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## Chinese and British Hotels: Cultural Differences and Management

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# Chinese and British Hotels: Cultural Differences and Management

## **Abstract**

Rapid tourism development in China has led to an influx of hotels invested in and operated by multi-national hotel companies. The authors examine the impact of cultural differences on employee behavior in China and UK hotels and offer recommendations for expatriate hotel managers to effectively develop human resource management styles while operating properties in China.

## **Keywords**

Bo Hu, Asia

# Chinese and British hotels: Cultural differences and management

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**G**lobalization has become a common strategy for businesses to achieve advantages in a competitive environment. Accordingly, multi-national hotel corporations increasingly recognize its importance for strategic growth<sup>1</sup> and tap the potential of foreign markets by entering new market segments and spreading into new geographical areas.

With the implementation of the “open-door” policy and economic reform since 1978, China has experienced phenomenal tourism growth in both inbound and domestic markets.<sup>2</sup> China’s expected entry into the World

Trade Organization presents another opportunity for rapid economic development. Therefore, China will continue to be one of the most popular areas for tourism expansion and a golden zone for the hotel industry to exploit.<sup>3</sup>

However, the increased globalization of hotel development creates a challenge for hotel corporations to recruit technically competent and culturally sensitive managers for overseas properties.<sup>4</sup> As was found in a previous study, the major obstacle to staffing overseas key positions is the lack of the ability among expatriate managers to adapt to a different culture.<sup>5</sup> For those expatriates whose cultural backgrounds are completely different from the hosting location, initial culture shock may send them back within weeks.<sup>6</sup> Even though they can survive the cultural shock, failure to understand cultural differences can severely handicap them in

managing the most important assets of their properties – the local employees.

### **Behavior is different**

Adaptation to the Chinese culture begins with the struggle of expatriates to understand and appreciate the Chinese employees' behavioral expressions that are deeply rooted in their culture. For example, in the early 1980s when China opened its door to foreign hotel investment, a Chinese worker had little notion of a career ladder. When one was hired to fill a line position, such as a front desk receptionist, he or she might very well assume that greeting guests and checking-in and checking-out was what he or she was going to do for many years, if not for life. Further, it was not unusual that a receptionist would not intend to request a promotion. The first job was the career.

Although the current urban Chinese generation seems to sway away from this tradition, those of previous generations and rural workers are most likely to be prepared for lifelong employment with their current employer. Few would even challenge an employer who wants to reassign him or her to a position in another department. This largely explains the amazingly low turnover rate in China's hotels, which puzzles many expatriates who would have devoted significant time to dealing with a much higher turnover rate when managing home properties.

There are many managerial

implications as a result. One example of quality service at the front desk is how a receptionist can impress a guest with details of the guest's personal information (e.g., names of family members and hometown) and service preferences. In the West, this is achieved by maintaining a computer database of guest profiles. In China's hotels, this database is stored in the human memory of the receptionist. A returning guest is not surprised to be greeted by the same receptionist who checked him or her in more than 10 years ago.<sup>7</sup>

Expatriates can also be puzzled by the Chinese employees' expectation that they can depend on the hotel as an employer to help them take care of their daily chores, such as caring for the young, the old, and the sick. They may even expect the hotel's personnel department to help mediate marriage problems. Expatriate managers can also be frustrated by the seemingly indifference of their employees toward important organizational issues. They may find that Chinese employees are reluctant to make decisions, propose suggestions, and take new initiatives. They seem to enjoy taking orders from supervisors.<sup>8</sup>

### **Hofstede provides framework**

The following attempts to provide a systematic analysis of the Chinese culture in the context of the cultural dimensions as proposed by Hofstede.<sup>9</sup>

There are a number of paradigms available to examine the impacts of cultural differences on

management. They include the four cultural dimensions,<sup>10</sup> theory of context and time,<sup>11</sup> systematic-organic dimension,<sup>12</sup> country cluster approach,<sup>13</sup> 17 cross-cultural variables,<sup>14</sup> and locus of control across cultures.<sup>15</sup> Researchers have examined cultural diversity in terms of leadership, decision-making, risk-taking, organizational loyalty, innovation, and long versus short-term perspectives.

Among these, Hofstede's four-dimension theory appears to be the most commonly used framework for studying the effects of cross-national cultures. Based on the factor analysis of data collected from 116,000 employees in 67 countries over a period of 15 years, Hofstede identified four cultural dimensions as the key to study cultural differences. The work of Hofstede shows that managers in different cultures bring very different values to their organizational performances and preferences. It is the culture that determines the variations. Hofstede's framework is useful in this study as a theoretical guideline to define terms and organize the analysis. Due to the limitation of data, this study does not aim to provide empirical evidence to support Hofstede's theory.

In Hofstede's framework, culture is "...the collective programming of the mind which distinguishes the members of one human group from another... Culture, in this sense, includes systems of values."<sup>16</sup> Value is "...a broad tendency to prefer certain states of

affairs over others."<sup>17</sup> Hence, culture is a set of values shared by a certain group but perhaps rejected by another. The dimension of power distance deals with the acceptance of the unequal power distribution in organizations.<sup>18</sup> It indicates how the culture adapts to levels of control among its members. In the workplace, it determines the leadership style.

### **Power bases differ**

In high power distance societies, such as in China, autocratic leadership and hierarchy management style are highly respected.<sup>19</sup> Workers follow orders as a matter of course, and managers make the decisions because they are managers and no one questions their right to do so.<sup>20</sup> In societies with low power distance, such as in Britain, superiors and subordinates are apt to regard one another as equals in power, resulting in decentralized decision-making based on joint goals.<sup>21</sup> Employees are more likely to prefer a consultative and participative leadership style.

The dimension of uncertainty avoidance measures the degree of the members in a society accepting ambiguous situations and tolerating uncertainty about the future. In a high uncertainty avoidance culture, such as in China, this value results in formal rules and procedures designed to provide more security and greater career stability. Managers have a propensity for low-risk decisions; employees exhibit little aggressiveness, and lifetime employment is

common.<sup>22</sup> More security and greater career stability can be work goals and individual motivations. In countries with lower levels of uncertainty avoidance, such as in Britain, people have less fear for taking risks. People are more tolerant of protests, disagreements, and competition. There is high job mobility but less loyalty to employers.<sup>23</sup>

### **Philosophies contrast**

Individualism versus collectivism provides another dimension. With individualism, people think of themselves first as individuals and give priority to their best interests. Collectivism originates from the idea that the good of the group or society comes before that of the individual.<sup>24</sup> Collectivism promotes group harmony, consensus, and cooperation. The role of leadership in such cultures is to facilitate team effort and integration, to foster a supportive atmosphere, and to create the necessary group culture.<sup>25</sup> In contrast, countries with a high individual orientation, such as Britain, value initiative, autonomy, achievement, and individual decision making.

Finally, the dimension of masculinity versus femininity refers to the degree of traditionally "masculine" values – success, money and possessions – that prevail in a society. In comparison, femininity emphasizes "feminine" values – a concern for others, for relationships, and for the quality of life. In countries ranked high on masculinity, such as Britain, the

management style is likely to be more concerned with task accomplishment than nurturing social relationship. Motivation is based on material gains rather than quality of life. The role of leadership is to ensure bottom-line profits in order to satisfy shareholders, and to set demanding targets.<sup>26</sup> In more feminine cultures, such as in China, there is a preference for solidarity in the management practice. The role of the leader would be to safeguard employees' well being and to demonstrate concern for social responsibility. Employer-employee relationships have more moral implications.<sup>27</sup>

### **Culture is multi-faceted**

Origins and sources of cultures are broad. Culture can be acquired from ancestors and passed down to future generations, but may not necessarily be inherent.<sup>28</sup> Therefore, for people living in different geographical locations, cultures are different. In the Chinese culture, the difference is uniquely Chinese.

As one of the four ancient civilizations, Chinese traditional schools of thoughts greatly influence beliefs and philosophies; among those the most important is that of Confucianism. Confucianism provides social and political ethos, which remained dominant for the major part of history in imperial China.<sup>29</sup> Its practical ethics, derived from what Confucius saw as the lessons of Chinese history, still exercises a strong influence on the daily lives of the Chinese and business cultures

today.<sup>30</sup> Some of Confucius' teachings have already become basic tenets of Chinese beliefs.<sup>31</sup>

Confucianism emphasizes the importance of human relationship and the ideal of harmony, which largely formed Chinese cultural values and became the leading objective of Chinese philosophy.<sup>32</sup> The stability of the society originates from a hierarchical structure, starting from one's family to the highest authority. People should unconditionally obey any decision made by upper social levels that are either of higher rank or older and, presumably, more experienced. Confucianism argues that a ruler has the responsibility to behave in a good fashion, and take care of the life and work of his subjects. At the same time, the subjects should respond with loyalty and obedience. In order to achieve group harmony, mediation and compromise are preferred in resolving conflicts.<sup>33</sup>

### **Confucius forms values**

Confucian education has become the main pathway to power in the Chinese government. Moral cultivation is the basic purpose and ultimate justification for both formal education and artistic expression. Xing<sup>34</sup> suggests that throughout the long history of China, Confucian ideology has been an undeniable system governing almost every aspect of Chinese lives. Expressed in Hofstede's terms, Confucianism is of high power distance, high uncertainty avoidance, collectivism, and feminism.

As in many dynasties of ancient

China, traditional beliefs such as those of Confucius have been used either as virtues or sins to the advantage of the rulers. Subsequently modified, these beliefs survived political turmoil since New China was founded in 1949. For example, between 1966 and 1976 China experienced the so-called "Great Proletarian Cultural Revolution." Although this movement was a political power struggle, it presented the Communist Party's determination to destroy social classes and establish absolutely "equal" relationships among the people. There would be no social status differences, no wage differences, and no individual power.

While condemning the Confucian unequal hierarchy, the power rank emphasized the ideas of collectivism in the form of egalitarianism more than ever before. As a result, people's obligations to the work unit (*Danwei*), family, school, and community were rigorous. There was virtually no social or geographic mobility. The employers, which were various levels of communist-controlled governments, guaranteed workers a subsistent "iron rice bowl" at the expense of the freedom to change jobs.

### **China embraces reforms**

After 1978, with the economic reform, China started several major transformations. These include the transition from central planning to a market orientation system, from solely public to multiple ownerships, and from "rule by people" to "rule by law."<sup>35</sup>

The "iron rice bowl" promise is broken and labor mobilization is encouraged. The country now allows the presence of a free labor market. Advanced technology and Western ideology rush into China at the same time, with the latter exerting profound influences, first, on the new generation of workers in such export-oriented industries as tourism and foreign trade, and then spilling over to all walks of life. The quality of life of the Chinese people has been greatly improving due to rapid economic development in the past 20 years. Once the basic need for existence was satisfied, Chinese employees experienced higher needs.<sup>36</sup> Salaries, promotions, and other material compensation become more important than security when selecting a job. Self-actualization, independence, and competition also became important criteria. Traditional needs for affiliation and safety have been declining in importance.<sup>37</sup>

### **Culture is complex**

As a result of the Cultural Revolution and the ongoing influence of Western ideology, the present-day Chinese culture has become multidimensional and more complex, although unique. How does this "revolution" influence human resources management practices in the workplace? Lewis<sup>38</sup> offered some insights into several cultural expressions that are strongly present in China's business environment today:

- Power distance is large.

- Less powerful people should be dependent on the powerful who must protect them and take care of their careers and welfare.
- The ideal boss is a benevolent autocrat.
- Privileges for managers are expected and popular.
- Subordinates expect to be told what to do.
- Individualism is prohibited.
- Relationships are more important than tasks.
- Confrontation is avoided; harmony and consensus are ultimate goals.

Lewis' observations, if true, are predominantly Confucian. They resemble the large power distance, high uncertainty avoidance, collectivism, and femininity in Hofstede's four cultural dimensions. One would ask if Western cultural values have taken any root in the workplace of China. In the context of this study, the question and answers have meaningful implications for multi-national hotel companies in their human resources management practices in China.

### **Managers are expatriates**

The Chinese human resources management system in state-owned enterprises followed the Soviet model before 1978 and persisted for nearly a decade even after China began to reform. Under this system, all the operators of the



state-owned hotels had little authority in hiring, firing, and wage setting. After the economic reform, many international hotel chains came to China but found local hotel personnel unqualified to occupy senior management positions in their Chinese properties. With the increase of foreign investment, a large number of expatriate managers occupied most key managerial posts in China's properties. Local talent has become available in the last 10 years, but expatriates are still in high demand for executive positions in joint venture or solely foreign-owned hotels. In addition to cultural obstacles common to overseas operations in any country, the changing nature of Chinese culture due to periods of political upheavals for the last 50 years augments the challenges facing expatriates sent to China by multi-national hotel companies.

### **Expatriates surveyed**

Previous research has explored the factors that influence the success of expatriates by surveying the expatriates and their supervisors.<sup>39</sup> One study revealed that expatriates' adjustment and adaptation skills, interpersonal relation skills, cultural stress management, knowledge of Chinese culture, and survival languages are the most important skills.<sup>40</sup> Unlike previous studies, this current research approached the cultural human resources management dynamics from the perspective of the local employees in a comparative setting.

The study compared hotels

under Western-style management in two different countries to examine employee-oriented human resources issues. China and Great Britain were the comparison targets because of their marked cultural differences. They also represent two major cultural groups of the East and West. Moreover, Great Britain has an interest in the recently emerged Chinese market. There are a high percentage of British expatriates among Western managers in China's joint venture hotels.<sup>41</sup>

The questionnaire included 24 declarative questions. Respondents indicated their degree of agreement on a five-point Likert scale from 5 (strongly agree) to 1 (strongly disagree), the most straightforward scale to discover respondents' attitudes and feelings.<sup>42</sup> The questionnaire was first designed based on the framework of Hofstede's four cultural dimensions. After consulting some Chinese and British hotel managers and human resources management specialists, some minor changes were made and the questions were categorized into four aspects: work attitudes, work goals, work relationship, and leadership.

### **Survey done in English**

The questionnaire was administered in English to reduce literal and conceptual confusion caused by different languages. While conducting the survey in China, a Chinese version was available for reference to ensure no discrepancy in its interpretation, although most

employees in expatriate-managed hotels understand English.

The target population of the study was Chinese employees in China's hotels operated by Western expatriates and British employees working in the hotel industry in Britain. To minimize the effects of regional differences and difference hotel categories, the samples were selected from upscale hotels within one geographic area in both of the countries. Initially, 15 hotels with Western managers were randomly chosen and invited to participate the study in each country. Three hotels in Shandong Province

replied positively, and two hotels in the Edinburgh area also agreed. The study utilized the two-stage sampling method recommended by Cannon.<sup>43</sup> The five hotels were primary sampling units; respondents were then selected randomly within these hotels as the secondary sampling units.<sup>44</sup>

A total of 100 questionnaires were distributed on site with 79 (79 percent) returned; of the respondents, 45 were Chinese and 34 were British. All 79 returns were complete and usable. Table 1 provides the descriptive statistics of the sample.

**Table 1**  
**Sample description**

	Variables	Britain (n=34)	China (n=45)
Gender	Male	10 (29%)	18 (40%)
	Female	24 (71%)	27 (60%)
Age	Under 20	1 (3%)	0 (0%)
	20-35	29 (85%)	38 (84%)
	Over 35	7 (16%)	4 (12%)
Education	High School	13 (39%)	9 (26%)
	Technical school	9 (20%)	15 (33%)
	Bachelor's degree	11 (32%)	21 (47%)
	Master's degree	1 (3%)	0 (0%)
Department	Front desk	20 (58%)	23 (51%)
	Dining hall	6 (18%)	10 (23%)
	Housekeeping	8 (24%)	6 (13%)
	Sales	0 (0%)	6 (13%)
Position	Staff	26 (76%)	31 (69%)
	Captain	4 (12%)	6 (13%)
	Supervisor	3 (9%)	5 (11%)
	Above supervisor	1 (3%)	3 (7%)
Length of employment	Under 6 months	8 (24%)	8 (18%)
	6 months-1 year	11 (32%)	7 (16%)
	1-5 years	12 (35%)	23 (51%)
	Over 5 years	3 (9%)	7 (15%)

**Table 2**  
**Work attitudes**

Questions	Chinese	British	Difference
I agree "the customer is always right". . . . .	3.97	3.36	0.61
Working in the hotel, being smart is more important than working hard. . . . .	4.14	3.57	0.57
I often talk about my working in the hotel proudly to my friends or relatives. . . . .	3.78	4.07	0.29
I feel serving customers in hotels is as interesting and challenging as serving customers in other service jobs. . . . .	3.84	4.09	0.25
I believe serving people is as great as working on machinery. . . . .	3.85	4.06	0.21
If I feel embarrassed by a customer, I would still treat him/her well. . . . .	4.46	4.5	0.04

The data analysis utilizes simple arithmetic mean method, which aims to find the central tendency and preference of the average of a variable's distribution; this conforms to most people's notion of the average. The arithmetic mean is easy to understand and interpret. Its limitation is that it is vulnerable to extreme values. In other words, the outcome may be unduly influenced by very high or very low values. Due to the close-ended nature of the questions, extreme values were not present in this study.

**Work attitudes measure**

Knowing employees' work attitudes is very critical to human resource management activities, such as staff orientation and training. Work attitudes are barometers of employees' morale.<sup>45</sup> The results concerning the attitude

dimension are shown in Table 2.

The overall impression from Table 2 is that Chinese employees gave relatively high agreement scores to each of the questions. This illustrates the fact that Chinese employees are quite happy to work in the hotel industry and have a reasonably good attitude toward and fair knowledge of serving customers. Work attitude differences between Chinese and British hotel employees varied from statement to statement. Larger differences existed in their understanding of work efficiency and productivity. This may suggest the Chinese preference of training for professional service skills and advanced technology, such as computers, database management, networking systems, which will enhance their productivity. The higher score of the Chinese that the customer is always right is

intriguing in that customer orientation is very much a Western marketing concept. However, differences over these work attitude questions were indeed relative. Chinese and British employees indicated their agreement on each item by giving high scores ( $M > 3.7$ ).

### Work goals are influence

Work goals influence work attitude and effectiveness. Understanding employees' work goals is essential for managers to set up appropriate motivation and incentive programs. The results in Table 3 indicate that both British and Chinese employees had high expectations for employment security and opportunities to utilize their

skills and abilities to achieve a sense of accomplishment, although this was more so for the British than for the Chinese. British employees also showed higher expectations than their Chinese counterparts for more time for families, as well as income and promotion opportunities. Higher ratings by the British on these items can be explained by emphasis on materialism and individualism in the British culture.<sup>66</sup> A comfortable work environment in upscale hotels seemed to be more appealing to the Chinese than the British. It is also noted that income and promotion opportunities are still important motivators to Chinese employees working in joint venture

**Table 3**  
**Work goals**

Questions	Chinese	British	Difference
I like to work in a hotel because it can leave me sufficient time for my personal or family life. . . . .	3.49	4.21	0.72
Higher payment is an important reason that I stay in the hotel industry rather than other service industries. . . . .	2.57	3.21	0.64
I can fully utilize my skills and abilities to achieve the sense of accomplishment by working in hotels rather than in other fields. . . . .	4.38	4.67	0.29
I like to work in a hotel because its working environment is more comfortable than other service industries. . . . .	3.38	3.14	0.24
Employment security is important so that I can work for the company as long as I want to. . . . .	4.27	4.5	0.23
I like to work in a hotel because there are a lot of promotion opportunities. . . . .	3.02	3.21	0.19

**Table 4**  
**Work relationship**

Questions	Chinese	British	Difference
Competition between employees usually does more harm than good.....	2.16	3.93	1.77
If necessary, I will finish a job at the expense of destroying the relationship with my colleagues.....	2.56	3.43	0.87
Employees and employers can be good friends. ....	2.87	3.39	0.52
I usually have at least one colleague as one of my best friends. ....	3.57	3.09	0.48
Employees should trust each other in their work.....	4.43	4.79	0.36
I enjoy working with people who can help me at work when I need it.....	4.62	4.36	0.02

or foreign-owned hotels.

For the Chinese, the strong desire (M=4.38) for individual achievement and self-actualization may be due to the influence of Western respect for individual rights. Another notable finding is the stronger desire of British employees for employment security. This is contrary to the low uncertainty avoidance and high job mobility of the British culture and the opposite for the Chinese culture, per Hofstede.<sup>47</sup> A possible explanation may be found from the age distribution of the Chinese sample. As shown in Table 1, about 85 percent were between 20 and 35, the generation that is most susceptible to Western ideologies and lifestyles. Indeed, while job security is still important for the Chinese, they are increasingly willing to trade off a subsistent "iron rice bowl" for a

more satisfying job. The Chinese employees' tolerance degree of uncertainty avoidance has become much higher than ever before.<sup>48</sup>

#### **Competition is compared**

Six statements examined the respondents' attitudes toward relationships in the workplace. As shown in Table 4, the largest difference between the two samples was their attitudes toward competition among employees. Contrary to expectation, Chinese employees did not believe as much as the British that competition would usually do more harm than good. This suggests that competition among employees is acceptable to Chinese employees, and they do not treat competition and good relationships as mutually exclusive.

According to Hofstede, a masculine society advocates more

competitiveness than a feminist culture, such as the Chinese.<sup>49</sup> Different attitudes toward workplace competition not only suggest apparent Western influences on the attitudes of the Chinese but also reflect the effect of the teamwork concept promoted in the West. Cooperation rather than competition among employees is much more emphasized now in the West.

Despite the acceptance of competition in the workplace, Chinese employees were less likely to agree that the job is more important than their relationships. In other words, "relationships are more important than tasks." This can be attributed to the characteristic of collectivity in the Chinese culture. When it comes to the relationship between employees and their supervisors, however, Chinese employees did not agree as much as the British that employees and

supervisors could be good friends. The traditional hierarchy and patriarchal system still exist and power distance supersedes a friendly employer-employee relationship. Their attitudes toward leadership style reconfirm this finding.

#### Leadership styles differ

The power distance between the superior and the subordinate is a strong cultural indicator, and affects the effectiveness of leadership. Where the power distance is the greatest, the other end is the subordinateship.<sup>50</sup> To find out the employees' preference for management style, the subordinates' expectations of leadership should be understood. The findings shown in Table 5 largely support the notion that China is a high power distance country, and the autocratic leadership style is more preferred by subordinates. People in this country

**Table 5**  
**Leadership**

Questions	Chinese	British	Difference
I am more willing to comply with the supervisors/managers who have a good relationship with me. . . . .	3.46	4.43	0.97
Supervisors/managers should work as hard as their subordinates. . . . .	4.71	4.29	0.42
It is important for a supervisor/manager to have a good knowledge of our culture, no matter what their nationality. . . . .	4.78	4.5	0.28
Strict regulations are necessary to manage hotels well. . . . .	3.24	3.01	0.23
Managers should make decisions after consulting with their subordinates. . . . .	4.16	3.93	0.23
My direct supervisor/manager should adopt the good suggestions I make. . . . .	2.76	2.93	0.17

readily accept a hierarchical order in society and the workplace. For Chinese employees, a good relationship with a supervisor or manager did not seem to change their degree of subordinating as much as that of the British employees.

There are two other notable findings about hotel employees' attitudes toward leadership. First, despite the power distance, Chinese employees were more likely than British to agree that managers should consult with them before making decisions. There could be two reasons underlying the Chinese employees' desire to participate in making decisions. On one hand, face-giving (*Mianzi*) is a virtue in the traditional sense. It satisfies the psychological need of the common people for the respect from the superior.

However, if some Chinese are afraid of losing *Mianzi* in making a wrong decision or saying something inappropriate, they may be reluctant to express themselves without a second thought, particularly in public. Involving the right person and selecting the proper occasion are the key skills to solving this delicate problem. Furthermore, both the Confucian doctrine and the Chinese communist ideology discourage people from seeking fame and recognition. Almost every Chinese can cite Chairman Mao's quotation, "Being modest and humble makes one progress, being proud and boastful makes one lag behind." On the other hand, the Chinese, particularly the younger generation, are hungry for democ-

racy in the advent of Western ideologies. Their desire to participate in making decisions can therefore be interpreted as an explicit demonstration of such democracy. Tradition and modernity seem to work in sync.

The findings about hotel employees' expectations of their supervisors and managers indicate that both Chinese and British employees expect their superiors to set a good example and participate in work with subordinates. This expectation is higher for Chinese respondents. This result may stem from the effects of traditional collectivism and the contemporary communist doctrine of egalitarianism. The British response is more likely because of low power distance.

Both Chinese and British respondents show pride in their own cultures and expect managers to respect them as well. It is important to point out that Chinese respondents gave this statement the highest score ( $M=4.78$ ) in the entire questionnaire.

### **Findings benefit expatriates**

The results of the study show that there are indications of Western influence on the Chinese culture in hotels. Yet, the core of the culture is still predominantly Chinese. Multi-national hotels and their expatriates must therefore be aware that they cannot entirely transplant the Western management practices into their operations in China. They must examine the Chinese cultural values and their

changing dynamics in conjunction with the demographic and socio-economic backgrounds of their employees. A desired model of human resource management strategies is the integration of applicable Western management practices in the Chinese cultural context, a hybrid style according to Goodall and Warner.<sup>51</sup> The following implications which provide useful cultural insights for Western expatriates in Chinese hotels to effectively manage their human resources, have four aspects: leadership, motivation, appraisal and reward, and training.

#### **Leadership issues exist**

Modern management philosophies believe that the vigor of a company lies in human resources. Managing human resources effectively relates to leadership issues. One of the findings suggests that Chinese employees prefer autocratic leadership because of the high power distance.<sup>52</sup> Managers thus should give straightforward orders or instructions. Telling employees directly what to do and providing clear guidelines and a time frame is an effective and welcome way to communicate with Chinese subordinates.

However, autocratic leadership in the Chinese context does not mean that the leader should not involve subordinates' opinions. In fact, showing respect for subordinates' input or *Mianzi* can be a powerful motivator. Traditional culture dictates that, for Chinese subordinates, their need to be

involved in the decision-making process is more important than the soundness of the decision itself. Providing a system to involve subordinates in the decision-making process and to ask for their input can fulfill this need. Caring for well being will prove to be a better motivator than publicly praising individual employees.

Furthermore, Chinese hotel employees seem to appreciate participative leadership style. Because of the high power distance and the hierarchical structure in Chinese culture, it is assumed superiors are more capable and talented and subordinates should learn from them. Managers should not only give guidance and directions to subordinates, but they should also make the same or greater efforts toward work tasks. Working side by side with receptionists and showing up in the kitchen can set a powerful example for employees, and can contribute significantly to improving employees' work attitudes and morale.

#### **Motivation has value**

The manager's understanding of what work means to the employee's life can lead to an appropriate job design and reward system, which in turn can motivate the employee to achieve his or her personal goals together with organizational goals.<sup>53</sup>

The results of this study indicate that self-actualization is the most important value to Chinese employees when it comes to their work goals. This is an intrinsic



factor of motivation according to Maslow's hierarchical needs theory. Self-actualization includes growth, self-fulfillment, and the achievement of one's potential, which can be accomplished through challenging work and competitiveness. Supervisors should encourage competition among individual employees and groups, which will inspire employees to put their efforts into work and realize self-actualization.

It is important to note the Chinese employees' need for self-actualization must be interpreted in the context of the sample characteristics and the improved living standards of the Chinese people. Such conclusion seems to be more applicable to the younger generation of employees. Chinese respondents between the ages of 20 and 35 made up 85 percent of the sample. This age group is least likely to be entrenched in traditional Chinese cultural values, but is most likely to embrace Western ideologies and values, such as the pursuit of a higher level of personal needs. Such pursuit is realistic and, in fact, logical in the context of Maslow's needs theory because most Chinese employees' physiological needs are satisfied because of rapid economic development.

#### **Rewards maintain harmony**

The traditional Chinese appraisal and reward system emphasizes the maintenance of group harmony and face saving, which confirms the element of collectivism in the Chinese traditional culture.<sup>54</sup> However, the find-

ings of this study suggest a more effective appraisal and reward system should be the one that taps the potential of individual members and advocates self-achievement. Rewarding exemplary performance with bonus pay is already widely accepted in the Chinese society. In fact, the amount of bonus pay makes up a larger proportion of employee compensation in many state owned and operated hotels due to the rigid and standardized pay system imposed by the government agencies. Such a standardized pay system, however, is not applicable to joint venture hotels, which subsequently are able to offer a better compensation package to attract employees. For example, a college degree holder from a top tier university is more willing to compete for a sales position in a joint venture hotel than to accept an official position due to the pay difference.

Western hotels and the expatriates should be aware that there are other non-monetary reasons for which Chinese employees are working. One is the opportunity to grow professionally, as the study results showed. Therefore, an appraisal and reward system should encompass an evaluation of employees' potential for promotion and provide opportunity for professional development.

#### **Training is important**

Training should be an integral component of staff development. For multi-national hotel companies, training can be a good vehicle

to promote Chinese employees to managerial positions to minimize the current dependence on more expensive expatriate managers. The findings of this study indicate that Chinese employees are eager for modern management skills and are willing to learn more advanced knowledge and new ideas, which is evident in their strong belief in "working smarter rather than harder."

Different levels of training programs should be offered to individual employees based on their current skills and competencies, as well as the results of performance appraisals. Hotels should identify those employees who desire to enter the rank of management and have the potential for promotion. Customized training programs can be tailored to the needs of the organization and likely candidates.

Current hotel training programs in China tend to be largely task-oriented to meet immediate operational needs. Supervisory and managerial training programs are rarely given to Chinese employees. This study's findings attest to the need for such training. Those programs focusing on professional development will motivate employees and help them realize their work goals. In the long term, Western hotels will benefit through localizing the management staff by developing qualified candidates from the Chinese employees.

There are two major limitations that can be improved upon for future research. First, the sample size is small. A larger scale survey

would uncover more effects of such intervening factors as demographic and socio-economic backgrounds. In addition, the single geographic regions where the data were collected limit the significance of this study. The ethnic and cultural diversity of both China and Britain are also characterized by disparities in economic development and educational levels. These disparities exist more so in China than in Britain. Hotel employees' work attitudes, work goals, and feelings toward workplace relationships and leadership are likely to vary from region to region.

The study provides empirical evidence about mainstream cultural values in the workforce of Chinese hotels. The British comparison offers multi-national hotel companies and expatriates a cross-cultural perspective that should help in managing their most important assets - human resources. Further surveys can be conducted to ascertain expatriate managers' understanding about Chinese culture and gauge their perceptions about the effects of the culture on various dimensions of human resources management.

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