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# Analysing the Chinese style of management

Last Thursday I gave a talk at the Personnel Management Club luncheon meeting of the Hongkong Management Association on the subject of the Chinese style of management. How ill-conceived that title of my talk was became immediately apparent when I started writing the first draft of my speech, because however hard I tried I could not pinpoint what style of management was peculiar to the Chinese people.

All the things that Chinese managers have been accused of might be said of European and American managers too, although perhaps not to the same degree.

Mention the Chinese style of management, and some people would immediately conjure up the picture of a stern, middle-aged and all-powerful Chinese boss shouting out his orders to his circle of sycophantic subordinates and trusting no one except his sons and daughters, his sons more than his daughters.

Yes, some Chinese bosses do act as if they are omnipotent. Their style of management is characterised by a total absence of any rules or restraint on their power. They make all the important decisions. But one must always remember that the concept of *carte blanche* is as much an American creation as it is Chinese.

Yes, some Chinese subordinates have a habit of grouping themselves into clans or cliques at the feet of their patron. But cabals are a fact of life in many large organisations. Harold Wilson is known to have complained about such formations within his own inner Cabinet.

Yes, nepotism or the practice of appointing your children or relatives to important positions in the company may be a very pronounced Chinese habit, but the same is equally true of Indians and Filipinos and lately even one very notable British politician had seen fit to appoint his son-in-law Ambassador to Washington.

Clearly, what has come to be referred to as the Chinese way of doing things may not be quite so Chinese after all.

In matters such as this, people do tend to generalise. We may have one or two German friends whom we see

perhaps once or twice a year, but that does not stop us from making the observation, as some have, that the Germans are an "efficient and mechanical people without any sense of humour." Very bold words indeed considering that we are really talking about tens of millions of people.

This leads me to doubt whether or not there is such a thing as national characteristics. But having said all that, I hope I may be forgiven if I make some wild generalisations about two rather distinct features of the Hongkong people which are perhaps worth mentioning.

If I generalise, at least I am doing it from first hand knowledge and with the benefit of having drawn my observations from a rather large sample of friends and acquaintances.

To appreciate these two features of the Hongkong Chinese psyche, one must start with the Chinese family. A large, closely-knit family in which the father reigns supreme, makes all the decisions, controls the financial strings and gives the orders seems to predispose Chinese people who had this sort of upbringing to two things: excessive reverence towards authority and a natural respect for a pecking order.

When they leave school or their home, very many young Chinese people, whether consciously or unconsciously, are really looking for another authority to follow. They want a continuation of the pattern of behaviour long established in the home environment.

They want a boss they can respect, a boss they can look up to, who can teach them new things, point out their mistakes. In other words, one who is superior to themselves but who has their real interest at heart, like a father would. And not only superior intellectually, but preferably academically superior as well because of the high esteem Chinese people have traditionally held for academic achievements.

They want, above all, a boss who is going places in the hope that they may be carried along on his coat tails. This is why one of the favourite games of many local civil servants and can be summarised as "spot the

good boss" or "back the right horse." And it doesn't take long for one to observe that the happier civil servants are the ones who work for department heads who are currently in favour with the Governor. To some civil servants, a good boss is one who can get a lot of money out of the Financial Secretary.

The other thing most Chinese people in Hongkong subconsciously look for is a clearly defined pecking order.

One of the most famous novels in Chinese literature is *On the Water Margin*. This is the story of 108 outlaws who set up shop in the swamps of central China. Each one of them is given a place in a sort of precedence list. I lost count after the 36th, but some people can count all 108 of them in their right order.



Because Hongkong is such a small place, it is possible for people to know the standard of most schools, the salary scales which go with most jobs and even many of the personnel managers. There are very few secrets. And this actually helps the establishment of a pecking order.

Most personnel managers can tell by looking at the secondary and post-secondary schools an applicant attended whether or not he would fit in with the existing staff and if so where. In their scheme of things they know exactly how to assess a local degree, an overseas degree, a Polytechnic Diploma and so on and so forth.

And if you have just returned from abroad, the first thing people want to do is to place you properly in their hierarchical conception of things. They normally do this by

asking how much money you are making.

In Chinese social conversation, this is not a rude question. People just want to get the measure of you to avoid making the mistake of regarding you too highly or not quite as well as you deserve.

Basically there are two hierarchies, one based on seniority of age, the other on seniority of competence.

If your boss is older as well as more able, then it is likely to be a stable set up because this is the perfect hierarchy most Chinese people would readily accept. They are most concerned when a person who is junior in years should hold a more senior position. Chinese societies do militate against the boy wonder or the whizz kid.

It is not for me to say whether such features of the Chinese employee is a good or a bad thing. Suffice it to say that in organisations where seniority based on age is matched with seniority of competence, you are likely to have a very well ordered company where there are fewer complaints of a personal nature. If these two hierarchies are at loggerheads with each other you are likely to have quite a few problems, until a new pecking order is established and comes to rest in a perfect hierarchy again.

The respect for authority is also a double edged sword. On the one hand, a boss will find that he is less tied down in Hongkong than anywhere else in the world. He can make decisions without being bound by too many rules because what the boss says is law.

But in the long run, this style of management may be something of a hindrance since subordinates will not tell you even if they think you are doing the wrong things and they will come to you for even the most minor decisions. They also expect you to give them a raise or promote them at your own initiative. All the onus is on the boss.

In the final analysis, this style of management places too much responsibility and strain on one man. My only advice is: don't even try it unless you are Chinese.