

# **An American Expatriate in China: Evidence of Organizational Culture Crossvergence**

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*This article presents a detailed interview with an American expatriate in China, and shows evidence of cultural crossvergence: a blending of both economic ideology and national culture in a new organizational mindset. It explores each of Hofstede's five dimensions of national culture as displayed by employees. Through the expatriate's perspective, we see how the firm has built a global culture and is working to develop global leaders who share this new mindset.*

## **INTRODUCTION**

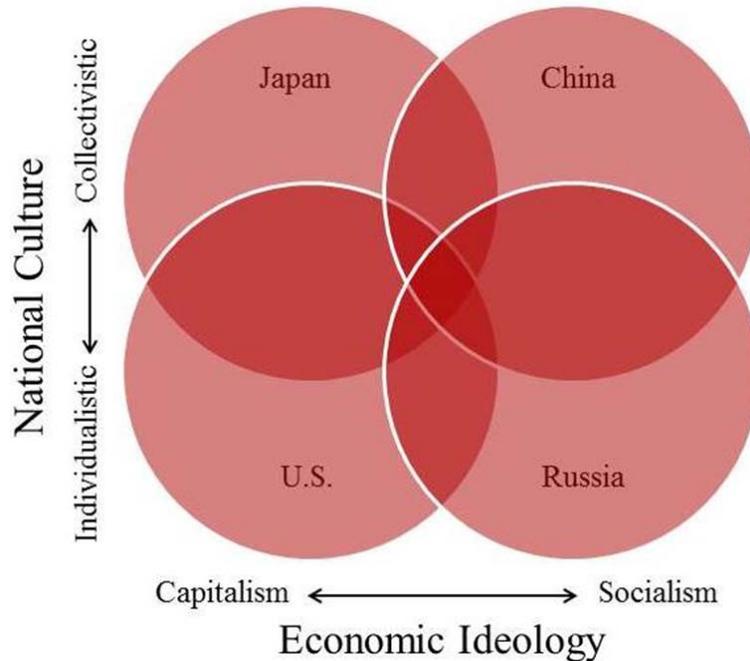
There has been discussion among organization development professionals over the past several years over whether national cultures are converging or diverging (Yaeger, 2004). Ralston (2008) argue in favor of crossvergence with national culture dominance. What seems clear in our age of global expansion of business in nearly all sectors is the importance of developing a global perspective that balances both strategy and talent development between the headquarters country and local business units (Bellin and Pham, 2007; Mendenhall et al., 2003).

Ralston, Holt, Terpstra and Yu (1997) present a strong study of managers from four nations: the U.S., Japan, Russia and China, to represent the four quadrants of a two by two grid with national culture (individualism vs. collectivism) on one axis and economic ideology (individualistic vs. socialistic) on the other. They go on to say that a Venn diagram showing the overlapping nature of these factors might be more appropriate to show what they called crossvergence (Figure 1): “when an individual incorporates both national culture influences and economic ideology influences synergistically to form a unique value system that is different from the value set supported by either national culture or economic ideology.” This model seems to fit well with the data of how global firms behave and has implications for how national culture develops also. My research adds qualitative details to their quantitative findings.

## **METHODOLOGY**

As part of a graduate course on global organization development, I conducted a detailed interview with an American expatriate working in China. It shows that the organizational culture of his company—a US-based multinational manufacturer—is much more alike than different, regardless of where you are located in the world. There are certain allowances for differences in local culture, and blended economic choices with national culture in a crossvergence that seemed much closer to the headquarters culture than the interviewee or I expected.

**FIGURE 1**  
**CULTURAL CROSSVERGENCE, ADAPTED FROM RALSTON, ET AL. 1997**



In this paper, I will use the definition of culture of Roger Keesing, as quoted by Alfred Jaeger (2001, p. 82). Culture is...

...an individual's theory of what his fellows know, believe, and mean; his theory of the code being followed, the game being played. Thus culture is not an individual characteristic, but rather a set of common theories of behavior or mental programs that are shared by a group of individuals.

The interview is constructed around Hofstede's model of national culture (Hofstede & Hofstede, 2005), in which there are five main dimensions: power distance, individualism (vs. collectivism), masculinity (vs. femininity), uncertainty avoidance, and long-term orientation. He has measured the culture of the US and of China on each of these dimensions as follows (figure 2, taken from Hofstede, 2007):

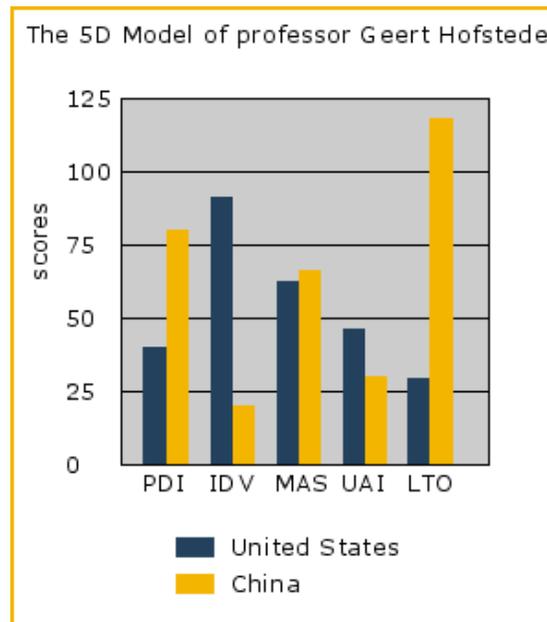
I will briefly describe my interviewee, and then go through each of the dimensions of culture, as the subject sees them in his work in China. By his perception, the culture of his organization in China is more like the US than China along Hofstede's measures, especially in terms of Power Distance.

## RESULTS

### Background of the Interviewee

The person I interviewed was an American working as an expatriate in Western China for a large multinational manufacturer, whom I will refer to as "Pat." He was married with children, and the entire family was living in China at the time of the interview. He holds an MBA, worked in Europe for two years and speaks a foreign language fluently, and had been with his employer for about ten years, with good progression in his roles. His role in China had Pat leading the operations of two plants with a total of approximately 1,400 employees. He had about 40 direct reports, including three managers.

**FIGURE 2**  
**NATIONAL CULTURE PROFILES OF THE UNITED STATES AND CHINA**



### **Dimensions of National Culture of a Multinational Firm in China**

#### *Power Distance*

Power distance refers to “the extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally. Institutions are defined as the basic elements of society such as the family and the community, while organizations are where people work (Hofstede & Hofstede, 2005, p. 46).

In terms of organizational structure, Pat said that the employer is a large multinational manufacturer with strong quality control and a relatively standardized product. For those reasons, major decisions regarding production levels and processes are made at corporate headquarters. He went on to say that line layout and allocation of local resources are decided locally, within a certain range of flexibility. This shows relatively high power distance.

However, Pat finds there are fewer layers of management in his operation in China than in the US, so he has greater ability to make decisions there than he had in US operations. Part of this may be due to his promotion to a higher level in the company, but part is due to the structure of the operations in China.

In making decisions regarding his work, Pat gets input from his employees, depending upon the situation. For example, he is responsible to decide personnel levels for his operation, and he does that with limited input from his staff. However, who to hire and who to fire he leaves to his employees, so long as they follow company protocol. He stressed that at all times it is important to the employees and the company that it be clear he is in charge.

Pat socializes with his employees at quarterly team-building company events, the same as is done in the US. These might include dinners, outdoor activities or games. At these events, Pat interacts with employees at all levels. Employees do want to see their bosses outside of the work setting, but he feels that is similar to what he has seen everywhere else, and not unique to Western China.

The plant receives visitors from the US and elsewhere regularly, and frequently it is Pat’s job to greet and entertain them. This has included US Ambassadors, officials from the Federal Reserve Bank, Chinese business and political leaders, and senior officers of his own company, including the CEO and Chairman of the Board.

One of the questions I asked was: “Are you seen more as a resourceful democrat or as a benevolent autocrat (“good father”)?” Pat said: “Hopefully more of the latter, because that is what they are looking for.” However, he then said that he tries hard to expose them to multiple leadership styles, but acknowledges their preference. He is more outward in his approach in that respect, so the employees can learn. For example, Pat notes that overseas it is more important to be sensitive to the culture of the entire audience than in the US, where presentations focus only on the decision maker. He explains to them: “This is how someone in the US might view this; this is how someone from Malaysia might view this. How are you preparing your presentation, given who is going to be in the room, and what their decision style is?” He said that his goal is to develop leaders who can work globally, not just locally. If he were just to use his employees’ preferred style of leadership, he feels he would be doing them a great disservice.

All of these factors combined tend to show a relatively medium power distance in the firm, much closer to what one would see in the US than what is usually found in China.

### *Individualism (Collectivism)*

This dimension is defined in terms of contrast. “Individualism pertains to societies in which the ties between individuals are loose: everyone is expected to look after himself or herself and his or her immediate family. Collectivism as its opposite pertains to societies in which people from birth onward are integrated into strong, cohesive in-groups, which throughout people’s lifetimes continue to protect them in exchange for unquestioned loyalty” (Hofstede & Hofstede, 2005, p. 76).

I mentioned the departmental social activities above. Pat noted that attendance at these events varies by location. In the US and in coastal cities of China, attendance rates run about 50%. In his location, attendance is nearly 100% every time. There are a few possible reasons for this difference: First, is the local environment. They are in a relatively remote area, so there isn’t a lot for young people to do. This makes the work events more popular than they might be otherwise. Second, most of his employees are recent college graduates in their early twenties. They generally like their coworkers, and they take advantage of any chance for a social activity with their friends.

A third reason he modestly alluded to, is that he and his staff conscientiously try to make these great events. His predecessor created a strong team culture in the department, and it has been recognized as such in the company. People from elsewhere have come to analyze his team, to see why they work together so well, so they can emulate that teamwork in their own areas.

A final reason for the high attendance rate is the local culture. The collectivist nature of society can be seen in the attendance itself. When the community (in this case the employer) holds an event, you attend, period. In addition, most of the employees are single and live with their parents, which also says something about the collectivist culture. Pat noted that most of the employees left the events at about 11:00 to 11:30 at night, so they would be home by midnight and their parents wouldn’t worry about them. That is behavior one generally would not expect of Americans in their twenties, whether or not they lived at home. It implies high collectivism, and also high power distance (in showing such respect to their parents).

Pat also found that even when the employees do not live with their parents, they try to stay close by. Given the long-standing one-child policy in China, and the historically strong extended families, this is not surprising, but it is different from what Pat found in the US. He works to set up a career path for his employees, which may include opportunities in his plant and elsewhere. He then helps them learn, develop and advance in the company, but that often requires relocation. The key limiting factor he noted was their mobility. Many of the employees prefer to forego advancement, in favor of staying close to their families.

When asked which was more important to the employees, the individual or the group, Pat said that he used to say the group immediately. Cooperation is always stressed over competition. For example, company programs such as contests for his employees, tend to be team-based, and focused on achieving business results (such as more accurate forecasting) rather than on “beating the other team.” Also employees’ annual evaluations are based in part upon the quality of their team participation and

cooperation, as well as on team performance. All that considered, after being in China for a while, Pat now sees that even though group accomplishment is most important, the individuals want to see that they are noticed also. This is not necessarily a contradiction, but does show that although the level of collectivism in China is quite high, there is a slightly higher degree of individualism than he initially found.

### *Masculine (Feminine)*

Again using Hofstede and Hofstede's definition: "A society is called masculine when emotional gender roles are clearly distinct: men are supposed to be assertive, tough, and focused on material success, whereas women are supposed to be more modest, tender, and concerned with the quality of life. A society is called feminine when emotional gender roles overlap: both men and women are supposed to be modest, tender and concerned with the quality of life" (2005, p. 120).

One indicator of masculinity is the preference for money and accomplishment over leisure time. Pat felt that in his area, the employees in general preferred leisure time to money. However, he qualified that by saying that there were many exceptions to that rule. He also noted that for groups of employees with similar age and experience in the US, he would likewise expect a preference for leisure time.

In discussing his own leadership style, as mentioned above, Pat is conscious that he clearly has to be in charge at all times, but he works to include his employees when possible. He gives them the opportunity to make decisions at whatever level they are able. Indeed, he feels his job is to work himself out of a job, by training his employees, so they can replace him, or another at his level in another location.

Another indicator sometimes used for this dimension is the contrast between logic (a more masculine trait) and intuition (a more feminine trait). For example, Pat said that his work in finance requires a reasonable balance of both. He said, the first answer to any question is always, "it depends." You have to consider the circumstances of any choice. When reviewing a decision (whether made by himself or an employee) he said, "It has to feel right and it has to look right. If it doesn't look right, it won't feel right. And if it doesn't feel right, I'm going to go back and look at the numbers." And his employees try to emulate that balance in their work as well.

### *Uncertainty Avoidance*

Uncertainty Avoidance can "be defined as the extent to which the members of a culture feel threatened by ambiguous or unknown situations" (Hofstede & Hofstede, 2005, p. 167).

One way to reduce uncertainty is to have clear, detailed instructions. At Pat's level, he gives general instructions. The next level down does get involved in the details (especially since they have a young staff). If Pat is involved in the details, it is either because he is personally interested in the topic, or something is not working and requires his attention. This seemed to him to be the same as he would expect in the US.

Another indicator is how the employees are with open-ended learning situations and active discussions. Pat felt most of his employees are relatively comfortable with ambiguity. Because his work regularly involves finance, he tends to hire people who have this ability, because it is useful in that field. People are expected to challenge the status quo and they are expected to challenge decision making, so he needs people who are comfortable with open-ended situations and critical thinking.

Another indicator of one's comfort with uncertainty is involvement in volunteer organizations. The reasoning is apparently that higher volunteerism implies greater comfort with ambiguity. Pat was asked how much he participated in volunteer efforts now, compared to when he was in the US. He said that it was slightly higher now, with greater participation in his children's school, in church and community work sponsored by the company. His entertaining of guests from abroad might fall under this category also, which shows even greater comfort with uncertainty.

Indeed, when asked directly how well he handled ambiguity and chaos, Pat said that he was very comfortable with them. He also said that was a skill he was tested for in the US prior to being given the assignment, as it was a key skill that the company felt he would need in this position.

Pat did qualify that it is easier for him than for his family, because his responsibilities at work remained similar to what they were before. For his wife, simple tasks like shopping have become much more difficult. Besides the language barrier, only about half of the products they were accustomed to buying in the US are available in that part of China, so she had to learn to substitute other things. Additionally, transportation is also difficult, even while having a driver. That is because the driver serves both the husband and the wife, so for daily tasks like shopping, she has to verify the driver is available, then wait for him to come, explain where they are to go and what they are to do in a way he can understand, and finally go do the shopping or whatever task they want to accomplish.

Overall, it appears that Pat personally has very low uncertainty avoidance, and his staff members in China are similar in that dimension, by design.

### *Long-Term Orientation*

“...Long-term orientation stands for the fostering of virtues oriented toward future rewards—in particular, perseverance and thrift. Its opposite pole, short-term orientation, stands for the fostering of virtues related to the past and present—in particular, respect for tradition, preservation of “face,” and fulfilling social obligations” (Hofstede & Hofstede, 2005, p. 210).

When asked directly about thrift and saving by his local employees, Pat commented that his perception is skewed on this point because he has read many papers that show that in general, the Chinese save more than Americans. However, it appears to him that his employees do not save as much as the literature suggests. He believes that this is because his employees are mostly single and in their 20’s, and that their savings rate will likely increase as they enter later phases of life.

Another indication of time orientation is the emphasis on equality in the society. Following the research of Geert and Jan Hofstede (2005, pp. 220-221), I asked Pat to choose which of the statements below he agreed with most.

A. Too much liberalism is producing increasingly wide differences in people’s economic and social life. There should be more equality among individuals.

B. There is too much emphasis upon the principle of equality. People should be given the opportunity to choose their own economic and social life, according to their own abilities.

He said that he personally agreed more with B. He felt that people should be given a level playing field, but that then they should be rewarded according to their efforts and abilities.

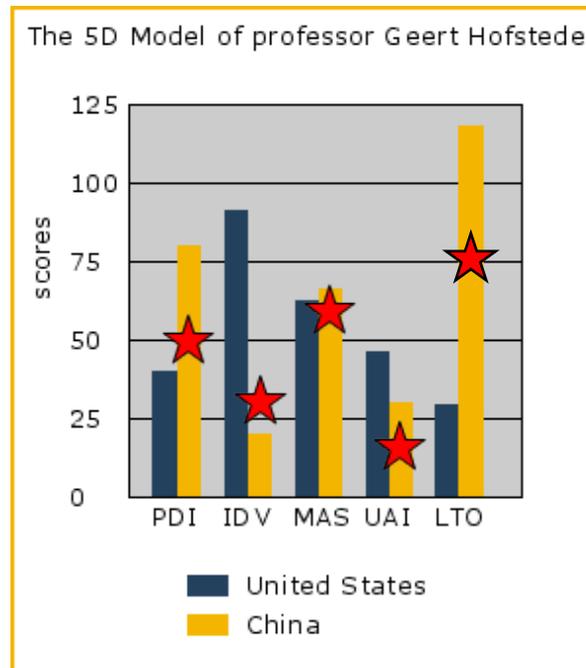
Perhaps most interesting, was our discussion of the importance of mutually beneficial long-term relationships (*guanxi*) in the host country compared to the US. Wei, Chiang and Wu (2012) discuss this in terms of both individual relationships and also team relationships (*guanxiwang*), wherein networks improve both job performance and personal career growth. Pat said that in China, relationships are important, but he thinks that is the same everywhere. However, in China, they are more outward with it. It is absolutely recognized that it is critical to have relationships in place, and is stated as such. In the US, it is understood that you need those relationships, but it is not talked about. Since the need for *guanxi* is explicit in China, it is inherently an indication of greater long-term orientation than in the US. As Hofstede & Hofstede (2005, p. 221) observed, *guanxi* lasts a lifetime, so it would be foolish to waste it on a short-term objective.

### *Estimated Crossvergent Culture*

Based on the interview data, I would estimate that the combined or crossvergent corporate culture in Pat’s organization would be somewhere in between the national cultures of the U.S. and China, as illustrated in Figure 3. On the Power Distance scale, I would put the operation somewhat higher than in the U.S., but not as high as China, given Pat’s strong relationships with his staff members, yet while intentionally maintaining his status their supervisor. On the Individualism (vs. collectivism) scale, the Chinese national culture prevails, yet it is moderated slightly by the corporate culture, drawing it slightly more individualistic than China in general. On Masculinity (vs. femininity) the U.S. and China are very

similar, and the corporate culture did not change that factor. In Uncertainty Avoidance, the corporate culture that Pat built was different from that of both the U.S. and China. Because of their work responsibilities, Pat intentionally developed a mindset that was more tolerant of uncertainty than one would usually find in either country. Finally, in Long Term Orientation, Pat found that his younger employees showed somewhat less of a long-term orientation than he would have expected, but still with a much longer view than ordinarily encountered in the U.S.

**FIGURE 3**  
**ESTIMATED CROSSVERGENT CULTURE OF A MULTINATIONAL MANUFACTURING ORGANIZATION IN WESTERN CHINA (SHOWN BY THE RED STARS).**



## DISCUSSION

The composite, crossvergent culture displayed above shows important contributions by the national cultures of both the U.S. and China, and also variance from both national cultures in ways that would benefit the firm, especially regarding uncertainty avoidance. In that regard, crossvergence, rather than convergence seems a more accurate description of how the local corporate culture developed.

Clearly the key limitation of this research is that it was with a sample of one. That said, it coincides well with Ralston et al's (1997) larger study showing crossvergence, where economic ideology blends with national culture to form an entirely unique mindset for the organization. Future research including qualitative interviews with additional expatriates and their local employees, and/or quantitative assessments of the local corporate organizational culture would strengthen this assessment greatly.

As mentioned in the introduction, the most interesting part of this interview was Pat's perception that the culture of his organization in China was more similar than different from that of the organization in the US. It seems reasonable, and indicates a conscious choice of the firm to develop that culture. This is perhaps best encapsulated by a discussion Pat and I had about the philosophy of multinational corporations regarding expatriates. Pat feels that his ultimate goal is for his employees to be able to replace a person at his level, whether it is there or elsewhere in the company. His employees will be able

to work not only in China, but in Malaysia, Indonesia, the US, or any other location, wherever their talents can be best used.

Developing leaders who can work anywhere is the difference between being a global company and a national company with a global presence, according to Pat, and that is well documented in the literature as well (e.g. Bellin and Pham, 2007; Mendenhall et al., 2003). Firms in the latter category have a strategy of teaching the headquarters culture by expatriates and then replacing them with local talent as quickly as possible. Expatriates are expensive, so it makes financial sense to run operations with local personnel. Truly global firms want to find the best and the brightest from around the world, keeping economic cost as one of many factors, but always using the best talent possible, wherever they might come from.

The global strategy Pat presented shows this consideration of culture to be a conscious strategy of the firm. And as Hofstede and Hofstede observed, it is impossible to separate national management culture from national culture (2005, p. 20). If the corporate leaders of a nation develop a global culture, the nation will eventually develop a similar culture. Future researchers will see what this new culture in China and indeed in the world, will look like.

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## APPENDIX

Readers may find the actual interview protocol of interest. Note that on each of the dimensions of national culture, I had two questions regarding “desirable” behavior (what is expected in the culture) and two questions regarding “desired” behavior (what the interviewee actually does himself or herself) (Hofstede & Hofstede, 2005, p. 21-22).

### Interview Questions

#### *General*

- 1) Would you please tell me a few of your best experiences in the new host country?
- 2) How have you had to alter your management style (or following style, or both) in the new country?
- 3) What preparation did you (and your family) have before going in-country? How helpful was it?

#### *Power Distance*

- Q. How centralized are your company’s operations in this region?
- Q. How often are you expected to socialize with employees? At what levels?
- Q. How much input do you get from employees when making important decisions?
- Q. Are you seen more as a resourceful democrat or as a benevolent autocrat (“good father”)?

#### *Individualism (Collectivism)*

- Q. Which is more important to the employees, the individual or the group? Why?
- Q. Do relationships prevail over tasks, or do tasks prevail over relationships?
- Q. How much mobility in the workforce do you give your employees?
- Q. How have you cultivated long-term relationships (guanxi) in the host country compared to at home?

#### *Masculinity (Femininity)*

- Q. Which do the local employees prefer, more leisure time or more money?
- Q. To what degree are you expected to run your organization with an active, forcible approach?
- Q. Do you depend more on logic or on intuition in making decisions? Is it the same for your local managers?
- Q. How do you encourage cooperation and/or competition between your employees?

#### *Uncertainty Avoidance*

- Q. How important is it to have instructions for work spelled out in detail?
- Q. How comfortable are your employees with open-ended learning situations and active discussions?
- Q. How involved are you in voluntary associations and movements?
- Q. How well do you tolerate ambiguity and chaos?

#### *Long-Term Orientation*

- Q. How important is thrift and saving to the local employees?
- Q. Does your company focus more on the bottom line or on market position?  
Alt. Q. How far out do you plan operations for the company?
- Q. Which of these statements do you prefer, and why.
  - A. Too much liberalism is producing increasingly wide differences in people’s economic and social life. There should be more equality among individuals.
  - B. There is too much emphasis upon the principle of equality. People should be given the opportunity to choose their own economic and social life, according to their own abilities.
- Q. How has your time orientation changed since you went to the host country?