situation conditions to make a decision with the effective use of human resources? Managers’ view on employees’ participation in the decision making process can partly provide an answer. Different OPVs in an organisation influence the extent of participation and shape organisational roles in the decision making process. The managers, as a formal decision maker with specific values in their mind, may shut their subordinates out of direct communication in decision making, or they may delegate the authority of decision making to them. These individual values are affected by OPVs. The weights given to participation in decision making by managers within an organisation reflect their shared beliefs about the importance of human resources in promoting productivity and their broader beliefs about the nature of human society and relationships.
A model of the relationship between organisational values and SDMP is developed in Figure 4.4

Figure 4.4 The Basic Model: Organisational Process-Oriented Values and Style of the Decision Making Process.

In any organisation, decisions are made within the framework of both individual and organisational value systems, each of which may be directly influenced by national cultural assumptions. Once organisational process-oriented values become the dominant variable, they influence an individual's value framework for judging and acting and, as in an organisation with a “strong” culture in the sense of Peters and Waterman (1982), and Deal and Kennedy (1982), may act as a moderator for national values. That is, OPVs substantially impact on the SDMP of organisations through the process of modeling individual values. This is not always a positive process - Johnson (1993) notes how these
values can obstruct change, and Schwartz (1990) gives a detailed account of how they can lead to antisocial actions which run counter to the interests of the nation as a whole. Nevertheless, as Schwartz points out in his study of the challenge disaster, these values were an over exaggeration of national values, rather than an alternate value set.

According to both the application of organisational values in the decision making process and the role of OPV discussed in the literature (Harrison, 1987; Choi, 1993), OPVs serve as standards that guide SDMP in a variety of ways. First, OPVs impact on the perception of managers involved in the decision-making process and have the following general qualities:
1). They affect the decision maker's evaluation of the significance of the subordinates' suggestions or ideas.
2). They impact on the decision maker's degree of the assessment of subordinates' abilities and readiness for responsibility.
3). They affect the degree to which the decision maker will allow other people's participation.
4). They impact on the decision makers' perception of the significance of participation.

Second, OPVs guide the behavioural pattern of the decision making process in the following ways:
1). They influence interpersonal relationships through which decision objectives are defined.
2). They prescribe the ways of searching for and analysing information.
3). They influence the process of making decision choices when many alternatives are available.
4). They affect the locus of the final decision in the decision making process.
5). They delimit responsibilities for decision implementation between decision maker and participant.

6). They influence the timing of the process.

4.4 The Measures For OPV and SDMP.

4.4.1 The Measure of OPV.

A considerable concentration in this study has been devoted to OPV. Previous research on organisational values has established a variety of models to measure a diversity of values and, to a certain extent, provides us with a significant frame of reference. However, as we have already argued that the previous studies leave two gaps in the study of OPV:

- Not enough attention is paid to organisational process-oriented values. No measure of OPV can be found.
- Not enough attention is paid to the impact of organisational process-oriented values on the decision making process. Only a few studies focus on how the decision making process corresponds to organisational values (Ralston, 1995; Liedtka, 1989, 1991), and little empirical research has been undertaken to measure OPVs (Choi, 1993; Ali, 1992). From these points of view, a new composite measure of OPV for this study has to be developed by incorporating previous measures and ideas.

In the light of the previous valid models of measuring values, The Value Inventory (VI) in the present study results from a combination of the basic ideas of Allport (1951) and Rokeach’s (1973) measures. The measures of Allport’s study of value (Allport, 1951) and Rokeach’s study of values (Rokeach, 1973) have been used in several settings (Rowe, 1992; Palmer, 1979). Palmer (1979) argues that managerial value profiles can be predictors of policy decisions by using Allport’s study, as Allport’s value measure has demonstrated high reliability and validity in measuring individual values. Although Allport and
Rokeach’s tests have recently been argued to be somewhat dated (Rowe, 1992), their benefit as a base line and reference point cannot be overlooked, since their validity has been widely acknowledged.

The VI measures a manager’s belief on how human resources should be deployed in the pursuit of organisational goals and is based on an assumption that human beings are either self-oriented or other-oriented. One of Rokeach and Allport’s value measure focuses is the way of individual pursuit of goals. Referred to Allport and Rokeach’s value measures, the four particular categories of the VI are developed. The Economic Value of the VI is similar to Allport’s value categories of the economic or political man who is concerned with self interests or power and with surpassing or influencing others. The Social Value of the VI is similar to Allport’s value category of the social man who regards affiliation as the pursued form of human relationships. A key point of the Self-actualising Value is similar to Rokeach’s value category of the self-actualisation value which is related to ambitious, capable, courageous, imaginative, self-reliant, self-sufficient and responsible characteristics. The Culture Value of the VI emphases the incorporation of the individual responsibility with organisations or society as a whole from a perspective of organisational culture. It is similar to Allport’s category of the religious man who is concerned with relating himself to a universal embracing totality. A comparison of the two previous measures and the VI of this study is shown in Table 4.1.

Table 4.1. Comparison of Allport and Rokeach’s Value Studies and the VI

<table>
<thead>
<tr>
<th>Allport’s value study (1951)</th>
<th>Rokeach’s value study (1973)</th>
<th>The VI of this study</th>
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<tbody>
<tr>
<td>Economic &amp; Political Man</td>
<td>Economic Value</td>
<td></td>
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<tr>
<td>Social Man</td>
<td>Social Value</td>
<td></td>
</tr>
<tr>
<td>Religious Man</td>
<td>Self-actualisation Value</td>
<td>Self-actualising Value</td>
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<td></td>
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<td>Cultural Value</td>
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</table>
The Value Inventory (VI) categories in the present study are constituted as follows:

**Economic Value.** This value heavily weights power and the enjoyment of control. It believes that most employees pursue things that are useful and in their personal interests, and that they work because they are compelled to do so and do not have the ability or interest to participate in management.

**Social Value.** This value believes that social harmony is important, and that group goals are more important than individual ones. Although the managers holding this value may not necessarily believe that employees have enough ability to take part in a meaningful management process, they nevertheless try to raise employees' motivation to work by meeting employees' social psychological needs.

**Self-Actualising Value.** This value stresses employees' internal self-motivation, the intrinsic sense of success, and the individual's attempt to unify individual life goals with work goals. Managers holding this value trust subordinates and encourage them to participate in organisational management. They like to share power with subordinates, whom they believe to be very competent personally through learning.

**Cultural Value.** This is a collectivist value. Because it is concerned with the organisation as a whole, it believes that every member has a responsibility to improve organisational performance, and that employees have a strong need for cooperation. The sharing of power and organisational goals through consensus are both highly valued.

The VI categories from the 'Economic Value' (Allport, 1951) to 'Cultural Value' are at the opposite ends of a continuum and represent a scale from very negative to very positive of the evaluation of the role of human resources in productivity. The 'Economic Value' ignores the unique importance of the human resource in productivity and does not trust employees.
The 'Social Value' prefers cooperation within the group, but does not believe in the capacity of employees to contribute and does not encourage their individual self-actualising efforts. The 'Self-Actualising Value' stresses the importance of human beings from the perspective of the individual. It trusts and encourages employees in work. The 'Cultural Value' underlines the crucial role of human beings in productivity from the perspective of collectivism with reasonable competition based on the self-actualising orientation.

In the light of the literature review in Chapter 2, the views of self-actualising, trustworthiness, cooperation, and employees’ relation to work have been found to be the crucial aspects in describing the managerial values related to the role of human resources (McGregor, 1960; Likter, 1967; Wern, 1979; Peters and Waterman, 1982; Miller, 1984). These and the other concepts which have similar meanings such as ‘achievement’ ‘commitment’ and ‘competitiveness’ are also used in other research measures of the importance of human resources in productivity (Rokeach, 1973; England, 1975, Posner et al, 1985; Posner and Low, 1990). The present study uses these four views as the basic dimensions for measuring OPVs within the frame of the VI, since this is a basic concern of constructing measures for OPVs

1) The Self-actualising Orientation. This factor describes the manager’s view which encourages personal achievement and creates opportunities for others to contribution. (Rowe, 1992; Maslow, 1954); 2) Trust in Subordinates. This factor describes the degree to which a manager believes that subordinates are capable and willing to carry out their job independently and share managerial work. The more trust in subordinates, the more weight is put on the employee role in productivity by a manager; 3) The Sense of Cooperation. This factor describes the degree to which a manager believes that it is necessary to take cooperative action to achieve group or organisational goals. The
stronger the manager's sense of cooperation, the more that manager emphasises the need for employees' collaboration and support in achieving organisational goals; 4) **Employees' Relation to Work.** This factor relates a manager's view of how much commitment should be expected from employees. It is related to the purpose of work and the relative importance of employees to other resources.

The reason that dimensions giving opinions on self-actualising orientation, sense of 'cooperation', 'trustworthiness', and 'employees relation to work' are chosen is that they appear likely to influence SDMP significantly. The *shared* values within an organisation, to an extent, reflect whether managers will create opportunities for employees' participation in the organisational process of decision making.

A shared self-actualising orientation of the organisation indicates that the internal environment of the organisation offers a realistic possibility of participation. Personal involvement will be encouraged if individuals do feel that others will be happy or pleased with their showing ability or potential.

A co-operative orientation influences the degree to that managers are willing to accept other people's contributions in organisational decision making and believe that the effectiveness of group working is generally better than that of individuals. It indicates the possibility that managers may try to make the decision making process more collective, since managers dominate the degree of participation within the organisation. In typical bureaucratic organisations the work is always done through control systems. However, more and more, research on management practice demonstrates that social control through authority is not effective, except under highly specific circumstances (Muna, 1980; Rowe, 1982, Hickson *et al*, 1986; Vroom, 1988; Kingsley and Reed, 1991; Rowe 1992). The value
of the cooperative orientation maintains that people like to cooperate in their work when they feel they are working towards a common goal, or feel that the relationship between members of the workforce and management is wholistic and of value to all concerned. Under the influence of the cooperative value, team-work, which relies on synergic strength of members, has been used as an effective tool to promote productivity by management since the 1980s.

Values of trustworthiness may impact on the degree that managers allow their subordinates to take responsibility for aspects of decision making. Only when there is trust in subordinates' technical capacity and moral quality, will managers be really comfortable with subordinates' suggestions, ideas or responsibility for implementing decisions. Otherwise, managers will feel that it would be an unjustifiable risk.

Managers' views of employees' relation to work influence their judgements about 1) whether employees are willing to accept the responsibilities and duties of participation in organisational decision making; and 2) whether employees can be expected to commit themselves to what has traditionally been seen as a management function.

4.1.2 The Measure of SDMP.

Participation has been studied as the key to differentiate the styles of the decision making process from both the individual and group perspective. The reason for the degree of participation being the main criterion to measure SDMP in this research has already been clarified in Chapter 2. (Tannenbum, 1961; Muna, 1980; Vroom and Jago, 1988; Slevin, 1991; Ali, 1992; Rowe 1992). The Style of Decision Making Process Inventory (SDMPI) adopted in this study for measuring SDMP is a modified and combined version based on the measure models of Muna (1980) and Slevin (1991) respectively. Ali (Ali, 1992) has
used Muna's validated measure to measure SDMP in his survey of the relationship between individual values and SDMP in an Arabic cultural setting. From the perspective of leadership style, Slevin (1991) uses different categories from Muna's, but uses the same principle - the degree of participation to test SDMP. A comparison of the previous measures and the SDMPI of this study is shown in Table 4.2.

Table 4.2 Comparison of Muna and Selvin's Style Measures and SDMPI

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Own Decision</td>
<td>Autocratic Style</td>
<td>Autocratic Style</td>
</tr>
<tr>
<td>Consultation</td>
<td>Consultative autocratic Style</td>
<td>Consultative Style</td>
</tr>
<tr>
<td>Joint Decision</td>
<td>Consensus Style</td>
<td>Joint Style</td>
</tr>
<tr>
<td>Delegation</td>
<td>Shareholder Style</td>
<td>Delegation Style</td>
</tr>
</tbody>
</table>

The descriptions of the SDMPI used in the present study are:

**Autocratic Style:** Such managers solicit little or no information from other employees, identify the decision objective and/or make the managerial decision solely by themselves. They may need to explain the decision results to subordinates but they individually take responsibility for the decision.

**Consultative Style:** In this decision making style, the right to identify a decision objective is mainly kept to managers themselves. Information input is elicited from subordinates or the other trusted advisers, but managers retain all substantive decision making authority and the responsibility for implementation.

**Joint Style:** Managers in this style share the problem with the relevant subordinates, getting their ideas and suggestions with bringing them together as a group. Then they jointly make the final decisions with the subordinates and share the responsibility for implementation with the relevant people.
**Delegation Style:** Managers in this style share the problem with subordinates as a group, try to obtain information from every level. They allow or encourage the members of the group to make the relevant decision and take responsibility for implementation.

The SDMPI refers to the degree to which a manager prefers participation to be involved in each stage of the decision making process. From the autocratic style to the consensus style is also a continuum which represents the degree of participation in the decision making process from very weak to very strong.

The aspects considered in each category of SDMP are: - the means of defining decision objectives, the means of searching for information, the means of choosing the final decision, and the responsibility for implementation (Simon, 1961, Adler, 1986; Rowe, 1992). Each aspect indicates at which level and/or in which way employees participate at a specific stage of the decision making process. Each of these factors will now be explained more fully.

1) **The means of defining the decision objectives.** This aspect is tested by asking who is usually involved in the determination of problems on which decisions need to be made. Who, how many and in which ways people are involved in this step reflects the scale of participation. 2) **The means of searching for information.** This aspect is checked by asking who provides information for decision alternatives and in what way it is provided. Manager's sense of encouraging participation affects where he/she would like to get information for a set of alternatives: from subordinates or him/herself. 3) **The means of choosing the final decision.** This aspect is examined by three questions. Who usually makes final decisions in their organisation? In which ways do managers solve disputes
between themselves and their boss, or their subordinates for making final decisions? The stage of making the final decision in the decision making process involves participation more directly. Therefore, stage three of the decision process, in which managers make the final decisions, is a key point for determining SDMP. 4) **The responsibility for decision implementation.** This aspect is tested by the question of who should be responsible for dealing with unexpected problems when decisions are carried out. Who in the organisation should deal with getting the decision put into practice, is also a crucial step of participation in the decision making process.

With the establishment of the conceptual model of the linkage of OPV and SDMP and the relevant measure, the exploratory hypotheses for this study are able to be determined and are based on both the Chinese and Australian organisations of the sample.

### 4.5 Development of the Hypotheses.

The literature review in Chapter 2 and 3 has revealed that there are some significant differences between Chinese managers in the PRC and Australian managers on their managerial values, styles of decision making and national values. Some differences and similarities between Chinese and Australian managers in the literature are shown in Table 4.3. From the information in Table 4.3, it can be inferred that in comparison to Australian managers, Chinese managers may put less weight on human resources in work and embrace less participation in the decision making process. To test these ideas, four specific hypotheses and sub-hypotheses were developed and examined through a survey of managers in China and Australia.
Table 4.3 Differences between Chinese and Australian Managers Indicated in the Previous Studies

<table>
<thead>
<tr>
<th>Managerial Values</th>
<th>Chinese</th>
<th>Australian</th>
<th>National Values</th>
<th>Chinese</th>
<th>Australian</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-actualising Orientation</td>
<td>Impersonal orientation</td>
<td>Personal achievement</td>
<td>PDI</td>
<td>High</td>
<td>Low</td>
</tr>
<tr>
<td>Trust</td>
<td>Distrust</td>
<td>Trust</td>
<td>Individualism</td>
<td>Low</td>
<td>High</td>
</tr>
<tr>
<td>Cooperation</td>
<td>High cooperation</td>
<td>Cooperation</td>
<td>‘Face protection’</td>
<td>High</td>
<td>Low</td>
</tr>
<tr>
<td>Relation to Work</td>
<td>Work to live</td>
<td>Social goals</td>
<td>Respect for convention</td>
<td>High</td>
<td>/</td>
</tr>
<tr>
<td>SDMP</td>
<td>Authoritarian style</td>
<td>Consultative style</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

From a managerial value perspective, there are some studies of comparing Chinese managers in the PRC and managers of the other countries such as America, Hungary (Ralston, 1992, Child and Markoczy 1993). It is found that Chinese managers highlight cooperation more than American managers (Ralston, 1992). Chinese managers have been found to distrust employees, have an impersonal orientation, emphasise cooperation and believe in working to live by other previous studies (Myers, 1987; McGrathe et al, 1992; Westwood, 1992; Mente, 1994). There are also comparative studies of Australian managers and managers of other countries such as India, Japan, Korea and America (England, 1975; Jenner, 1982; Posner and Low, 1990). In these studies Australian managers have been found to have values of high trust, personal achievement, moderate cooperation and work for social reasons. However a direct comparison of OPV between Chinese and Australian managers has not been empirically studied in any previous research. Therefore, the following hypotheses are posited and will be empirically tested:

**Hypothesis 1: OPVs in Chinese corporations differ from Australian ones**

H1a: Chinese managers have a less self-actualising orientation than Australian managers.

H1b: Chinese managers trust their employees less than Australian managers.

H1c: Chinese managers put more weight on cooperation than Australian managers.

H1d: Chinese managers place more emphasis on income as the purpose of work than Australian managers.
H1e: Chinese managers place less emphasis on the contributory role of employees in work than Australian managers.

From a SDMP perspective, Chinese managers have been identified to generally adhere to the authoritarian style of decision making by previous studies (Laaksonen, 1988; Baird et al., 1990, Child and Markoczy, 1993). In contrast with the Chinese managers’ style, Barry and Dowling (1984) argued that Australian managers held a consultative style. Unfortunately, no an empirical comparison of SDMP between Chinese and Australian managers has been made until the present research. The exploratory hypothesis for this comparison is:

**Hypothesis 2: SDMPs of Chinese organisations are less democratic than those of Australian ones.**

It has been also found that the national values of Chinese-related countries and Australia are significantly different (Bond, 1987; Hofstede, 1991; Trompenaars, 1993). Confucian national values still strongly influence the values and decision making behaviour of Chinese managers (Child and Markoczy 1993). Accordingly, there should be some difference between Chinese managers in the PRC and Australian managers in national values. Only four aspects of national values: power distance, individualism, ‘face’ protection and respect for convention are selected to be identified in the present study.

Of the four dimensions of Hofstede’s work-related values, values on individualism versus collectivism and power distance are related to both the formal and informal relationships between individuals and others in a group or hierarchical structure. Hofstede (1991: 42 and 65) argues that they have a direct impact on behaviours related to relationships in the workplace such as the degree of participation in the decision making process. Bond (1995) argues that these two dimensions are the critical ones to explain the behaviour of Chinese inside the PRC. However the dimension of masculine versus and feminine is argued to be a
controversial one, though Hofstede argues that it is related to views on work and decision making. Masculine values emphasise the quintile of life and value things like assertiveness and material things, while feminine values emphasise the quality of life and the importance of relationships. The dimension of uncertainty avoidance is related to decision making, but is more involved in matters of the decision content - whether people emotionally want to achieve the outcomes of decision making with no risk (Hofstede, 1991: 121-126). Therefore the latter two dimensions are not employed to explain organisational process-oriented values and the decision making process in the present study.

‘Face’ protection or ‘losing face’ is also argued to be involved in the relationship between individuals and others in societies (Trompenaars, 1993; Bond, 1995). It has been used on the dimension of specific versus diffuse to differentiate differences across cultures including China and Australia by Trompenaars (1993:78). Bond (1995) emphasises that ‘face’ protection as a the way of dealing with the relationships plays a significant role in Chinese society. Therefore it offers potentially an effective means of distinguishing the difference between Chinese and Australian managers in the present study.

It has been argued that Chinese people in both the PRC and overseas are deeply influenced by Confucianism (Yau, 1988; Laaksonen, 1988; Zhao, 1994; Redding and Wong, 1995; Chen 1995). The Confucian heritage is rooted in family and kinship relations. Mastery of traditional Chinese learning is still an important prerequisite to adapt well in Chinese society. Respect for the aged and tradition is a basic cultural value for Chinese people and influences their managerial behaviours (Zhao, 1994). There is little similarly discussion available regarding Australian people’s views of tradition. It is useful to compare their difference and influence on this dimension.
Hypothesis 3: Chinese managers have different national values from Australian managers.

H3a: Chinese managers have different values on individualism from Australian managers.
H3b: Chinese managers have different values on power distance from Australian managers.
H3c: Chinese managers have different values on 'face' protection from Australian managers.
H3d: Chinese managers have different values on respect for convention from Australian managers.

That values impacting on the decision making process has received a support in the previous studies (England, 1975; Rowe, 1992; Ali, 1993; Liedtka, 1991). Rowe and Ali respectively research that individual values influence the degree of participation in the decision making process. Liedtka (1991) has argued that organisational values have impact on the decision making stage of choice. Ralston and his colleagues suggest that managerial values have impact on the locus of decision making. However none of them empirically examines the relationship between organisational values and the more general SDMP.

Hypothesis 4: Organisational process-oriented values have a linkage to SDMP in the sample selected.

H4a: Organisational process-oriented values have a linkage to SDMP in the sample of Chinese managers.

H4b: Organisational process-oriented values have a linkage to SDMP in the sample of Australian managers.

The hypotheses in the present study are established based on those results of the literature to figure out profiles of OPV and SDMP of Chinese and Australian managers and the linkage between OPV and SDMP.
4.6 Summary.

It was noted that understanding how decisions are made in organisations requires an understanding of the organisational process-oriented values that shape the style of the decision making process. Organisational values are split into two categories in light of their functions, that is, organisational process-oriented values and results-oriented values. The former directly affect the decision making process, while the latter impact on decision making results. Both the definition and nature of OPVs have been given. OPVs determine and place value on the role of human resources within the organisation, and also explain the basic preferences with regard to the best ways (means) to realise the superordinate goals of the organisation.

The differences between SDMPs can be distinguished by the degree of participation of organisational members. Among the multiple factors affecting SDMP, OPVs held by managers are an important element, particularly affecting the factor of predisposition to participation. Based on the analysis of the concepts of the SDMP and OPV, the conceptual model of relationship between them was established. To conduct an empirical, comparative study of Chinese and Australian managers, new combined inventories and measures of OPV and SDMP have been developed.

Chinese and Australian managers are a representative sample for a comparison of the relationship between OPV and SDMP from a cultural perspective. The hypotheses and sub-hypotheses with regard to comparison between their profiles of OPV and SDMP were outlined. In Chapter 5 a suitable methodology will be identified in order to test these hypotheses in China and Australia.
Chapter 5

Research Methodology.

In the first part of this chapter the issues of methodology in cross-cultural studies of organisational management are examined. The paradigmatic basis of the research is then discussed. The second part describes the measurement of the variables and the design of the questionnaire. The final part of this chapter details the methods developed for the investigation and data analysis.

5.1 Research Methodology

5.1.1 General Methodology and the Paradigm Approach.

Any method of investigating the social world rests upon assumptions, often left implicit, about the nature of “being” or “reality” (ontological assumptions) and the nature of knowledge or what we can know about reality (epistemological assumptions). Methodology follows from this analysis, constituting the means to achieve that knowledge, or ‘how’ we can come to know reality. There are, of course, many different methodologies available, but these can be grouped into families with common epistemological and anthological foundations - or ‘paradigms’. Burrell and Morgan (1979) identify four such paradigms in analysis: the functionalist, interpretive, radical humanist and radical structuralist paradigms. (Burrell and Morgan, 1979). With regard to the nature of social science, functionalist and radical structuralist paradigms adopt an objective approach and attempt to know what human ‘beings’ are - people essentially behave as ‘things’, reality is an object. They contrast with the interpretative and radical humanist paradigms which emphasis a more subjective stance and attempt to explore what human ‘meanings’ are to us - people essentially construct the meaning of the world, and reality is a creation.
The sociology of radical change.

<table>
<thead>
<tr>
<th>Subjective</th>
<th>Objective</th>
</tr>
</thead>
<tbody>
<tr>
<td>'Radical Humanist'</td>
<td>'Radical Structuralist'</td>
</tr>
<tr>
<td>'Interpretive'</td>
<td>'Functionalist'</td>
</tr>
</tbody>
</table>

The sociology of regulation

Figure 4.1 The Four Paradigm Model of Social Theory.

It has been common for research to pursue investigation in one paradigm, explicitly or implicitly rejecting the others. Both radical theorists and conservatives have argued that paradigms resting on different assumptions about the nature of reality are incommensurable. For example, the world cannot be simultaneously treated as if its identify shifting is both absolutely fixed and relatively shifting. However, more recently commentators such as Hassard and Ott have argued that paradigms do not define the world but are simply metaphors for it, revealing different aspects of reality (Hassard, 1991; Ott, 1989). Both Hassard and Ott argue that different paradigms can be used as means to explore aspects of organisation simultaneously. Hassard (1991) argues that the methodological paradigms are not in hermetic isolation, but are in continuity between one another and are complementary in providing a comprehensive understanding of organisations. In the context of organisational culture research, particular constraints on the choice of method are the conceptual level at which the culture is to be studied and the generalisability of the findings and the resource limitations is imposed by access, time and funding.
Working within a single methodological paradigm can help researchers to obtain one kind of knowledge from one particular dimension. The use of more than one of the four methodological paradigms can provide a variety of knowledge and insights about the 'real world' from different dimensions - a richer picture.

The mono-method research design, such as the sole questionnaire method, may lead to some shortcomings in an investigation of organisational cultures. First of all, organisational culture is a dynamic structure and people's minds and feelings are constantly in a state of change. The existing forms of organisational values are by definition subjective and the SDMP is affected by these subjective factors, though their roles in an organisation could be regarded as being objective. To use only the objective method to investigate them could lead to the loss of rich meanings which are deeply rooted in these cultural levels and which may explain puzzles, or inconsistencies in the data. Secondly, people do not always act or think according to their preferences as indicated in the questionnaire (Ott, 1989; Hofstede, 1991). Only when talking, working with or observing people may researchers more comprehensively discover the substantial content of OPV and SDMP. Additionally researchers cannot keep a value neutral standpoint when designing a questionnaire because of their own background cultural framework (Bond, 1987). Sometimes specific concepts, which are understood within certain cultural frameworks, cannot evoke a 'real' cultural meaning in the questionnaire for those subjects who are from another cultural background. Techniques of back-translation of its in questionnaires can only partially control for nuance of meaning.

From these points of view, a combination of methods is appropriate for investigation of OPV and SDMP. In this study we use a questionnaire survey (grounded in the functionalist paradigm) and semi-structured epistemological interviews (grounded in the interpretive paradigms). The questionnaire survey is used to collect basic and general information about
the OPV and SDMP in Chinese and Australian organisations for empirical analysis. The interview approach is used to access and develop more comprehensive meanings of OPV and SDMP in these organisations. In this way, the present study not only attempts to discover the broad features of OPV and SDMP in Chinese and Australian organisations, but also attempts to understand the particular and characteristic meanings attached to them by Chinese and Australian managers.

5.1.2 Methodology in Cross-cultural Organisational Studies

Cross-cultural analysis of managerial processes is an area of continuing controversy and debate in organisational behaviour research (Seror, 1988). In field research on cross-cultural organisational management, researchers face many methodological dilemmas. These include the persistent lack of agreement regarding the meaning of the concept; difficulty in defining of appropriate units of analysis; lack of precise standardised, dependent measures; problems of instrumentation; lack of empirical justifications of organisational variables as culturally relative to their societal context; lack of specification of relationships between culture-based variables and dimensions of organisational behaviour; non-randomised sampling in terms of both the selection of participants and their assignment to groups; lack of equivalence for comparison and small sample sizes, which reduce representativeness (Rieger, 1988; Seror, 1988; Peng, et al, 1991).

In approaching these difficult issues, some researchers have proposed that there is a particularly critical need for multiple methods in studying phenomena as complex as organisations or cross-cultures (Rieger, 1988). The proposals to resolve the dilemmas include

1) Using the centrality of qualitative analysis to give meanings to typical quantitative applications in cross-national management research (Peng et al, 1991);
2) Improving comparative analyses through careful control strategies for maximising variance at the organisational level of analysis and through interpretation of cultural contingency, and political-economy factors affecting study results (Child and Taybe, 1983);

3) Considering equivalence. This includes that functional equivalence of features of matched samples, equivalence of concepts, language, instrumentation, and administration (Adler, 1983);

4) Understanding the emic-etic distinction, that is, identifying universal versus specific variables in cross-cultural management studies. (Peng et al., 1991; Adler, 1983). Dealing with problems of the ‘emic’ versus the ‘etic’ approaches. The objective of an emic approach is to study a phenomenon in its own terms with specific concepts used in a particular culture. On the other hand, the objective of an etic approach is to study a phenomenon in order to construct a universal law, or at least a set of principles, that can identify similarities and differences across cultures with equivalence (Peng et al., 1991);

5) Using multiple sources of data including interview data to deal with the lack of precision in measurements (Rieger, 1988).

Among these recommendations, the issues relating to the emic-etic distinction and equivalence are most emphasised. Cross-cultural study with ‘etic’ objectives requires the achievement of experimental conditions of equivalence in all stages of research (Barry, 1969; Adler, 1983; Sekaran, 1983, Negandhi, 1983). Valid cross-cultural behavioural comparisons can be made only when the behaviour studied has been investigated through measures developed in different cultures in response to similar problems shared by different social or cultural groups (Sekaran, 1983). Matched samples in technologically
comparable work settings which are highly systematically similar in different cultures
guarantee functional equivalence. In developing instruments, the same modes of correlation
and the same variables are used to guarantee that measures are conceptually equivalent.
The same questionnaire or interview formats are used in different countries to guarantee
equivalence of instrumentation. However, it is quite hard to meet all these conditions of
equivalence in practice in cross-cultural studies. The field has especially suffered
equivalence problems for lack of properly matched samples and measures (Peng, et al,
1990). As mentioned in Chapter 3, even Hofstede's world-wide survey of work-related
values was confronted with the problem of measure and instrument equivalence in a
comparison between Western and Chinese cultures (Bond, 1988).

Owing to its complex and difficult nature, methodology or research in the field retains a
lots of specific problems. Many studies which were used in the past for a comparison of
decision making behaviours or organisational values within a cross-cultural framework
have suffered from methodological inadequacies. This has made some of their conclusions
less than reliable. Researchers have often investigated a few aspects of organisational
decision making behaviour and loosely matched organisational values across two or more
cultures, without (1) conducting a sufficiently comprehensive empirical survey; (2)
analysing the essential linkage between cultural factors and the key aspects of
organisational decision making behaviour.

In the present study, an attempt is made to overcome some of the methodological
drawbacks in studying values and decision making though some inevitably remain. The
nature of this study therefore should be seen as preliminary, identifying the potential
usefulness of developing more extensive and sophisticated multiseriate analysis and the
basis of the results obtained in this survey. In particular, the constraints of the time,
resources and access to a sample which is broadly matched across two countries cannot be
underestimated and indicated the enormous difficulties to be overcome in undertaking a more comprehensive study in this area. However, the following points were taken into account in implementing the design of measurement:

1. **Identifying specific national values** which could be related to specific and selected aspects of organisational process-oriented values. This would provide a perspective to specifically explain the influences of national values on OPV and also overcomes the potential weakness of loosely matched items between organisational values and national cultures.

2. **Identifying specific organisational values** which could have a direct linkage to the decision-making process and are understood by both countries. This would help to overcome the potential shortcoming of lack of specified relationships between culture-based variables and the dimensions of organisational behaviour, and to reflect the concern with the articulation between ‘emic’ and ‘etic’.

3. **Selecting matched samples of organisations** to be studied in detail. This would guarantee a high degree of functional equivalence. Nevertheless, as industries and organisations can never be guaranteed to be at precisely the same part in their life cycle, or serving the same markets, these will always be some variance. However by using the same measures, including establishing commons meanings of languages and questionnaire items this may, to a certain extent, guarantee conceptual and instrumentation equivalence.

4. **Using methods of both interview and survey-questionnaire methods** to collect data may overcome the inherent weaknesses of the mono-method research design and obtain relatively rich meanings for OPV and SDMP in the PRC and Australia.

5. **Using appropriate statistical analysis** to test the hypotheses. This empirical approach would provide relatively reliable results and reduce the degree of speculation in the conclusions.
5.2 The Design of the Questionnaire.

Again, the objective of this study is to measure OPV, SDMP and some national values which are supposed to relate to OPV in the cross-cultural setting. The existing instruments are not entirely appropriate to provide measures and meet conditions of the investigation for the present study. Hence, the construction of and items in the questionnaire had to be specifically developed based on deriving from different previous instruments including the instruments of Hofstede (1980), Rowe (1992) and Trompenaars (1993).

5.2.1 The Construction of the Questionnaire

To ensure the equivalence of instrumentation, the questionnaires distributed in both China and Australia were all composed of the same four sections. Each section of the questionnaire was used for a different purpose of the survey. (see Appendix A)

Section One (question 1 to question 5) was designed for collecting the demographic information of respondents; Section Two (question 6 to 8 plus question 29, 30 and 31) was for gathering data on national values; Section Three (question 9 to 18) was for collecting data on OPVs; Section Four (question 19 to 28) was for information on SDMP.

Most questions in Sections Two and Three were answered by each respondent's judgment in selecting the response degree on a five-point Likert-type scale from strongly agree to strongly disagree. For example:

"Competition among employees usually does more harm than good."

Strongly agree.  1  2  3  4  5  Strongly disagree.

A few questions in Section Two and Three were answered in a form of selecting one form four alternative or two choices in each question. In Section Four there were four alternative choices in each question and respondents were asked to only select one. The four choices were related to the different degrees of participation in the decision making process.
5.2.2 Languages of the Questionnaire.

An effort to ensure the equivalence of language was made when designing the questionnaire used in this investigation. For this study languages are considered to have equivalent meaning, that is, translation between the Putonghua (Mandarin) and English languages of China and Australia should be equivalent in conceptual content, not literally identical. The translation and design of the questionnaire in two languages followed this procedure. First, the researcher, whose second language is English, transcribed two versions of questionnaire, one in Chinese and one in English. Secondly, a management academic, whose second language is Chinese, corrected the English version by comparing the meanings of the two original versions. After a pilot survey in both countries, on the basis of the refined version of the questionnaire by the researcher, questions which seemed to be ambiguous or problematic for respondents were identified and modified. A sample of these questions were then given to professional translators to ‘back-translate’ in order to ensure equivalence. Ideally, had funds been available, this procedure would have been followed for the entire questionnaire, and is recommended for future studies to take into account.

5.2.3 Special Considerations in Design of the Questionnaire

To enable a comparison between Chinese and Australian cultures, the research design must ensure that the meanings of questions in the questionnaire are understood by managers from both cultures and also that the relevant items can effectively distinguish the differences between the two cultural backgrounds.

It is not therefore prudent to use either Western cultural concepts or Chinese cultural ones solely in such research and a combination of both sets of cultural concepts is necessary. This research applies the same measures to obtain responses from both Australian and Chinese managers in order to sustain conceptual equivalence. To effectively distinguish the
differences of OPV and SDMP in organisations, the research selects items which can be understood by managers from both cultural backgrounds.

First, most of the questions in the questionnaire are related to Western-developed measures which are derived from the content of Western management theory. However the pilot phase of the questionnaire confirmed that they were understood by both Chinese and Australians as general and common concepts. Secondly, a smaller number of questions selected in the questionnaire have a Chinese-orientation, but can be adequately understood by Australian managers. These questions could in particular produce different responses between Chinese and Australian respondents, because the ideas are supposed to have significant different weight in the life of the two cultures.

"The differences in social behaviour are often due to differences in the intensity of expectations and cultural cohesion." (Ralston, 1995: 14)

For instance, generally speaking, the value of 'face' protection is a view of how to deal with the relationships among people. In a basic sense, this kind of value exists in all cultures including some Western countries (Goffman 1955; Ho, 1976; Lockett, 1988). There is no problem for either Australian or Chinese managers in understanding the concept of the relationship with others in general nor the simple concept of 'face'. Nevertheless it has a powerful significance in the social psychology of the Chinese people and strongly influences their behaviour, and is accordingly much more refined in their thinking. It has been argued that 'face' protection is more disciplined by concerns about hierarchical order in Chinese culture, while it contains more concerns about individual image in individualistic egalitarian cultures such as America (Bond, 1995). The relevant questions in the questionnaire just asked respondents to offer views on how to deal with a particular relational issue with others. This particular value may be of special significance in
distinguishing the differences of national values and potentially explain the reasons for the differences of SDMP and OPV between Australian managers and Chinese managers.

Some questions included in the questionnaire have a neutral nature for both countries and address problems likely to be faced by any culture (Bond, 1987; Trompenaars, 1993). For example, the questions relating to 'Power distance' and 'Individualism versus Collectivism' have the same meaning in each culture. There are no difficulties in interpreting significantly different orientations on these dimensions as evidenced in China and Australia.

5.3 The Measurement of National Values, OPV and SDMP
The main dimensions of the measures of national values, OPV and SDMP have been defined in Chapter 4. This chapter explains the items selected as measures for each concept.

5.3.1. The Items Selected to Measure National Values.
Respondents' views on individualism versus collectivism, 'power distance', respect for convention and 'face' protection are selected to measures national values, because they are considered to be directly related to organisational values and have been successfully applied in previous cross-cultural studies for similar purpose (Hofstede, 1991; Trompenaars, 1993; Bond, 1995; Child, and Markoczy, 1993).

1) Individualism versus Collectivism.
Collectivism means that members of a group feel that they owe absolute loyalty to the group. In contrast, individualism means that people are predisposed to look after their own interests and do not expect others in the group which they belong to look after them (Hofstede, 1991). This dimension is tested by determining two questions. One is whether
the person would prefer to look after his own interests without expecting group’s help. It is tested by Question 6 asking whether a person decides to rely on his/her own efforts instead of upon the support of the group, when he/she wants to be successful on the job. The second point is to test the degree of the person’s loyalty to the group. It tested by Question 31 asking respondent’s view whether employee should work extra shifts for company in holidays because of urgent demands of the company.

2) **Power distance.** According to Hofstede’s (1991) measure, power distance measures the extent to which a society accepts the fact that power in organisations is distributed unequally. A low power-distance society plays down inequalities as much as possible. Superiors still have authority, but employees are not fearful of the boss. This dimension is tested by Question 7 asking whether a good manager should give priority to the personal opinions of the boss as much as possible when making a decision. This question tests how much a manager is in awe of the boss without considering whether the boss’s idea is right or not.

3) **‘Face’ Protection**

According to Bond (1995), ‘face’ protection is related to manifold interpersonal relationships in the context of Chinese culture. However as we have suggested that dealing with relationships with others is a problem being confronted by people in every country. The sole differences between the countries are the ways of dealing with these relationships. Two questions: Questions 29 and 30 for testing this dimension are used from Trompenaars’s (1993) measures. Trompenaars’ two dimensions cover the variety of ways in which people deal with the relationships with others. Question 29 is one which asks how to deal with the relationship between friends the dimension of universalism versus particularism. Question 30 is one used to test a view of ‘losing face’ which is related to dealing with business relationships along the dimension of the specific versus the diffuse.
4) **Respect for Conventions.** Chinese people have been found to have great respect for age and tradition (Chen and Pan 1993; Child and Markoczy, 1993; Ment, 1994; Zhao, 1994). Adhering to conventions or old customs indicates this inclination and discourages people from taking participative action to change ‘old fashions’. This dimension is tested by Question 8 which asks whether the best way to get things done in organisation is to follow the established conventions of the organisation.

The construction of measures for OPV is shown in Table 5.1.

### Table 5.1 The Construction of Measures for National Values

<table>
<thead>
<tr>
<th>Measure</th>
<th>Theoretical Basis</th>
<th>Items</th>
<th>Questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individualism versus Collectivism</td>
<td>Hofstede’s theory of culture and organisation (1991)</td>
<td>(1) Looking after personal own interests; (2) Person’s loyalty to the group</td>
<td>Question 6. Question 31</td>
</tr>
<tr>
<td>Power distance</td>
<td>same as above</td>
<td>(1) How much a manager is in awe of the boss</td>
<td>Question 7</td>
</tr>
<tr>
<td>Face protection</td>
<td>Bond (1995) and Trompenaar’s (1993) cultural analysis</td>
<td>(1) How to deal with the relationship between peers; (2) How to deal with the relationship in hierarchy</td>
<td>Question 29 Question 30</td>
</tr>
<tr>
<td>Respect for convention</td>
<td>Chen and Pan’s study (1993).</td>
<td>(1) Adhering to conventions or old customs</td>
<td>Question 8</td>
</tr>
</tbody>
</table>

### 5.3.2 The Items to Measure OPV.

Operating an organisation effectively involves a variety of management actions, for example: planning, motivation, controlling, staffing and decision making, etc. A comprehensive measure of OPVs may be related to all of them and would be very broad in content. To explore the relationship between OPV and SDMP, OPVs in this study had to be expressed as restricted items which are closely relevant to SDMP. Sub-measures with regard to OPV were also selected.
1) The Self-Actualising Orientation. (Rokeach, 1973; Rowe, 1992; Maslow, 1954). Three aspects are used to test this dimension in the present study. They are views on whether a person should show personality in their work (group), whether competition for work is good, and what the personally preferred characteristics of a job - whether it is personally challenging or acceptance by the group.

As discussed in the literature, it has been found that an environment which places little value on self-actualisation, such as some organisations in the PRC, usually discourages both competition (Myers, 1987) and showing personality (Specter and Solomon, 1991). The members in this sort of environment prefer to be accepted by the group instead of focusing on individual achievement (Nevis, 1983). Therefore views on showing personality, competition and group acceptance are the critical aspects to identify manager’s self-actualising values. They are tested by Questions 9, 10 and 18.

Question 9 asks whether a manager should show his/her personality in the work group to ensure his/her personal success. A higher score in answering the question indicates less preference for showing personality in work.

Question 10 asks whether competition among employees usually does more harm than good. This question is quoted from Hofstede’s attitude survey questionnaire (Hofstede, 1981). A higher score in answering the question means stronger support for competition in work.

Question 18 asks the manager’s view of the preferable characteristics of a job in terms of being challenged, controlling others or being accepted by the group. A higher score for the question shows a greater preference for being challenged.

2) Trust in Subordinates. Trust indicates that a manager has confidence in the subordinates complete their work. An aspect of this trust is that the manager trusts the
subordinates’ capacity and is willing to decrease control (Handy, 1995). Another aspect of trust is that the manager trusts the subordinates’ sense of responsibility (McGregor, 1960; Handy 1995). Two points are used to test this dimension. One is how much the manager believes that subordinates’ work should be controlled and examined by Question 13 and 16. Another is how much the manager believes that subordinates can take responsibility for their work, tested by Question 15.

Question 13 asks whether a good manager provides his employees detailed and complete directions as to the way they should do their jobs. A higher score in answering the question indicates more trust in employees. This is quoted from Hofstede’s attitude survey questionnaire (Hofstede, 1981).

Question 15 asks whether most employees would not like to take more responsibility for their work. A higher score indicates more trust in employees. This is adopted and modified from Hofstede’s attitude survey questionnaire (Hofstede, 1981).

Question 16 asks for the manager’s opinion on managing subordinates by autonomy, trust or supervision. A higher score indicates more trust in employees.

3) **The Sense of Cooperation** (England, 1975; Shenkar, 1993). The value of cooperation is the opposite of a belief that people are selfish and always work for their individual purposes, and accordingly that employees can not cooperate in depth, nor give visible commitment to organisational work. Two views are elicited to measure this aspect: an assessment of the effectiveness of group work compared with that of individual work, and an ideal type of subordinates with whom the manager would like to work - whether they like cooperation or not. The first point is tested by Question 14 which compares the effectiveness of individual and group work. This question is also taken from Hofstede’s (1981) attitude survey questionnaire. A higher score means less manager’s preference for cooperation. Question 17 asks for the manager’s a principle applied in selecting employees
for working together. A higher score of answering the question indicates less preference for cooperation.

4) The View of Employees’ Relation to Work. Managers’ views of the employees’ relation to work depends on what they assume that their work purposes are: to work to live or to live to work (McGrath et al, 1992); and how important they believe that the subordinates’ contributions are for the continued growth of the organisation. A judgment about the people’s work-related values indicates to the manager’s view on how to promote subordinates’ job satisfaction: by meeting lower-order or higher-order needs. An assessment of the importance of subordinates for the growth of the organisation indicates the manager’s view how much weight should be put on the subordinates views. Hence, this dimension is tested by two points. Firstly, what should be the purpose of work was tested by Question 11. A higher score for answering the question means that less emphasis is placed on work itself. Secondly, should management pay most attention to employees rather than other resources? This was tested by Question 12. A higher score for the question means that less weight is placed on the role of employees in productivity. Both Question 11 and 12 are adopted and modified from Hofstede’s attitude survey questionnaire (Hofstede, 1981).
The construction of measures for OPV is shown in Table 5.2.

<table>
<thead>
<tr>
<th>Measure</th>
<th>Theoretical Basis</th>
<th>Items</th>
<th>Questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Self-actualising orientation.</td>
<td>Maslow (1954), Rokeach (1973) and Rowe (1992)'s theories</td>
<td>(1) Showing personality (2) Competition (3) Preferred Job Characteristics</td>
<td>Question 9&lt;br&gt;Question 10&lt;br&gt;Question 18</td>
</tr>
<tr>
<td>2. Trust</td>
<td>McGregor's theory (1960) and Handy's study (1995).</td>
<td>(1) Manager's Detailed Indication (2) Employees' Sense of Responsibility (3) Supervision or Autonomy</td>
<td>Question 13&lt;br&gt;Question 15&lt;br&gt;Question 16</td>
</tr>
<tr>
<td>4. Employees' Relation to Work</td>
<td>McGrath et al's study (1992)</td>
<td>(1) Employee's Work-related Values: the Purpose of Work (2) Importance of Employees to the Organisation</td>
<td>Question 11&lt;br&gt;Question 12</td>
</tr>
</tbody>
</table>

5.3.3 The Items To Measure SDMP.

Identifying SDMP in this research involves identifying the degree(s) of participation. As defined in Chapter 4, "the style of the decision making process inventory" includes the autocratic style, consultative style, joint style and consensus style. Basically, the four stages are used to describe the decision making processes in terms drawn from the literature review. They include a locus of defining the decision objective in the identification phase; the means of obtaining information in the developmental phase; the means of choosing between alternatives and making the final decision in the forming and finalisation phase; and the responsibility for implementing decisions (Simon, 1961; Mintzberg, et al 1976; Hickson, et. al., 1986, Adler, 1986). The degree of participation also has been indirectly or directly related to these four stages to distinguish SDMP by several previous studies.
(Tannenbaum and Schimdt 1958; Muna, 1980; Vroom, 1988; Selvin 1991). Each of these variables is identified by items in the questionnaire.

1) **The means of defining the decision objective.** The defining decision objective needs to identify a gap between 'where we are and where we would like to be' (Rowe, 1992). The way of defining the gap for decision objectives would affect the speed and accuracy of laying down a decision direction. Managers in any organisation are faced with this problems and respond in different ways under the different cultural backgrounds (Stewart, 1985). This aspect was tested by Question 19 regarding who the manager would invite to define key problems and decision objectives.

2) **The means of collecting information.** For examining the degree of participation in the decision making process, the solicitation of information can not be ignored. Participation is a two-dimensional construction. It involves both the solicitation of information and the sharing of power or the division of authority (Slevin, 1991). This aspect was tested by Question 20 regarding from where and through whom the manager would gather information for identifying decision alternatives.

3) **The means of choosing the alternatives and the final decision** Although a decision making activity must be probed as a whole mechanism, there is little doubt that the stage of making a final decision is a key to identifying the style of decision making. This has been seen to be true in previous research (Muna, 1980, Vroom and Jago, 1988; Selvin, 1991). The means of choosing alternatives and the locus of a final decision involves questions of where and how managers should place the decision authority for reaching a final decision. Sharing power with employees in this stage is immediately related to participation in the process of decision making (Slevin, 1991, Rowe, 1992).
This aspect was tested by three questions. Question 23 is about where and how managers should place the decision authority for reaching a final decision. Question 24 is about the manager’s treatment of a difference of opinions between himself and subordinates in making decisions. Question 25 investigates the manager’s treatment of a difference of opinions between himself and the boss in making decisions. Who makes or really influences the final decision directly reflects the degree of participation.

4) The implementation of the decision. The effects of interpersonal dynamics, the organisational environment, political manoeuvring, operating methods, and leadership style in reality may convert a good decision in principle into a failure in practice. Managers in the organisation must cope with these elements in order to carry out a decision smoothly. The degree of participation in the decision implementation also depends on the cultural view (Adler, 1986). This aspect was tested by question 26 which identifies which level of organisation is involved with the responsibility for implementing the decision. The more people take responsibility for the implementation of the decision, the greater the degree of participation that is indicated.

5) The whole process of the decision making. The decision making style is related to the communication. (Rowe, 1992). The more communication that takes place between the manager and the subordinates in the decision making process, the greater the degree of participation that is involved. Finally, question 27 and 28 were used to assess and compare the state of participation in the whole procedure of SDMP. Question 27 tries to find out the manager’s view of distribution of most of the time and energy in each stage of the decision making process, and question 28 elicits the manager’s comments on the degree of his/her boss’s involvement in his/her decision making process.
The construction of measures for SDMP is shown in Table 5.3.

<table>
<thead>
<tr>
<th>Measure</th>
<th>Theoretical Basis</th>
<th>Items</th>
<th>Questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>The means of defining decision objectives</td>
<td>Stewart’s study (1985) and Rowe’s theory (1992)</td>
<td>Who is involved in defining the decision objectives</td>
<td>Question 19</td>
</tr>
<tr>
<td>The means of searching for information</td>
<td>Slevin’s study (1991) and Vroom’s leadership style theory (1988)</td>
<td>Who is invited to provide information</td>
<td>Question 20</td>
</tr>
<tr>
<td>The means of choosing the final decisions</td>
<td>Muna’s research of the decision making style (1980), Vroom and Jago’s leadership theory (1988), and Rowe’s study of the decision making style (1992).</td>
<td>(1) Who makes the final decisions. (2) The way of dealing with disagreement with the subordinates. (3) The way of dealing with disagreement with the boss.</td>
<td>Question 23</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Who is responsible for the implementation of decisions</td>
<td>Question 24</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Question 25</td>
</tr>
<tr>
<td>The implementation of decisions</td>
<td>Adler’s cross-cultural study of organisational behaviour (1986).</td>
<td></td>
<td>Question 26</td>
</tr>
<tr>
<td>The whole of the decision making process</td>
<td>Rowe’s study of the decision making style</td>
<td>(1) The timing of process in communication. (2) Helping subordinates with decision making progress.</td>
<td>Question 27</td>
</tr>
</tbody>
</table>

5.4 Method.

5.4.1 Sampling.

There are respectively four organisations acting as survey units in each country. Four Chinese organisations are state-owned and four Australian organisations are shareholder-owned, as organisations of these two ownership types respectively represent the current typical characteristics of organisations in the two countries. Selecting more than one organisation from each country enables comparison to be made between the two countries, and also to investigate the OPV and SDMP at the organisational level. In order to guarantee sample equivalence, comparable organisations in each country were selected. There was one colliery organisation, two steel plants and one chemical manufactory in each country. Their technologically comparable work settings which are systematically similar in the different cultures satisfies the requirement of functional equivalence.
The sample consisted of 216 managers from four organisations of the PRC and of 111 managers from four organisations of Australia. Individuals in both groups were mainly male. Only 5.1% of Chinese managers and 7.2% of Australian managers of the sample are female. The average level of formal education of Australian managers was much higher than that of Chinese managers which is to be expected (Zhao, 1997). 28% of Chinese managers had an undergraduate education in contrast to 69.9% of Australian managers who had the same level of education. No Chinese managers had masters or higher degrees in contrasts to 22.3% of Australian managers with the same level of education. Subjects of both China and Australia were all managers ranging from top and middle management to first line management. The majority of management positions in both groups are middle management: 56% of Chinese managers and 52% of Australian managers. Table 5.4 summarises the demographic information obtained from the respondents.

Table 5.4 The Demographic Data for The Sample of Australian and Chinese Managers

<table>
<thead>
<tr>
<th>Sample Size</th>
<th>Chinese</th>
<th>Australian</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20-30</td>
<td>35 (16.2%)</td>
<td>4 (3.6%)</td>
</tr>
<tr>
<td>31-39</td>
<td>67 (31%)</td>
<td>39 (35.1%)</td>
</tr>
<tr>
<td>40-49</td>
<td>86 (39.8%)</td>
<td>41 (36.9%)</td>
</tr>
<tr>
<td>50 or over</td>
<td>28 (13%)</td>
<td>27 (24.3%)</td>
</tr>
<tr>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>205 (94.9%)</td>
<td>103 (92.8%)</td>
</tr>
<tr>
<td>Female</td>
<td>11 (5.1%)</td>
<td>8 (7.2%)</td>
</tr>
<tr>
<td>Education</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primary school</td>
<td>2.80%</td>
<td>0.90%</td>
</tr>
<tr>
<td>Secondary School</td>
<td>69.20%</td>
<td>7.10%</td>
</tr>
<tr>
<td>Undergraduate</td>
<td>28%</td>
<td>69.60%</td>
</tr>
<tr>
<td>Masters or higher</td>
<td>0</td>
<td>22.30%</td>
</tr>
<tr>
<td>Management Position</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Top</td>
<td>3 (1.4%)</td>
<td>4 (3.6%)</td>
</tr>
<tr>
<td>Senior</td>
<td>18 (8.3%)</td>
<td>33 (29.5%)</td>
</tr>
<tr>
<td>Middle</td>
<td>122 (56%)</td>
<td>59 (52.7%)</td>
</tr>
<tr>
<td>First-line</td>
<td>75 (34.4%)</td>
<td>16 (14.3%)</td>
</tr>
</tbody>
</table>
5.4.2 Procedure

The investigation consisted of two successive stages, which were passed through in succession: 1. Administration of a questionnaire survey; 2. Carrying out in-depth interviews.

1. Questionnaire Survey.

A pilot investigation was made of 20 managers of a Chinese organisation and 10 Australian management students of the MBA program at the University of Wollongong. Selection of the sample organisations for the formal survey was initially commenced in Australia. Six Australian organisations were accessed through an academic staff member in an institute, who is familiar with manufactory industry network, and through another friend of the researcher. Then once the nature of the Australian sample organisations was established, a matched sample of Chinese organisations was found through an academic staff member in an institute in the PRC who is familiar with and has conducted some investigations in manufactory industry network.

There were only four accessible Chinese organisations which could match the Australian sample organisations. Therefore the data of two Australian organisations was dropped off from the original Australian sample which had been already completed the questionnaire survey from which the statistic analysis was conducted. The size and response rate of these two Australian organisations were smaller than other Australian organisations. As it is not easy to access organisations in both countries, especially in the PRC in which the government formally restricts investigations in the stated-owned organisations, extreme efforts were made to get matched samples of Australian and Chinese organisations. For example, a deputy mayor of a medium size city in the PRC was asked to give support to the investigation in his area of responsibility; and a recommendation letter about both the research and the researcher’s resume had to be submitted to the top management of a large
Australian organisation in order to get an agreement to conduct the survey in their organisation.

Questionnaires containing the 31 questions were distributed to both four Chinese and four Australian organisations (initially six). With a response rate of 51%, 113 questionnaires from the distributed 220 questionnaires were returned from the Australian organisations, and with a response rate of 98%, 217 questionnaires from the distributed 220 questionnaires were returned from the Chinese organisations. This difference in itself is an indicator of a difference in cultural values - perhaps respect for hierarchy.

2. Interview Procedure.

Research interviews took place after the main results of the statistical analysis of the questionnaires had been produced. The purpose of the interviews was twofold. Firstly, it offered the researcher an opportunity to enrich and clarify the information revealed from the questionnaire survey. Secondly, it provided a chance to explore any potential anomalies and explain differences of opinion that had surfaced in the analysis of the responses within the samples.

In each country, ten managers from the same sample to which the survey-questionnaire was distributed were selected for interviewing. First, possible interviewees were selected from the people who had indicated that they were willing to be interviewed on the responses to the questionnaire. Most of those from Australian organisations were selected from superintendents or personnel managers, because they occupied positions in which they were likely to be familiar with the values and behaviour patterns of both ends of the organisational hierarchy. First-line management, such as engineering managers, were also selected in order to supplement the information given by the middle level management.
Ten managers from the same groups within the PRC organisations were also selected as interviewees. 8 of them were in middle management and two were top managers.

The interview questions were not only intended to clarify some issues from the questionnaire survey, but also left room for interviewees to add more personal information regarding OPV and SDMP in their organisations. Hence, semi-structured interviews were adopted. After answering each of the prepared interview questions, in their own terms interviewees were allowed to freely address their comments or ideas on the same question. The interviews lasted an average of 1-1.5 hours each and interviewees were asked 15 questions (Appendix B). A tape recorder was used with the permission of interviewees, for transcription purposes only.

5.4.3 Design of Analysis.

According to Weick, organisational behaviour is best identified and examined through 'multiple hypotheses, multiple theoretical degrees of freedom, multiple indicators, and multiple methods' (Weick, 1979:188-93). The present study attempted to apply these conditions. As a comparison of organisational cross-cultural behaviour, the present study is involved in a very complicate analysis model. First of all, it requires conducting the analysis at both organisational and national levels. Besides the analysis of differences between Chinese and Australian managers at the national level, the differences between the organisations of the sample need to be examined, as otherwise the relationship of organisational values and the style of decision making cannot be determined. To meet to these multiple purposes, multiple tests are used to analyse the collected data for OPV and SDMP of Chinese and Australian organisations.

A variety of statistical techniques were employed for data reduction and analysis. They include Goodman and Kruskal's Gamma of Concordance, Kendall’s Coefficient of
Concordance, t-test, Cross-tabulation and correspondence analysis. The t-test is an appropriate analytical method to test the difference on the mean between independent groups (Norusis, 1990) and has been used in many cross-cultural studies to identify cultural differences (Peng et al, 1991; Ralston et al, 1993). The t-test was used in the present study to test significant differences on the OPV and SDMP between profiles of Chinese and Australian managers at the national levels and the differences between Chinese and Australian managers’ national values. Cross-tabulation analysis provides numbers (percentages) showing how many people gave the combination of responses (Norusis, 1990). Based on the results of the t-test, Cross-tabulation analysis was used to give percentage details of OPV and SDMP items of each organisation. Its information highlighted specific tendencies and points of differences between Chinese and Australian organisations. Correspondence analysis provides a graphic illustration of these issues. It clearly demonstrated the differences or similarities of OPV or SDMP between Chinese and Australian organisations. All the graphs of Correspondence analysis were put in Appendix C and D.

Finally, Goodman and Kruskal’s Gamma of Concordance and Kendall’s Coefficient of Concordance were employed to find out whether there were linkages between OPVs and SDMPs in Australian and Chinese organisations. The result of Kendall test indicates whether there is an agreement between two or more variables regardless of its positive or negative direction. It was used to identify the existence of a relationship between OPVs and SDMPs at the national level in the present study. The result of the Gamma test indicates whether there is a positive or negative relationship between variables. This test was helpful in identifying the relationship between OPVs and SDMPs at the organisational level, as organisational units were a focus of this research and the result of the Gamma test can provide more detail about the management situation within organisations.
5.5 Summary.
This chapter discussed some weaknesses of methodology in cross-cultural research and defined the methodological principles of the present study. The importance of the issues of equivalence and ‘emic’ versus ‘etic’ approaches was emphasised in the research. A questionnaire based method, drawn from the functionalist paradigm was selected as the main tool for collecting data. At the same time this research takes advantage of the interpretive paradigm which yields richer information about organisational culture and meanings. An interview method was chosen as a necessary means of supplementary data collection.

Secondly, the new measures of organisational process-oriented values, the style of the decision making process and national values were developed in detail, since there are no existing relevant measures. The structure and content of the questionnaire were also established and introduced clearly by being linked to the items of the measures. Additionally, the sampling and the procedure of the investigation including the questionnaire-survey and interviews from both Australia and China were described. The methods of analysing data were addressed in the final part of this chapter. The next chapter will analyse and discuss the results of the data collection.
Organisational behaviour can be understood to be based on the psychological and cultural characteristics of individuals as well the particular organisation. The same is true for organisational decision making behaviour. In Chapter 4, OPVs were explained to be crucial elements of organisational culture with a link to the decision making process. The emphasis developed in Chapter 4 is that OPV, whose role differs from ORV, is of critical importance in understanding organisational decision making processes. Chapter 5 then outlined a methodology for testing this model. In this chapter

- Interview data are briefly summered.
- The patterns of both Chinese and Australian OPV and SDMP are identified through the data analysis and discussion in the sections which follow.

6.1 Organisations Related to OPV and SDMP and Interview Date

To test OPV and SDMP, it is necessary to identify whether there are relationships between OPVs and organisations, and relationships between SDMP and organisations.

6.1.1 Organisations Related to OPV and SDMP.

Whether OPVs and organisations are related is tested by a cross-tabulation approach using a X² test. Table 6.1 shows the summary figures of Chi-square analysis with two variables: eight organisations by OPVs which contain four aspects of OPV systems: self-actulising orientation, trust, cooperation and employees’ relation to work. The result indicates that OPVs and the various organisations are not independent. Each organisation in the sample respectively possesses its own OPVs. This result means that although there may be similarities in OPVs among the organisations within each national group, (the PRC or Australia), there are still some individual differences in OPVs among these organisations.
The statement of which SDMP and organisation are related is also examined. The relationships between eight factors of SDMP and the respective organisations are tested by Chi-square analysis. This is summarised in Table 6.2 following:

**Table 6.2 Summary of Chi-square for SDMP by Eight Organisations**

<table>
<thead>
<tr>
<th>DMP</th>
<th>Items of Two Variables (SDMP &amp; Organisations)</th>
<th>Chi-square Pearson Value</th>
<th>DF</th>
<th>Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stage one</td>
<td>‘The means of identifying decision objective’ by orgs*</td>
<td>69.85107</td>
<td>21</td>
<td>0.0000</td>
</tr>
<tr>
<td>Stage two</td>
<td>‘The means of collecting information’ by orgs</td>
<td>83.23914</td>
<td>28</td>
<td>0.0000</td>
</tr>
<tr>
<td>Stage three</td>
<td>‘The locus of making the final decision’ by orgs</td>
<td>62.84493</td>
<td>21</td>
<td>0.0000</td>
</tr>
<tr>
<td></td>
<td>‘Differences of opinion between self and subordinate’ by orgs</td>
<td>66.80342</td>
<td>21</td>
<td>0.0000</td>
</tr>
<tr>
<td></td>
<td>‘Differences of opinions between self and boss’ by orgs</td>
<td>47.15712</td>
<td>21</td>
<td>0.0089</td>
</tr>
<tr>
<td>Stage four</td>
<td>‘Responsibility for implementation’ by orgs</td>
<td>80.95143</td>
<td>21</td>
<td>0.0000</td>
</tr>
<tr>
<td>Evaluation for the whole</td>
<td>‘Time and energy to be spent on procedure’ by orgs</td>
<td>95.49816</td>
<td>21</td>
<td>0.0000</td>
</tr>
<tr>
<td></td>
<td>Manager’s help from the with decision making by orgs</td>
<td>77.20103</td>
<td>28</td>
<td>0.0000</td>
</tr>
</tbody>
</table>

*orgs = ‘organisations’*
The summary result of Table 6.2 shows that SDMP and Organisations are related, that is, the views of SDMP held by managers of a certain organisation depends on their organisation. There are differences in the ways of making decisions among the eight organisations. This result also means that although there may be similarities in the style of decision making process among the organisations within each national group, the PRC or Australia, there are still some individual differences in SDMP among these organisations.

The results of the Chi-square summaries on both SDMP and OPV as summarised above confirm that it is necessary to analyse the OPV and SDMP of the sample at both levels - the national and organisational levels in order to meet the purposes of the research. In the following analysis the t-test is used to identify significant differences between the countries, and cross-tabulation analysis and Correspondence analysis are used to determine differences/similarities between/among the organisations.

6.1.2 The Interview Data.

We will now briefly introduce the interview data in order to clearly combine their information with our discussion of the profiles of Chinese and Australian managers’ OPVs and SDMPs based on the results of the statistical analysis. However, in the investigation itself this phase followed the data collection.

Space limitations preclude a verbatim presentation of the interview data, so a selection of interview data, relevant to the conceptual framework of the investigation, is presented below. The aspects highlighted in the interviews were: values of cooperation, trust, the evaluation of the role of employees in productivity and the ways of participating in DMP. Some concerns of Chinese managers which differed from those of Australian managers appeared as follows:
1. **Concern with hierarchy in cooperation and participation.** Chinese managers stressed the importance of the awareness of hierarchy at work including a sense of cooperation and participation in the decision making process. Their concerns were reflected in the answers to interview questions 1, 2, and 11. “I cannot directly say no to senior people, especially my boss, but there is no problem of doing it with peer levels if I handle it carefully”. “Maintaining a close relationship with higher levels of management is a key to getting promotion in work.” “I have to take cooperating with my boss or higher management in any way seriously, once they ask me to do something. Because I cannot afford to risk my wants such as promotion or obtaining a house, and so on, there might be negatively affected by their judgement that I do not wish to obey him/them or that I am a selfish person.” In contrast, Australian managers believed that whether they were to say no or not to their boss or higher management entirely depended on the nature of the decision and the particular situation. Hierarchy in practice is situationally contingent in Australian organisations. In China, it is an accepted fact of life in the politics of organisations.

Additionally, Chinese managers pointed out that putting two points to be judged in one question- item 26 made it hard for them to give a appropriate answer. The two points in the item 26 were 1) the relationship between the manager and the boss; and 2) the relationship between managers themselves and their peers. Alternatively, they selected a choice which reflected their own most positive prosesct - insist on their own opinion, as the way to deal with divergences with peer managers. Their comments identified a shortcoming in the questionnaire design for this particular item and may explain why the outcomes of Chinese managers’ choices of this item are not consistent with their other tendencies in SDMP. This is acknowledged as a flaw in the questionnaire design and will be further discussed as a limitation in Chapter 8.

2. **Differences between the form and content of participation within an organisation.**

Chinese managers felt that although there were regulations about participation in work,
senior managers really held the power of decision making. Their concerns were reflected in the answers to interview questions 4, 5, and 13. “Sometimes I am invited to attend decision meetings with senior managers, but I don’t think that I really play a role in decision making, and participation is only a form in my organisation.” “Senior management always has the last word on important decisions.” Australian managers believed that they played a really participative role in making decisions which were related to their jobs. Their concerns were reflected in their answers to interview questions 4, 5, 13. “If decisions are related to my job, usually I am invited to give suggestions. It is very necessary for work.” The form and content of participation within some Chinese organisations did not essentially match each other. Participation was only practiced in form, as distinct from actual, in those organisations. In Australian organisations, both the form and content of participation were found in the decision process.

3. Responsibility for decision implementation. Most Chinese interviewees did not think that they should really be responsible for decision implementation, especially if there was an unexpected result. This was reflected in interview question 8. “I cannot take much responsibility for the result of decisions, because they were made in the meeting collectively. Responsibility for that should be taken by management as a whole.” was said by eight of ten Chinese managers in the interviews. Australian managers thought that they must share responsibility for decision implementation, if the decision was made together with others. “Management as a whole, I am one of them”.

4. Team Work - Cooperation. Each Australian interviewee understood ‘team work’ from a managerial point of view. Half of them had experienced or were familiar with training programs for team work within their organisations. Chinese managers also knew the term, but they had no practical knowledge of managing teams, that is, how team work could work in their managerial environment. They even expressed a view that less showing of personality and competition is good to keep a harmonious
atmosphere in group work, which is not necessarily consistent with teamwork ideas and practice.

5. Trust. Chinese managers did not indicate that they felt trusted by their higher management. Australian managers were more confident in their being trusted by higher management than Chinese managers. This was reflected in the answers to interview questions 6 and 7. For example, Chinese managers said “I am not sure whether my boss would encourage me to be candid to management. I might not be qualified to say too much on that.”.

The results of the interviews provided the information for comparison between Chinese and Australian managers which could not be obtained from the questionnaire. This helps us to understand the Chinese and Australian managers’ ‘real world’ with regard to some particular dimensions of OPV and SDMP. Discussion of the interview data in further detail will be combined with the discussion of some relevant items in the discussion below in the sections 6.2.2 and 6.3.2.

6.2 Data Analysis and Discussion of Chinese and Australian OPVs
As mentioned in Chapter 4, both the Value Inventory categories for OPV and the SDMP Inventory for SDMP represent opposite ends of the continuums with the scales. These continuums allow the study to use mean scores to catalogue OPVs and SDMPs into a certain type by the use of the results from the t-test. The results of Cross-tabulation from the Chi-square test is used to accurately describe the distribution of percentage scores from different organisations for each item and to indicate the differences between the types of OPV or the styles of the decision making processes.
6.2.1 Results of Data Analysis of the OPVs of Chinese and Australian Organisations.

This section analyses the differences and similarities of OPVs of Chinese and Australian organisations. The results of the t-test in Table 6.3 show that there are seven out of ten OPV items with significant differences, and three out of ten OPV items with no significant differences, between Chinese and Australian managers. The results of the t-test in Table 6.3 will be specifically presented one by one thus filling in the dimensions of the measure in the following sections. The items which have no significant differences between Chinese and Australian managers will be explained in

<table>
<thead>
<tr>
<th>Measures</th>
<th>Nationality</th>
<th>Case Number</th>
<th>Mean</th>
<th>SD.</th>
<th>T-value</th>
<th>DF.</th>
<th>2-Tail P.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Self-realising Orientation</td>
<td>Chinese</td>
<td>214</td>
<td>2.7336</td>
<td>1.079</td>
<td>5.13</td>
<td>319</td>
<td>0.000005*</td>
</tr>
<tr>
<td></td>
<td>Australian</td>
<td>107</td>
<td>2.149</td>
<td>0.67</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2) Competition</td>
<td>Chinese</td>
<td>216</td>
<td>2.6157</td>
<td>1.037</td>
<td>-4.67</td>
<td>324</td>
<td>0.000005*</td>
</tr>
<tr>
<td></td>
<td>Australian</td>
<td>110</td>
<td>3.1818</td>
<td>1.033</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(3) Preference for Job Characteristics</td>
<td>Chinese</td>
<td>211</td>
<td>2.455</td>
<td>0.85</td>
<td>-6.18</td>
<td>321</td>
<td>0.000005*</td>
</tr>
<tr>
<td></td>
<td>Australian</td>
<td>112</td>
<td>3.1339</td>
<td>1.86</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Trust</td>
<td>Chinese</td>
<td>216</td>
<td>3.12</td>
<td>1.24</td>
<td>0.4</td>
<td>326</td>
<td>0.689</td>
</tr>
<tr>
<td></td>
<td>Australian</td>
<td>112</td>
<td>3.0625</td>
<td>1.247</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2) Employees' Responsibility</td>
<td>Chinese</td>
<td>218</td>
<td>2.9587</td>
<td>1.157</td>
<td>-5.52</td>
<td>327</td>
<td>0.000005*</td>
</tr>
<tr>
<td></td>
<td>Australian</td>
<td>111</td>
<td>3.6937</td>
<td>1.11</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(3) Supervision or Autonomy</td>
<td>Chinese</td>
<td>208</td>
<td>2.4038</td>
<td>1.22</td>
<td>0.6</td>
<td>317</td>
<td>0.953</td>
</tr>
<tr>
<td></td>
<td>Australian</td>
<td>111</td>
<td>2.3964</td>
<td>0.717</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Cooperation</td>
<td>Chinese</td>
<td>218</td>
<td>3.559</td>
<td>0.959</td>
<td>-4.19</td>
<td>328</td>
<td>0.000005*</td>
</tr>
<tr>
<td></td>
<td>Australian</td>
<td>112</td>
<td>4.0089</td>
<td>0.844</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2) Preference for People Worked With</td>
<td>Chinese</td>
<td>212</td>
<td>2.74553</td>
<td>1.003</td>
<td>3.54</td>
<td>321</td>
<td>0.000005*</td>
</tr>
<tr>
<td></td>
<td>Australian</td>
<td>111</td>
<td>2.3153</td>
<td>1.095</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Employees' relation to work</td>
<td>Chinese</td>
<td>218</td>
<td>2.0321</td>
<td>0.913</td>
<td>-3.26</td>
<td>327</td>
<td>0.001*</td>
</tr>
<tr>
<td></td>
<td>Australian</td>
<td>111</td>
<td>2.3784</td>
<td>0.905</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2) Importance of Employees</td>
<td>Chinese</td>
<td>216</td>
<td>1.963</td>
<td>1.015</td>
<td>-0.31</td>
<td>326</td>
<td>0.759</td>
</tr>
<tr>
<td></td>
<td>Australian</td>
<td>112</td>
<td>2</td>
<td>1.074</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

"*" Significance.
the text, but most of them are not given tables of the cross-tabulation analysis or graphs of Correspondence analysis, since their tables and graphs do not help much in increasing understanding. The results of Correspondence analysis display significant differences between Chinese and Australian organisations through their clustering in the graphs. They graphically illustrate similarities/differences between organisations within the same country at an organisational level, and similarity/difference between the organisations of different countries at a national level.

1. Self-Actualising Orientation
This dimension of OPV is comprised of three aspects. They are “showing personality in work”, "competition in work" and "personally preferred characteristics of the job". Each will now be treated.

(1). Showing Personality in Work.
The result of the relevant t-test in Table 6.3 reveals significant differences between Chinese and Australian managers on the view of showing personality in work ($t = 5.13$, $df = 319$, $p<0.00000$), with Chinese managers scored significantly higher than Australian managers. According to this item design, the lower score represents a tendency to show personality in the work situation. The result suggests that Chinese managers were more afraid of showing their personality in the work place than were Australian managers.

In Table 6.4 the cross-tabulation analysis indicates a difference percentage of distribution of this measure among eight organisations. Chinese managers who highlighted ‘showing personality in work’ except these of Co. 4 were much fewer than were Australian managers. It can be seen that all Australian organisations cluster around the second scale -‘agree’ showing personality- in the correspondence analysis Figure A-1 in Appendix C.
Table 6.4 Cross-tabulation for 'Showing Personality in Work', by Orgs* 4 (%)

<table>
<thead>
<tr>
<th>Organisations</th>
<th>PRC</th>
<th>AUS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>C1</td>
<td>C2</td>
</tr>
<tr>
<td>Strongly agree</td>
<td>10.4</td>
<td>9.8</td>
</tr>
<tr>
<td>Agree</td>
<td>44.8</td>
<td>31.4</td>
</tr>
<tr>
<td>Indifferent</td>
<td>8.3</td>
<td>17.6</td>
</tr>
<tr>
<td>Disagree</td>
<td>33.3</td>
<td>41.2</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>3.1</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>29.9</td>
<td>15.9</td>
</tr>
<tr>
<td>(N)</td>
<td>96</td>
<td>51</td>
</tr>
</tbody>
</table>

Chi-Square Value DF Significance MEF© CEF® NMO®
Pearson 57.61691 28 0.00081 0.112 <5 55% 9

Note *: "orgs" equal to 'organisations'; ©MEF: Minimum Expected Frequency; ®CEF: Cells with Expected Frequency; ® NMO: Number of Missing Observations;  © (%) (one hundred percent).

(2). View on Competition of Chinese and Australian managers

The result of the relevant t-test in Table 6.3 shows that there is a significant difference between Chinese and Australian managers on the view of competition (t = -4.67, df = 324, p < 0.000). Australian managers scored higher than Chinese managers. The higher mean score means more support for competition.

Table 6.5 Cross-tabulation for 'Competition in Work is Harm', by Orgs (%)

<table>
<thead>
<tr>
<th></th>
<th>PRC</th>
<th>AUS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>C1</td>
<td>C2</td>
</tr>
<tr>
<td>Strongly agree</td>
<td>12.4</td>
<td>9.8</td>
</tr>
<tr>
<td>Agree</td>
<td>53.6</td>
<td>64.7</td>
</tr>
<tr>
<td>Indifferent</td>
<td>4.1</td>
<td>11.8</td>
</tr>
<tr>
<td>Disagree</td>
<td>29.9</td>
<td>13.7</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>2.1</td>
<td>27.3</td>
</tr>
<tr>
<td>Total</td>
<td>29.8</td>
<td>15.6</td>
</tr>
<tr>
<td>(N)</td>
<td>97</td>
<td>51</td>
</tr>
</tbody>
</table>

Chi-Square Value DF Significance MEF CEF NMO
Pearson 110.22 28 0.0000 0.153 <5 55% 4

The results in the cross-tabulation statistics in Table 6.5 show that the percentages of each of the Chinese organisations (except that of Co.4), are much lower than that of

4. Due to the particular circumstances, the sample sizes of three of the organisations investigated in Australia are smaller than 20. There were more than 20% of the expected values which were less than 5 and the cell with expected frequency which were less than 5 in most tables of the Chi-square tests of the data analysis. In principle under these conditions, the Chi-square test can not be applied to distinguish independency of these three samples. However their results do not influence the other samples statistical results and the statistical figures of the three samples still can be legitimately used to explain the facts significantly. If the results for these 3 organisations are combined, the resulting Chi-square statistics is still significant. (Davy, 1996).
Australian ones on supporting competition in work. The particular results that four Australian organisations and Chinese Co.4 were closer to each other on the scales of ‘disagree’ or ‘strongly disagree’ than do the other three Chinese organisations can be found in the presentation of the correspondence analysis in Figure A-2 in Appendix C.

(3). Preferred Job Characteristics.

The result of the relevant t-tests of Table 6.3 indicates that the views on the preferred job characteristics held by Chinese managers are significantly different from that of Australian managers (t = -6.18, df = 321, p < 0.000005).

The results of Cross-tabulation analysis in Table 6.6 display that Australian managers liked to be challenged in work, Chinese managers liked to show their existing capacities in work, ie. to be confirmed in their competence and ‘to be accepted by group’ was their second preferred choice.

Table 6.6 Cross-tabulation for ‘Preferred Job Characteristics’ by Orgs (%)

<table>
<thead>
<tr>
<th>OPV</th>
<th>PRC</th>
<th>AUS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OPV</th>
<th>Co.1</th>
<th>Co.2</th>
<th>Co.3</th>
<th>Co.4</th>
<th>Co.5</th>
<th>Co.6</th>
<th>Co.7</th>
<th>Co.8</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>(N)</td>
<td>91</td>
<td>50</td>
<td>50</td>
<td>20</td>
<td>11</td>
<td>16</td>
<td>10</td>
<td>75</td>
<td>323</td>
</tr>
<tr>
<td>Influence</td>
<td>2.2</td>
<td>14</td>
<td>4</td>
<td>25</td>
<td>9.1</td>
<td>12.3</td>
<td>2</td>
<td>9.3</td>
<td>8</td>
</tr>
<tr>
<td>Capabilities</td>
<td>62.6</td>
<td>44</td>
<td>58</td>
<td>45</td>
<td>45.5</td>
<td>37.5</td>
<td>20</td>
<td>21.3</td>
<td>45.2</td>
</tr>
<tr>
<td>Accepted by group</td>
<td>16.5</td>
<td>26</td>
<td>24</td>
<td>20</td>
<td>5.5</td>
<td>7</td>
<td>2</td>
<td>9.3</td>
<td>16.4</td>
</tr>
<tr>
<td>Challenged</td>
<td>18.7</td>
<td>16</td>
<td>14</td>
<td>10</td>
<td>45.5</td>
<td>50</td>
<td>60</td>
<td>60</td>
<td>30.3</td>
</tr>
<tr>
<td>Total</td>
<td>28.2</td>
<td>15.5</td>
<td>15.5</td>
<td>6.2</td>
<td>3.45</td>
<td>5.03</td>
<td>3.1</td>
<td>23.1</td>
<td>100</td>
</tr>
</tbody>
</table>

Chi-square Value DF Significance MEF CEF NMO Pearson 88.22965 21 0.0000 0.805 < 5 46.9% 7

2. Sense of Trust in Employees

The result of the relevant t-tests of Table 6.3 indicates that there is no significant difference between Chinese and Australian managers on the views of “giving full job instructions to employees” in the high scores, and on the view of managerial ways of supervision or autonomy in the middle scores. There is a significant difference between Chinese and Australian managers on the view of whether or not employees would like
to take responsibility for their work. (t = -5.52, df = 327, p<0.00000). For Chinese managers' the degree of trusting employees was significantly lower than that of Australian managers on this dimension.

Table 6.7 Cross-tabulation for 'Employees Don't Like to Take Responsibility' by Orgs (%)

<table>
<thead>
<tr>
<th></th>
<th>PRC</th>
<th></th>
<th>AUS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Co.1</td>
<td>Co.2</td>
<td>Co.3</td>
<td>Co.4</td>
</tr>
<tr>
<td>Strongly agree</td>
<td>97</td>
<td>51</td>
<td>50</td>
<td>20</td>
</tr>
<tr>
<td>Agree</td>
<td>5.2</td>
<td>9.8</td>
<td>14</td>
<td>10</td>
</tr>
<tr>
<td>Indifferent</td>
<td>38.1</td>
<td>49</td>
<td>36</td>
<td>25</td>
</tr>
<tr>
<td>Disagree</td>
<td>53.6</td>
<td>15</td>
<td>29.4</td>
<td>55</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>2.1</td>
<td>3.9</td>
<td>4</td>
<td>10</td>
</tr>
<tr>
<td>Total</td>
<td>29.5</td>
<td>15.5</td>
<td>15.2</td>
<td>6.1</td>
</tr>
</tbody>
</table>

Chi-Square Value DF Significance MEF CEF NMO
Pearson 80.35084 28 0 0.629 <5 50% 1

The results of Cross-tabulation in Table 6.7 indicate that the percentages of managers' trusting employees in each Chinese organisations (except Co.4) are less than those in Australian organisations. The differences between Chinese and Australian organisations are demonstrated very distinctly by Correspondence analysis in Figure A-4 in Appendix C.

3. View on 'Cooperation'

The t-tests of Table 6.3 illustrate that there are significant differences between Chinese and Australian managers on the views of working cooperatively and on their preference for working with cooperative people. The score of Chinese managers indicating disagreement with the effectiveness of individual work was significantly lower than that of Australian managers. Also the score of Chinese managers on their view of working with cooperative oriented people was significantly lower than that of Australian managers.
Table 6.8 Cross-tabulation for ‘Effectiveness of Individual Work is Better than that of Group’ by Orgs. (%)

<table>
<thead>
<tr>
<th></th>
<th>PRC</th>
<th>AUS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Co.1</td>
<td>Co.2</td>
</tr>
<tr>
<td>Strongly agree</td>
<td>2.1</td>
<td>7.8</td>
</tr>
<tr>
<td>Agree</td>
<td>17.5</td>
<td>17.6</td>
</tr>
<tr>
<td>Indifferent</td>
<td>2.1</td>
<td>7.8</td>
</tr>
<tr>
<td>Disagree</td>
<td>74.2</td>
<td>58.8</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>4.1</td>
<td>7.8</td>
</tr>
<tr>
<td>Total</td>
<td>29.4</td>
<td>15.5</td>
</tr>
<tr>
<td>(N)</td>
<td>97</td>
<td>51</td>
</tr>
</tbody>
</table>

Chi-Square Value  DF  Significance  MEF  CEF  NMO
Pearson 72.26429 28 0.00001 0.212 <5 55% 0

Table 6.9 Cross-tabulation for ‘Selection of Cooperative People’ By Orgs (%)

<table>
<thead>
<tr>
<th></th>
<th>PRC</th>
<th>AUS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Co.1</td>
<td>Co.2</td>
</tr>
<tr>
<td>any work receptive</td>
<td></td>
<td></td>
</tr>
<tr>
<td>responsive</td>
<td>26.9</td>
<td>24</td>
</tr>
<tr>
<td>more new idea, less receptive</td>
<td>33.3</td>
<td>28</td>
</tr>
<tr>
<td>N</td>
<td>97</td>
<td>51</td>
</tr>
</tbody>
</table>

Chi-square Value  DF  Significance  MEF  CEF  NMO
Pearson 84.5068 21 0 1.703 <5 40.6% 0

As shown by the results of the cross-tabulation analysis in Table 6.8, the cooperative values were dominantly held by both the Chinese and Australian organisations of the sample. Nevertheless, there were more strong disagreements in Australian organisations with the view that the effectiveness of individual work is greater than that of group work. The result of the correspondence analysis in Figure A-5 in Appendix C indicates that there is a common tendency among the Chinese organisations on this OPV. Three out of four Australian organisations gather more closely to the scale 5 ‘strongly disagree’ than Chinese organisations do.

There was no obvious shared tendency on the OPV of selecting cooperative employees in Chinese organisations, while four Australian organisations occupied in two extreme ends of the scale on the view as seen in the cross-tabulation analysis in Table 6.9. The
result of the Correspondence analysis in Figure A-6 of Appendix C displays that the Chinese organisations gathered together around the choices 2-4 on this OPV.

4. View of Employees' Relation to Work.

(1) The purpose of work. The result of the t-test in Table 6.3 indicates that Chinese managers scored significantly lower on view of work for earnings than Australian manager did \((t = -3.26; \text{ df } = 327; \text{ p}<0.001)\). It can be seen in the result of the correspondence analysis in Figure A-7 that Australian organisations of the sample are closer to the scale 3 ‘indifferent’ than Chinese organisations are. Chinese organisations of the sample except Co.4 are much closer to the scale 1 and 2 ‘agree’ than Australian ones in Figure A-7.

The results of the cross-tabulation in Table 6.10 for the purpose of work indicate the differences between Chinese and Australian organisations. More than 80% of managers in each Chinese organisation Co.1, Co.2 and Co.3 agreed on an organisational value that the significance of work is in having an interesting job. Less than 70% of managers in each Australian organisation identified the same organisational value. Interestingly, the greatest differences between Chinese and Australian managers revealed by the cross-tabulation analysis are in the selection of the answer 'indifferent'. The percentage of managers of each Chinese organisation choosing the option 'indifferent' was much less than that in each of the Australian organisations.

| Table 6.10 cross-tabulation for 'the Purpose of Work' by Orgs (%) |
|---------------------|-----|-----|-----|-----|-----|-----|-----|-----|
|                    | PRC | AUS |
|                    | Co.1 | Co.2 | Co.3 | Co.4 | Co.5 | Co.6 | Co.7 | Co.8 | Total |
| (N)                | 97   | 51   | 48   | 20   | 11   | 15   | 10   | 72   | 326   |
| strongly agree     | 20.6 | 33.3 | 28   | 20   | 9.1  | 20   | 13.3 | 21   |
| agree              | 71.1 | 49   | 58   | 40   | 36.4 | 46.7 | 50   | 54.7 | 57.1  |
| indifferent         | 1    | 3.9  | 2    | 2    | 45.5 | 20   | 40   | 18.7 | 9.1   |
| disagree           | 7.2  | 13.7 | 12   | 30   | 9.1  | 13.3 | 10   | 10.7 | 11.6  |
| strongly disagree  |      |      |      |      | 10   |      |      | 2.7  | 1.2   |
| Total              | 29.5 | 15.5 | 15.2 | 6.1  | 3.3  | 4.6  | 3    | 22.8 | 100   |

Chi-Square Value | DF | Significance | MEF | CEF | NMO |
Pearson          | 89.67 | 28 | 0.00000 | 0.122 | <5 | 55% | 1
(2) The Importance of Employees.

The result of the relevant t-test in Table 6.3 shows that there is no significant difference on this dimension of this OPV between Chinese and Australian organisations (p<0.759).

The results of the cross-tabulation analysis in Table 6.11 show that most managers of all Chinese and Australian organisations supported the value that organisations should pay most attention to employees.

<table>
<thead>
<tr>
<th>Table 6.11 Cross-tabulation for ‘Importance of Employees’ by Orgs (%)</th>
<th>PRC</th>
<th>AUS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Co.1</td>
<td>Co.2</td>
</tr>
<tr>
<td>(N)</td>
<td>96</td>
<td>50</td>
</tr>
<tr>
<td>Strongly agree</td>
<td>20.8</td>
<td>44</td>
</tr>
<tr>
<td>agree</td>
<td>56.3</td>
<td>44</td>
</tr>
<tr>
<td>indifferent</td>
<td>6</td>
<td>4</td>
</tr>
<tr>
<td>disagree</td>
<td>18.8</td>
<td>4</td>
</tr>
<tr>
<td>strongly disagree</td>
<td>4.2</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>29.3</td>
<td>15.2</td>
</tr>
</tbody>
</table>

Chi-Square Value 60.784 28 0.00033 0.274 <5 57.7% 2

6.2.2 Discussion of OPVs of Chinese and Australian Managers

1. Self-Actualising Orientation

The results of the three aspects of the self-actualising orientation suggest that Chinese managers held less of a self-actualising orientation towards work than do Australian managers.

(1). Showing Personality in Work.

According to the analysis of the results for showing personality, the atmosphere in Chinese organisations was less encouraging for individuals to show outstanding achievement than that in the Australian organisations. Australian organisations expressed a relatively more positive attitude to this organisational value, with a very low standard deviation, than did the Chinese organisations. The statistical results were also confirmed by the interviews with Australian and Chinese managers. Australian managers believed that to let people know what you are able to do and what you have
done is important both for work and for themselves, including promotion in a particular organisation. Chinese managers thought that they must consider pressure from their superiors or colleagues who may not like some one who is thought to be trying to surpass others and must keep a balance between modest virtues and prominence in a group. Modest managers in Chinese organisations maintained this moderate behaviour model.

(2). View on Competition

Both the results of the t-test in Table 6.3 and the cross-tabulation analysis in Table 6.5 on this view indicate that many Chinese managers in the sample believed that competition in work was not good. In contrast, Australian managers believed that internal competition would facilitate the development of an organisation and promote productivity. Many Chinese managers believed that competition between employees weakens collective interests and should not be advocated.

(3). Preferred Job Characteristics

The results of the t-test in Table 6.3 and cross-tabulation analysis in Table 6.6 suggest that the concepts of being individually outstanding were significantly more common in Australian organisations than in Chinese ones. The popular preference of the Chinese managers of the sample displayed in Table 6.6 is ‘to show ones own capabilities to others’ or ‘to be accepted by the group’. This is consistent with their opinion on ‘showing no personality’ and a less positive attitude towards competition. Chinese managers thought that an ideal middle way which satisfies themselves, peers and their superiors in an organisation was to be qualified in their position and to be compatible with others, rather than showing off to compete.

Taken together, the results of the three value tested above indicate that the Chinese OPVs have a less self-actualising orientation than do the Australian organisational
values. Many Chinese managers expressed an intention that individuals should work in harmony with others in an organisation and should keep competitive behaviour to a minimum with other employees. OPVs in Australian organisations have a greater self-actualising orientation and most managers believe that tapping and showing self-potential could benefit the development of both individuals and organisations.

Accordingly the hypothesis H1a: Chinese managers have a less self-actualising orientation than Australian managers, is not rejected. This result is consistent with the previous research in China (Child and Markoczy, 1993; Myer, 1988) and with the Chinese tradition.

2. Sense of Trust in Employees

There is no significant difference in the statistical results between Chinese and Australian managers on how to supervise and direct employees. It may indicate that both Chinese and Australian managers trust their employees’ capacity for work. However, from another perspective, the result reports that scores of Australian managers’ evaluating employees’ sense of responsibility were significantly higher than that of Chinese managers, except in Co.4. These two different results may suggest that Chinese managers know that managers should trust employees and really do trust their employee’s ability. But they did not believe that employees wanted to take responsibility for their work. Australian managers trust employees both with ability and the sense of responsibility. This suggests that the degree of OPV on trusting employees in Chinese organisations is lower than that of Australian organisations.

Therefore, the hypothesis H1b: that Chinese managers trust employees less than Australian managers, is accepted.
3. Views of 'Cooperation'

There are significant differences between Chinese and Australian managers with more agreements on a preference for a way of working cooperatively and more on preference for cooperative employees in Australian organisations than in Chinese ones. The results of the two views suggest that the Australian managers have a stronger sense of cooperation than do Chinese managers. Accordingly, the hypothesis H₁c: that Chinese managers put more weight on cooperation than do Australian managers, is rejected.

In analysing the results of the interviews in two countries, it was found that there are different implications of cooperation for Chinese and Australian managers. From the point of view of the scope for cooperation, Australian and Chinese managers had different practices for maintaining their cooperative relationships. Many Chinese managers supposed that 'the relationship of cooperation in work', in which people help each other for work purposes in equality, mainly exists between same status employees, such as management peers. However they believed that there must be a sort of obedience relationship between the hierarchical levels - in essence when supervisor and subordinates work together, though sometimes it is often called cooperation by name. In this case, they sometimes preferred to work individually.

In Australian managers' minds, cooperative relationships can occur between any two levels or within the same level of organisational structure, that is, if the work task requires them to do so. This would suggest that Australian managers are more used to, or more ready for, project work, matrix alignments and team-working.

From the point of view of the role of cooperation, Chinese and Australian managers used cooperation for different purposes. Cooperation in some Chinese organisations is used to reduce competition between groups and individuals within the organisation. This is a way of asking employees to give up individual independence or interests. That
is, appropriate cooperation should be a type in which individuals give up their own interests in order to meet the requirements of a particular organisation. While Australian interviewees were asked their understanding of cooperation, they preferred to keep their independence in work and to feel that their organisation or team tapped their individual potential for contribution in order to accomplish a common target of work.

From the point of view of the content of the concept of cooperation, the meanings of cooperation for Chinese and Australian managers were different. The sense of cooperation for Chinese managers in a state-owned organisation not only included cooperation for work purpose, but also encompassed cooperation for non-work purposes. Employees try to establish and develop private friendships beyond work with their peers, managers, and directors, and find a chance to show their concern and help towards others in work and in their personal life. Some Chinese organisational policies may explain this situation. Usually a state-owned organisation provides its employees with the basic needs of living such as housing, child care and schooling, medical insurance, and even their elder children employment. Additionally, employees normally enjoy life-time employment. These characteristics of employee affiliation force employees to think about the establishment of a relationship involving both work and non-work cooperation. To an extent, the relationship of non-work cooperation is a prerequisite for keeping a relationship of work cooperation in some Chinese organisations. In spite of his prominent competence and experience, a manager in a Chinese organisation may not be accepted entirely by his boss, colleagues or work group, if he is thought not to like to cooperate in a non-work relationship. This situation may reflect findings of other studies that Chinese managers are heavily influenced by informal connections- *guanxi* (Chen, 1995; Ralston, 1995).

Most Australian managers thought that a cooperative relationship was limited to the workplace. Therefore they may build up a cooperative relationship with others in work,
but may have no social contact with them beyond work. The distinctions of understanding cooperation between Chinese and Australian managers were evidenced in the results of Question 30 in the survey. Few Australian managers believed that they should meet their bosses' requirements outside work. This was seen as an extra requirement for Australian managers, whereas more than 50% of Chinese managers of each organisation indicated that they would like to help their boss in their own time.

These different implications may explain why the hypothesis is rejected and why Chinese managers who are supposed to be more group orientated and relationship centred within an organisation (Myers, 1987) put less value on cooperation in work than Australian managers in this study. Participation in decision making is based on cooperation within the work relationship. The Chinese sense of cooperation concentrates more on non-work cooperation and the hierarchical levels do not directly facilitate cooperation for the purposes of participation. A comment could be given that Australian managers' understanding of cooperation is closer to the concept and principles of team work than that of Chinese managers.

4. Views of Employees’ Relation to Work

(1) The purpose of work. The result of the relevant t-test indicates that Chinese managers scored significantly lower on the view of the purpose of work for earnings than did Australian managers. Therefore, the hypothesis H1d: that Chinese managers place more emphasis on income as working motivation than do Australian managers, is rejected.

The summarised points from the data analysis for this organisational value are as follows: firstly, the result for the OPV of working motives given by Chinese and Australian managers is unexpected in terms of previous studies (Nevis, 1983; Shenkar, 1993). It may need another investigation to confirm whether the result of the present investigation reflects a general situation in Chinese organisations in the PRC or to
discover the reasons why Chinese managers did put less value on earnings than did Australian managers. Secondly, compared with the Chinese organisations of the sample, the fact that a considerable number of Australian managers held an 'indifferent' evaluation on this value is possibly related to the nature of their society. Australian managers live in a society with a relatively high standard of welfare and a value of equality (Mackay, 1993). A peaceful and stable life leads many Australian managers to take a detached attitude towards work and living conditions. However from a motivation point of view, the preference of Australian managers on this dimension may indicate that Australian managers or employees need other objectives to facilitate their work efficiency.

(2) The importance of Employees.

The result shows there is no significant difference of emphasis on employees' roles in the organisation between Chinese and Australian managers. Both Chinese and Australian managers believed that it is necessary to pay attention to employees. Therefore, the hypothesis H1e: Chinese managers place less emphasis on the role of employees in work than Australian managers do is rejected. Chinese managers also believed that the role of employees is necessary for the growth of the organisation.

6.2.3 Discussion of Patterns of OPVs of Australian and Chinese Organisations

The results of the t-test and cross-tabulation analysis above shown in Tables 6.3, 6.4, 6.4, 6.5 6.6, 6.6, 6.7, 6.8, 6.9, 6.10, 6.12 for H1a, H1b, H1c, and H1d basically substantiate the Hypothesis 1 that OPVs in Chinese organisations differ from those in Australian ones. Although the two sub-hypotheses H1c that Chinese managers put more weight on cooperation than do Australian managers and H1d that Chinese managers place more emphasis on income as working motivation than Australian managers are rejected, they still have significant differences between Chinese and Australian managers. Australian managers had a stronger sense of cooperation than did Chinese managers and Chinese managers scored significantly lower on the view of the purpose
of work for earnings than did Australian managers. Only H1e is entirely rejected by the survey result that Chinese and Australian organisations hold no significantly difference in the value of the importance of employees. To depict a clearer picture to identify OPVs held by each organisation in the samples, the results of the Chi-square analysis for the agreements on OPVs are summarised in Table 6.12.

**Table 6.12 Summary of Chi-square Analysis for Main Percentage Scores of Agreement on OPVs by The Chinese and Australian Organisations. (%)**

<table>
<thead>
<tr>
<th>OPV</th>
<th>Chinese</th>
<th>Australian</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Co.1</td>
<td>Co.2</td>
</tr>
<tr>
<td><strong>Self-actualising orientation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Showing personality</td>
<td>55.2</td>
<td>41.2</td>
</tr>
<tr>
<td>Competition is harmful</td>
<td>66</td>
<td>74.5</td>
</tr>
<tr>
<td>Preferred Characteristics of job</td>
<td>18.7</td>
<td>16</td>
</tr>
<tr>
<td><strong>Cooperation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Better effectiveness of individual</td>
<td>19.6</td>
<td>25.4</td>
</tr>
<tr>
<td>working than group's</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Preference for cooperative</td>
<td>32.3</td>
<td>44</td>
</tr>
<tr>
<td>employees</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Trustworthiness</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No trust in employees’ sense of</td>
<td>43.3</td>
<td>50.7</td>
</tr>
<tr>
<td>responsibility</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trust employees’ ability</td>
<td>71.9</td>
<td>43.2</td>
</tr>
<tr>
<td>Consider giving employees</td>
<td>54.4</td>
<td>44.7</td>
</tr>
<tr>
<td>autonomy</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Employee’ Relation to Work</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The purpose of work</td>
<td>91.7</td>
<td>82.3</td>
</tr>
<tr>
<td>The importance of employees</td>
<td>77.1</td>
<td>88</td>
</tr>
</tbody>
</table>

a) All figures in this Table are the result of the score on scale 1 'strongly agree' plus the score on scale 2 'agree'.

b) All significance levels above in the Tables: p<0.001.

c) See the details of the Chi-square analysis for each OPV of the sample above table in the Appendix C.

The percentage scores of agreements on each question of Table 6.12 indicate that OPVs in three Chinese organisations Co.1 Co.2 and Co.3 are the Social Value, and OPVs in other five organisations, including one Chinese organisation, Co.4, Co.5, Co.6, Co.7, and Co.8 are the Self-actualising Value in terms of the VI which was stipulated in Chapter 4. The Social Value is that social harmony is important, and that group goals have priority over individual ones. Although the managers in this category may not believe that employees have enough ability or desire to take part in a meaningful
management process, they nevertheless try to raise employees' motivation to work through meeting employees' social psychological needs.

First, the percentage scores of agreement on the value 'competition is harmful in work' in three organisations Co.1, Co.2 and Co.3 are quite high with the respective scores of 66%, 74.5% and 41.6%, compared with the other five organisations. The percentage scores of their agreement on 'showing personality at work' are lower than that of the other five organisations. Meanwhile managers in these organisations believed that cooperation is important in a managerial job, since the percentage scores of disagreement on non-cooperation in three Chinese organisations are all rather low with scores less than 25%. Combining these two dimensions of OPVs, we can conclude that these Chinese organisations tend to apply the idea of cooperation based on a collective orientation for their particular management. Secondly, managers in these Chinese organisations could not trust employees completely. The percentage scores of agreement on the value that "employees do not like to take responsibility" in these three organisations are generally higher with 43.3%, 50.7%, and 50%, which are much higher than the rest of the other organisations in the survey. But they trust the employee's ability to do the work. Finally, the majority of managers in these three Chinese organisations believed that the purpose of work is a significant job. The percentage scores of agreement of views of that "an interesting job is more important than earnings" in these samples are very high with 91%, 82.3% and 86%. All these selected aspects of OPVs in these organisations reflect the characteristics of the Social Value held.

The result of Table 6.12 suggests that the self-actualising sense in all Australian organisations and in one Chinese organisation Co.4 is very strong. The percentage scores of agreement on the value 'showing personality in work' in these organisations are rather high with scores of around 70%. Moreover, their percentage scores of agreement on the value 'competition is harmful for work' are rather low with scores of
less than 30% in average, compared with those three Chinese organisations up to 74.5%. They laid a particular stress on the value of cooperation in work with a very low rate of disagreement with non-cooperation, even down to 0. These organisations showed a positive attitude towards trusting employees regarding both their sense of responsibility and abilities. The percentage scores of agreement on the judgment of which employees do not like to take responsibility in these organisations, except for Chinese organisation Co.4, are very low with scores of 9.1%, 6.3%, 11.1%, and 21.3%. Table 6.12 also indicates that there is a very high degree of agreement of belief in the value of 'employees being important in management' in these five organisations. Finally, the percentage scores of the value on 'the purpose of work' as mentioned above are evidence that about half of managers of these five organisations thought that an interesting job is important as a work purpose. These OPVs selected by Australian managers fall into the category of the Self-actualising Value of the Value Inventory. This value stresses employees' internal self-motivation, the intrinsic sense of success, and individual's attempt to unify individual life goals with work goals. Managers in this category trust subordinates and encourage them to participate in organisational management. Again in the light of the summary of the t-test and cross-tabulation analysis for organisational process-orientation values, H1 is basically not rejected, namely, OPVs in Chinese corporations (except Co.4) differ from those in Australian corporations.

6.2.4 A Specific Commentary on Chinese Organisation Co. 4.

The contemporary environment and the historical background of the Chinese organisation Co.4 may explain why its the OPV seems to be an exception to the cluster of the Chinese group, being close to the OPVs of the Australian organisations. Co.4 is a subsidiary company of Capital Steel Corporation which is a Chinese Government "focus trial"6 for management reform. It in fact represents a reformed model of the

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6 The Chinese Government selected only a few large or medium organisations which implemented a contract responsibility system in the early stage of economic reform in the middle 1980s. Then experiences
large state-owned organisations appointed by the Chinese Government. Significantly, this company is engaged in the business of international trade in steel products. The reform program in this corporation requires changes in company values and operating managerial styles from a traditional to a modern approach. Meanwhile the nature of their business is a catalyst for speeding up reform, because this company must establish close trade ties with large international companies, and must respond to international trade quickly and make decisions appropriately. It may be that in adapting to the changing environment of the international market and the resulting necessary reforms, managers in Co.4 adopt the OPVs and management styles which are different from other Chinese stated-own organisations.

6.3 Analysis and Discussion of SDMP of Australian and Chinese Organisations

In this sector, the t-test, cross-tabulation and correspondence analysis were applied to Hypothesis 2. As discussed in Chapter 4, SDMP is the main characteristic of the way managers make decisions and reflects how the decision maker reacts to a given situation and with what degree of delegation.

As Chapter 4 and 5 explained in order to identify the types of SDMP from the sample, 8 questions regarding the four stages of the decision making process were employed. The four stages are: 1) the definition of the objective, 2) information collection, 3) choice of final decision and 4) decision implementation. The types are divided into four styles: Autocratic style, Consultative style, Joint style and Consensus style - all in terms of the as SDMPI established in Chapter 4.

6.3.1 Results of Analysis of Data on The Decision Making Process.

T-tests were used to examine the differences between Chinese and Australian managers on SDMP. Table 6.13 summarises these results. One out of the eight items of the obtained from these organisations were applied in broad ranges of different industries. These organisations are called 'focus trial of reform' in the PRC.
decision making process shows no significant difference between Chinese and Australian managers. All graphs of the correspondence analysis of SDMP items are presented in Appendix D.

### Table 6.13 T-Tests for SDMP by Chinese and Australian Managers

<table>
<thead>
<tr>
<th>Measures</th>
<th>Nationality</th>
<th>Case Number</th>
<th>Mean</th>
<th>SD.</th>
<th>T-value</th>
<th>DF.</th>
<th>2-Tail P.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The Means of Defining Decision Objective</td>
<td>Chinese</td>
<td>212</td>
<td>3.1274</td>
<td>0.85925</td>
<td>2.5</td>
<td>321</td>
<td>0.013</td>
</tr>
<tr>
<td></td>
<td>Australian</td>
<td>111</td>
<td>2.8739</td>
<td>0.875</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. The Means of Collecting Information</td>
<td>Chinese</td>
<td>211</td>
<td>2.7536</td>
<td>1.072</td>
<td>2.39</td>
<td>316</td>
<td>0.018</td>
</tr>
<tr>
<td></td>
<td>Australian</td>
<td>107</td>
<td>2.4393</td>
<td>1.183</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. The Means of Choosing Alternatives</td>
<td>Chinese</td>
<td>210</td>
<td>2.5381</td>
<td>1.62</td>
<td>-5.36</td>
<td>317</td>
<td>0.000005</td>
</tr>
<tr>
<td>(1) Locus of Final Decisions</td>
<td>Australian</td>
<td>109</td>
<td>3.2385</td>
<td>0.99</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2) Dealing with Divergence with Subordinates</td>
<td>Chinese</td>
<td>212</td>
<td>2.3255</td>
<td>0.655</td>
<td>4.98</td>
<td>319</td>
<td>0.000005</td>
</tr>
<tr>
<td></td>
<td>Australian</td>
<td>109</td>
<td>1.945</td>
<td>0.636</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(3) Dealing with Divergence with Boss</td>
<td>Chinese</td>
<td>210</td>
<td>1.5429</td>
<td>0.881</td>
<td>-0.19</td>
<td>313</td>
<td>0.85</td>
</tr>
<tr>
<td></td>
<td>Australian</td>
<td>105</td>
<td>1.5619</td>
<td>0.82</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Decision Implementation</td>
<td>Chinese</td>
<td>211</td>
<td>2.455</td>
<td>1.299</td>
<td>-3.58</td>
<td>319</td>
<td>0.000005</td>
</tr>
<tr>
<td></td>
<td>Australian</td>
<td>110</td>
<td>2.9545</td>
<td>0.932</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Sense of Whole DMP</td>
<td>Chinese</td>
<td>213</td>
<td>2.6432</td>
<td>1.002</td>
<td>-5.72</td>
<td>321</td>
<td>0.000005</td>
</tr>
<tr>
<td>(1) Distribution of Time on the Stage of DMP</td>
<td>Australian</td>
<td>110</td>
<td>3.3273</td>
<td>1.05</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2) Help from the Superior</td>
<td>Chinese</td>
<td>216</td>
<td>2.7407</td>
<td>0.888</td>
<td>3.8</td>
<td>326</td>
<td>0.000005</td>
</tr>
<tr>
<td></td>
<td>Australian</td>
<td>112</td>
<td>2.3304</td>
<td>0.999</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. The Means of Identifying the Decision Objective.

The result of the relevant t-test in Table 6.13 indicates that there is a significant difference between Chinese and Australian managers on the means of defining the decision objective (t =2.5, df=321, p<0.013). The higher score held by Chinese managers shows that Chinese managers used employee involvement as a way of defining decision objectives more than did Australian managers.
Table 6.14 Cross-tabulation for Defining Decision Objectives by Organisations. (%)

<table>
<thead>
<tr>
<th></th>
<th>PRC</th>
<th>AUS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Co.1</td>
<td>Co.2</td>
</tr>
<tr>
<td>(N)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>self</td>
<td>93</td>
<td>50</td>
</tr>
<tr>
<td>a few the trusted</td>
<td>2.2</td>
<td>8</td>
</tr>
<tr>
<td>share more</td>
<td></td>
<td></td>
</tr>
<tr>
<td>group meeting</td>
<td>8.6</td>
<td>18</td>
</tr>
<tr>
<td>Total</td>
<td>28.8</td>
<td>15.5</td>
</tr>
</tbody>
</table>

Chi-Square Value DF Significance MEF CEF NMO
Pearson 69.85 21 0.00000 0.34 <5 46% 7

The results in Table 6.14 of the cross-tabulation suggest that the percentages of Australian managers and the Chinese managers of Co.4 preferred option 2: involving a few trusted people for defining decision objectives more than did the other three Chinese companies (Co.1 Co.2, Co.3). Chinese managers of these three organisations preferred to share problems with employees in a formal way - a group meeting. The result of the correspondence analysis in Figure D-1 in Appendix D shows that Australian organisations and Chinese Co.4 are much closer to option 2 than are the other three Chinese organisations.

2. The Means of Collecting Information

The result of the t-test in Table 6.13 indicates that the means of information collection of Chinese managers are significantly different from those of Australian managers (t=2.39; df=316; p<0.018). Their higher score on this item illustrates that they tended to rely on themselves for collecting information more than did Australian managers.

Table 6.15 Cross-tabulation for 'Ways of Collecting Information' by Organisations (%)

<table>
<thead>
<tr>
<th></th>
<th>PRC</th>
<th>AUS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Co.1</td>
<td>Co.2</td>
</tr>
<tr>
<td>(N)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Friends</td>
<td>91</td>
<td>50</td>
</tr>
<tr>
<td>Experts</td>
<td>6.6</td>
<td>16</td>
</tr>
<tr>
<td></td>
<td>46.2</td>
<td>16</td>
</tr>
<tr>
<td>Subordinates oral in meeting</td>
<td>14.3</td>
<td>18</td>
</tr>
<tr>
<td>Subordinates' Written Mine</td>
<td></td>
<td>10</td>
</tr>
<tr>
<td>Total</td>
<td>28.6</td>
<td>15.7</td>
</tr>
</tbody>
</table>

Chi-Square Value DF Significance MEF CEF NMO
Pearson 83.2391 28 0.00000 0.57 <5 55% 12
The results of the cross-tabulation in Table 6.15 show the differences between Chinese and Australian organisations in this dimension. Chinese managers chose the suggestions of the experts and consultants' or information in their own hands as the most reliable information resource, but paid relatively little attention to friends and colleagues' suggestions and to subordinates' oral or written reports. Alternatively, collecting information from both an informal channel such as friends or a formal channel such as subordinates' reports were most accepted by Australian organisations. More than three quarters of all managers in each Australian organisation selected talking with friends or colleagues as a good way to obtain reliable information. The graph of the correspondence analysis in Figure D-2 in Appendix D clearly shows that Chinese organisations are much closer to the options in which managers prefer experts or their own sources of information, than do the Australian organisations.

3. "The Means of Choosing Alternatives" and "The Locus of a Final Decision"

The results of the relevant t-test in Table 6.13 show that there are significant differences between Chinese and Australian managers on the items of "the locus of making final decisions" and "the means of dealing with divergences with subordinates", but there is no significant difference between them on the dimension of "dealing with divergences with the boss". Chinese managers had significantly lower mean scores on making a final decision than did Australian managers. This illustrates that the degree of participation in this aspect of Chinese sample organisations is significantly less than that of the Australian sample organisations.

(1) The findings of the cross-tabulation analysis for the locus of the final decision in Table 6.16 show two important points of difference between Australian and Chinese managers. First, managers in the four Australian organisations exhibit an identical style of sharing decision making authority with subordinates. The percentage score of agreement on the way of jointly making a decision is more than 52% in the four Australian organisations.
Table 6.16 Cross-tabulation for 'Choosing Alternatives and Locus of Final Decision' by Organisations. (%)

<table>
<thead>
<tr>
<th></th>
<th>PRC</th>
<th>AUS</th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Co.1</td>
<td>Co.2</td>
<td>Co.3</td>
<td>Co.4</td>
<td>Co.5</td>
<td>Co.6</td>
<td>Co.7</td>
<td>Co.8</td>
<td>Total</td>
</tr>
<tr>
<td>(N)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Director self</td>
<td>90</td>
<td>50</td>
<td>50</td>
<td>20</td>
<td>11</td>
<td>16</td>
<td>10</td>
<td>72</td>
<td>319</td>
</tr>
<tr>
<td></td>
<td>12.2</td>
<td>26</td>
<td>38</td>
<td>40</td>
<td>18.2</td>
<td>18.8</td>
<td>5.6</td>
<td>19.1</td>
<td></td>
</tr>
<tr>
<td>Limited consultation</td>
<td>32.2</td>
<td>24</td>
<td>26</td>
<td>25</td>
<td>27.3</td>
<td>12.5</td>
<td>10</td>
<td>9.7</td>
<td>22.6</td>
</tr>
<tr>
<td>Consultation</td>
<td>20</td>
<td>14</td>
<td>14</td>
<td>20</td>
<td>18.8</td>
<td>10</td>
<td>31.9</td>
<td>19.7</td>
<td></td>
</tr>
<tr>
<td>Sharing power</td>
<td>35.6</td>
<td>36</td>
<td>22</td>
<td>15</td>
<td>54.6</td>
<td>50</td>
<td>80</td>
<td>52.8</td>
<td>38.6</td>
</tr>
<tr>
<td>Total</td>
<td>28.6</td>
<td>15.7</td>
<td>15.7</td>
<td>6.3</td>
<td>2.8</td>
<td>5.0</td>
<td>3.1</td>
<td>22.6</td>
<td>100</td>
</tr>
</tbody>
</table>

Chi-Square Value: 62.8449
DF Significance: 0000
MEF CEF NMO: 1.912 <5 43.8 11

Secondly, there are some, but not outstanding tendencies, forwards this item in the Chinese organisations. The highest percentage scores of two Chinese organisations Co.1 and Co.2 with 35.6% and 36% are option four - in which the Director prefers to share authority with subordinates in making a final decision. Alternatively, around 40% of managers in Co.3 and Co.4 who would like to keep power to themselves for making a final decision. Around 40% of managers of the each Chinese organisations chose, limited consultation or consultation for making a final decision. The graph of the correspondence analysis in Figure D-3 in Appendix D shows that the Australian organisations except Co.5 were clustering more closely around the option of sharing decision making power than were the Chinese organisations.

(2) According to the percentage score distribution in the cross-tabulation analysis in Table 6.17, the behaviour of judging whose idea is right for choosing a final alternative was generally accepted by all organisations of the samples. However, there are still meaningful differences between the managers' selections in the Chinese organisations and the Australian organisations in options three and four. Both options three and four in essence are consistent with the meaning that managers insist on their own ideas in final decision making. Together the percentage scores of endorsement on these two options in each Chinese organisation are respectively 31.5%, 26%, 26%, and 50%. They are much higher than those seen in Australian managers with the respective scores of 18.2%, 12.3%, 0, and 19.4%. In contrast, the second highest score in the Australian
sample organisations is for option one. This is seen as being more open to accepting subordinates' suggestions in a conflict between themselves and subordinates. The graph of the correspondence analysis in Figure D-4 in Appendix D clearly shows that Australian organisations, (except Co.7 in which 90 % managers focus on option two), gathered much closer to option one than Chinese organisations.

Table 6.17 Cross-tabulation for 'Actions for Dealing with Divergence with Subordinates' by Organisations. (%)

<table>
<thead>
<tr>
<th></th>
<th>PRC</th>
<th>AUS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Co.1 Co.2 Co.3 Co.4 Co.5 Co.6 Co.7 Co.8 Total</td>
<td></td>
</tr>
<tr>
<td>Adoption</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>92 50 50 20 11 16 10 72 321</td>
<td></td>
</tr>
<tr>
<td>Judgment</td>
<td>1.1 2 10 10 36.3 25 10 23.5 10.6</td>
<td></td>
</tr>
<tr>
<td>Persuasion</td>
<td>67.4 72 64 40 45.5 62.5 90 56.9 63.2</td>
<td></td>
</tr>
<tr>
<td>Myself</td>
<td>29.9 12 24 35 18.2 12.5</td>
<td>19.4 22.1</td>
</tr>
<tr>
<td>Total</td>
<td>28.6 15.7 15.7 6.3 2.8 5.0 3.1 22.6 100</td>
<td></td>
</tr>
</tbody>
</table>

Chi-Square Value: 66.0834  DF: 21  Significance: 0.000  MEF CEF NMO  0.45 <5 50% 9

(3) The result of the t-test displays no significant differences between Chinese and Australian managers on action for dealing with divergence from the boss. The result of the cross-tabulation analysis in Table 6.18 indicates that the most similar choice of Australian and Chinese managers was option one in which managers insist on their own opinions in the final decision when they are in divergence with boss. Chinese and Australian organisations are scattered in the picture of the correspondence analysis in Figure D-5 in Appendix D.

Table 6.18 Cross-tabulation for 'Action of Dealing with Divergence with Boss' by Organisations. (%)

<table>
<thead>
<tr>
<th></th>
<th>PRC</th>
<th>AUS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Co.1 Co.2 Co.3 Co.4 Co.5 Co.6 Co.7 Co.8 Total</td>
<td></td>
</tr>
<tr>
<td>Insist</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>93 47 50 20 8 16 10 71 315</td>
<td></td>
</tr>
<tr>
<td>Silence</td>
<td>83.9 63.8 56 60 50 93.8 80 57.7 68.6</td>
<td></td>
</tr>
<tr>
<td>Acceptance</td>
<td>2.2 6.4 16 12.5</td>
<td>19.7 8.9</td>
</tr>
<tr>
<td>Total</td>
<td>11.8 29.8 28 35 37.5 6.3 20 22.5 21.6</td>
<td></td>
</tr>
</tbody>
</table>

Chi-Square Value: 47.15712  DF: 21  Significance: 0.00089  MEF CEF NMO  0.76 <5 56.3% 15

The result of the relevant t-test in Table 6.13 indicates that the Chinese and Australian managers of the sample held significantly different attitudes on this dimension. (t = -3.58, df=319, p<0.000005).

**Table 6.19** Cross-tabulation for 'Responsibility for Decision Implementation' by Organisations. (%)

<table>
<thead>
<tr>
<th></th>
<th>PRC</th>
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<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Co.1</td>
<td>Co.2</td>
<td>Co.3</td>
<td>Co.4</td>
<td>Co.5</td>
<td>Co.6</td>
<td>Co.7</td>
<td>Co.8</td>
<td>Total</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(N) Top manager</td>
<td>91</td>
<td>50</td>
<td>50</td>
<td>20</td>
<td>11</td>
<td>16</td>
<td>10</td>
<td>73</td>
<td>321</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management as whole</td>
<td>30.8</td>
<td>30</td>
<td>52</td>
<td>40</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>24</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Decision maker and boss</td>
<td>42.9</td>
<td>38</td>
<td>24</td>
<td>20</td>
<td>45.5</td>
<td>43.8</td>
<td>50</td>
<td>38.4</td>
<td>37.1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Decision maker</td>
<td>16.5</td>
<td>16</td>
<td>12</td>
<td>30</td>
<td>45.5</td>
<td>43.8</td>
<td>50</td>
<td>45.2</td>
<td>26.5</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>28.6</td>
<td>15.7</td>
<td>15.7</td>
<td>6.3</td>
<td>2.8</td>
<td>5.0</td>
<td>3.1</td>
<td>22.6</td>
<td>100</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>AUS</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Co.1</td>
<td>Co.2</td>
<td>Co.3</td>
<td>Co.4</td>
<td>Co.5</td>
<td>Co.6</td>
<td>Co.7</td>
<td>Co.8</td>
<td>Total</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Top manager</td>
<td>11</td>
<td>16</td>
<td>10</td>
<td>73</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>321</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management as whole</td>
<td>50</td>
<td>52</td>
<td>40</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>24</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Decision maker</td>
<td>45.5</td>
<td>43.8</td>
<td>50</td>
<td>38.4</td>
<td>37.1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Decision maker</td>
<td>16</td>
<td>12</td>
<td>12</td>
<td>10</td>
<td>9.1</td>
<td>12.5</td>
<td>16.4</td>
<td>12.5</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>28.6</td>
<td>15.7</td>
<td>15.7</td>
<td>6.3</td>
<td>2.8</td>
<td>5.0</td>
<td>3.1</td>
<td>22.6</td>
<td>100</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Chi-Square Value DF Significance MEF CEF NMO
Pearson 80.95143 21 0.0000 1.246 <5 40.6% 9

The finding of the cross-tabulation analysis in Table 6.19 illustrates what are the differences between Chinese and Australian organisations. Many managers in both Australian and Chinese organisations in the sample believed that managers shared responsibility with the entire management team. However from a different perspective, there were still significantly different attitudes towards who should share responsibility in implementing a decision among managers in the two countries. Many Chinese managers preferred top management to take responsibility, whereas no Australian manager believed that the same situation would be accepted in their organisations. Australian managers preferred sharing the responsibility between themselves and their boss. Their differences were clearly illustrated in the correspondence analysis in Figure D-6 in Appendix D. This may be because tendencies among Australian organisations are so similar that they almost occupied the same point of the graph around option 2 and much farther from option 1 than did the Chinese organisations.

(1) The Priority for Spending Time. The finding of the relevant t-test in Table 6.13 shows that there was a significant difference on the priority of where to spend most time in the stages of the decision process between Chinese and Australian managers (t = -5.72; df = 321; p < 0.000005).

Table 6.20 Cross-tabulation for 'Priority of Time Distribution on the Decision Making Stages' by Organisations. (%)

<table>
<thead>
<tr>
<th></th>
<th>PRC</th>
<th>AUS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Co.1</td>
<td>Co.2</td>
</tr>
<tr>
<td>Explaining result.</td>
<td>94</td>
<td>50</td>
</tr>
<tr>
<td>Choosing alternatives.</td>
<td>18.1</td>
<td>18</td>
</tr>
<tr>
<td>Defining objectives.</td>
<td>29.8</td>
<td>18</td>
</tr>
<tr>
<td>Two-way communication.</td>
<td>40.4</td>
<td>34</td>
</tr>
<tr>
<td>Total</td>
<td>28.6</td>
<td>15.7</td>
</tr>
</tbody>
</table>

Chi-Square Value DF Significance MEF CEF NMO
Pearson 95.49816 21 0.0000 1.486 <5 40.6% 7

The result of the cross-tabulation analysis in Table 6.20 indicates that significant differences between Chinese and Australian organisations existed in option four - "two-way communication" and option three - "defining objectives". Managers of all Chinese organisations except Co.4 emphasised both defining objectives and two-way communication, but slightly more emphasis was placed on the latter. Australian organisations and Co.4 almost unanimously tended to place most stress on two-way communication. The graph of the correspondence analysis in Figure D-1 in Appendix D shows that Australian organisations were significantly more likely to prefer 'two-way communication' as a priority than were the Chinese organisations.

(2) Superior's Help with Getting Ahead in the Decision Process

The t-test on this item results in significant differences between Chinese and Australian managers with higher mean values for Chinese managers (t = 3.8; df = 326; p < 0.000005). It indicates that Chinese managers helped subordinates get ahead in the
decision making process significantly less than did Australian managers. The results of the cross-tabulation analysis are given in Table 6.21. The graph of the correspondence analysis in Figure D-8 in Appendix D illustrates that managers of the Australian organisations got more help from higher management than did those of the Chinese organisations, as the lower the score, the more help obtained from higher management.

### Table 6.21 Cross-tabulation for 'the Degree of Subordinates Getting Help from Immediate Managers by Organisations. (%)

<table>
<thead>
<tr>
<th></th>
<th>PRC</th>
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<th></th>
<th>AUS</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>Co.1</td>
<td>Co.2</td>
<td>Co.3</td>
<td>Co.4</td>
<td>Co.5</td>
<td>Co.6</td>
<td>Co.7</td>
<td>Co.8</td>
<td>Total</td>
</tr>
<tr>
<td>always</td>
<td>97</td>
<td>51</td>
<td>48</td>
<td>20</td>
<td>11</td>
<td>15</td>
<td>10</td>
<td>72</td>
<td>326</td>
</tr>
<tr>
<td>usually</td>
<td>4.2</td>
<td>8</td>
<td>16</td>
<td>15</td>
<td>18.2</td>
<td>25</td>
<td>10</td>
<td>17.3</td>
<td>11.9</td>
</tr>
<tr>
<td>sometimes</td>
<td>22.9</td>
<td>48</td>
<td>16</td>
<td>25</td>
<td>45.5</td>
<td>50</td>
<td>70</td>
<td>49.3</td>
<td>35.4</td>
</tr>
<tr>
<td>seldom</td>
<td>19.8</td>
<td>12</td>
<td>10</td>
<td>15</td>
<td>18.2</td>
<td>18.8</td>
<td>10</td>
<td>18.7</td>
<td>16.2</td>
</tr>
<tr>
<td>never</td>
<td>22.9</td>
<td>48</td>
<td>16</td>
<td>25</td>
<td>45.5</td>
<td>50</td>
<td>70</td>
<td>49.3</td>
<td>35.4</td>
</tr>
</tbody>
</table>

Chi-Square Value DF Significance MEF CEF NMO
Pearson 77.20103 28 0.0000 .152 <5 50.0% 0

### 6.3.2 Discussion of Chinese and Australian Organisations’ SDMP

1. **The Means of Identifying Decision Objectives.**

1) The results of the cross-tabulation analysis indicate that sharing problems with more subordinates was an acceptable way to identify decision objectives for many managers in most organisations of the sample. This may mean that the participative approach to this stage was accepted by most of the Chinese and Australian managers of the sample.

2) The combined results of the t-test and cross-tabulation analysis show that there were significant differences between the organisations which believe in the Self-Actualising OPV and those which believe in the Social OPV. The many managers in the organisations holding the Self-Actualising OPV, including Chinese organisations Co.4 and all Australian organisations, believed that an effective way to set a decision objective was to share the problem with a few trusted people.
In contrast, many managers in three Chinese organisations holding the Social OPV put more weight on a formal channel - i.e.: using group meetings for the identification of decision objectives. The percentage scores for selecting "decision objectives are defined with subordinates in a group meeting" in the three organisations are higher than that of the other five organisations. Chinese managers selections reflect the realistic situation in most Chinese state-owned enterprises. Apart from The Worker's Congresses which is a formal unit for employees to participate in important decisions of organisations in the PRC, there is another legislated decision making forum — a regular working meeting with the Managing Director, in Chinese organisations. This kind of meeting deals with daily problems. These meetings are normally attended by directors, heads of departments and first-line supervisors. They are a very formal form of legislated participation and are a typical decision making practice in state-owned organisations in the PRC. However, the director usually dominates the meeting and others support his ideas.

2. The Means of Collecting Information

The results of data analysis suggest that there was a significant difference between Chinese and Australian managers over the means of collecting information. The degree of participation in this stage in the Chinese organisations was lower than that in Australian ones. Many managers in the Chinese organisations thought that the experts and consultants' suggestions or information in their own hands was the most reliable information resources. In contrast, subordinates' ideas or talking with friends or colleagues were definitely thought of as an important source of information in the Australian organisations.

As a result of a direct impact of values and economic reform, there may be three reasons why Chinese managers limit the scope of communication to collecting information from experts or themselves:
(1) Many Chinese managers who were influenced by an OPV which stated that employees could not be completely trusted, preferred gathering information themselves for making important decisions.

(2) The demands of reform force Chinese managers to obtain a lot of information from professionals beyond their own organisation. Currently, many Chinese organisations need to acquire professional knowledge from outside their organisations urgently, because the rapid development of the Chinese economy requires that every enterprise has to improve their management and products in order to be competitive. With increasing needs for professional knowledge in operating organisations, Chinese managers are aware that the power they exercise in organisations must be based on knowledge, skill and capacity. This could be called the new positive authoritarianism, and the old negative authoritarianism which bases power on position in the organisational structure or political background, and asks subordinates to comply to superior's demands without questioning, is becoming obsolete. Although the new authoritarianism is still related to centralised power and control through the specific position in the organisational structure, it can be challenged through the knowledge and capacity of subordinates. Chinese managers show a certain degree of preference for information from experts and professionals. This can be either from outside or inside of their organisation. The intention of this is compensate for the shortage of their own experiences and knowledge, as they do not trust employees completely and do not like to immediately collect information from them. This tendency is strongly evidenced by the phenomenon that wages of professionals have become much higher than those of other ordinary employees in many industries of the PRC, and the concept of valuing knowledge has been gradually accepted by Chinese managers.

(3) A consultative system in an organisational structure which limits competition leads Chinese managers to also consider the suggestions of some professionals within their organisations without being worried about or threatened by competition. The
organisational structures of the four state-owned organisations under investigation in The PRC all have a line-staff system based on function. Staff who are professionals and engineers in the organisation are not attached to central power positions and provide advisory information in formal meetings only when it is required. Their influence on decision making depends on the evaluation of the decision-maker of their suggestions. Some managers therefore feel confident and comfortable in consulting them without giving too much consideration to hierarchical influence or competition. However, with such an organisational structure, decision-makers may not always bother to ask the opinions of their staff.

3. The “Locus of the Final Decision “and The “Means of Choosing Alternatives”.

1) The locus of making the final decision. Although a decision making activity must be considered as a whole mechanism, there is little doubt that the stage of making the final decision is the key to identifying the overall style of decision making. This has been seen to be true in previous research (Muna, 1980, Vroom, and Jago, 1988; Selvin, 1991). Sharing power with employees in this stage is immediately related to the degree of participation in the process of decision making.

The result of the relevant t-test shows that the degrees of participation in the final decision in the Australian organisations were significantly higher than those in the Chinese organisations. The results of the cross-tabulation analysis suggest that sharing power with employees in order to make a final decision has been a common practice in these Australian organisations.

It seems confusing that there was no definitive tendency in the “way of making final decisions” in the Chinese organisations of the sample. This may indicate the movement that SDMP in Chinese organisations from 'old fashion' to 'new fashion' (Laaksonen, 1988). It has been said that SDMP in Chinese enterprises has generally tended towards an autocratic style and the power of making a final decision has been strictly controlled
by the Secretary of the Chinese Communist Party Committee (CCPC) or a higher level authority in the Communist Party system (Lockett, 1988; Schermerhorn and Nyan, 1991; Zhao, 1994). Then, middle managers had no substantial power to influence final decisions (Laaksonen, 1988). Since the early 1990s, there has been dramatic reform in many aspects of Chinese organisations. This may place Chinese management systems in a state of uncertainty and the data seem to support this suggestion.

On the one hand, the traditional model of management still plays a strong role at management levels in Chinese organisations and an autocratic approach to the decision making process is still adopted by many Chinese managers. On the other hand, some managers try to 'import' new styles of decision making, when they are confronted by competition. Nevertheless, this change needs time to enable their intentions of operating the business democratically to be put into practice. Additionally a style of sharing power may be resisted by other people, even by their own subconscious traditional values, since some new OPVs have not been firmly established as suggested above. The specific situations in Chinese organisations explain the results that the sample organisations did not show a definite direction or identical organisational styles as a population in the way that the Australian organisations did.

2) Dealing with divergence from subordinates or the boss. Coping with divergence between the manager and others in the decision making procedure is another perspective on the way of choosing final decisions. In this study, the degree of participation on this dimension of Chinese organisations was significantly lower than that of Australian ones in terms of the result of the relevant t-test. Australian managers were more likely to reflect their subordinate's influence in the final decision than did Chinese managers, since some Australian managers held a positive attitude towards adopting the ideas of their subordinates for a final decision. Some Chinese managers held a negative attitude towards adopting the subordinates' suggestions and were more insistent on their own ideas in the final decision than did Australian managers.
The result of the relevant t-test in which there was no significant difference between Chinese and Australian managers on the issue of "dealing with divergence with the boss". Chinese and Australian managers of the sample all preferred to insist on their own opinion when they are in divergence with the boss. For Chinese managers the approach of on this option contradicts the other two items of this stage as discussed above. To explain this we need to consider the interview data, as the item design in the questionnaire is not clear enough to be conclusive (refer back to the section 6.1.2-interview data).


The sense of participation in a managers' mind, to a large extent, is influenced by the way he/she would take responsibility for implementing the decision. There were only a few managers in both Australian and Chinese organisations who believed that responsibility for implementing decisions should be taken individually, when an unexpected problem turned up. However, Australian managers were shown as having a significantly higher degree of willingness for taking responsibility for implementing decisions than did Chinese managers in the relevant t-test, interview, cross-tabulation and correspondence analysis. First of all, Chinese managers avoid responsibility through placing it on top management and Australian managers share the responsibility with their boss. Secondly, although many Chinese and Australian managers would like to share responsibilities with 'management as a whole', this was given different meanings by Chinese and Australian managers. In inferring from both the information from the interviews and the answers given to the questionnaires of the two countries, we know that the concept of collective responsibility for this particular matter has different content for the Australian or the Chinese managers of the sample. The concept of "management as a whole" includes the decision maker him/herself in Australian managers' minds. They mean sharing responsibility with others for decision implementation, when mentioning "management as a whole". Alternately, in the Chinese organisations the concept of "management as a whole" does not include the
decision-maker him/herself. When a Chinese manager mentions "management as a whole", they do not mean that they take responsibility for decision implementation. From the perspective of decision theory and psychology, if every manager in the decision making process expects the other to take responsibility, then nobody would essentially take responsibility, since the question of which participants should take the final responsibility is not clarified. This result is consistent with Child and Markoczy and Zhao's research in the PRC (Child and Markoczy, 1993; Zhao, 1994) and mirrors the real situation in Chinese enterprises. The tendency of Chinese managers to shirk personal responsibility obviously shows in the sample.

State-owned enterprises in China are required to set up organisational structures of collective decision making in the light of Constitution of the PRC in 1982 and Enterprise Law of the PRC in 1989 (Folsom and Minan, 1989). According to these laws, the Worker's Congress (WC), is supposed to play a role in carrying out the policy of 'collective decision making.' This requires that all crucial decisions for a particular organisation must be approved by the WC. Each department shares the responsibility with top management together with the WC for implementing decisions. However, due to a variety of elements, the ideal collective decision making process of sharing power and responsibility can not be put into practice in some Chinese organisations. There are two paradoxes regarding who makes decisions and who takes responsibility for the decision making process. The first paradox provides an excuse for the second paradox.

The first paradox is that collective decision process exists in form not in content, when the decision is made at organisational or department levels. Rather there is a preference for autocracy in the decision process among Chinese managers, although there are formal participation systems for ensuring that management makes decisions collectively. Under the influences of values 'against competition' and 'large power distance', some Chinese managers prefer to make decisions individually in accordance with their particular position in the hierarchy structure. They often play dominant roles
in meetings which are supposed to be a participative procedure for making decisions. In other words, the process of making a decision in a Chinese organisation is still autocratically dominated by many managers. Personalised authority in the decision making process is covered up by a form of non-personalised authority, that is, a trend towards a centralised decision making process is concealed by the appearance of making decisions collectively.

The second paradox is that of taking responsibility in form but taking non-responsibility in essence for decision implementation. Due to the values of a relatively high degree of hierarchy and relatively low degree of employee trust, many Chinese managers would be likely to shirk responsibility when an unexpected problem occurs. Fortunately for them, those forms of collective decision making which are stipulated by the industry policy provide a convenient means of evading personal responsibility. Some managers can use 'collectivism' as a pretext for escaping their own individual responsibility, since most decisions are really made in a 'collective way'- that is, in formal meetings. They are able to say that management as a whole should take responsibility for decision making because decisions are made in managerial meetings and that top management should take responsibility because the majority of managers merely carry out their mandates.

It is interesting that there were three Australian organisations where an equal number of managers selected option two that the responsibility would be taken by the top management and option four that the responsibility should be taken by the person who made the original decision. Non-managers in the Australian sample organisations put the decision implementation responsibility onto top management without considering the responsibility of the decision makers themselves. As a result of the statistical analysis, a conclusion may be reached that Australian managers in the four organisations did not take individual responsibility for implementation of decisions, but
did not entirely avoid taking their personal responsibility either, rather sharing responsibility with other managers.

5. The Whole Decision Making Process

(1) The Priority of Spending Time on the Stages of the Decision Process
The results of the statistical analysis demonstrate that there was a significant difference between Chinese and Australian managers on this aspect. Most Australian managers believed that two way communication was worth spending most time on in the decision making process. Some Chinese managers felt that the definition of decision objectives was worth spending more time on, although some felt that two-way communication was worth spending more time on liked the Australian managers.

(2) Superior’s Help with Getting Ahead on the Decision Process
The results of the t-test and cross-tabulation analysis indicate that Chinese managers helped the subordinates get ahead in the decision making process significantly less than Australian managers did.

Two-way communication in the decision making process enables the power of non-authority to work for making decisions and gives more chance of participation for employees. In terms of the time priority, emphasis of 'two-way communication' or getting ahead from superiors in the Australian sample reflected the general characteristics of the SDMP - a joint style between managers and employees. The two-way communication is the basis of making decisions jointly in the decision making process. The joint style of decision making needs both the power of authority and non-authority to function effectively. The information obtained from interviews with managers of the Australian sample organisations indicates that communication as a skill of team work was taught in their programs as part of their recruiting program, or as a part of an ongoing training program.
For Chinese managers the priority of spending time and a less degree of involvement in subordinates’ decision process reflects the characteristics of a consultative SDMP. The power of authority usually is thought to be larger than the power of non-authority in many Chinese organisations. Therefore many Chinese decision-makers liked to play a main individual role to make the final decision quickly after consulting with professionals, and did not think that it was necessary to take a long time to get information or alternatives from subordinates. They believed that spending more time on the definition of decision objectives was a necessary form. Normally, the regulations and WC require that the decision-maker in senior management must spend enough time to hear reports, problems or suggestions form subordinates.

6.4 Discussion of the Chinese and Australian Patterns of SDMP and OPV.

The results of the data analysis in the sections 6.2 and 6.3 suggest several conclusions. First, Chinese and Australian OPVs in the sample were generally different. By and large, the values of non-self-actualising orientation, obedient cooperation, and incomplete trusting of subordinates prevails in most Chinese organisations. Chinese managers suppose that employees are important for the growth of organisation and should be taken care by the organisations. According to the Value Inventory of the present study, Chinese organisations of the sample expect Co.4 hold the Social OPV.

OPVs of Australian organisations reflect more the ideas of modern Western management and regard individual achievement highly. The organisational values of competition, trusting employees and cooperation were held by all Australian organisations in the sample. Many Australian managers based cooperation on the self-actualising orientation. In the light of the VI, these characteristics attribute OPVs of the four Australian organisations to the Self-actualising Value. The Chinese organisation Co.4 also falls in this category and represents similar characteristics to the Australian organisations.
Secondly, the salient differences of SDMP mainly exist between Chinese and Australian organisations, though there are various differences among the eight organisations as shown in the above analysis. The Australian organisations apply the joint style of decision making in their managerial practice. SDMPs in the Chinese organisations on the whole embrace the consultative style which is involved in a less degree of participation than in the joint style. In conclusion, the hypothesis H2 is not rejected in that SDMPs of Chinese organisations feature less democratic tendency than that of Australian ones. A comparison between Chinese and Australian organisations in SDMPs can be seen in the summary of Table 6.22,

Chinese managers have used some forms of participation in the decision process, such as consulting with professionals for information, the group meeting or the formal system of participation. However the Chinese SDMPs still, consciously or unconsciously, utilise little employee participation. In essence, authoritarianism in many Chinese managers' minds is rather strong and their awareness of the benefits of participation by employees is not firmly established. Briefly, SDMPs in the state-owned Chinese organisations in the PRC are neither typically autocratic, as some Western researchers suggest regarding 'overseas Chinese organisations' (Bond, 1995, Lockett, 1988), nor democratically stable and mature as is the style of many organisations in Western countries.

It can be seen in Table 6.22 that the managers of the Australian sample organisations preferred to define decision objectives with a few trusted people in an informal way or through subordinate reports; to depend on both 'one-upward-way' and 'two-way' communication in order to collect information for decision alternatives; to share power for the final decisions with subordinates and other managers; and to share responsibility for implementing decisions within management. It is also seen in Table 6.22 that Co.4 has a different SDMP from the other Chinese organisations and presents combined characteristics of consultative and joint styles.
### Table 6.22 Summary & Conclusion of the Statistical Results in Eight Organisations for SDMP

<table>
<thead>
<tr>
<th>Variables</th>
<th>Stage one</th>
<th>Stage two</th>
<th>Stage three</th>
<th>Stage four</th>
<th>SDMP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Co.1 (PRC)</td>
<td>Sharing problem formally</td>
<td>No or Formal one-upward-way communication for information</td>
<td>Limited consultation &amp; sharing power</td>
<td>Responsibility of top or whole management</td>
<td>Consultative style</td>
</tr>
<tr>
<td>Co.2 (PRC)</td>
<td>Sharing problem formally</td>
<td>No or Formal one-upward-way communication for information</td>
<td>Limited consultation &amp; sharing power</td>
<td>Responsibility of top or whole management</td>
<td>Consultative style</td>
</tr>
<tr>
<td>Co.3 (PRC)</td>
<td>Sharing problem formally</td>
<td>No or Formal one-upward-way communication for information</td>
<td>Limited consultation &amp; little sharing power</td>
<td>Responsibility of top management</td>
<td>Consultative style</td>
</tr>
<tr>
<td>Co.4 (PRC)</td>
<td>Sharing problem informally</td>
<td>Formal one-upward-way communication for information</td>
<td>Much consultation &amp; little sharing power</td>
<td>Responsibility of top management or sharing responsibility</td>
<td>Joint style*</td>
</tr>
<tr>
<td>Co.5 (AUS)</td>
<td>Sharing problem informally</td>
<td>Formal one-upward-way communication for information</td>
<td>Sharing power</td>
<td>Sharing responsibility</td>
<td>Joint style*</td>
</tr>
<tr>
<td>Co.6 (AUS)</td>
<td>Sharing problem informally</td>
<td>Informal two-way and formal one-way communication for information</td>
<td>Sharing power</td>
<td>Sharing responsibility</td>
<td>Joint style</td>
</tr>
<tr>
<td>Co.7 (AUS)</td>
<td>Sharing problem informally</td>
<td>Informal and formal two-way communication</td>
<td>Sharing power</td>
<td>Sharing responsibility</td>
<td>Joint style</td>
</tr>
<tr>
<td>Co.8 (AUS)</td>
<td>Sharing problem informally and formally</td>
<td>Informal and formal two-way communication</td>
<td>Sharing power</td>
<td>Sharing responsibility</td>
<td>Joint style</td>
</tr>
</tbody>
</table>

* Although Australian organisation Co.5 presents some characters of joint style, which is standardised in the inventory of SDMP, it does not entirely fit this category in every stage and shows a certain consultative style.

* Chinese organisation Co.4 shows the characteristics of the joint, but it shows some characteristics of consultative and autocratic style prescribed in the SDMP inventory.

Thirdly, there are relationships between the patterns of SDMP and OPV of both Australian and Chinese organisations in their manner of synthetic linkages of the results.
above. The consultative SDMP is related with the Social Value in the Chinese organisations except Co.4, and the joint SDMP is related to the Self-actualising Value in the Australian organisations. The specific model linkages of SDMP and OPV in the sample are shown in the Table 6.23 Summary:

**Table 6.23 Summary of OPVs & SDMPs of Chinese and Australian Organisations**

<table>
<thead>
<tr>
<th>Chinese</th>
<th>OPV</th>
<th>SDMP</th>
<th>Australian</th>
<th>OPV</th>
<th>SDMP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Co.1</td>
<td>Social Value</td>
<td>Consultative</td>
<td>Co.5</td>
<td>Self-actualising Value</td>
<td>Joint*</td>
</tr>
<tr>
<td>Co.2</td>
<td>Social Value</td>
<td>Consultative</td>
<td>Co.6</td>
<td>Self-actualising Value</td>
<td>Joint</td>
</tr>
<tr>
<td>Co.3</td>
<td>Social Value</td>
<td>Consultative</td>
<td>Co.7</td>
<td>Self-actualising Value</td>
<td>Joint</td>
</tr>
<tr>
<td>Co.4</td>
<td>Self-actualising Value</td>
<td>Joint*</td>
<td>Co.8</td>
<td>Self-actualising Value</td>
<td>Joint</td>
</tr>
</tbody>
</table>

* This company does not entirely display the characteristics of the joint SDMP in every stage of the decision making process and combines these two traits more or less together.

The summary in the results of Table 6.23, which is based on the results of the range of the t-tests, cross-tabulation and correspondence analysis, quite obviously indicates that managers' OPVs directly have certain linkages to a basic tendency in decision making behaviour. The more value placed upon trusting employees on a basis of cooperation and encouragement of competition within a particular organisation, the higher degree of participation in the decision-making process is involved. With the influence of the OPV of Social Value, many Chinese managers in the sample adopted the consultative style of decision making. Under the influence of the OPV of Self-Actualising Value, managers of the Australian sample applied the joint style of decision making.

6.5 Summary

This chapter has analysed and discussed the data collected from the actual organisations to support or refute a number of hypotheses. In summary:

- Generally Australian and Chinese managers are inclined towards different OPV patterns: Chinese managers preferred the OPV of the Social Value, and Australian managers believed in the OPV of the Self-Actualisation Value. The most distinct
discrepancies of views on OPVs between Chinese and Australian managers exist in the OPVs of 'trust' and 'self-actualising orientation'. The results of data analysis for the sub-hypotheses H1a, H1b, H1c, and H1d basically substantiate Hypothesis 1 that OPVs in Chinese organisations differ from those in Australian ones. Only the sub hypothesis H1e is entirely rejected by the survey result that Chinese and Australian organisations hold no significant difference on the value of the importance of employees.

- Australian organisations generally adopt the Joint Style for the decision making process, and the Chinese organisations of the sample preferred the Consultative Style in the decision making process. The hypothesis H2 is not rejected in that SDMPs of Chinese organisations are less democratic than Australian ones.

- There are linkages between specific patterns of SDMP and OPV in outlining the profiles of Australian and Chinese organisations. The consultative SDMP is related with the Social Value in the Chinese organisations except Co.4, and the joint SDMP is related to the Self-actualising Value in the Australian organisations.

- The OPV and SDMP patterns of the Chinese organisation Co.4 diverge from the OPV and SDMP patterns of the other three Chinese organisations and are close to the orientation of Australian managers' OPV and SDMP. The organisational background of Co. 4 may be one of the reasons for this difference.

To understand the model of OPV and SDMP of Chinese and Australian organisations, it is now necessary to make an examination of the relationships between the two variables and influence of national values. The next chapter provides data analysis and discussion for that purpose.
National Values and Linkage Between OPV and SDMP

Chapter 6 has identified that there are different profiles of Chinese and Australian managers' OPVs and associated SDMPs. Some national values of Australian and Chinese may account for these specific differences. As Chapter 4 proposed, the linkage between OPV and SDMP is important to understand SDMP.

In the first section of this chapter we identify the national values of Chinese and Australian managers and discuss their roles in shaping OPV and SDMP in both countries. The second and third sections of the chapter will discuss the relationships between OPV and SDMP revealed in the data analysis.

7.1 The Role of National Values in Shaping OPV and SDMP

The differences and similarities between countries provide a basis for understanding their sub-cultures.

7.1.1 Results of the Data Analysis of National Values of Chinese and Australian.

The identified national values for the purpose of this research as already discussed in Chapter 4 are: 1) Individualism versus Collectivism; 2) Power Distance; 3) 'Face' Protection; and 4) Respect for Convention. Those values are key points in understanding how national values result in different management styles in both China and Australia (Kahn, 1979; Bond, 1987; Zhao, 1994; Redding and Wong, 1995; Bond and Hwang, 1995). The t-test was used to identify these Australian and Chinese managers' national values and its results are displayed in Table 7.1.

The results of the t-test Table 7.1 on national values of Chinese and Australian managers as a summary demonstrate that there are statistically significant differences
(all SD<1, p<0.05) on all dimensions of national values tested between Chinese and Australian managers, except for the dimension of 'protecting face' of people at a peer level.

**Table 7.1** T-test for Four Dimensions of National Values by Australian and Chinese Managers

<table>
<thead>
<tr>
<th>National Value</th>
<th>Nationality</th>
<th>Case Number</th>
<th>Mean</th>
<th>STD</th>
<th>STE</th>
<th>T-value</th>
<th>Df.</th>
<th>2-Tail P.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individualism &amp; Collectivism</td>
<td>Chinese</td>
<td>217</td>
<td>3.2258</td>
<td>1.071</td>
<td>0.73</td>
<td>2.34</td>
<td>327</td>
<td>0.02</td>
</tr>
<tr>
<td></td>
<td>Australian</td>
<td>112</td>
<td>2.9196</td>
<td>1.217</td>
<td>0.115</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1) Expecting group’s help</td>
<td>Chinese</td>
<td>214</td>
<td>0.8727</td>
<td>0.335</td>
<td>0.032</td>
<td>-14.10</td>
<td>322</td>
<td>0.0000</td>
</tr>
<tr>
<td></td>
<td>Australian</td>
<td>210</td>
<td>0.2243</td>
<td>0.418</td>
<td>0.029</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2) Loyalty to the group</td>
<td>Chinese</td>
<td>218</td>
<td>3.1514</td>
<td>1.09</td>
<td>0.74</td>
<td>-2.5</td>
<td>326</td>
<td>0.013</td>
</tr>
<tr>
<td></td>
<td>Australian</td>
<td>110</td>
<td>3.4636</td>
<td>1.02</td>
<td>0.97</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Power Distance</td>
<td>Chinese</td>
<td>214</td>
<td>0.1355</td>
<td>0.343</td>
<td>0.23</td>
<td>-0.82</td>
<td>324</td>
<td>0.41</td>
</tr>
<tr>
<td></td>
<td>Australian</td>
<td>112</td>
<td>0.1696</td>
<td>0.377</td>
<td>0.36</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1) Equal</td>
<td>Chinese</td>
<td>212</td>
<td>0.9369</td>
<td>0.224</td>
<td>0.23</td>
<td>-10.05</td>
<td>321</td>
<td>0.0000</td>
</tr>
<tr>
<td></td>
<td>Australian</td>
<td>111</td>
<td>0.434</td>
<td>0.497</td>
<td>0.34</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2) Hierarchical</td>
<td>Chinese</td>
<td>216</td>
<td>2.338</td>
<td>0.9</td>
<td>0.61</td>
<td>-6.38</td>
<td>326</td>
<td>0.0000</td>
</tr>
<tr>
<td></td>
<td>Australian</td>
<td>112</td>
<td>3.446</td>
<td>1.043</td>
<td>0.99</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**7.1.1. a) Individualism versus Collectivism.**

The result of the t-test in Table 7.1 indicates that Chinese managers were significantly more inclined towards collectivism than were Australian managers on the two aspects. Chinese managers were significantly higher to expect the group’s help than were Australian managers of the sample (t = 2.34; df = 327; p<0.02). They were significantly greater to be loyal to the group than were Australian managers (t = -14.10; df = 322; p<0.0000).

**7.1.1. b) Power Distance in Chinese and Australian Organisations**

The result of the t-test in Table 7.1 reveals that there was a significant difference between Chinese and Australian managers on the acceptance of more powerful leaders.
Chinese managers had greater power distance as indicated by a lower mean value than did Australian managers \(t = -2.5; \text{df} = 326; p < 0.013\).

7.1.1. c) 'Face' Protection

The figure appearing in the t-test in Table 7.1 indicates that there was no significant difference between Australian and Chinese managers in treating relationships at a peer level in considering 'face protection' \(t = -0.82; \text{df} = 324; p < 0.41\). However there was a significant difference between Chinese and Australian managers in treating the relationship between people of different hierarchical levels \(t = -10.05; \text{df} = 321; p < 0.0000\).

The result of the cross-tabulation analysis in Table 7.2 shows that there were 93.7% of Australian managers who did not think that it was necessary to meet the extra requirements of a boss after work. In contrast, there were only 43.3% of Chinese managers who did not believe that it was necessary to do the boss a favour after work.

<table>
<thead>
<tr>
<th></th>
<th>Chinese</th>
<th>Australian</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>212</td>
<td>111</td>
<td>323</td>
</tr>
<tr>
<td>Help with boss</td>
<td>56.6</td>
<td>6.3</td>
<td>39.3</td>
</tr>
<tr>
<td>No help with boss</td>
<td>43.3</td>
<td>93.7</td>
<td>60.7</td>
</tr>
<tr>
<td>Total</td>
<td>65.6</td>
<td>34.4</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 7.2 Cross-tabulation for 'Do Boss a Favour After Work-'Face' Protection'. (%)

<table>
<thead>
<tr>
<th>Chi-Square</th>
<th>Value</th>
<th>DF</th>
<th>Significance</th>
<th>MEF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson</td>
<td>77.249</td>
<td>1</td>
<td>.000</td>
<td>43.644</td>
</tr>
</tbody>
</table>

7.1.1.d) Respect For Convention.

There was a significant difference between Chinese and Australian managers in terms of the result of the t-test showed in Table 7.1 \(t = -6.38; \text{df} = 326; p < 0.0000\). Chinese managers showed more respect for convention than did Australian managers. (A lower score means more respect for convention in the t-test on the dimension of respect for convention).
The figures of the cross-tabulation analysis in Table 7.3 show that 76.9% of the Chinese managers agreed with the option for following convention, whereas there were only 34% of Australian managers who showed a positive attitude to this value.

<table>
<thead>
<tr>
<th></th>
<th>Chinese</th>
<th>Australian</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>(N)</td>
<td>216</td>
<td>112</td>
<td>328</td>
</tr>
<tr>
<td>strongly agree</td>
<td>8.8</td>
<td>6.3</td>
<td>7.9</td>
</tr>
<tr>
<td>agree</td>
<td>68.1</td>
<td>27.7</td>
<td>54.3</td>
</tr>
<tr>
<td>indifferent</td>
<td>4.6</td>
<td>26.8</td>
<td>12.2</td>
</tr>
<tr>
<td>disagree</td>
<td>17.6</td>
<td>33.9</td>
<td>23.2</td>
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<tr>
<td>strongly disagree</td>
<td>0.9</td>
<td>5.4</td>
<td>2.4</td>
</tr>
<tr>
<td>Total</td>
<td>65.9</td>
<td>34.1</td>
<td>100</td>
</tr>
</tbody>
</table>

Chi-Square Value DF Significance MEF CEF NMO
Pearson 66.824 4 .000 2.732 <5 10% 2

7.1.2 Discussion of National Values and their Influences on Chinese and Australian Organisations

National values can partly, but significantly provide an understanding of organisational values, and, in turn decision making style. There have been a number of research studies into how national culture influences the decision making style though managerial values (Ralston et al, 1993; Child and Markoczy, 1993; Bond and Hwang, 1995). The most significant disparities of organisational values between countries are rooted in particular national cultures.

7.1.2.a) Individualism & Collectivism.

The results of the relevant t-test indicate that Chinese managers were significantly more inclined towards collectivism than were Australian managers. This result is consistent with Hofstede's study of overseas Chinese and Australian managers (1991). The hypothesis H3a that Chinese managers have different values for individualism than Australian managers is not rejected.
The Chinese traditional values are that any self-actualising actions, such as competition between members of a group and showing personality, inevitably cause everyone to be selfish and immoral, which are the roots of sin for society. Consequently, this sort of behaviour must be condemned by society. Confucianism emphasises the importance of maintaining harmonious interpersonal relationships. It proposes that nobody is completely independent; that everyone must identify self-existence by their relation with others; and that keeping harmony with the group in sharing equal interests is most important. Giving up some individual interests in favour of these of others in higher positions is a dimension of the 'perfect personality' encouraged by Chinese traditional morals. There is a common Chinese saying - "the fastest flying bird which is ahead of its group is always shot first." In a wider cultural sense, Chinese traditional concepts of collectivism actually are a 'one-man domination system' in which a person at the summit of the hierarchy possesses an absolute authority upon which everyone under then should be dependent, without individual independence. This value has dominated some Chinese managers' managerial behaviour historically and remains significant today.

Owing to the influence of this traditional national value, the values of 'self-actualisation' are limited in Chinese organisations. As a result some employees do not show a very positive attitude towards participation in organisational management and tend to maintain a modest manner in dealing with higher management and others' ideas or decisions. Ultimately some Chinese managers do not therefore bother to take a serious or sustained approach to win over everyone to achieve consensus. They rather prefer to make decisions themselves, since they clearly know that this manner is acceptable in their organisations because of the employees' traditional values of collectivism.

In Australian managers' minds collectivism without independence has a negative meaning just as individualism has a negative meaning in respect of Chinese traditional values. This idea is strongly tempered by a respect for individual self-betterment in
Australian companies. A strong, affiliative tendency can be perceived as a weakness by Australians. Consequently, a value of self-actualisation is easily accepted by managers of Australian organisations.

7.1.2.b) Power Distance in Chinese and Australian Organisations

The result of the t-test reveals that there was a significant difference between Chinese and Australian managers on the acceptance of more powerful leaders. This result also is evidence in support of Hofstede (1991) and Baird’s (1990) studies. Therefore, the hypothesis H3b that Chinese managers have different values on power distance from Australian managers is not rejected.

Hofstede argues that the 'power distance' difference is rooted in all family structures. According to his argument, the nature of the relationship between parents and children in a family is an original pattern of 'power distance' in the social pattern of adults. "The impact of the family on our mental programming is extremely strong and programs set at this stage are very difficult to change." (Hofstede, 1991:33). Hofstede argues that the parent-child role pattern is replaced by the role pair teacher-student in school, by the role pair boss-subordinate in the workplace, by the role pair authority-citizen in the state. In the 'large power distance' pattern children are expected to be obedient towards their parents and to be dependent. In the same situation "superiors and subordinates consider each other as existentially unequal; the hierarchical system is felt to be based on this existential inequality." Subordinates are expected to be told what to do in the 'large power distance' pattern.(Hofstede, 1991). On the contrary, in the 'small power distance' pattern children are expected to be more or less equal with parents and to be independent. Hofstede's proposition is the best explanation of the patterns of 'power distance' for Chinese and Australian managers.

Chinese cultural values originate from a civilisation which lived in an environment prospered by agriculture. People in this civilisation had a form of social organisation
based on the common interests of the family. This has been referred to as the "family state" by the philosopher Fung. Fung remarked that "in a family state the social organisation is autocratic and hierocratic." (Fung, 1948:26). Chinese society is based on 'large power distance'. Confucianism believes that only a distinct hierarchy, in which each lower level gives obedience to a higher level, can maintain the steadiness of a whole society and ultimately guarantee the power of a particular ruler (Fung, 1948). The upper class requires lower status classes to show loyalty and obedience to them. On the other hand, lower status classes expect that persons of high status will return kindness in response to their loyalty. All the moral principles of Confucianism are based on the hierarchical idea. Collectivism must build upon hierarchical relationships. Respect for convention requires that people should respect these norms and values which were stipulated by persons in the top hierarchy of the older generation. Essentially, the basic differentiation between Chinese and Australian cultural values is rooted in their views of hierarchy.

Confucianism used the family structure to cultivate its hierarchical pattern by using five moral norms, that is, 'Five social relationships' ('Wu Lun').

"Out of the five traditional social relationships, which are those between sovereign and subject, father and son, elder and younger brother, husband and wife, and friend and friend, three are family relationships. The remaining two, though not family relationships, can be conceived of in terms of the family. Thus the relationships between sovereign and subject can be conceived of in terms of that between father and son, and that between friend and friend in terms of the one between elder and younger brother." (Fung, 1948:60).

Family law in Chinese society was always stipulated in terms of the requirements of family morals by the person at the head of the family hierarchical scale, without any
democratic consideration or process. Power distance patterns of social organisation are then the extension of this family system.

This is partially the reason why some Chinese managers cannot trust subordinates entirely; why the value of 'cooperation' in some Chinese managers' minds implies 'obedience'; and why the practice of participation is not easily accepted. Social organisation is still thought of as a family hierarchical system by some Chinese managers. Therefore they possess a natural tendency towards hierarchy. Subordinates are treated like children who must be dependent and obedient, while the boss is seen as 'a parent' who must look after and control his/her subordinates. And subordinates must obey higher managers according to ranks. As a result, gradually subordinates develop a cultural psychological orientation of indolence. They get used to relying on the arrangements of their boss and lack initiative in their work. In turn, managers gradually acknowledge this the negative attitude of subordinates towards work as being unavoidable and feel justified in distrusting and adopting authoritarian methods.

Australian cultural values highly emphasise equality (Mackay, 1993) and low power distance (Hofstede, 1991). The results of the present study support for this. Hence, social relationships between supervisor and subordinates, parents and children are characterised as 'relative equals', compared to Chinese managers. Australian managers inherit a form of patriarchy which has always been different from that of the Chinese derived from the Protestant Ethics rather than the Confucian Ethics, as Weber argued (Weber, 1930, 1951). However, over the past thirty years families in the West have been becoming more equalitarian, children's rights have been independently recognised in the courts, and children's independent views are more likely to be taken into account in the family unit indeed. There has been widespread concern that the nuclear family is breaking down. Employees then take this increasing sense of individualism and independence into the workplace and show less inclination to be infantilised. Greater emphasis on participation, and training and development for future roles, as well greater
informality in forms of address etc. is the organisational form of the societal phenomenon of equality and democratic consciousness. The result on this dimension of the present study are consistent with Shane’s argument of the literature that degrees of trust in workers correlate with power distance (Shane, 1993).

7.1.2. c) 'Face' Protection.

The result of the t-test indicates that there was no significant difference between Australian and Chinese managers in treating relationships at a peer level without considering 'face' protection. Most Chinese managers did not tend to satisfy a friend in order to protect his or her friend's 'face'. The majority of both Australian and Chinese managers believed that respect for the truth was more important than 'giving a friend face', even though there were more Chinese managers who chose this option than Australian managers.

However the result of the t-test in Table 7.1 shows that there was a significant difference between Chinese and Australian managers in treating relationships between different hierarchical levels with 'face' protection. 'Face' stands for a kind of prestige in Chinese people (Bond and Hwang, 1995). There is a twofold meaning in the concept of 'protecting face'. When something occurs which affects the relationship between people, firstly, one side wants to protect his/her own prestige, secondly he/she also wants to protect the prestige of others who are involved in this relationship. Australian managers are less likely to protect the 'face' of others in the hierarchy than Chinese managers. Therefore the hypothesis H3c that Chinese managers have different values regarding 'face' protection than Australian managers is not rejected.

Combining the results of the t-test we can reach an interesting point. Nowadays many Chinese managers practice 'face' protection - protecting the prestige of others in the relationships - in the hierarchal relationships rather than with peers. Obviously, the concept of 'face' protection in Chinese culture is also associated with hierarchy. 'Face'
The value of 'face protection' influences the OPV of cooperation. Some Chinese managers who highlight the value of 'face' protection like their subordinates to cooperate in work without questioning. Ultimately they prefer subordinates to accept their suggestions without participation or offering their different opinions in the decision making process in order to protect their own 'face'.

'Face' protection also causes Chinese managers to cooperate with others in non-work relationships, as it is involved in the relationship of the reciprocal obligations - 'guanxi' between the people. From a Chinese point of view, a necessary condition for an individual to function appropriately in his or her job is that he or she should be sensitive to relationships with those higher on the social scale and be aware of the important authority they hold. A subordinate would think that the boss gave him 'special face', if the boss asked him to do a favour after work. It would mean to him that the boss trusted him more than others and was closer to him than to others and that would be good for his/her career. Refusal to co-operate would be thought to hurt his/her boss's 'face' and it might bring about a negative result in the employee's career, because a person who loses 'face' in a Chinese sense would feel to be very offended.

The results of the t-test and cross-tabulation analysis on this dimension suggest that Australian managers treat relationships between subordinates and higher management without considering the hierarchical sense. The information obtained from the interviews indicates that Australian managers took a different view on 'face' protection.
from Chinese managers. They thought of 'face' protection when there was an uncoordinated conflict between subordinate and boss. They tried to find the proper way to solve it out without hurting the opposite side - either by way of reporting the problem which caused conflict over the head of the boss to higher level management directly or by way of telling the boss that he/she would appeal to a higher level of management. 'Face' protection in Australian managers is based on setting up an agreement between people of higher and lower positions instead of the obedience of people on lower levels to higher levels. Therefore this procedure involves a type of participation. This situation confirms that Australian society is characterised by small power distance.

7.1.2.d) Respect For Convention.

There was a significant difference between Chinese and Australian managers on this dimension in terms of the results of the t-test. Chinese managers respected convention more than did Australian managers. Therefore the hypothesis H3d that Chinese managers have different values on a respect for convention than Australian managers is not rejected.

Chinese are supposed to have a strong orientation toward the past (Yau, 1988). Klukhohn and Strodbeck (1961) argue that China is a society which gives first-order preference to a past-time orientation; and that ancestor worship and a strong family tradition are both expressions of this preference (Yau, 1988). The characteristics of this preference are that: seniority is respected and the ideas of elders and predecessors are thought of as an 'imperial edict'. Regulations which were established by the aged must be followed by others, even by one generation to another. Therefore this past-time orientation means that Chinese people are likely to adhere to conventions. Many Chinese believe that conventions cannot be neglected.

The degree of people's valuing convention in reality impacts on their participatory consciousness in work. The more weight Chinese managers put on convention, the less
likely they are to accept new ideas from subordinates, and the less they will encourage subordinates to participate in the decision making process. On the other hand, some Chinese subordinates who hold this cultural value are in dread of authority and associate power with age and position in the hierarchy. The more they hold respect for convention, the more they will prefer to follow conventions as established by the boss or a higher authority and not to change them. They are thus likely to be less willing to participate in decision making.

Australian managers’ less respect for conventions is likely to influence their self-actualising orientation, as they are less constrained by the conventions which may have been out of date. In turn, they are more likely to accept the subordinates’ suggestions and practice participation in their decision making process themselves.

In summary, Hypothesis 3 that Chinese managers have different national values from Australian managers is not rejected, as all sub-hypotheses - H3a, H3b, H3c and H3d are not rejected. The different national values on individualism, power distance, ‘face’ protection and respect for convention between Chinese and Australian managers partially explain the differences of their OPVs and SDMPs.

7.2 Results of The Linkages between OPV and SDMP.

The data in the survey for measuring the OPVs and SDMPs were collected from individual managers. In principle, individuals vary in patterns of behaviour, attitudes and values. However employees who are working towards the same organisational goals, in the same organisational structure, environment and are required to work in the same ways are likely to tend to share some behavioural patterns, attitudes and values. There develops a system of shared meaning among members (Robbins, et al, 1994). Organisational values as shared views could be held in common by some or a majority of members within an organisation and can be measured as a shared tendency based on the views of individuals (Enz, 1989; Liedtkat, 1991). This is similar to the measurement
of national values. Many members of a country hold a common value system which is different from those of other countries, though individuals and regions may vary within this country. As indicated in the literature review, in so far as people of the same country live in the same social, legal and physical environment and share the same traditions, then national values can be measured based on data obtained from individuals (Hofstede, 1991; Bond, 1987). Likewise, the system of shared meaning of an organisation provides a foundation on which organisational values and SDMP can be analysed on the basis of data from individual managers. Furthermore, the matched samples of this study also act to reduce the other influences of individual diversities on the comparison between Chinese and Australian managers at the organisational level, regarding the functional equivalence.

The data analysis was conducted at the both national and organisational levels in this study in order to better understand the linkages of OPV and SDMP. The relationship between the dimensions of OPV and SDMP is tested by Goodman and Kruskal's Gamma of Concordance (Gamma test) at the organisational level and Kendall's Coefficient of Concordance (Kendall test) at the national level, as the reasons explained in Section 5.4.3 of Chapter 5. OPVs are a value system which are composed of multiple dimensions. SDMP as a pattern of organisational behaviour results from several aspects. Taking a systematic view, the self-actualising orientation, trust in employees, sense of cooperation, and employees' relation to work as the multiple aspects of OPVs are associated with SDMP in this analysis.

### 7.2.1 Results of the Data Analysis of the Linkage of Chinese Australian Managers’ OPVs and SDMPs at the National Level.

The results in which all items of the OPV and SDMP within the Chinese and Australian manager groups are tested by the Kendall test and are displayed in Table 7.4. The results show that most variables of OPV are related to the stages of the decision making process from the perspective of participation within the both groups, though most of
these relations are moderate or weak. Relations between OPVs and SDMPs within the Australian manage group are stronger than those within the Chinese manager group.
Table 7.4 Kendall Coefficient of Concordance for OPV and SDMP of Chinese and Australian Managers

| Variables                  | OPV \ SDMP | nationality | definition | Information | final decisions | difference (subordi) | difference (boss) | implemen- | priority | superior's help |
|----------------------------|------------|-------------|-------------|-------------|-----------------|----------------------|-------------------| tation      |          |                |
| **1. Self – actualising**  |            |             |             |             |                 |                      |                   |             |          |                |
| (1) Showing personality    |            | PRC         | 0.05**      | 0           | 0.02**          | 0.05**               | 0.4149**          | 0.02**      | 0.0014   | 0.008          |
|                            |            | Aus         | 0.2244**    | 0.0366      | 0.4508**        | 0.0655**            | 0.2075**          | 0.3149**    | 0.4207** | 0.002          |
| (2) Competition            |            | PRC         | 0.12**      | 0.0137      | 0               | 0.04*               | 0.3846**          | 0.012       | 0.03      | 0.01           |
|                            |            | Aus         | 0.12**      | 0.2**       | 0.05            | 0.5088**            | 0.5934**          | 0.04*       | 0.0051   | 0.275**        |
| (3) Preferred Job          |            | PRC         | 0.281**     | 0.0388*     | 0.001           | 0.008               | 0.355**           | 0.001       | 0.029*   | 0.05**         |
| Characteristics            |            | Aus         | 0.47*       | 0.128**     | 0.013           | 0.3752**            | 0.6072**          | 0.02        | 0.012    | 0.2078**       |
| **2. Trust**               |            |             |             |             |                 |                      |                   |             |          |                |
| (1) Detailed Indication    |            | PRC         | 0.0139      | 0.0729**    | 0.1125**        | 0.1595**            | 0.46**            | 0.1245**    | 0.1**    | 0.075**        |
|                            |            | Aus         | 0.0102      | 0.0903*     | 0.183           | 0.311**             | 0.424**           | 0.0054      | 0.0055   | 0.1786**       |
| (2) Responsibility         |            | PRC         | 0.0001      | 0.04*       | 0.1**           | 0.1349**            | 0.492**           | 0.07**      | 0.0569   | 0.018          |
|                            |            | Aus         | 0.2453**    | 0.3693**    | 0.1344**        | 0.644**             | 0.6689**          | 0.1540**    | 0.06*    | 0.4883**       |
| (3) Autonomy               |            | PRC         | 0.1106**    | 0.03*       | 0.004           | 0.0007              | 0.2101**          | 0.007       | 0.0118   | 0.03*          |
|                            |            | Aus         | 0.1106**    | 0           | 0.3295**        | 0.1693**            | 0.4237**          | 0.12**      | 0.2895** | 0.0215         |
| **3. Cooperation**         |            |             |             |             |                 |                      |                   |             |          |                |
| (1) Cooperative work       |            | PRC         | 0.1541**    | 0.2605**    | 0.3563**        | 0.4566**            | 0.7337**          | 0.2836**    | 0.3032** | 0.3039**       |
|                            |            | Aus         | 0.5255**    | 0.6426**    | 0.3716**        | 0.8903**            | 0.8967**          | 0.4282**    | 0.1966** | 0.6387**       |
| (2) Preference to          |            | PRC         | 0.1163**    | 0.0001      | 0.007           | 0.151**             | 0.3614**          | 0.00        | 0.001    | 0.133          |
| people worked with         |            | Aus         | 0.1266**    | 0.0001      | 0.2756**        | 0.03                 | 0.1851**          | 0.1369**    | 0.2489** | 0.002          |
| **4. Employee’s relation** |            |             |             |             |                 |                      |                   |             |          |                |
| to work                    |            |             |             |             |                 |                      |                   |             |          |                |
| 1) Purpose of work         |            |             |             |             |                 |                      |                   |             |          |                |
|                            |            | PRC         | 0.4332**    | 0.1724**    | 0.083**         | 0.11**              | 0.2211**          | 0.413**     | 0.2143** | 0.2946**       |
|                            |            | Aus         | 0.1019**    | 0.0017      | 0.263**         | 0.1394**            | 0.3505**          | 0.1*        | 0.3185** | 0.0005         |
| 2) Importance of           |            |             |             |             |                 |                      |                   |             |          |                |
| Employees                  |            |             |             |             |                 |                      |                   |             |          |                |
|                            |            | PRC         | 0.4068**    | 0.1667**    | 0.114**         | 0.1453**            | 0.108**           | 0.05**      | 0.1537** | 0.3369**       |
|                            |            | Aus         | 0.2995**    | 0.453*      | 0.3754**        | 0.0046              | 0.1161**          | 0.3813**    | 0.3798** | 0.09**         |

(*p<0.05; **p<0.001)
The results of the Kendall test in Table 7.4 indicate there are relatively strong linkages between the views of cooperation and all variables of SDMP in both the Chinese and Australian manager groups. There are relatively strong linkages between trusting employees' sense of responsibility and the variables of SDMP within the Australian manager group and a moderate linkage within the Chinese manager group.

The results of the Kendall test in Table 7.4 also reveals that 1) There are moderate linkages between the views of showing personality, competition, preferred job characteristics and importance of employees with the variables of SDMP in the Australian manager group. There are weak linkages between the same variables, except on the view of competition, within the Chinese manager group; 2) There are weak linkages between the views of trusting employees' working ability, and the purpose of work and the variables of SDMP in both the Chinese and Australian manager groups; 3) There is not much linkage between the views of preference for people to work with and competition and the variables of the SDMP within the Chinese manager group. But there is a weak linkage between the views on preference for people work with and SDMP in the Australian manager group.

7.2.2 Results of the Linkage between OPV and SDMP among the Organisations

The data analysis of the linkage between OPV and SDMP was also conducted at the organisational level. The results of the Gamma tests indicate that there are eight linkages between the variables of OPVs and SDMP.
Table 7.5  Gamma Tests for Linkages between OPV and SDMP within Chinese and Australian Organisations.

<table>
<thead>
<tr>
<th>(N)</th>
<th>Co1=97; Co2=50; Co.3=50; Co.4=20; Co.5=10; Co.6=16; Co.7=9; Co.8=72;</th>
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<tr>
<td></td>
<td><strong>P</strong> R<strong>C</strong></td>
</tr>
<tr>
<td><strong>Showing Personality by Definition of Decision Objective</strong></td>
<td>Gamma</td>
</tr>
<tr>
<td>PRC</td>
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<tr>
<td>AUS</td>
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<tr>
<td><strong>View of Competition by Implementation of Decision</strong></td>
<td>Gamma</td>
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<tr>
<td>AUS</td>
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<tr>
<td><strong>'Trusting Employees' Sense of Responsibility' by 'Making a Final Decision'</strong></td>
<td>Gamma</td>
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<td>AUS</td>
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<tr>
<td><strong>'Trusting the Employees' Sense of Responsibility' by Participation in Decision Implementation</strong></td>
<td>Gamma</td>
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<td>PRC</td>
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<tr>
<td><strong>the Sense of Cooperation by Definition of Decision Objective</strong></td>
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<td>AUS</td>
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<tr>
<td><strong>Cooperation View by Choosing Alternatives With Subordinates</strong></td>
<td>Gamma</td>
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<tr>
<td>PRC</td>
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<tr>
<td>AUS</td>
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<tr>
<td><strong>Cooperation View by 'a Way of Making Final Decision'</strong></td>
<td>Gamma</td>
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<tr>
<td>PRC</td>
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<tr>
<td>AUS</td>
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<tr>
<td><strong>The Purpose of Work by a Way of Information Collection</strong></td>
<td>Gamma</td>
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<tr>
<td>PRC</td>
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</table>

**p<0.05; ***p<0.01
7.2.2.a) Correlation between Self-Actualising Orientation and SDMP

The examination of the data in the research indicates that views on 'showing personality in work', and 'competition in work' are associated with the three stages of decision making. The result of the Gamma test in Table 7.5 indicates that there is a positive, but weak relationship between the value of 'showing personality' and the behaviour of 'defining decision objectives individually' in most organisations of the samples.

The findings in Table 7.5 from the Gamma test demonstrate that there is also a positive but moderate relationship between the view of competition and the responsibility for decision implementation by managers of six organisations of the sample.

7.2.2.b) The Correlation Between Trust and SDMP

A positive relationship between OPV of trust in employees' capacity and willingness, and the way of making a final decision is shown in the result of the Gamma test in Table 7.5 based on the Australian and Chinese organisations. The result of the Gamma test in Table 7.5 also suggests that there is a relatively strong and positive relationship between the degree of trust in the employees' sense of responsibility by managers and the degree of participation in decision implementation in the five organisations of the sample.

7.2.2.c) The Linkage Between the Value of Cooperation and SDMP.

The results of testing the sample demonstrate that the OPV of cooperation links with the means of defining the decision objective, the means of selecting decision alternatives and the final decision in the decision making process. The result of the Gamma test in table 7.5 indicates that OPV of cooperation and the means that managers define decision objectives are weakly but positively related in the five
organisations of the sample positively. The figures of the Gamma test in the Table 7.5 still indicate that there is a relatively close negative relationship between the view on cooperation and choosing alternative with subordinates, though only fifty percent of the organisations in the sample show this relationship. The result of the Gamma test in Table 7.5 clearly shows that OPV of cooperation and the means of managers making a final decision are positively related in the organisations of the sample.

7.2.2.d) The Linkage Between the Purpose of Work and SDMP

It is found in our data analysis that managers’ views on the purpose of work are related to stage two of the decision making process. The results of the Gamma in Table 7.5 show that OPV on the purpose of work is moderately negatively related to the way a manager collects information in six organisations of the sample.

7.3 Discussion of the Findings on The Linkages between OPV and SDMP.

Linkages between OPV and SDMP are found in the results at both national and organisational levels.

7.3.1 Discussion of the Linkages between OPV and SDMP of Chinese and Australian Managers at the National Level.

It is also found that the concordance of the variables between OPV and SDMP in the Chinese manager group is weaker than that in the Australian manager group according to the results of the Kendall test in Table 7.4. Firstly, this may be because the Chinese Co.4 has different profiles of OPV and SDMP from other Chinese organisations. For three of the companies the data seem to converge, but Co.4 data are dissimilar. When these data are aggregated in the association of a specific value into a particular style of decision making would be apparently weakened. Secondly, it may be because Chinese managers in the sample indicated no outstanding preferences for certain parts of the decision making process, such as in the stage of making final decisions (see Table 6.16).
The results of the Kendall test in Table 7.4 suggest four points. Firstly, most variables of the OPVs have the linkages with the style of the decision making process at the national level, but they have different degrees of linkage with them. For example, there are relatively strong concordances between the views of trusting employees' sense of responsibility and cooperation with all variables of SDMP within the Australian group. There are also moderate concordances between the view of cooperation and all variables of SDMP within the Chinese group. There are the moderate linkages between the views of showing personality, competition, preferred job characteristics, and the importance of employees with the variables of SDMP in the sample of Australian managers. There are the weak linkages between the same variables of OPV, except 'competition' and SDMP in the Chinese manager group. Therefore the hypothesis H4a that organisational process-oriented values have a linkage to SDMP in the sample of Chinese managers is not rejected; and the hypothesis H4b that organisational process-oriented values have a linkage to SDMP in the sample of Australian managers is not rejected.

Secondly, the relatively strong linkages between OPVs of trusting the employees' sense of responsibility with SDMP in the both Chinese and Australian manager groups, indicate that these shared values have more linkage to the degree of participation in managers' decision making process than other values. In other words, the managers' views of trust, particularly confidence in employees' willingness to participate, are relatively strongly related to their degree of sharing power and information with subordinates in decision making. The greater the sense of cooperation the managers possess, the more likely it is that they are willing to consider others' suggestions. The results provide empirical support for the issues raised in previous studies of leadership style (Tannenbaum et al, 1961; Vroom and Jago, 1988) and industrial relations (Ramsay, 1977; Marchington, 1982). That is, the degree of participation in decision making depends on the manager's willingness and confidence to accept subordinates' contributions.
Thirdly, the results suggest that the views of self-actualisation, and cooperation and the importance of employees in work are moderately related to the degree of participation of the decision making process. Fourthly, there are a weak linkages between the preference for people worked with, the purpose of work and trust in employees’ working abilities and the variables of SDMP in the both Chinese and Australian manager groups, especially within the Chinese manager group. These may indicate whether managers are likely to consider inviting the subordinates’ participation in decision making little depends on the view of the employees’ working capacities and their reasons for working.

7.3.2 Discussion of the Linkage of OPV and SDMP within the Australian and Chinese Organisations.

The results of the Gamma tests also indicate that there are some linkages between OPV and SDMP based on the organisational units. Combining the results above, it was found that the amount of linkages between OPV and SDMP at the organisational level was less than that at the national level in the present study; and that the content of the linkage at the organisational level was also different from that at the national level. For example, there are only eight linkages found at the organisational level, but most variables of OPV have linkages with variables of SDMP at the national level. The value on competition is found to link with the implementation of decision making in some Chinese organisations, but has not much linkage to the same variables at the national level. The reason for these may be because the sample sizes based on organisational units are much smaller than at the national level in the present study.

The specific variables which have linkages between OPV and SDMP at the organisational levels of the sample are not exactly the same as the linkages at the national levels, but have some similarities. That is, the results that values on cooperation and trust are relatively stronger related to the degree of participation at
some stages of decision making than other values at the organisational level are consistent with ones at the national level. There are weak relationship between values of showing personality and view on employees' relation to work and SDMP.

1. The result of the Gamma test in Table 7.5 shows that there is a positive relationship between the OPV of showing personality and the stage of the decision objective definition. The more managers of an organisation believe that showing personality is important for accomplishing goals in work, the less they believe that the procedure of defining decision objectives needs to involve more people. This suggests that a manager who holds a view of showing personality is likely to work with a few people whom he knows and believes to have the right capacities for defining decision objectives effectively.

2. The result of the Gamma test in Table 7.5 shows that there is a positive relationship between the value of competition and the style of the decision implementation. It is evident, to a certain extent, that the more managers believe that competition benefits organisational effectiveness, the more they tend to share responsibility for decision implementation in the reality of management practice.

3. The result of the Gamma test in Table 7.6 shows that there is a positive relation between trust in employees and the degree of sharing power with subordinates in making final decisions. It suggests that with the increase of managers' trust with regard to employees, the degree of their sharing power with subordinates in making final decisions grows.

4. The result of the Gamma test in Table 7.5 also shows there is a positive relationship between trust and decision implementation. The more managers believe that employees would like to take responsibility for their work, the more they tend to take their responsibility for decision implementation.
5. The result of the Gamma test in Table 7.5 indicates that there is a relationship between cooperation and defining the decision objective. The more managers believe that cooperation is essential to organisational effectiveness, the more employees are invited to be involved in the stage of definition of the decision objectives in the cases under consideration.

6. The result of the Gamma test in Table 7.5 indicates that there is a concordance between the OPV of cooperation and the style of making final decisions. It suggests that managers' sense of cooperation is related to the degree which they allow subordinates' participation at the stage of making a final decision.

7. The result of the Gamma test in Table 7.5 indicates there is a negative relationship between the stronger sense of cooperation and less acceptance of subordinates' suggestions. This means that the strong cooperative view is positively related to the degree of participation of employees in dealing with dissension from subordinates in the decision making process. The more weight managers put on OPV cooperation, the less autocratic styles they use in the decision making process when there are conflicts between managers and subordinates. The more managers believe that cooperation is important in the organisation, the more they would like to take suggestions from subordinates and to reflect their ideas in the final decision.

8. The result of the Gamma test Table 7.5 indicates that there is a negative relationship between managers views of the purpose of work and the way of collecting information in the decision making process. This suggests that there is a positive relation between managers' view of the purpose of work being for work itself and the less consultation in collecting information. This result of the linkage cannot be reasonably explained from a managerial point of view. It may indicate that further study is needed or that there is a problem in the design of the relevant items in the survey questionnaire in the present study, perhaps in the ways in which terms were
used. The results of the linkage between variables of OPV and SDMP at the organisational levels is summarised in Table 7.6.

**Table 7.6** The Summary of the Linkages between Variables of OPV and SDMP at the Organisational Levels

<table>
<thead>
<tr>
<th>OPV \ SDMP</th>
<th>Defining Objectives</th>
<th>Collecting Information</th>
<th>Choosing Alternatives</th>
<th>Implement -ation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-actualising</td>
<td>*</td>
<td></td>
<td></td>
<td>*</td>
</tr>
<tr>
<td>Trust</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cooperation</td>
<td>*</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Relation to work</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td></td>
</tr>
</tbody>
</table>

* Linkage between OPV and SDMP.

In summary, as a result of the data analysis, it has been found that the various OPVs have the various degrees of linkage with participation in the decision making stages. Hypothesis 4 that OPV links with SDMP is not rejected, in terms of the combined findings at both organisational and national levels. The conceptual model of the linkage between SDMP and organisational process-oriented values is therefore valid. This provides empirical support for Choi's (1993) study of the dichotomy of organisational values by suggesting that OPV is related to a managerial process - the decision-making process. His study has argued that OPV, compared to ORV, is more positively related to CI effectiveness - workers' participation and communication for management.

**Summary**

Organisational decision-making behaviours are a complex phenomenon and under the influence of the various factors as discussed in Chapter 4. Organisational process-oriented values as a value system link directly with the style of the decision making process according to the findings of this chapter. From a wider background, national value factors also indirectly play a role in changing or maintaining SDMP. In this chapter the focuses have been on the following:
• Discussion of the roles of national values in social psychology and management provides us with a basis for understanding the OPV and SDMP in both the PRC and Australia.

• The linkages between OPV and SDMP are identified by the coefficient of concordance in this chapter. The statistical results indicate that the different dimensions of the OPV system have different degrees of linkages with SDMP within the Chinese and Australian manager groups. The sub-hypotheses H4a and H4b substantiate Hypothesis 4 that organisation process-oriented values have a linkage to SDMP in the sample selected.

However it has been found through the data analysis that there are still problems in explaining and understanding the relationship between some variables of OPV and SDMP in this study. Some questions in the questionnaire cannot effectively test the items. Furthermore, although linkages between OPV and SDMP are identified, the specific meanings of most these linkages are not explored in detail in this study. The next chapter will point out the limitations and implications of the present research.
Chapter 8

Conclusion.

This chapter closes the thesis, first by reviewing what the research has accomplished; second by exploring theoretical and practical implications; third by looking at what remains to be learned about the results; and finally by concluding what suggestions may be made for managerial practice and further study.

8.1 The Research Contribution.

The research results presented in this thesis provide a number of insights into the relationship between organisational decision making processes and organisational values, and their embodiment in both the PRC and Australia, which has been subject to empirical analysis.

8.1.1. Definition and Measurement of OPVs

Based on previous studies on the nature of the values dichotomy (Kluckhohn, 1951, 1961; Rokeach, 1970; Choi, 1993), the present study set out the division of OPV and ORV categories within organisational value systems and argued that they play different roles within the organisation. OPVs are the basic views about desirable behavioural means of realising organisational goals.

The study argued that OPVs play an important role in the decision making process, while ORVs play a role in the decision making content. That is, the OPV involves the dimension of 'doing things right' in the decision making process, whereas ORV involves the dimension of 'doing the right things' in the decision making process. The definition and the measures of OPV were given. In this research the appropriate measure of OPV is composed of four dimensions: the views on a self-actualising orientation, trustworthiness, cooperation and
employees' relation to work. The contribution of this aspect of the research supports and enriches Choi's (1993) the dichotomy of organisational values, as he discusses the distinction between OPV and ORV without giving a clear definition or developing measures.

The measures of OPV and style of the decision making process provide the tools by which to catalogue OPV systems and SDMPs. By using them the results of the t-test, Cross-tabulation, and correspondence analysis in this research clearly indicate that OPVs and SDMP of eight Chinese and Australian organisations of the sample fall into different categories, and identify the significant differences between Chinese and Australian managers on the aspects of OPVs and SDMP.

**8.1.2 Linking OPV with the Decision Making Process.**

The survey of the present study was conducted among managers of the eight organisations by matched sample with broad functional equivalence in the PRC and Australia. Compared with previous comparable research which investigated two organisations of each country or different student groups in cross-cultural management studies, the survey sample of the present study provides a more reliable results for the study of Chinese and Australian organisational cultures.

The results of the research are able to offer support for the general hypothesis of the present study that OPVs have linkages to SDMPs, though there are different degrees of linkages from a variety of dimensions of the OPV system to the degree of participation of decision making. The findings of the concordance analysis suggest that there is a relatively strong linkage between OPV 'trust in employees sense of responsibility' and 'cooperation' with SDMP, a moderate linkage between OPV of 'self-actualising orientation' and SDMP, and a
weak linkage between OPV on ‘trust in employees’ abilities’ and the purpose of work and the variables of SDMP.

The results of the relationships between these variables of OPV and SDMP support and enrich Liedtka’s research that organisational values influence managers’ decision behaviour, as the present research gives evidence for the relationship by being linked to the four stages of the decision process with the four items of OPV. They also, to some extent, through empirical cross-cultural study, confirm Rowe (1992) and Ali’s (1992) studies that managerial values influence the style of decision making.

The results that OPVs on ‘trusting the employees’ sense of responsibility’ and cooperation have a relatively stronger linkage with SDMP than other dimensions of OPV is an empirical support to some previous studies of industrial relations and leadership style (Tanenbaum, et al 1961; Ramsay, 1977; Nicholson, 1978; Marchington, 1982; Vroom, 1988). These studies argue that the degree of participation in decision making depends on the managers’ willingness and confidence to allow the subordinates’ to be involved in decision making. The more managers believe that trusting employees and cooperation for work purposes are crucial for their organisation, the greater the degree of participation they will exercise in the decision making processes.

8.1.3 Identification of OPV and SDMP Profiles of Chinese and Australian Organisations.

The discussion about OPV and SDMP of Chinese and Australian organisations provides insights on the organisations in these two countries. The present study empirically finds that most sample Chinese organisations incline to the OPV of Social Value and SDMP of Consultative Style, and that most sample Australian organisations incline to the OPV of Self-actualisation and SDMP of Joint Style. Therefore that the OPVs and SDMPs of
Chinese organisations are different from those of Australian organisations is indicated in terms of the statistical results of the present study.

The results of the present study of Chinese and Australian managers' SDMP are different from those of previous studies. Barry and Dowling's study (1984) found that Australian managers' managerial style was the consultative style in the early 1980s. Over ten years later, Australian managers' SDMP is empirically found to be the Joint Style in this study. A number of previous studies with making inferences from a national culture perspective argued that Chinese managers' decision making or leadership styles in the PRC are authoritarian (Laaksonen, 1988; Baird, et al 1990). However the present study empirically identifies that the Chinese managers in the stated-owned organisations in the PRC tend towards a consultative style of decision making.

Once again, the respective correspondences between OPV and SDMP of Australian and Chinese organisational patterns confirm that there is a linkage between these two variables. In this study, Social Value is related to Consultative Decision making Style, while Self-Actualising Value is related to Joint Decision Making Style.

From a systematic point of view, this study uses national values to explore the reasons why Chinese and Australian managers prefer different patterns of SDMP and OPV. The results of the t-test for the national values of two countries suggest that there is a significant differentiation of national values between Australian and Chinese managers. The results regarding the differences on power distance and individualism between Chinese managers in the PRC and Australia are largely consistent with the results of Hofstede's (1991) study of Australian and other Chinese-related countries. The same is true that the results regarding the view on treating relationships within a hierarchy is consistent with
Trompenaars' (1993) cross-cultural study of Australian and China or other Chinese-related countries

8.2 Theoretical and Practical Implications.

The division of OPV and ORV within organisational values being linked with decision making not only makes a contribution to understanding organisational values, but also provides a new perspective on the relationship between organisational values and decision making styles. These accomplishments have important theoretical and practical implications.

8.2.1 Theoretical Implications.

From a theoretical standpoint, the first implication of this study is that it enriches the discussion on organisational values in management by suggesting that organisational values are divided into two categories: OPV and ORV; and by proposing a definition of OPV. Although the present research on these issues is only in an initial stage and inevitably has shortcomings, it raises a new prospect for future study to enrich and improve the theory of organisational values. As there was no existing measure of organisational process-oriented values, the new measure proposed by the present study establishes an initial base for further empirical research on this dimension. Despite apparent defects in the measures, the results of this research are evidence that they are useful in studying OPV.

The findings of the research also contribute to the literature on organisational values and decision theory by providing empirical evidence of the existence of a linkage between OPV and SDMP, and by suggesting a new perspective to understand decision making. OPV is an important factor linked with the degree of participation in the decision making process, though it could also be an element affecting other managerial behaviours in terms of its definition given in the present study.
This research has ramifications for cross-cultural studies by suggesting that there are significant differences between Chinese and Australian managers on their OPVs and SDMPs; and by arguing that their significant differences of national values provide the reasons for the corresponding differences on these managerial values and behaviours. A direct comparison between Chinese and Australian managers on their organisational and national values and the styles of decision making provides some original information for other researchers to understand management in both countries, as there are no other existing studies which focus on this comparison.

8.2.2 Practical Implications.

1. Improving the Decision Making Process

One of the practical implications which emerge from this research involves the question of whether it is possible to develop a model that provides basic concepts to predict, improve and change the decision making process with an OPV system. The establishment of an effective pattern of the decision making process within an organisation, which fits the specific internal and external environment of that organisation, is very important for management and must be considered by managers who wish to improve their managerial performance. Prediction, understanding and amendment of decision making processes improve both the quality and efficiency of decision making. How can an organisation deal with this serious matter? The contribution of the present study may offer some advice.

It may be almost taken for granted that organisational values affect organisational behaviours, and the present study further suggests that OPVs significantly are related to the degree of participation in the decision making process. It is entirely possible that managers may understand the reasons which generate the characteristics of the existing decision making process by discovering the existing OPVs; may improve the decision making process by changing OPVs first; and may predict the trend of development of the decision
making process by understanding ongoing changes in OPVs. Because organisational values guide organisational behaviours, one of the most effective ways to improve the organisational behaviours of decision making may be to understand and to adjust organisational values - OPVs, though this is not to assume that making such changes is easy.

2. Information About both Chinese and Australian Management.

The profiles of Chinese and Australian managers' OPV and SDMP indicated by this study provide important information for businesspeople and managers of both countries and others. As noted at the outset of this thesis, understanding between Chinese and Australian businesses seems particular relevant today as the two countries become more involved in the trade and investment. Especially, it is important for people who are involved in joint ventures of both countries, as it is not easy for them to realise the differences in managerial values and decision making style which can lead to failure because of misunderstandings. For instance, this research discovers that Chinese managers have less of a self-actualising orientation and less willingness to take responsibility for decision making than Australian managers. Australian manages will not be surprised and may prepare to lay down polices to deal with this kind of situation in their joint venture negotiations with Chinese people, if they know this information. Likewise, Chinese managers will not feel uncomfortable when their Australian managers give them suggestions or criticism directly, if they understand that Australian managers hold stronger values on self-actualisation and place less value on hierarchy.

3. Uniformity of Participative Forms and Senses of OPV.

If managers wish to establish an appropriate SDMP which will ensure the quality and effectiveness of decision making, they need to consider the importance and place of participation in their decision making process, since these decision making processes play
important roles in influencing decision effectiveness (Dean, 1996). The conclusion of the present study suggests that this particular consideration needs to link the specific type of OPVs with the decision making style. The managerial requirements of participation need to be fitted into the proper OPV system of the organisation. Otherwise, when the disunity between the participative form of management and the type of OPV system occurs, not only can top managers fail to ensure the degree of participation they want in the decision process, but also the disunity may undermine the existing degree of participation. Some cases (Chinese organisations) in the sample exhibit this phenomenon. Some managers take formal meetings as a type of participation for decision making in terms of the Enterprise Act, but they ultimately make final decisions themselves. Nevertheless, they may shirk their responsibilities in the decision implementation stage later on with the excuse that those decisions are made collectively in the formal meetings and no individual should therefore take responsibility for them. Their behaviours throughout the whole procedure indicate that they do not believe that participation from either themselves or others is necessary for decision making. In those particular cases, the degree of participation is weakened gradually rather than being strengthened throughout the decision making process. Therefore, top management needs to cultivate managers’ participative sense for effective decision making by instilling the appropriate type of OPVs which include trusting, cooperating, and valuing employees.


The present study demonstrates that the OPV self-actualisation has a moderate linkage to SDMP. The more managers incline towards a non-self-actualising orientation, the more people formally expect to be involved in the decision making process. This conclusion indicates that managers need to achieve a balance between collective and self-actualising orientations when they intend to improve the decision making process. Both the demands for self-fulfilment through individual expression and the desire for deeper relationships
within the group are necessary for the effectiveness of decision making. Partiality of the organisation towards any orientation is likely to cause a side effect for participation in the decision making process.

The identification of Chinese managers' OPV patterns in this survey suggests that managerial reform in Chinese organisations needs to focus on changes of this dimension of OPVs and to increase trust placed on employees. Many Chinese managers overemphasise the collective orientation and overlook individual values in work. This organisational value results in limiting the form of participation to a formally collective way, that is, formal meetings. Although the formal form of making decisions is a necessary method for organisations, it cannot stimulate the initiative of employees in the decision making procedure if it is used as the sole means of participation.

In order to enhance the effectiveness and quality of decision making, Chinese managers need to balance evaluation between two orientations, that is, not only to lay stress on the collective orientation, but to pay attention to self-actualisation as well. They need to emphasise the role of employees in decision making processes and should reach a balance of collective action and individual participation in the process. Sharing more information with subordinates by two-way communication, adopting others' suggestions for final decisions, and diminishing subordinates' psychological awe of authority are managers' all important considerations.

8.3 Limitation of the Study.

The present study focuses on the relationship between OPV and SDMP with a comparison between Chinese and Australian managerial practice, while some questions remain unanswered because of the limitations of this study.
1. Theoretical Application Issues.

From a contingency theory perspective, the study of the relationship between OPV and SDMP requires greater situational analysis. Due to the necessarily limited scope of the present study, this work could not be carried out within the research schedule. Subsequently, the conclusion of the present study can only provide a general view of OPV and SDMP. Accordingly, some unanswered questions involving contingent considerations remain. They include, firstly, how a specific OPV system impacts on the ways of making programmed and non-programmed decisions. A common opinion is that making programmed decisions does not require much participation, and that making non-programmed decisions needs various degrees of participation, because this kind of process is a creative procedure and needs a greater impact of new ideas. Secondly, how OPVs influence the ways in which managers deal with the process of making emergency and non-emergency decisions from a participative point of view requires investigation. Both of these issues need investigation over time.

2. Multiple Methodology.

From an organisational culture perspective, this paper has argued that organisational values and behaviours have a complicated and dynamic existence, and need multiple methods and ample time to be understood. To deal with a generally recognised dilemma of methodology which supposes that qualitative research methods are difficult to verify, and also that quantitative research approaches are simply not effective for locating such a 'dynamic existence' (Ott, 1989), the study argues that both interpretive and functionalist approaches should be applied in current and future research. However, due to funding constraints and time limits, as well as limits to actual physical observations, which are an effective application of the qualitative method to obtain vivid and reliable information, the interpretative approach could not be applied fully in this research. This could result in a
loss of some generalised accuracy in identifying the implications of information to identify the patterns of OPV and SDMP across the whole sample.

3. Measures and Questionnaire Design.

A new measure of OPV has been discussed and delimited within four dimensions from a perspective of the evaluation of the role of the resources, especially human resources, in productivity in the present study. However, a potential limitation of the present study is that there may be other dimensions which are relevant to OPV and have linkages to behaviours in the decision making process and other management.

Since there is no existing questionnaire which can be directly applied for measuring OPV and SDMP, a new questionnaire had to be designed as an instrument to meet the particular purpose of this study. The researcher had to prepare a survey putting all the studied items on a short questionnaire which could be completed by managers within a short and convenient period. Absorbing ideas and the format of some tools previously demonstrated to be valued by other studies for measuring values and the decision making process, the new questionnaire was carefully designed to gather the necessary data. The significant results of the research demonstrate the usefulness of most parts of the questionnaire. However, there are a few problems in the questionnaire design which reduce the ability of the questionnaire to evoke some information needed for the study.

Firstly, the questions in the section on the decision making process in the questionnaire were originally intended to be scaled by the degree of participation, but Questions 19 and 20 was found to not entirely satisfy this principle afterwards. The ranking order of them in the questionnaire may need to be slightly adjusted to make the tool more effective. Secondly, Questions 21 and 22 in the questionnaire remain a meaningless indication for obtaining data for the purpose of this research. They were originally designed to measure
the cognition style, but were not used for data analysis, because it was found that they did not contribute to the focus of SDMP of this study, namely, the degree of participation. Thirdly, Question 24 was designed in a double response question regarding both the divergences between a manager and other peer managers, the manager and his/her boss. Accordingly it could not effectively test the degree of the participation of decision making in a certain situation and may need to be refined in further study. Fourthly, the design of OPV items in the questionnaire also need to be improved. For instance, two questions chosen in the questionnaire -‘whether having an interesting job to do is more important than having high earnings’ and ‘whether close supervision should be used to get the job done’ - for testing variations of OPVs on ‘employees’ relation to work’ and ‘trustworthiness in employees’ capacity’, seem not to have effectively produced the type of information required. Their statistical results cannot effectively indicate OPVs in the Chinese and Australian organisations of the sample. Finally, using one item to test the dimensions of national value ‘respect for convention’ and ‘power distance’ may have imposed a limitation on acquiring adequate information for a comparison of national values between Chinese and Australian managers.

Therefore the measures and instrument of the study, though largely successful in terms of the results, only provide a initial profile for prediction in respect of OPV and SDMP and need to be refined in further research.


The sample population in the PRC in this study are all state-owned enterprises. Although this type of enterprise represents the mainstream of Chinese industries and reflects the main characteristics of Chinese organisations, to select this type as the sole objective of the study may limit comprehensive understanding of the emerging situation of management across China. Other types of enterprises are increasingly playing important roles in the dramatic
economic reforms seen in China. The collective, private and joint-venture sectors, though still a relatively small proportion of the industrial sector, achieved a growth rate of over 60 per cent in 1993 (Asian Development Outlook, 1994). The productivity in those types of enterprise is generally much higher than that of the stated-owned enterprises. The organisational culture, management effectiveness and performance in these types of organisations may diverge more from Chinese traditional values and managerial patterns than that of the stated-owned enterprises. OPVs and SDMPs in these types of Chinese enterprise need to be investigated in future. However, we could argue conversely that although no research on OPV has been carried out in these organisations, much recent research on Chinese management generally has concentrated on joint-ventures, largely because Western involvement enables greater ease of access. The large state-owned enterprises are relatively under researched.

5. Limited Discussion About Australian Culture and Management.
Australian managers and their organisations are the focus of this study. However there is a relatively limited literature on Australian culture and management which was another limitation this study. To some extent, they limited the depth on ranged discussion of Australian OPV and SDMP.

8.4 Suggestions for Future Research.
Due to the limitations of this study, and the demands for the development of research, suggestions for future research need to be made.

1. Further Study on Dimensions of OPV.
An area for future research suggested by this study is a more attention to be paid to identify dimensions of organisational process-oriented and national values which may influence the OPV through multiple approaches. Currently, the discussion of OPVs and their relevant
factors is not a mature field and needs greater research. For practical reasons a study like this one has to draw the line somewhere, but as discussed above, a potential limitation of the study is that there may be other dimensions which are relevant to OPV and have linkages to behaviours in the decision making process and other management actions. Using multiple approaches such as action research to explore this topic might be significant for the impact of organisational and national values on managerial practice.

2. Linking OPV and SDMP with Decision Effectiveness.
Although the present study identifies the relationship between OPV and SDMP, specifically associating the degree of participation in SDMP with the type of OPV, and argues that the establishment of a reasonable SDMP in an organisation needs to start with appropriate OPVs, it does not judge which relationship pattern of OPV and SDMP is suitable or adaptable for specific organisations. Whether a relationship pattern of OPV and SDMP is appropriate or whether it needs to be changed can only be judged by linking to decision effectiveness.

The degree of participation cannot be a standard by which to justify OPV or SDMP. Because, firstly, it is an implicit standard which is very difficult for an organisation to measure, whereas decision effectiveness is a objective measure. Secondly, participation is merely an index which describes the characteristics of SDMP and cannot be used as a standard to judge whether SDMP or OPV itself is suitable to the management situation of an organisation. Decision effectiveness influences performance and hence can be related to an end standard to evaluate managerial values and the style of decision making processes. Additionally, from a contingency point of view, no OPV or SDMP can be abstractly judged to be the one best model for organisations without situational consideration. Only when linked with the managerial decisions of a particular organisation within a certain cultural
background, it can be determined whether SDMP and OPV favour effectiveness of decision making or need to be adjusted.

This study, for instance, can not definitively reach a conclusion that Social Value and the consultative style of decision making, which are adopted by most Chinese organisations, absolutely hinders the productivity of these Chinese organisations. However we do conclude that a higher degree of participation and individual incentives may promote the effectiveness of decision making, and that the Chinese pattern of SDMP and OPV could be improved. In Chinese culture, the consultative style of the decision making process may play a more positive role in enhancing productivity than other types of SDMP. This needs to be judged according to its specific elements. There is little doubt that linking decision effectiveness with patterns of OPV and SDMP is a topic which has practical significance for organisational behaviour.


The work of linking OPV with SDMP in the present study was merely an attempt to initiate the study of this topic, since the research was conducted in a limited number of Chinese and Australian organisations. The validity and significance of this topic could be further proved and expanded by applications of the ideas in a variety of organisations and countries. Involvement of the factors of ownership, political and economic systems, and nationalities may enrich the content of the research.

Firstly, research may be conducted in other types of ownership enterprises in China, namely, in the collective, private, and joint-venture enterprises. The organisational objects of the present study in China are limited to state-owned enterprises. More research in these types of enterprise may provide knowledge with regard to the role of ownership in shaping OPV and SDMP, and provide reasons for the rapid growth of such enterprises.
Secondly, a comparison between Chinese organisations in the PRC and overseas Chinese organisations on the same topic may be significant. There is a large body of research on the management of overseas Chinese organisations which are based on their Chinese cultural backgrounds (Tan, 1990; Lee, 1994). In these studies the managerial styles of the overseas Chinese organisations are often categorised as directive and authoritarian (Redding and Wong, 1995; Bond and Hwang, 1995) and thus differ from the conclusions concerning the organisations of the PRC reached in this study. The comparison between Chinese organisations in the PRC and overseas Chinese organisations on this topic would provide a new angle by which to understand the roles of specific political and economic systems, and OPVs in management practice, since both types of Chinese organisations are under the influence of the same culture - Confucianism.

Finally, Australian organisations are selected as representative of Western management styles in this research, but obviously the results of the study cannot entirely reflect the characteristics of Western management. It would be useful to compare models of SDMP and OPV between organisations of other Western countries and Australia to understand their management practice and the relationship between OPV and national values.

Much of the enterprise and corporate world is now confronted with international competition. Management everywhere needs effective guides to function properly. The hope of this research is to identify organisational values as a means of guidance which can be used to improve the decision making process or a wider range of organisational behaviours. At the same time, it is inevitable that some unanswered questions for further researches are invoked by this study.
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Appendix A
Questionnaire

Introduction

• As a manager, you have your own, unique managerial style which is an important component of the organisational style. This questionnaire will help to describe your individual and organisational values and decision-making styles. The questionnaire will be used only for academic analysis with no identification of you by name. Please respond as honestly as possible. If you would be willing to be interviewed face to face, please the tick box above and write your personal information (name, address, contact phone No.) on the lines provided.
• **Please only select one response for every question** (even though sometimes you may think that more than one answer could be appropriate).
• Thank you for your cooperation.

1: Sex 1. Male. [ ] 2. Female. [ ]

2: My age is 
1. 25-30. [ ] 
2. 31-39. [ ] 
3. 40-49. [ ] 
4. 50 or over. [ ]

3: The highest level at formal education that I have obtained is
1. Primary school. [ ]
2. Secondary or High school. [ ]
3. (Under)graduate degree or diploma. [ ]
4. Masters degree or higher. [ ]

4: I have worked for my present employer
1. less than 5 [ ] years; 2. 5-10 years; [ ] 3. over 10 years. [ ]

5: My position is
1. top management. [ ]
2. senior management. [ ]
3. middle management. [ ]
4. first-line management [ ]
Please tick one answer from every question which is closest to your opinion.

<table>
<thead>
<tr>
<th>strongly agree</th>
<th>agree</th>
<th>indifferent</th>
<th>disagree</th>
<th>strongly disagree</th>
</tr>
</thead>
</table>

6: If a person wants to be successful on the job, he/she has to rely on his/her own efforts instead of upon the support of the work group.

7: A good manager should give priority to the personal opinions of the boss as much as possible when he makes decisions.

8: The best way to get things done in organisation is to follow the established conventions of the organisation.

9: Besides basic competencies, a manager's showing his own personality within the work group is also the key to his personal success.

10: Competition among employees (including managers) usually does more harm than good.

11: Having an interesting job to do is more important than having high earnings.

12: The health and welfare of employees in company should be of most concern to their company.

13: A good manager provides his employees detailed and complete indication as the way they should do their jobs.

14: Decisions made by individuals are usually of higher quality than decisions made by groups.

15: Most employees would not like to take more responsibility for their work.

Please choose the response which is closest to your own opinion.

16: 1. I expect employees to do their work by following the rules and procedures laid down.

2. I think that both efficient supervision and employee autonomy are important to work performance.

3. I think that whether a manager decides to direct employees by supervision or autonomy depends on the situation.

4. I trust employees to do their work as they think best.
17: I think that the people working for me are

1. willing to undertake any kind of work I ask them to do.
2. receptive to suggestions and able to work in terms of their own understanding
3. strongly responsive, though sometimes they do not cooperate easily.
4. always ready to offer new ideas, though sometimes they can not carry out my demands carefully.

18: The job I would like most would be one that allowed me

1. to have the power to influence others.
2. to show my present skills and capabilities.
3. to be an accepted member of my work group.
4. to be challenged.

19: To identify decision objectives most efficiently, I prefer that

1. subordinates do not waste time on studying the problems, I analyse the problem relevant to decision.
2. the problem is shared among a few trusted people so that a decision objective can be reached quickly.
3. as many employees as possible are informed and allowed to discuss the problem
4. the problem is discussed and decision objectives are defined by subordinates in a group meeting.

20: When collecting data for making decisions, I think that the most reliable sources are

1. from talking informally with close friends or trusted colleagues familiar with the issues.
2. experts' analysis and / or consultants' suggestions
3. subordinates' oral suggestions in formal meetings.
4. subordinates' written reports on the issues.
5. the information I already have in my hands.

21: When using information, I prefer

1. specific key facts with regard to the problem.
2. accurate and complete quantitative data wherever possible.
3. broad coverage of the main options for action.
4. brief summary documents which is easily understood.
22: When choosing among alternative decisions, I usually rely on
1. proven approaches.
2. my right judgment or feelings
3. careful and systematic analysis.
4. trying new approaches.

23: The procedure of making an important decision in my organisation generally is that
1. the managing director selects alternatives and makes the decision.
2. the managing director provides a set of alternatives for subordinates' discussion, and then the director makes the final choice.
3. the managing director has a prior consultation with subordinates before setting out alternatives and makes the final decision himself.
4. the manager and subordinates analyse the alternatives together and come to a joint decision.

24: As a manager, if my opinions differ from subordinates in decision making, I will
1. adopt their ideas wherever possible in order to encourage them to participate in decision making
2. try to argue out who is right, and then make a decision accordingly.
3. listen to objections and then try to persuade them to accept my decision
4. require their compliance with my idea without any further explanation.

25: If my opinions, which I believe are right, actually differ from the majority of managers in a meeting, especially my superior, usually I
1. insist on my opinions and fight for them to be adopted.
2. do not express my opinion further in order to avoid embarrassing myself.
3. show agreement with other people in order to maintain amicable atmosphere and good relations.

26: In our organisation, once an error of a decision is discovered in its implementation, the responsibility would be taken by
1. top management.
2. management as a whole.
3. the individual decision-maker and his/her senior manager.
4. the person who made the original decision.
27: To obtain optimal results, most of the time and energy involved in the decision-making process should be spent on
1. explaining the final results of decision making to subordinates in order to help them to implement the decision properly.
2. analyzing and choosing among alternatives.
3. identifying decision-making objectives.
4. two-way communication with subordinates from an early stage.

28: How often do you think that your immediate manager is concerned about helping you get ahead in your decision making process
1. Always.
2. Usually
3. Sometimes.
4. Seldom.
5. Never.

Please judge the assumptions below and choose one of the two options given in every question.

29: A close friend of yours has sunk all her savings in a new restaurant. You have eaten there and you really think the restaurant is no good. But your friend asks you to visit there again and to recommend it to your other friends. You think
1. You should satisfy her request, because she is your close friend and has a right to expect you to do so.
2. You should not meet her demand. She does not have a right to expect you to do just because you are friends, because the restaurant is indeed not good.

30: A boss asks a subordinate to help him paint his house. The subordinate, who does not feel like doing it, discusses the situation with his colleague. Which opinion do you agree with?
1. The colleague argues:" You don't have to paint it if you don't feel like to. He is your boss at work. Outside he has no authority."
2. The subordinate argues:" Despite the fact that I don't feel like it, I will paint it. He is still my boss and you can't ignore that outside work either."
31: An employee has planned to go somewhere with his family for holidays soon. Unexpectedly he receives a notice that his company needs some employees to work extra shifts because of urgent demands, and hopes that he can join in. However he does not want to disappoint his family and still decides to enjoy the holiday. You think

1. He is right. Enjoying family happiness on a legitimate holiday is his right.
2. He is wrong. He should give up the holiday to work in this case, because his company needs his help.

You may like to make comments on the questionnaire in the blank or the overleaf
Appendix B

Interview Guide and Affect Checklist

1. Which of the following do you think is the best way to get promoted in your division?
   1) Harmony with your managers or colleagues.
   2) Let other people know that you are unique in aspects of capacity or ideas for work.

2. Would you directly express a different opinion or say 'no' to people, especially your managers, when you disagree with their decisions or suggestions?

3. Do you think that people in your division find it is easy to cooperate in work? Do they sometimes complain their boss?

4. Do you think that the participation of employees in decision making would be efficient for your work and the whole organisation?

5. If you make a suggestion which is rejected by your manager, would you feel comfortable in presenting it to higher management?

6. Do you think that the atmosphere in your organisation encourage employees to be open and candid with management?

7. Do you think that your manager always seeks suggestions and ideas from employees?

8. Do you think that roles and responsibilities within the organisation are clear, with no confusion and overlap?

9. What is the most important element in promoting the productivity of your organisations?
   1) Using more technology.
   2) Improving employees' welfare.
   3) Encouraging employees' participation in the decision making process.

10. Do you think the communication between management and yourself is adequate?

11. Do you think that your organisation usually confronts conflict directly and settles disagreement rather than avoiding it?

12. Do you try to cooperate with your boss if his requirements are is beyond the scope of your work?

13. How often are you involved in decision making meeting at management level?

14. What do you understand by 'team work' and have you experienced this kind of practice?

15. Do you know the mission and general goals of your organisation?
Appendix C

Correspondence Analysis for OPVs of Chinese and Australian Organisations

A-1 Showing Personality in Work by Co.

A-2 Competition in Work is Harm by Co.

A-3 Preferred Job Characteristics by Co.

A-4 Effectiveness of Individual Work by Co.

Note:
xC1,xC2,xC3, andxC4 respectively symbolised Chinese organisations Co.1, Co.2, Co.3 and Co.4.
xA1,xA2,xA3, andxA4 respectively symbolised Australian organisations Co.5, Co.6, Co.7 and Co.8.
□1, □2, □3, □4 and □5 represent the options from 1 to 5.
Appendix B
Interview Guide and Affect Checklist

1. Which of the following do you think is the best way to get promoted in your division?
   1) Harmony with your managers or colleagues.
   2) Let other people know that you are unique in aspects of capacity or ideas for work.
2. Would you directly express a different opinion or say 'no' to people, especially your managers, when you disagree with their decisions or suggestions?
3. Do you think that people in your division find it is easy to cooperate in work? Do they sometimes complain their boss?
4. Do you think that the participation of employees in decision making would be efficient for your work and the whole organisation?
5. If you make a suggestion which is rejected by your manager, would you feel comfortable in presenting it to higher management?
6. Do you think that the atmosphere in your organisation encourage employees to be open and candid with management?
7. Do you think that your manager always seeks suggestions and ideas from employees?
8. Do you think that roles and responsibilities within the organisation are clear, with no confusion and overlap?
9. What is the most important element in promoting the productivity of your organisations?
   1) Using more technology.
   2) Improving employees' welfare.
   3) Encouraging employees' participation in the decision making process.
10. Do you think the communication between management and yourself is adequate?
11. Do you think that your organisation usually confronts conflict directly and settles disagreement rather than avoiding it?
12. Do you try to cooperate with your boss if his requirements are is beyond the scope of your work?
13. How often are you involved in decision making meeting at management level?
14. What do you understand by 'team work' and have you experienced this kind of practice?
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Correspondence Analysis for OPVs of Chinese and Australian Organisations

A-1 Showing Personality in Work by Co.

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A-3 Preferred Job Characteristics by Co.

A-4 Effectiveness of Individual Work by Co.

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xA1, xA2, xA3, and xA4 respectively symbolised Australian organisations Co.5, Co.6, Co.7 and Co.8.
□1, □2, □3, □4 and □5 represent the options from 1 to 5.
Appendix

A-5 Employees' sense of Responsibility by Co.

A-6 Type of People Working Together by Co.

A-7 Purpose of Work - Interesting Job By Co.
Correspondence Analysis

Note:
xC1, xC2, xC3, and xC4 respectively symbolised Chinese organisations Co.1, Co.2, Co.3 and Co.4.
xA1, xA2, xA3, and xA4 respectively symbolised Australian organisations Co.5, Co.6, Co.7 and Co.8.
1, 2, 3, 4 and 5 represent the options from 1 to 5.
Appendix D

Correspondence Analysis for SDMP of Chinese and Australian Organisations


D-3 Locus of Final Decision by CO. D-4 Dealing with Divergence with Subordinates by CO.

Note: xC1, xC2, xC3, and xC4 respectively symbolised Chinese organisations Co 1, Co 2, Co 3, and Co 4. xA1, xA2, xA3, and xA4 respectively symbolise Australian organisations Co 5, Co 6, Co 7 and Co 8.
Appendix D

D-5 Dealing with Divergence with Boss by CO*  

\[ x_{CO.} \quad \Box SD \]

D-6 Responsibility for Implementation by CO.  

\[ x_{CO.} \quad \Box SD \]

D-7 Priority on the Decision Making Stages by CO.  

\[ x_{CO.} \quad \Box SD \]

D-8 Degree of Getting Help from Immediate Manage by CO.  

\[ x_{CO.} \quad \Box SD \]

* No significant differences between Chinese and Australian managers in the result of the relevant t-test

Note: xC1, xC2, xC3, and xC4 respectively symbolised Chinese organisations Co.1, Co.2, Co.3, and Co.4. xA1, xA2, xA3, and xA4 respectively symbolise Australian organisations Co.5, Co.6, Co.7 and Co.8.