

**H. S. R. Kao, D. Sinha, N. Sek-Hong (eds).** *Effective Organisations and Social Values*. New Delhi: Sage Publications, 1994. 352 pages. Hardbound: Indian Rs 325.00.

This book contains interesting studies on an important topic, i.e., effective management, which is a prerequisite to increase the productivity of enterprises. It is divided into three parts: 'Chinese Culture and Chinese Management', 'Work Values and Work Organisations', and 'Leadership, Management Style, and Organisational Change'. All essays, except three, have been selected from the 'International Symposium on Social Values and Effective Organisations', held at the National University, Chung-Li, Taiwan, on November 26–30, 1988. The book examines the impact of cultural and social values on organisational structure and work habits.

The first part of the book discusses the concept of management in China and other countries that share the Confucian philosophy. The papers show that social values and the normative aspects of traditional culture facilitate management by trust. The example given of a Chinese steel plant shows that the integration of Chinese values and ethics in management helps to achieve strict discipline, expected thoroughness in work and performance, and credibility in work organisation. The paper by Hwang brings out the basic differences between Chinese and Western culture and stresses the need for modernising Chinese family businesses. Investigating the management practices in large-scale enterprises in Taiwan, Jou and Sung identify four types of management styles in their paper. Two of them represent characteristics of the Chinese traditional values, while one is largely based on western values. The paper also highlights the differences in the education of managers, in ownership style, in the power structure, and/or in age structure which may be responsible for creating differences in the management style.

Redding and HSIO surveyed the executives from Hong Kong, Taiwan, Singapore, and Indonesia. In their paper they argue that the transfer of old norms and values to the modern context is necessary. The organisational characteristics of Chinese management are rewarding in these countries than in any other culture. Wilpert and Scharpf discuss problems of conflict in joint ventures in Mainland China and differentiate the cultural as well as structural characteristics of imported management from the indigenous values. For example, the Chinese notion of achievement and perception of time are different from the foreign (German) notion. The comparative study of Cathay Pacific Airways (CPA) and China Resource Company by Kao *et al.* gives special attention to the complexity of cultural adoption and diffusion of managerial strategies, and suggests that a common culture should be the starting-point for the development of strategies to operate successful multinational companies. Zhao, in his paper, discusses synchronisation, equity, motivation theories, and distribution aspects that show a preference for the pecuniary need of different groups of people, i.e., office-workers and factory-workers, etc. Therefore, the studies in the first part suggest

that, in most cases, Confucian ethics has actually contributed to economic growth, with the inclusion of political factors in the analysis playing an important role.

The second part of the book examines management in Thailand, India, Australia, and Venezuela, and stresses the importance to and integration of attitude, beliefs, and social values with work values for effective work organisation (and to prevent failure of imported management). Komin, in his paper, describes the interrelationships between culture, value system, motivational work-related values with various organisational processes like communication, decision-making, and leadership style. Thais consider prestige and social recognition as the legitimate goal of success. Work and relations are necessary means to achieve that. Discussing management in India, Sinha and Sinha in their paper say that the social system is extremely hierarchical. Indians are status-conscious people and personal relationships are very important to them. The Indian considers work as a duty to be performed in the framework of family and caste. Tripathi, another contributor to the book, claims that the work organisation in India exhibits the interplay of indigenous as well as modern value systems, and suggests that 'openness' and 'embeddedness' are the two criteria to develop a more effective system. Prakash's main emphasis in his paper has been to identify and improve the existing performance strategies. Knowels and Taylor depict the cognitive map of three spheres of life, work, family, and leisure, which compete with or compensate for each other. The family is considered more important for effective management and valued for the emotional involvement it offers.

In the paper by Salazar, the author states that Venezuela's growth without development was a result of relying on the values of the managerial classes without taking into account the values of the majority of the population. He emphasises that the strategies incorporating common values, and diversities among the different groups, will help increase efficiency and extricate the society from its present situation. In his contribution Kanungo determines the reasons for work alienation in India which are very different from the reasons in the West. The organisation ethics of Indian workers is shaped by a strong sense of insecurity and dependence on others. It is argued, moreover, that satisfaction of intrinsic need at work may be a necessary, but not a sufficient, condition for work involvement because of the varying training and/or cultural backgrounds of different groups of people.

This part also shows work-related values that include factors which energise, direct, and sustain human behaviour at work. The Chinese, Indian, and Japanese cultures emphasise on collectivism, family, and hierarchical structure, in direct contrast to the Western culture. It is argued that networking through personal relationships has negative consequences for work behaviour in India. But the idea of networking has now a positive interpretation of its instrumental role in the context of managing postmodern organisations. Asian economies present a mixture of two systems of values and styles of organisations—the modern blended with the traditional. It requires careful analysis to

understand how problematic the Asian setting is, so as to understand work organisations. These essays help there to some extent.

The third part of the study focuses on the interrelated issues of leadership, management style, and organisational changes in work organisations. In his paper, Misumi brings out the differences in the meaning of work (MOW) and workplace between Japan and other countries. The paper by Wenquan and Liluo shows that the Chinese perspective on leadership traits differs significantly from the American perspective. According to them, a leader can be described on the basis of four main clusters of human traits: personal aspects, morality, group effectiveness, interpersonal competence, and versatility. Kavic, another contributor, studies the factors affecting the efficiency of the top managers of highly efficient enterprises in former Yugoslavia. The majority of these top managers believes that 'self-management' is the way to increase the efficiency of their workers. In addition, the paper identifies the economic factors that create differences between firms. Munandar's study shows that managers face an environment of increased number and size of companies, increased competition, use of advanced and sophisticated technology, and increased quality and size of participation. Moral principles, religious norms, nationalism, self-control, self-improvement, and human relations can play an instrumental role for national development. Eden explores the role of expectations in influencing productivity at the individual and organisational level in the Israeli economy. Although high expectations do not replace hard work, yet they can be a catalyst for hard work.

The main conclusion drawn in the book is that models developed in the West can not be applied to increase efficiency in work organisation in developing countries without the assimilation of country-specific social and cultural values. For this purpose, a model should be developed endogenously, incorporating in management the specific cultural values and dynamics of the local system. This book can help managers in the developing countries to develop their own country-specific management model which will ensure effective and efficient management of organisations. For joint ventures, cultural assimilation with the local labour force is an important factor in their success. British joint ventures in Hong Kong have been very successful because Hong Kong had been a British colony for almost two centuries. But countries which have to work with completely alien cultures and social values face many problems. Political factors play an important role in reducing the conflict between managers and workers, which is an important determinant of the success of any enterprise. Further, economic factors also produce differences between enterprises, but only one study, by Eden, in this book considers them. The message of his study is that positive expectation is an inexpensive and practical approach to enhance productivity in developing countries. However, the process of cultural adoption is more complex than it appears because social values can be constraint as well as an asset to development. These essays have successfully tried to bring out the impact of positive features while ignoring that of the negative ones. The

latter need to be explored further. However, those interested in the specific subject matter of the book can benefit significantly from the wide experiences reported here.

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