

Planned Change in a Chinese Company: A Participatory Action Research Approach

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Opportunities continue to open up for researchers to partner with organizations around the world to learn and contribute to the body of knowledge in academia. This paper offers a reflexive view on participatory action research and the challenges of outsider researchers from the United States working with Mainland Chinese insider participants to improve and sustain a company's knowledge on planned change and organizational development. It documents the process, researchers' observations, and importance of having a clear contract with all participants. Despite the possible positive impact on organizations and research, this paper also reinforces of old lessons regarding trust and cooperation.

INTRODUCTION

Imagine traveling across the world for a once in a lifetime opportunity to partner with a group of talented employees of a highly successful company in Mainland China. However, after the initial excitement and energy upon arrival, what promised to be a rewarding partnership turned into feelings of frustration and a sense of failure. As more opportunities occur for researchers to partner with organizations around the world to learn and to contribute to the academic body of knowledge and to the organizational stakeholders they are partnering with, they are also experiencing the reinforcement of some old lessons.

This paper describes researcher observations and personal learning that might help other researchers as they conduct participatory action research (PAR) in China. This research project used a PAR approach with the goal of producing practical, sustainable knowledge for the company to use in the conduct of their daily business (Reason & Bradbury, 2004). A successful partnership in any culture requires mutual trust and respect, a shared set of expectations, and active participation from the members of the partnership. Partnership is a key success factor for action research. However, during the project, the researchers experienced limitations in the use of the PAR processes and expected outcomes in the context of their study, even though the methodology was specified during the initial project proposal (J. Preston & K. Wall, personal communication, November 3, 2009). These limitations are attributed primarily to an underdeveloped partnership. This paper documents the process followed and the researchers' observations during the PAR project intended to transform the company from a silo-based organizational culture to one of cooperation and collaboration by creating an organizational network.

Project Background

The purpose of this project was to work with the Human Resources (HR) department of the Nian Qing Company (a pseudonym used at the company's request) to improve the company's profitability through process development. The research team consisted of two professors and nine doctoral students from several doctoral program cohorts from the Colorado Technical University Institute of Advanced Studies. Prior to the project start, the research team received a list of specific areas of concern and questions from the Nian Qing Company from HR members who identified areas of improvement to support the company's goals to achieve higher profits and performance improvements (Figure 1).

FIGURE 1
EXCERPT FROM INITIAL NIAN QING COMPANY QUESTIONS

No.	Issues Description
1	As the only department in charge of organization development (OD), we are establishing a set of regulations and policies concerned with OD. Can you provide some information to address such as: <ul style="list-style-type: none">• The criteria to set up a department• How to define a posit
2	How to develop manpower planning in the fast moving consumable goods (FMCG) organization with most employees being highly intellectual staff?
3	How to build a matrix organization structure and avoid matrix problems to enhance horizontal collaboration among different departments?
4	Could you introduce business model and organization structure of multinational FMCG companies? What can we learn from these companies?
5	How to encourage innovation in the organization from an OD perspective?

Action Researchers

We were both educated in the U.S. and worked closely together for the previous two and a half years prior to this research project as a result of being in the same doctoral cohort. Neither of us had visited China, but both have traveled abroad (primarily to Europe) for both work and pleasure. Our professional experiences include accounting, software engineering, management, and higher education teaching. Neither of us speaks or reads Chinese.

We were motivated to work with the Nian Qing Company for two reasons. First, we appreciate the value of action research with its focus on partnership and collaboration in generating ideas and guiding sustainable change. Second, we felt the project would be a valuable opportunity to work with a successful company in China to learn about its culture, organization, and challenges.

One of the challenges for both of us was adopting the role of external process consultants (Schein, 1999) instead of expert consultants. Both of us have worked as expert consultants, but had little experience as professional process consultants. The members of Nian Qing Company were used to working with expert consultants and expected a similar working relationship with us. We relied heavily on our experience from a previous appreciative inquiry research process-consulting project in which we collaborated with an organization to identify and leverage its strengths and positives.

Nian Qing Company

Nian Qing Company is a medium-sized company with headquarters in Mainland China, primarily serving the Chinese market. Expected revenue for the fiscal year ending December 31, 2009, was approximately 7 billion RMB (\$1 billion USD). The company participates in activities such as product branding, marketing, R&D, design, manufacturing, distribution, and retail. The Nian Qing Company's products include footwear, apparel, equipment, and accessories for sport and leisure uses. During the

previous five years, the company acquired companies and entered into joint ventures and license agreements with other international companies. In addition to its Mainland China operations, it has other locations throughout South Asia.

Background and Literature Review

This section examines the current literature on Chinese business culture and PAR as a methodology for planned change. In addition, organizational structures that facilitate change and increase collaboration within an organization are reviewed as they are used in China.

Chinese Business Culture

According to Wall, Preston, and Runtong (2009), understanding Chinese business culture is imperative when working with Chinese companies. The concepts of face and guanxi strongly influence Chinese business (Wall, et. al 2009; Vonhanacker, 2004; Cardon & Scott, 2003). The concept of face is based on the development of personal relationships and the value of networks in Chinese society and business; it is a strong behavioral driver in Chinese companies (Cardon & Scott, 2003). If an employee causes his or her manager loss of face, the employee risks retribution or disgrace by the manager. Guanxi, like face, is based on relationships and networks and is considered a critical foundation of Chinese business culture because relationships are required for deal making (Vonhanacker, 2004).

Another important factor in terms of understanding Chinese business culture is the general fear of change. Woo (2008) cited the employee's fear of changing work practices as a negative factor in a case study of an organizational structure change in a Chinese company. When promoting innovation in Chinese companies, Wang, Guidice, Tansky, and Wang (2009) recommend that an employee's reward structure should be focused on valuing creativity and innovation instead of punishing failure.

Planned Change

Kurt Lewin's planned change model is considered the traditional model for single organization change in organization development and change (OD&C) (Cummings & Worley, 2009). Change models are based on the premise that change occurs as part of a discrete process (Greenwood & Levin, 2007; Burnes, 2004). Schein (1999) noted two important elements in planned change necessary for the model's success: the critical role the change agent plays in the process and the importance of understanding the organization's culture.

A challenge of planned change in OD is developing a structure that will facilitate the change. One type of structure is organization networks. A network is a group of independent or autonomous organizations that affiliate to work toward a common goal (Chisholm, 1998). Types of networks include those that support trust, share information, and provide authority (Stevenson, 2003). Structural embeddedness in a network organization represents the depth of ties between the members of a network, enables the network members to develop trust, exchange information, and collaborate on problem-solving is essential (Stephenson, Bartunek, & Borgatti, 2003). Gaps in the embedded structure may lead to structural autonomy and silos that allow actors to gain power in an organization (Stephenson, et.al., 2003).

Mintzberg (1980), on the other hand, describes a matrix organization as an effective structure to facilitate coordination of functional specialists on small teams to address complex issues. Cummings and Worley (2009) view a matrix organization as a structure conducive to product or project management, characterized by a vertical organization overlaid with a lateral structure to facilitate cooperation and collaboration between organization groups or units with the team members reporting to more than one boss. The advantages of this structure are that it facilitates knowledge sharing across the organization or project, shares specialists from the organization's departments, facilitates communication between department managers, and can balance power between organizations and departments (Cummings & Worley, 2009; Strikwerda & Stoelhorst, 2009; Wellman, 2008). The disadvantage of this structure, though, is the difficulty of managing it because confusion often arises from reporting to more than one boss and inter-departmental or functional conflicts may occur (Cummings & Worley, 2009). Strikwerda

and Stoelhorst (2009) believe a matrix structure supports resource sharing, but they identified another organization form that addresses the lessons from the conflicts characterized by matrix organizations, multidimensional organization (also known as the multi-unit or M-form). This structure is suitable for a complex, independent organization that operates in interrelated markets and can benefit from a knowledge-driven culture (Strikwerda & Stoelhorst, 2009).

Some Chinese action research studies identified factors that enabled a matrix organization structure to succeed. Woo (2008) examined the use of a functional matrix organization for project management for a Mainland Chinese company and found the structure allowed for successful coordination between managers without causing serious management or Chinese cultural conflicts. Liu and Pan (2007) found in their action research study about implementing an Activity Based Cost (ABC) system in a Chinese company that a matrix project team structure is effective with top management support, external consultants are engaged to facilitate the process, and a participatory approach is used throughout the project's life cycle.

Another Chinese action research study identified the importance of a strong project contract, a boss with motivational skills, and a clearly defined reward system (Davison & Vogel, 2000). Research has shown a key consideration in matrix organizations in China is the importance of preserving Chinese management characteristics such as employee relationships, organizational loyalty, the organization's hierarchy, face, and *guanxi* (Woo, 2008; Vonhanacker, 2004). If the matrix project management structure changes reporting relationships for the project, the project organization structure should be disclosed and explained to the project members (Woo, 2008). Lastly, the financial resources for the project need to be identified at the onset of the project and assigned to the project participants (Woo, 2008).

Participatory Action Research

Action research (AR) is a methodology that uses action and research to develop practical outcomes to facilitate change, characterized by an evolving process that uses individual and community inquiry to build knowledge to empower the participants to be able to create knowledge (Reason & Bradbury, 2004). A cyclical process of inquiry, action, participation, and reflection is followed to develop knowledge and to facilitate organizational change. The key element of AR is the collaboration between researcher and participants to create new knowledge and learning with the objective of using that knowledge to change or develop the system (Lewin, 1946). Action research types are social, organizational, innovative, and participatory. Participatory action research (PAR) focuses on the development of practical knowledge to advance and liberate understanding and learning (Reason & Bradbury, 2004).

Action research is not widespread in China because organizational development as a discipline is not widely recognized or practiced in the country (J. Preston, personal communication, November 12, 2009; Hughes & Yuan, 2005). There is limited literature in English addressing Chinese PAR research studies (Davison & Vogel, 2000; Hughes & Yuan, 2005; Lin & Pan, 2007). Hughes and Yuan (2005) examined the overall status of action research in China and found the approach is an attractive research method as the country moves from a planned economy to a planned socialist market economy as its companies strive for growth and success. Hughes and Yuan (2005) also noted that a challenge for action researchers is to help the Chinese develop their own action research models.

RESEARCH METHODOLOGY

This section focuses on the research, experiences, findings, and learning from interactions with our Nian Qing Company partners (company partners).

Data Collection, Analysis, and Interpretation

Two weeks prior to the start of the project, we initiated e-mail contact with our company partners to introduce ourselves and to learn more about the organization. Our company partners immediately replied suggesting a Web-based conference. Our team, along with one other research team member, conducted the conference with one of our company partners who gave us a general overview of the company. This

initial contact helped us understand the organization's structure and goals and eased our anxiety about the project. However, we had mixed feelings regarding their expectations. We interpreted a sense of respect for us based on the specific questions they asked (Figure 1), but we felt they were looking for expert rather than process consultation.

When we arrived at Nian Qing Company, we met with members from the company's HR department and began discussions with our company partners. The Nian Qing Company HR members spoke English well. The field research for the project was conducted in Mainland China at Nian Qing Company's headquarters for one and a half weeks in November, 2009.

We conducted interviews and observed some of the daily activities of our partners at Nian Qing Company each day. The interviewees were selected by the Nian Qing Company based on their role within the organization and their ability to speak English (Judy, personal communication, November 3, 2009). Most interviews were conducted in a common HR meeting area or in conferences rooms, typically at the request of the interviewee. The researchers asked the interviewees prepared questions, inquiry in nature, regarding the organization, the interviewee's role and responsibilities, and OD issues. We also examined organizational documentation provided by the Nian Qing Company (e.g., company overview, annual company reports, and various HR documents). We documented our observations, feelings, and interpretations in the form of journals and interview notes.

Typically, at the end of each day, we shared our observations with the rest of the research team. This provided the research team a better understanding of the organization as a whole since each researcher focused their time on a specific area within HR. This form of peer debriefing provided a form of validation with regard to the accuracy of the observational data (Creswell, 2003).

We also conducted preliminary data analysis each day. The data analysis was based on our daily notes and reflections. This initial data analysis was essential to help us identify further areas for inquiry and understanding. This reflection of our observations and interpretations was essential for us to understand and to focus our conversations with our partners. Finally, we used member-checking with our research partners to review our overall findings to ensure the accuracy of our qualitative data observations (Creswell, 2003).

Limitations and Observations

We encountered several challenges during the project. Our primary limitation during this research project was access to our research partners. Although the research team was in China for two weeks, the first part of the trip was reserved for cultural orientation because most of the team members had never visited China. The last few days of the project were reserved for preparing the initial report of observations and learning for the company, which left only five days for PAR activities. We felt pressured by this perceived limitation and did not feel we would have sufficient time to help our partners achieve change during this short time. It took nearly a week before we reached a point in our interaction with our partners where we were having an exchange of ideas and discovery instead of just asking each other questions.

Our research and partnership time was restricted by the lack of our OD partners' availability. During our initial contact with them prior to our arrival, Art's enthusiasm led us to believe our partners were looking forward to working with us, which is how we both felt. However, after we arrived in China, this was not the case. On our first day, our OD partners told us they had very little time to spend with us. Although it appeared they were quite busy, we were frustrated they would not make additional time for us since we were in China for such a limited time to help them and at our own personal financial expense. We reacted in almost a stalking manner, attempting to get them to commit to spend time with us and sitting in their meeting area hoping we might catch a few minutes with them. However, we were reminded of Schein's (1999) go with the flow principle of process consultation, which allows the client to determine when he or she was ready to work. This required a great deal of patience on our part, a character trait that is not a personal strength of either of us.

Another research limitation was confidentiality of information we were obligated to honor for all data collected. In order for us to work with the company, the research team was required to sign a

confidentiality agreement. However, despite the agreement, it was apparent to us the OD members we worked with were concerned about how much information they provided us, and more importantly, what we intended to do with the information. We discovered their primary concern was how much their manager would learn about the information our partners divulged to us. They seemed fearful, which was something we did not understand. However, it made sense based on other discoveries during the research project.

On our second day at the Company, during our peer debriefing, one of the members of our research team shared that the company's employees were punished for making mistakes. In this case, the mistake was related to erroneous information sent to the company's employees in a company letter. The punishment was docking the employee's pay (Judy, personal communication, November 6, 2009). The news shocked us. This information represented another bias we brought to the project. While punishment occurs in U.S. companies, we have never heard of a person's pay being docked based on a single incident. This may be part of the Chinese culture of face. According to Cardon and Scott (2003), when the norm of face behavior is violated, Chinese businesspersons may shame or punish an individual of lower status.

Initially, when our partners expressed their concern regarding the confidentiality of the information, we immediately thought this was an issue related to trust, and we still needed to build trust in our consultant or insider/outsider relationship (Schein, 1999; Bartunek & Louis, 1996). However, once we were made aware of the incident that resulted in punishment, we interpreted this concern to be beyond the relationship. This might have also explained why we were not given more meeting time; our presence might be perceived as interfering with their daily activities. This fear of retribution, as we interpreted their behavior, remained throughout our research project.

Although our partners appeared quite willing to share information with us under the umbrella of confidentiality, we were somewhat cautious the information they provided us might not be complete or totally accurate; not through malice, but from fear. We also felt they were playing the game of cooperating without fully participating. When we shared the initial draft report with our partners of our observations, analysis, and future partnership, we were asked to remove many of the details obtained during our interviews for fear their manager would find out how much information they shared with us. Particularly amazing to us was that all three members of the OD department were able to meet with us at the last minute to review in detail the draft report, which further supported our interpretation of their behavior as fearful.

Another challenge, as alluded to earlier, was the company's expectation that we provide expert consultation. This was evident from the questions and areas of interest the company initially presented the research team (Figure 1). Upon our arrival, it was apparent to us our partners were expecting us to provide the answers to their questions such as identifying a competitor's best practices. This may have been another example of face behavior, which was motivated to impress their bosses with the information they learned from us. In an attempt to structure our project as a PAR, we explained the purpose of AR, stressed that we considered them the experts, and our goal was to discover solutions to their issues together. They still pressed us for answers. The company works daily with expert consultants (Nige, personal communication, November 3, 2009). This impression was reinforced by their repeated request for best practices information about their competitors that they might be able to apply to their own organizations.

Diagnosis

In 2008, the company opened a major store and an R&D facility outside of Mainland China, partnered with an international company to collaborate on product R&D, and completed two successful acquisitions/partnerships to add product lines. Its revenue, profit, and assets continued to increase. The company has three primary goals, brand for the future, expand its distribution network and R&D, and improve its supply chain to support future growth (Marian, personal communication, November 12, 2009). Its goal is to become one of the top five global brands in its industry in the next decade (Marian, personal communication, November 12, 2009).

The company's organization structure is hierarchical with a combination of functional and product-based units (Art, personal communication, November 5, 2009). A CEO runs the company; below the

CEO is an executive level comprised of CXOs (e.g., CFO), general managers, and vice presidents. Most of the key leaders are older (late 30s to late 40s) than the rest of the employees, who average 31 years of age (Linda, personal communication, November 9, 2009). Many of the key leaders have been with the company for several years, whereas most of the employees we worked with had less than four years of service. A few of the employees are expatriates from the U.S. who previously worked for a competitor of the company (Art, personal communication, October 19, 2009).

Organizational Development and Change (OD&C)

In order to achieve its goals, our company partners stated they felt they needed to make changes through organizational restructuring to achieve process optimization (Art, personal communication, October 19, 2009). For example, a year earlier, the HR department was reorganized, resulting in the formation of additional units within the HR (Julie, personal communication, November 3, 2009). HR's focus is on optimization of internal processes, workforce planning, and traditional HR tasks (e.g., performance management, benefits, etc.) (Art, personal communication, October 19, 2009). The organization development (OD) unit was created (Art, personal communication, October 19, 2009). The OD unit consists of three individuals, none of whom have formal OD training. They spend approximately 30 percent of their time on OD issues with the remainder of their time spent on other HR activities. Their primary challenge is to manage projects through intra-departmental collaboration. They believe if they successfully plan and implement the projects that they can change the organizational culture from one of silo-based to one of cooperation between the various stakeholders (Nige, personal communication, November 3, 2009). According to Nige, the company's primary challenge is to improve intra-company collaboration when implementing projects by changing the organizational culture from silo-based to cooperation among stakeholders (Nige, personal communication, November 3, 2009).

When we discussed active and completed projects, only one was described as successful. The success of the project was credited to the individual selected to manage the project; the individual had been with the company for nearly 10 years and had formed strong relationships (Guanxi) with the other stakeholders, whereas other project leaders were often individuals hired outside the company for their specific talents (Art, personal communication, November 4, 2009). In addition, this project was sponsored and supported by the CEO, the ultimate power source within the company (Art, personal communication, November 4, 2009). Two forms for power exist within the company, formal and informal. Formal power is defined by the company's hierarchical organization structure, which the CEO clearly has; informal power is based on the relationships between individuals, which the project leader for the successful project had and the other project leaders did not.

The OD unit is working with other departments to improve the planning and implementation of projects (Art, personal communication, November 4, 2009). They identified the following initiatives for implementation: hold regular meetings with clearly defined agendas, create clear Key Performance Indicators (KPIs) that measure project success using financial and performance metrics, clarify the roles and responsibilities of the project leader and different functional departments, change the company culture to encourage collaboration between the departments via formal announcements (e.g., email), training, and management (e.g., management-level meetings), and provide budgetary responsibility for the project members.

During our research project, we observed several meetings that lasted one to two hours. During most of these meetings, attendees brought their laptops and cell phones and responded to emails and phone calls during the meeting. The interviewees agreed that these meetings were not productive. Even during our collaborative sessions, our OD partners answered phone calls and emails. This will require a significant change, we feel, and will need to start with our OD members as the change agents.

The company uses KPIs to measure the performance of all employees, which is the second initiative our OD partners identified (Art, personal communication, October 19, 2009). KPIs are metrics defined by a company to measure employee performance (Blocher, Stout, Cokins, & Chen, 2008). These metrics can be tied to financial (e.g., revenue goals) or non-financial goals (e.g., customer satisfaction). For example, the company currently uses KPIs to measure performance of their executives against revenue goals

(Linda, personal communication, November 11, 2009). Employees receive bonuses for meeting their KPIs. However, failure to achieve a KPI goal can result in employees being penalized financially. Therefore, they were looking at creating KPIs that would hold all stakeholders accountable (Art, personal communication, October 19, 2009). They believe the creation of a collaboration KPI metric would also lead to the clarification of roles and responsibilities for each of the stakeholders (Nige, personal communication, November 3, 2009). Along with this, the company also shifted some of the financial responsibility by allocating the project leader a budget for the assigned project, thereby shifting some control and accountability to the project leader (Art, personal communication, November 8, 2009).

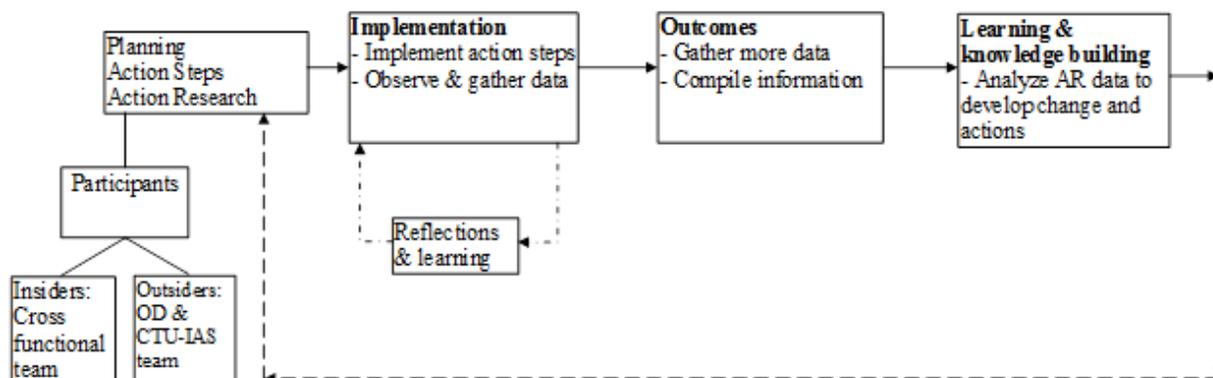
Finally, our partners realized a change in the company's culture was necessary (Nige, personal communication, November 3, 2009). The steps they planned to take included emailing individuals regarding the goals and expectations of these projects, providing training to the stakeholders to ensure everyone understood their roles and responsibilities, and reviewing the projects during the management-level meetings (Art, personal communication, November 4, 2009). However, as we collectively reviewed their current plan, our OD partners recognized that planned change is complex, requires time and reflection, and they will need to have an active role as change agents.

DISCUSSION

Despite some of the limitations we experienced, we successfully began the process of inquiry and discovery to build a framework that supported collaboration within Nian Qing Company. We discussed a possible model for our partners to consider within their headquarters that would facilitate the beginnings of a network within their company. Specifically, we discussed the formation of an umbrella group based on Chisholm's (1998) model. This network organization structure links the individuals or organization units to facilitate collaboration and cooperation on achieving the organization's objectives using PAR. It is characterized by the development of relationships among the network members, is self-managed and self-directed by the network members, is based on horizontal rather than hierarchical relationships, and is driven by the shared vision of the members to achieve its goals (Chisholm, 2008).

An umbrella group could consist of two to three members from each of the appropriate departments, coached by an OD member, with a maximum group size of eight. The umbrella group could meet as needed, but for no more than 30 minutes to plan work and then return to their group to accomplish the assigned task. This structure would avoid the matrix problem of having two bosses, but still requires relationship building and collaboration. We also discussed intervention options to improve teamwork and coaching, including future training and workshops.

FIGURE 2
PARTICIPATORY ACTION RESEARCH NETWORK FRAMEWORK



The steps in this framework are planning, implementation, outcomes, and learning and knowledge building (Chisholm, 2008). During the planning phase, the company would select the participants based on their functional knowledge and qualifications to achieve specific project objective(s). The teams would be structured as insider/outsider teams (Bartunek & Louis, 1996). The insiders would consist of functional members who have expertise in their units and are members of the organization (Louis & Bartunek, 1992). Based on our initial discussions, for the first project using this model, we would likely include two sets of outsiders. First, the OD department team members who do not have functional knowledge of the projects would facilitate the process. Second, we proposed we participate as outside researchers in a collaborative role to assist our OD partners as they develop the framework, thus maintaining our insider/outsider relation with our OD partners.

The planning role represents efforts by the team members to develop a project design and participate in events to achieve building knowledge. Next, the action steps are implemented. Through observation, data is gathered. This step represents the action research element because it includes the process of interpreting the data, reflecting on it, and building learning to develop the next cycle. The implementation step identifies outcomes that are used to compile information that will lead to gathering more data. This information results in learning and knowledge building which continues to grow through each additional cycle in the process. Then the AR data is used to develop organizational change and actions to achieve the network's objectives.

In order for the Nian Qing Company to successfully accomplish its marketing initiatives and plans for future growth and profitability, we collectively agreed the company must change its culture from an organization based on silos to an organization based on cooperation and collaboration. During our discussion, we also collectively agreed that although the initiatives they identified in hopes to address the current culture were a step in the right direction, a more formal, planned change would be necessary.

As we collaborated with our OD partners, it was apparent they too needed to change their attitude to become effective change agents. As we discussed ideas such as matrix structures or even limiting meetings to 30 minutes, our company partners said these could not be done. As we collectively examined the single successful project to assess why it was successful and how they might learn by using this project as a model for future projects, they said that it was impossible to duplicate the success of that project. However, as Preston (1992) stated, change agents must also be aware of their own blinders resulting from their cultural values and experiences. Through our collective inquiry and discussion, our company OD partners acknowledged that they needed to change their paradigms and to keep an open mind about potential changes to become effective change agents.

Implications and Lessons Learned

Although we felt reasonably prepared for our PAR project by researching the current literature in areas of Chinese culture, planned change, and action research, the challenges we faced were more than we anticipated. We believe our concern about the time limitation was valid, but not necessarily for the initial reasons we identified. Our partner's lack of availability was a critical limitation in our ability to work through the AR cycle and ultimately limited the success of the project (Chisholm, 1998). We attributed this to issues resulting from an underdeveloped working relationship despite our early attempts to establish contact to begin forming a relationship with our OD partners.

The success of PAR regarding accuracy, flexibility, and responsiveness, relies on mutual trust, respect, and connectedness of the participants (Wadsworth, 2001, p. 427; Bartunek & Louis, 1996). Bartunek and Louis (1996) further note challenges with developing working relationships between outsiders and insiders due to experience, perspectives, and interests; and that the greater the differences, the greater the difficulty. Although we believed we achieved some trust between us, as demonstrated by the amount of information our partners shared during our conversations, it was apparent to us that our relationship still lacked mutual respect. For example, our impression was our partners appeared to give the two of us the lowest priority in terms of meeting time; yet, when we arranged for a session to include

Dr. Preston, our OD partners appeared more willing to work with us. We believe our partners perceived doctoral students lacked credibility.

Another element that presented challenges in developing our working relationship with our partners was fear we observed during our PAR project. We understood, based on our initial research, the Chinese concept of face, and the importance placed on hierarchical organizational structure. However, upon reflection, we realized we did not fully appreciate how these issues would impact our research efforts. Ultimately, we feel these issues were the result of a lack of a clear project contract with our research partners.

Bartunek and Louis (1996) argue that a somewhat formal contract can establish the beginning a research project, how each member will contribute, and thus form the basis for an effective collaborative effort. A contract, whether written or verbal, would have set the framework for the PAR project. Specifically, we should have collectively identified how we would work together, including allocating time and schedules, and how we would each benefit from the project (i.e., mutually agree on the value of the project). In addition, had we worked through a contract, we might have also identified and addressed potential causes of the fear we eventually encountered, and possible solutions to reduce those concerns. For example, given the hierarchical structure, perhaps involvement of the department or company leadership would have opened the way for additional information sharing and introduced the element of power that is necessary to give importance and success within the company (i.e., executive sponsorship). In addition, we could have identified means of monitoring how the project was proceeding and how members felt about the process (Bartunek & Louis, 1996). A contract would have also addressed the previously mentioned disconnect in partners' expectations of expert consultation versus a participatory approach.

Many of these issues were addressed during the initial planning, as well as the initial group session, which included everyone from the research team and all the Nian Qing Company HR members participating in the project. However, individual accountability, sense of ownership, and clear roles and responsibilities did not translate down to individual members during these group settings (Bartunek & Louis, 1996). Thus, it is essential we develop a clear contract between individual partners. Without a contract, it is unlikely PAR projects using an insider and outsider approach will succeed due to the differences between team members, lack of mutual trust and respect, and unclear expectations.

CONCLUSION

Our attempt to design a PAR to change a Chinese company from a silo-based organization to one that effectively uses networks to create an organizational culture of collaboration and cooperation was unsuccessful. As Schein (1999) notes, everything we do in process consultation is an intervention. We believe that despite our challenges during this research project, our partners made progress in achieving their goals. However, this research project reminded us of the importance of building trust, having a clear contract, and the need for researchers to understand the culture of the research organization in order to create a collaborative and truly participatory environment.

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