The Routledge Companion to Cross-Cultural Management

Nigel Holden, Snejina Michailova, Susanne Tietze

Towards a complex view of culture

Publication details
Fiona Moore
Published online on: 06 May 2015

How to cite :- Fiona Moore. 06 May 2015, Towards a complex view of culture from: The Routledge Companion to Cross-Cultural Management Routledge
Accessed on: 12 Dec 2018

PLEASE SCROLL DOWN FOR DOCUMENT

Full terms and conditions of use: https://www.routledgehandbooks.com/legal-notices/terms

This Document PDF may be used for research, teaching and private study purposes. Any substantial or systematic reproductions, re-distribution, re-selling, loan or sub-licensing, systematic supply or distribution in any form to anyone is expressly forbidden.

The publisher does not give any warranty express or implied or make any representation that the contents will be complete or accurate or up to date. The publisher shall not be liable for an loss, actions, claims, proceedings, demand or costs or damages whatsoever or howsoever caused arising directly or indirectly in connection with or arising out of the use of this material.
Towards a complex view of culture

Cross-cultural management, ‘native categories’, and their impact on concepts of management and organisation

Fiona Moore

Introduction

Historically, cross-cultural management has been dominated by a concept of culture that first prioritises the national level as a unit of analysis and, second, considers culture as a set of measurable qualities or traits. More recently, however, the literature on ‘native categories’ has developed as an alternative perspective, considering culture at the national level as a set of social categories through which managers define their worlds. Using the case of the literature on Taiwanese ‘business culture’ and cross-cultural management, I will consider first how the focus on measurable national cultures has influenced concepts of management and organisation in a transnational context and then what a native category approach can contribute to our understanding of the way in which such concepts as culture, management and organisation operate in an international business (IB) setting.

‘Native categories’

The concept of ‘native categories’ takes as its basis the idea that managers are unconsciously influenced by social categorisations through which they organise their world, which are independent of empirical data, though people may draw upon such data to support their categorisations. Native categories are defined by Buckley and Chapman as the categories of analysis through which people in particular societies classify and understand their social worlds (1997: 283). The study of these in anthropology and sociology goes back to the work of Durkheim and Mauss (1967 [1903]), Hertz (1973 [1909]), and others of the Année Sociologique school, later to form the basis of structuralist anthropology (Needham 1973) and the social constructionist view of society as a subjective reality (Berger & Luckmann 1966). Needham, summarising the work done on the interpretation of native categories, indicates that an anthropologist, arriving in a new society, ‘learns to see the world as it is constituted for the people themselves, to assimilate their distinctive categories … His [sic] analytical task, consequently, is to apprehend a mode of classification’.
Native categories are often used as a means by which people define their own identities as members of groups, and the character traits of others in different groups (see Levi-Strauss 1963). This categorisation informs the ways in which subsequent anthropologists have approached the study of other societies, up to the present day (see Buckley & Chapman 1997: 284–285). The ways in which different groups define themselves and others through a process of developing, and negotiating, native categories is a fundamental subject of anthropology and sociology.

While the subject has less often been discussed in management studies, a key early work is Buckley and Chapman (1997), which argues that reality, for managers as for any human group, is socially defined (288), and that anthropologists’ use of the ‘native category’ could equally apply as a means of understanding managers. They posit that ‘Western management science has never been objective; it has, rather, consisted of an ad hoc mixture of categories generated by the observer and the observed’, and thus that greater attention should be paid to the native categories of managers rather than attempting to explain managerial behaviour in supposedly ‘objective’ terms (284). Harris (2000) develops Buckley and Chapman’s conclusions by looking at the role of management literature on the formation of native categories. He argues that management research is interpreted by managers according to their own categories, and used as a means of classifying the world (757), and to develop rituals and means of dealing with events (760).

Native categories, in the context of management studies, can be therefore defined as social categories that can be derived from national, professional or organisational cultures, which are internalised. They are continuously formulated and re-formulated by managers and workers through conscious and unconscious processes of collective definition, with reference both to external and internal discourses and concepts, and are used as a means of organising and understanding their social world.

**National culture as native category in cross-cultural management**

In international business (IB) studies, which influences most of the cross-cultural management literature, the situation regarding culture is described by Leung et al.:

Much of previous research on culture and IB has adopted what we view as a simplistic view of culture, which tends to examine the static influence of a few cultural elements in isolation from other cultural elements and contextual variables. For instance, much of the research inspired by the Hofstede dimensions falls into this category, which, in our view, was instrumental in kickstarting the field.

(2005: 374)

Chapman et al. (2008: 219) note that there is an artificial distinction made in such works between culture and individual, even though the two must intersect at some point. It seems to be generally agreed that the origin of this focus lies largely in the seminal work of Hofstede (1980, 1994, 2001, and see also www.geerthofstede.com), which constituted a questionnaire-based survey of a single transnational organisation, later supplemented with other measures and indices. While Hofstede himself has indicated that his dimensions are a deliberate oversimplification for the purpose of building an ideal-typical research model (2001: 24–28), nonetheless an examination of the IB literature indicates that dimension-based, nationally focused models of culture dominate, and far overextend the remit of Hofstede’s initial study (see Kirkman et al. 2010). Despite the development of more complex and multilayered ways of looking at culture in IB (see Boyacigiller et al. 1996, Sackmann & Phillips 2004, Sackmann [ed.] 1997), dimension-based, nationally focused models persist, with alternative views relegated to special issues, or to critical management studies (Grey & Sinclair 2006).
It may therefore be useful to consider these from the perspective of native categories. An examination of managerial literature defining ‘national cultures’ (e.g. Hickson & Pugh 1997) reveals structural similarities with Levi-Strauss’s native Americans classifying groups within the tribe as ‘Bear People’ or ‘Fish People’. In this instance, members of the Bear or Fish totem groups were said to possess characteristics of these animals, regardless of the empirical accuracy of this statement. Likewise, in management studies, we see the imposition and adoption of a particular national identity associated with particular social and physical traits, which is also subject to negotiation, discussion and the acknowledgement of exceptions. This would also explain the paradox noted by Chapman et al. (2008), whereby the focus on what they term ‘simple, static models of culture’ (217) remains despite the existence of often-cited publications pointing out the flaws with this approach (e.g. McSweeney 2002). Buckley et al. (2011) also make the point that many scholars have too much invested in the national focus to change the system now. The focus on national culture, and on culture as a simple, static, measurable property, persists not because of its inherent validity, or even utility, but because it forms part of the native categories through which the world of international managers is organised.

This system of categorising the world can be seen to have an influence on multinational corporations and the way in which management is experienced. In organising themselves, corporations tend to focus on branches or subsidiaries at the national level: a factory in North Carolina, for instance, may be considered the ‘American branch’ without much consideration for the impact that the branch’s location in a specific town in a specific state might make for its culture. Even when companies organise at a more regional level (the European operation, for instance), it seems to be generally understood that the commonalities over the region will outweigh any differences at other levels. Furthermore, the idea that culture can be assessed, measured and defined according to particular traits persists in terms of analysing organisations; while Hofstede criticises the application of his dimensions to analysing organisational culture (2001: Chapters 8 and 10), he nonetheless offers a similar approach (Chapter 8). It should, however, not be surprising that this is the case given that there is an often-unacknowledged dimension of feedback between research and practice (Buckley & Chapman 1997): Hofstede’s study was instigated in part on behalf of the corporation in question (2001: xv), while managers learn their techniques and practices from textbooks, and popular management works, some of which are written or co-written by IB scholars (Hickson & Pugh 1997, Trompenaars & Hampden-Turner 1997), as well as in experiential modes, which will include an element of passing on cultural lore and customs. Dimension-based approaches thus do not only exist as an abstract concept for management researchers, but have a real impact on cross-border management and organisation.

In sum, the literature indicates that the focus on national cultures, with comparable dimensions and thus metrics of distance, operate in cross-cultural management as a set of native categories, through which managers organise the world and, in turn, conceive of management and organisation, dividing the world into unproblematic social categories. By considering the worldview of international managers in this way, we can cast a different light on cross-cultural management and organisation.

Case study: Taiwanese identity and transnational business networks

While ‘Taiwanese identity’ is unproblematic in the literature, with numerous papers isolating it as a single variable in terms of knowledge transfer, the anthropological and sociological literature suggests that Taiwanese identity is, in fact, a fragmented and contested concept with distinct political overtones. The construction of ‘Taiwaneseness’ in IB is not simply a detached act of
scientific analysis, but plays into political and social constructions of who can legitimately define what a ‘Taiwanese business’ is.

The extant literature on Taiwanese businesses correspondingly suggests that an identification as Taiwanese plays a role in cross-cultural management. Chou and Kirkby’s (1998) account of the internationalisation of Taiwan’s electronics sector note that this took place in part because of competition between the USA and Japan, both of which were looking for cheap offshore factory locations (334); although they do not say so, Taiwan has historical and diaspora connections to both countries. The fact that Taiwan does a lot of business with mainland China is often noted, with Yang et al. (2010: 539) saying that almost half of Taiwan’s FDI has been to the mainland since the late 1990s. Lin (2010), using 2006 figures, says that Taiwanese FDI to the mainland was as much as $13.97 billion, and that Taiwanese IT companies specifically account for one-third of all FDI in China; the historical connections between the two countries are undoubtedly influential. Shih et al. (2010), examining work–life balance in expatriate families, take as their case study Taiwanese expatriates in mainland China, suggesting that Taiwanese businesses and managers use their historical connections to the mainland to assist their cross-cultural activities.

A few papers cast more direct light on the issue of Taiwanese identity and cross-cultural management in Taiwanese firms. Chang et al. (2009) for instance, note that Taiwanese businesses at home exercise centralised control through tight-knit personal networks (quanxi), and then examine how MNCs also use personal connections to exercise control abroad. Taiwanese MNCs, according to Chang et al., tend to be centralised and use a lot of behaviour control, which the authors contrast with culture control, to keep subsidiaries in line; they rely heavily on expatriates to mediate through their ties to Head Office and to local people. The centre trusts expatriate managers more than locals, and also usually restricts communications by having important messages written in Mandarin. Chen (2006), looking at how Taiwanese firms deal with the so-called ‘liability of foreignness’ (that is to say, the difficulties firms face when expanding into a new market, such as lack of local connections and the suspicions of local consumers) when expanding into Europe, note that they will often start by entering into a short-term alliance with a local partner (290), but then after that tend to rely on wholly owned subsidiaries, suggesting a combination of networking both within and outside the Taiwanese group itself. Liu (2011) reports a similar pattern in building supply networks (636); it is also noted that when there is a Taiwanese network in the host country, it is used in preference to local networks (639). Tsai and Wen (2008) examine the impact of relational embeddedness on entrepreneurial activities in Taiwanese subsidiaries in mainland China, mentioning that it is useful in a variety of ways for firms to cultivate relationships with customers, local government and suppliers. There is thus evidence that national identity, together with other social, political and historical identities, plays a role in the cross-cultural management and knowledge transfer activities of Taiwanese international businesspeople.

However, almost all of these papers take a quantitative approach, employing surveys, corporate data, and/or structured interviews, and all of them, as noted in Sackmann and Phillips (2004; see also Buckley et al. 2011 and Chapman et al. 2008), focus on the national level, excluding more complex processes at the subnational and supernational levels. As a result, the role of the individual, relationships and identity in constructing networks and managing knowledge—namely, the very processes through which these activities take place—are not taken into consideration by IB researchers. A typical example is Jaw et al. (2006), who discuss knowledge flows, human capital and performance using Taiwanese firms as a case study, but, for the most part, they do not discuss the role that individuals’ identities might play in their development. Furthermore, the focus on the ‘Taiwanese’ factor to the exclusion of all else does not allow for the possibility that there may be other factors operating in concert with, or alongside, national culture. The
Towards a complex view of culture

traditional dimensions-of-culture focus, in this case, may allow researchers to identify that a phenomenon is taking place, but not how, or why, it is doing so.

More problematically, all of the abovementioned studies treat Taiwan as a national unit, speaking of ‘Taiwanese’ businesses and ‘Taiwanese’ culture. This is particularly problematic in the Taiwanese case because studies of Taiwan conducted in anthropology, sociology and political science all indicate that Taiwanese identity is at the very least a strongly contested one, and shows evidence of complex lines of fragmentation and integration at many different levels. Many studies, for instance, note strong social, political and class differences between Taiwanese of pre-1949 and post-1949 Chinese origin (e.g. Appleton 1970, Bedford & Hwang 2006, Hall 2013, Murray & Hong 1991, Muyard 2012), but that both groups, albeit in different ways, self-identify as ‘Taiwanese’ (e.g. Chow 2012, Danielsen 2012, Schubert 2004). Furthermore, the issue of how Taiwanese identity is defined is politically charged (Murray & Hong 1991: 275–276). Finally, it has been documented that the discourses of Taiwanese identity change over time (see Bedford & Hwang 2006, Chen 2012).

None of this contestation makes it into any of the papers listed, which is a serious omission: the literature on Taiwanese investment in mainland companies, for instance, does not generally discuss whether the Taiwanese involved are post-1949 migrants or not, or whether or not they are in favour of unification. The complexity of Taiwanese identity has serious implications for international business studies, and yet, the focus on the national level, on dimensions, and on statistical instruments, has meant that these implications remain ignored in international business studies.

Implications for international management and organisation

The Taiwanese case has a number of implications for concepts of management and organisation. For one thing, it prioritises national culture as the unit of analysis, which has a knock-on effect in terms of defining managers and organisations: in the literature, we have ‘Taiwanese companies’ and ‘Taiwanese business culture’, which obscures a number of subnational influences: whether or not the company’s managers are predominantly from the pre- or post-1949 immigration cohort, when the company was founded, whether the company considers itself Taiwanese in terms of being part of an international Chinese diaspora, or whether it considers Taiwan as a distinct national identity with historical ties to the mainland. Similarly, to generalise about ‘Taiwanese managers’ is to create an artificial category and, usually, one that prioritises the dominant Kuomintang (KMT) image of national identity, if only in that it does not acknowledge that Taiwanese identity is diverse.

Furthermore, in terms of the construction of transnational knowledge networks, a more organic and nuanced perspective shows organisations as porous and nuanced, with information flowing organically in different directions, which is not reflected in a view that simply considers the flow of knowledge as an issue of conduits between branch and headquarters, or between home and host countries (e.g. Hebert et al. 2005). Martin, likewise, suggests organisations can be seen as being at once integrated and fragmented, depending on the perspective one takes (1992). The focus on native categories focused on national units in opposition to each other leads to a construction of the world in which organisations operate as units with national subunits in opposition to each other and to the headquarters, whereas the reality as experienced by managers is much more porous, organic and discursive, as organisations connect with local and global social and political processes, and are both divided and integrated by these; furthermore, organisations are made up of discursive categories and defined in terms of native categories and artificially constructed oppositions.

The key significance of the literature on native categories in international business, and the Taiwanese case, is that academic research still does not reflect the less visible influences on
management practice. This is true both for studies that support the managers’ native categories, through their focus on national culture, dimensions and cultural distance (e.g. Ahern et al. 2012, Hebert et al. 2005) and for those which challenge the relevance of these concepts (e.g. McSweeney 2002, Moore 2013), since, although the categories may be artificial and reductive, they nonetheless reflect the way in which reality is constructed in international organisations. A similar case can be seen in Zhou and Shi’s (2011) review of the literature on diverse teams: although the literature shows that the idea that ethnically diverse teams are more creative applies only to laboratory studies, and that studies of teams in the field produces more complicated results, nonetheless the idea that ethnically diverse teams are more creative persists in popular management literature (see, for instance, the entry on ‘Managing Groups and Teams/Diversity’ at en.wikibooks.org).

As a result of failing to treat national culture in terms of native categories, instead assuming it to exist as an objective concept, researchers are missing opportunities and not obtaining crucial data that influence organisations and management practice. A researcher unaware of the differences between pre- and post-1949 migration groups in Taiwan would be unable to pick up on the nuances of their management experience, for instance the fact that post-1949 migrants favour closer ties with the mainland than do pre-1949 groups. Furthermore, they are in danger of representing political agendas without realising it, as Murray and Hong (1991) note. Finally, native categories are not immutable; Ramsden (2006) and Firchow (1986) point out that relationships between countries change over time and thus, by implication from Chapman et al. (2008), so do measures of cultural distance. The utility of concepts of culture in international business needs to be reframed, as native categories informed by power and history that influence management and organisation.

In order to obtain a more accurate image, researchers thus need to focus less on national culture as an object in and of itself, and more as a social category developed by managers as a means of understanding and relating to the world around them. Cultural distance studies are not invalid, as they can be a useful guide to relationships between countries; it is unsurprising that Ahern et al. (2012) and Morosini et al. (1998) were respectively able to correlate it with merger success, since perception and preconception demonstrably play a part in merger success and failure (Moore 2013). However, researchers need to be aware that they are not writing in a vacuum, and that the concepts with which researchers work are influenced by the models our informants possess of how the world works. It is also important to consider the relationship between research and practice, and the extent to which IB studies do not so much reflect reality as participate in the creation of native categories.

In practitioner terms, managers need to be aware that simple divisions and oppositions may be attractive in terms of conceiving of the organisation, but actually operating with these in mind are going to create misunderstandings. To understand organisations, and differences in managing across borders, practitioners must understand the relationship between native categories, managers, organisations and the literature; they must also bear in mind the issue of ambivalence about seemingly clear-cut organisational processes (see Moore 2013). It may be that, as Brannen et al. (2013) argue, successful cross-cultural managers must become ethnographers of their own organisations, learning about cultures and being aware of native categories, but being also able to reflect critically on these and their relationship to the organisation.

**Conclusions**

Applying the native category approach to the Taiwanese management suggests that, for researchers and practitioners, the future of cross-cultural management is to regard culture in a more nuanced, critical fashion, taking multilevel, multifaceted, dynamic and dialogic approaches, which
Towards a complex view of culture

Do not reject functionalist or distance-based approaches, but regard these as part of a complex pattern of cross-border social activity rather than as objects in and of themselves. Scholars and managers need to develop a reflexive approach to cross-cultural management, or our images of management and organisation are not only inaccurate, but we are unaware of the hidden political agendas informing our research. Managers, likewise, can benefit from not taking the stated values of their organisation for granted, but instead viewing these critically as the native categories of a particular group. By considering cross-cultural management in terms of native categories and the process of their construction, then, we can understand and take into account the complexity and mutability of culture, management and organisation in international business. The Taiwanese case study thus indicates that more nuanced, subjective, approaches to culture are needed if we are to understand cross-cultural management.

References


Towards a complex view of culture

