



DEVELOPMENT OF MANAGEMENT THOUGHT: REVIEW OF WESTERN AND ASIAN APPROACH

Seth Rateka

Research Scholar, Department of Management, CMJ University, Shillong, Meghalaya

ABSTRACT

Management in all business areas and organizational activities is the act of getting people together to accomplish desired goals and objectives efficiently and effectively. Management comprises planning, organizing, staffing, leading or directing and controlling an organization (a group of one or more people or entities) or efforts for the purpose of accomplishing a goal. A significant body of research has focused on the conceptualization of management styles as either Asian or Western, with studies showing evidence of a positive relationship between management style and professional skills. The purpose of this paper is to expand existing understandings of work motivation by discussing how innovative culture motivates the employees' willingness to share their knowledge, and thus enhances their professional skills. To accomplish this, we examine firstly the influence of management style (Western or Asian) on the improvement of professional skills.

KEYWORD-Asian Management Style, Western Management Style, Professional Skills, Innovative Culture, Reinforcement Motivation Theory.

INTRODUCTION

Management style is the set of philosophies or principles by which the management exercise control over the workforce and bind diverse operations and functions together in order to achieve organizational goals. Earlier research found that firms which tend to employ the participative (or Western) management style favor allowing workers to enhance their professional skills. In contrast, it has been suggested that centralized decision-making, the traditional Asian management style, which is characterized by paternalistic leadership, collectivist orientation and greater power distance between managers and workers, could impede individual creativity (Thompson, 1965) and hence hold back the development of professional skills. The traditional, more authoritarian management concepts that are common in Asia or South America (Morris & Pavett, 1992) are thus not expected to do well in fast-changing global markets (Wright et al., 2000). However, the negatives supposedly inherent in such a traditional management philosophy could be alleviated if the workforce has a suitable personality, i.e., employees are not opposed to being led by an authoritarian system (Farh et al., 2006). However, there should still be an alignment between the management style and an innovative culture, and if a good fit could be achieved between a specific style and culture, professional skills can still be enhanced. In support of this, a few studies, such as Hempel and Chang (2002), indicate that the overseas Chinese have become successful by sticking to the business sectors compatible with their preferred management style.

MANAGEMENT STYLE

Asian and Western management styles

Management style is a preferred way of managing people in order to bind diverse operations and functions together

as well as to exercise control over employees (Clarke & Dickson, 2005), and is considered as a set of practices that has been adopted either by an individual, a department, or whole organization. Extensive research has distinguished management styles into two broad types, authoritarian (or traditional) and participative (or democratic) (Morris & Pavett, 1992; Beehr & Gupta, 1987). Furthermore, many studies have found that management styles and philosophies are anchored in the cultural values of a firm's home country (Poon et al., 2005; Hofstede, 2001; Chen, 2001). Asian management is generally seen as deal-oriented (Clarke, 1998), with rigid hierarchies (Lok & Crawford, 2004) in which managers tend to make centralized decisions (Wright et al., 2000). It has also been characterized as autocratic and directive (Wright et al., 2000), due to centralized control and minimal work empowerment (Beehr & Gupta, 1987), with the overall philosophy one that promotes collectivism. In contrast, Western management style has been characterized as focusing on communication by interaction, in addition to emphasizing procedure (Wright et al., 2000) and being process-oriented (Clarke, 1998). For Western firms, leadership style is both supportive and participative towards the workforce (Likert & Likert, 1976; Hempel & Chang, 2000), with transformational leadership, dogmatism, a locus of control and intolerance of ambiguity.

This study draws on Clarke's (1998) concept of Western and Eastern management ideas, Likert's system of four management theory (Likert & Likert, 1976), which distinguishes management style into autocratic and participatory modes, and Hofstede's notion that a higher power distance exists in the more authoritarian (Hofstede, 1980; Chen, 2001; Whitley), Asian management style, and a lower one in the Western one. More explicitly, we follow Likert's system of four management theory and use

its six management style dimensions: decision-making, control, leadership, communication, goal and motivation, and add in another concept, power distance to develop a whole new perspective. Accordingly, we characterized Asian management style as being authoritarian in nature and having high power distance, and Western management style as being more democratic or participative. Table 1 shows the differences between Asian and Western management styles in more detail.

PROFESSIONAL SKILLS

The job skills required for professionals are determined by the tasks they are to accomplish in their work environment. Technical skills that is domain-relevant ones such as programming skills, hardware expertise, skills regarding the application field of the software and technology management, are essential for

IT (Information Technology) related R&D professionals. However, R&D professionals must recognize that technical expertise alone is not sufficient, and the related job requirements are becoming more demanding in multiple dimensions, particularly in the areas of business functional knowledge and interpersonal skills. Individuals who possess both technical and business problem-solving skills can help R&D teams to rapidly develop and deploy critical systems based on the market and strategic demand, which can help organizations build the competence necessary to sustain long-term competitive advantage (Clark et al., 1997). In addition, the social or interpersonal skills that enable successful interaction with other people and effective communication are also considered to be important in enabling employees to collaborate better on common tasks.

Table 1- The summary of difference between Asian and Western management styles

| | Asian Style | Western Style |
|-----------------|---|---|
| control | hierarchical authority structure (Clarke, 1998); | contracts and due diligence (Clarke, 1998); organization (flatter) structure (Clarke, 1998); preferring decentralized control (Wright et al., 2000) |
| decision-making | centralized and single-decision maker (centralized control adoption) (Tan, 2000; Beehr & Gupta, 1987) | to be corporate decision-making (Wright et al., 2000); group-based decision-making (Poon et al., 2005) |
| leadership | paternalistic (Lok & Crawford, 2004; Morris & Pavent, 1992; Martinez, 2005; Westwood, 1997; Farh & Cheng, 2000; Pellegrini & Scandura, 2008); relationship-based and authoritarian leadership styles (Wright et al., 2000; Likert, 1967, 1976; Lin, 1986a, 1986b); directive (Barret & Bass, 1976; Wright et al., 2000) | Participative and consultative (Likert, 1967, 1976); consultative (Tixier, 1991) |
| communication | focus on deal-oriented (Clarke, 1998); human side of a relationship and personal behavior (Yau & Powell, 2004) | Function-oriented expression (Martinsons, 1994, 1996) |
| goals | harmony fundamental (familial networks) (Clarke, 1998; Theimann et al., 2006) | process-oriented (Clarke, 1998) |
| motivation | collectivism (Wright et al., 2000; Barret & Bass, 1976; Bochner, 1994; Hesketh, 1994; Tayeb, 1996; Hofstede, 2001) | promote individualism (Chen, 2001; Kahal, 2001) |
| power distance | high power distance (Hofstede, 1980; Tan, 2002; Wright et al., 2000) | low power distance (Hofstede, 1980; Hofstede & Brond, 1988) |

INNOVATIVE CULTURE

Innovative culture is a set of shared norms that develops and establishes the values, views and attitudes necessary to foster experimentation and creativity. This kind of culture encourages individuals to develop their ingenuity, originality and inventiveness (Hood & Koberg, 1991). When such norms are widely shared and strongly held by employees, they can actively promote the generation of new ideas and help in the exploration of new approaches. Many recent studies have found that tolerance of mistakes, risk-taking, high autonomy and low bureaucracy are the most prevalent characteristics of an innovative culture. Specifically, when an organization is more tolerant of mistakes, in a way that is responsive to change and expects more achievement, then more ideas

are likely to be produced and new approaches developed. Moreover, when a firm encourages teamwork, operational autonomy or employee support, it enhances knowledge sharing (Galia, 2008) and aids knowledge transfer and learning. Hence, we propose that an innovative culture is a reinforcement motivation factor to induce employees to share and transmit their knowledge and experience, and thus will facilitate self-directed learning behavior among employees.

Asian and Western management styles and professional skills

Earlier studies, based on Maslow's theory, have found that knowledge workers are motivated to share their knowledge, due to a desire for self-actualization. Further,

under the decentralized structure, one of the characteristics of Western style management, employees are more willing to share their opinions as it allows them to participate in the organization and have a greater discretion or autonomy, the level of autonomy directly determines if people are innovative in their work (Munton & West, 1995); and is treated as a motivator by Herzberg's theory (Herzberg, 1958). Autonomy also allows the employees to generate innovativeness idea and new prospects, and their professional skills will also be improved when they are granted the freedom to have more job involvement to pursue the organization's goals by whatever means they decide, and this will also motivate them to learn. Hence, Western management style is expected to encourage professionals to improve their skills, and thus there will be a positive relationship between Western management style and professional skills.

Influence on professional skills of Western management style

In contrast, authoritarian relationships aim to accomplish the goals of communication and coordination through a hierarchical management system (Lawler & Rhode, 1976), which could be particularly detrimental to the performance of professionals because of the limited autonomy such systems entail (Redding, 1990). Professionals may feel frustrated in such environments, and consequently, might suffer from a lack of energy, and attention, with regard to their work. As a result, their creativity might be stifled and their development of abilities or skills might be constricted (Aksu & Ozdemir, 2005). However, when employees have high scores on a measure of Chinese traditional cultural value, or traditionality, which means that they are less likely than others to base their attitudes and behavioral responses on how authority figures treat them, they are willing to respect hierarchies in society and be obedient to individuals who hold power and prestige in the organization. In turn, such employees will get more trust for their conformity, and are more likely to receive adequate work resources and benefits from their supervisor (Farh et al., 2006) to improve their abilities or skills. Hence, when employees view Asian management styles more favorably, their professional skills could be improved. Accordingly, we argue that there is a positive relationship between Eastern management style and professional skills when professionals rate high on a measure of traditionality.

Influence of Asian management style on professional skills when the professionals who rate high on a measure of traditionality

Several studies support the assertion that professional employees may resist the influence of a certain type of hierarchical leadership (Ford, 1981), but does this imply that non-hierarchical, such as a democratic management style, are predominant in professional settings? Similarly, will more democratic or unrestrained management styles be more acceptable to professionals? Researches into organizational performance and employee satisfaction have hypothesized the importance of democratic rather than with autocratic management (Foels et al., 2000; Lok & Crawford, 2004), and that the effect becomes larger

as the relative difference between a democratic and an autocratic leader increases (Foels et al., 2000).

Innovative culture as a moderator of management style – professional skills

How does a firm's management style affect its professionals' skills? The above discussions on management style describe a firm's working environment, but professionals' skills are not simply a function of these characteristics. Instead, these characteristics and professional skills are contingent upon another important factor: innovative culture. This suggests that employees may not reach high levels of professional skills when an innovative cultural context does not exist to encourage this. In fact, this argument rests on the assumption that corporate culture is an integral organizational influence on member behavior, and that an innovative culture, which encourages initiative rather than obedience and dependence, could encourage employees to consider new ways of thinking and executing their work when they realize that management approves of such innovations.

Based on above discussion, innovative culture influences and strengthens the behavior of organizational members toward common goals, and thereby acts as a reinforcer to encourage members to share and, feedback knowledge with each other, and this intangible learning mechanism further motivates individuals to continue learning (Levinthal & March, 1993). Meanwhile, recent theoretical and empirical advances make it evident that innovative culture moderates the relationship between individual characteristics and the innovation-use behavior (Choi, 2004), that is associated with IT employee job satisfaction and the motivation to transfer learning and transmit newly acquired knowledge to the workplace. Therefore, it would be reasonable to assume that an innovative culture could help individual's professional skills enhancement. This further extends the explanation of professional skills improvement to be associated with the firm-specific contexts, innovative culture and management style.

The level of professional skill improvement varies depending on whether an organization has an innovative culture. When a firm has a high innovative culture, it strongly motivates the employees' knowledge or experience sharing intention, e.g. R&D professionals share narratives on how research or innovation materializes in daily activities, and thus reinforces their learning behavior, and so, facilitates the improvement of their existing or new skills. In contrast, a low level of innovative culture, i.e. one that is demanding of employees or is rule-oriented, will discourage knowledge sharing intention among members. We argue that when the management style best suits the professionals and is matched with an innovative culture, there is a significant effect on the link between innovative culture and professional skills. Based on this discussion, we conclude that innovative culture acts as a positive reinforcement factor for the enhancement of professional skills. Further, if the moderating effect exists, wider conclusions could be derived from adjusting the emphasis on high innovative culture. This may help firms to conceive management style and innovative culture as tied properties in explaining professional skills.

CONCLUSION

In this paper we have explored the crucial role of innovative culture in work motivation. Meanwhile, the major contribution of this research is investigating how management styles may affect the professional skills of employees in R&D environments, and how innovative culture can be a reinforcement motivation factor to induce employees to share and transmit knowledge and experience to help others and improve their skills. We first defined the concept of innovative culture and two types of management style (Asian and Western).

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