

Asian management research needs more self-confidence: Reflection on Hofstede (2007) and beyond

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Abstract Hofstede’s cross-cultural paradigm has stimulated academic interest in value and behavioral variations across national borders and helped practitioners to capture national cultural stereotypes in concrete and measurable terms. Nevertheless, the Hofstede paradigm with its focus on cultural differences can hardly capture today’s new cross-cultural management environment characterized by change and paradox in borderless and wireless cultural learning, knowledge transfer, and synchronized information sharing. In the twenty-first century, management faces new challenges because people in the twenty-first century are increasingly no longer bipolarized and isolated creatures but of multicultural identities and multicultural minds. Asian management researchers need to learn from the West but at the same time need to have self-confidence and courage in using indigenous knowledge to make contributions to theory building with global relevance.

Keywords Asian management · Hofstede · National culture · Onion · Ocean · Change · Paradox · Multicultural · Yin Yang

Geert Hofstede is one of the most cited names in the Social Sciences Citation Index (SSCI). His work on culture (Hofstede, 1980, 1991, 2001a) is so far the most influential work in the field of cross-cultural management. Hofstede has created a dominating “paradigm” (Hofstede, 2001a: 73, 2001b: 15, 2002: 1355) with which a generation of academics and practitioners in international management has been indoctrinated.

Hofstede is unique and his impact has been “spiritual.” Although some later studies may be more scientific in character (Schwartz, 1992) and may have

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investigated more societies and mobilized probably more resources (House, Hanges, Javidan, & Dorfman, 2004) than Hofstede's research, their overall impact in both academia and the business world cannot be compared with Hofstede's. Hofstede's masterful capacity to elaborate the complex phenomenon of culture in simple and measurable terms explains his enormous popularity.

Hofstede (2001a: 466) maintains that his research "does not present a finished theory" and that he encourages us to continue our "exploration" to "serve the understanding of cultural differences and the improvement of intercultural communication and cooperation, which the world will increasingly and forever need." These encouraging comments should be taken as an impetus for us to catch up and move on.

In this paper, I give my reflection on Hofstede's (2007) article in *APJM*'s 25th anniversary issue, "Asian management in the 21st century," and his overall paradigm (hereinafter referred to as the Hofstede paradigm) in general. I argue that there is a need to move beyond the Hofstede paradigm if today's borderless and wireless cross-cultural management has a chance to be understood and theorized. I discuss Yin Yang and its implications for understanding cultural dynamics in the age of globalization. I emphasize that Asian management researchers need to learn from the West but at the same time need to have self-confidence and courage in using indigenous knowledge to make contributions to theory building with global relevance.

The Hofstede paradigm¹

Hofstede's (2007: 411) article aims to explore "general characteristics of Asian management as opposed to management elsewhere, and what the study of Asian management and its cultural origins mean for the emerging Asian multinationals and for the state of the art in management research worldwide in the twenty-first century." The article discusses three major themes: (1) The continuity of management problems over time; (2) Differences in management problems across countries; and (3) What is Asian management? Hofstede (2007) is consistent with his earlier writings about culture and it provides a nutshell of the Hofstede paradigm which is based on at least six assumptions.

First, the complex phenomenon of culture can be tackled through simplification and stereotyping. Second, nation-state or nationality is adopted as the basic unit of analysis. Third, cultural difference is the focus. Culture and management skills are viewed as country-specific phenomena. In the words of Hofstede:

The nature of management skills is such that they are culturally specific: a management technique or philosophy that is appropriate in one national culture is not necessarily appropriate in another (2007: 413). Different societies in the world have different histories and they maintain different values: there is no one universal human values system (2007: 415).

Moreover, cultural differences, cultural clashes, and cultural collisions are seen essentially as a problem. This view of culture has had a crucial influence on many

¹ "The Hofstede paradigm" refers, in a broad sense, to not only Hofstede's work but all other closely-related research streams in the bipolar tradition of studying culture.

intercultural consultants' practical advice which is focused on the negative consequences of cultural collisions (e.g., titles such as "When cultures collide," etc.).

Hofstede's fourth assumption is that cultures can be analyzed in terms of four or five cultural dimensions along which each national culture is given a fixed indexing. Hofstede (1991: 50; original italics) uses bipolarized terms to categorize culture and society, for example:

The vast majority of people in our world live in societies in which the interest of the group prevails over the interest of the individual. I will call these societies *collectivist*... A minority of people in our world live in societies in which the interests of the individual prevail over the interests of the group, societies which I will call *individualist*.

Asian cultures are categorized as collectivist cultures. "Asian countries all scored below average on individualism—that is, they scored collectivist—with China, Indonesia, Korea, and Pakistan relatively more and India, Japan, Iran, and the Arab countries relatively less collectivist" (Hofstede, 2007: 417).

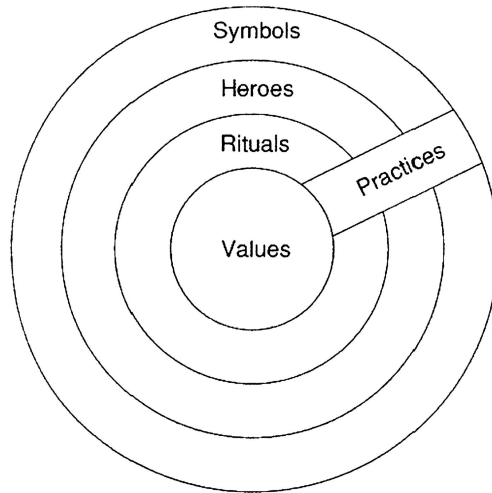
Fifth, Hofstede emphasizes that value determines and prevails over behavior, not the other way around. Sixth and finally, culture is stable over time because values are difficult to change over time. In the words of Hofstede:

Cultural values differ among societies, but within a society they are remarkably stable over time (2007: 413)... Cultures, especially national cultures, are extremely stable over time... Differences between national cultures at the end of the last century were already recognizable in the years 1900, 1800, and 1700, if not earlier. There is no reason they should not remain recognizable until at least 2100 (2001a: 34, 36). Contrary to popular opinion, the crucial elements of the management process show strong continuity over time, but differ from one country to another, as a function of the local culture (2007: 411).

Hofstede keeps adding more countries to his country dimension index (Hofstede, 1980, 1991, 2001a; Hofstede & Hofstede, 2005), although his original data were collected "around 1968 and around 1972" (Hofstede, 1980: 11). The underlying assumption is that culture remains unchanged over time and data collected in the 1960s, 1970s, 1980s, 1990s, and even from *tomorrow* can serve as the same base for cross-cultural comparison. In Hofstede (2007: 416), data collected from different countries at different points such as China (1999), India (1999), Denmark (2004), and the United States (1999) are directly compared with each other, which is in line with the cultural stability thinking throughout the Hofstede paradigm.

Hofstede compares culture to "onion" (Figure 1), which manifests in terms of symbols, heroes, rituals, and values. While the outer layers (symbols, heroes, rituals) of the "onion" come and go, the core (values) of the "onion" stays firm. In Hofstede's visual presentation, the core of the "onion" is depicted in the way that it looks not only large in size but it cannot be cut through or penetrated. In other words, values shape symbols, heroes, and rituals; symbols, heroes, and rituals (behavioral elements or hardware of culture) may change, but values (the software of culture) will not.

Figure 1 The “onion” metaphor of culture



Source: Hofstede (1991: 9, 2001: 11).

The strength of the Hofstede paradigm lies in its clarity and consistency in identifying cultural differences and juxtaposing one culture against another along cultural dimensions to facilitate cross-cultural comparison. It offers “sophisticated stereotyping” and “the first best guess” in understanding national culture (Osland & Bird, 2000). The fact that not only academics but also managers can talk about culture-related management issues in terms of Hofstede’s cultural dimensions is indicative of Hofstede’s great influence.

Nevertheless, the Hofstede paradigm has received increasing critiques in recent years (Fang, 2003, 2005–2006; Holden, 2002; McSweeney, 2002). The paradigm identifies cultural differences, but offers little insight into the dynamic process of cross-cultural management characterized by change and paradox in borderless and wireless cultural learning, knowledge transfer, and synchronized information sharing. Various new approaches are emerging, such as “negotiated culture” (Brannen & Salk, 2000), “knowledge transfer” (Holden, 2002), “multiple cultural identity” (Sackmann & Phillips, 2004), and “cultural dialectics and paradox” (Fang, 2005–2006). There is a growing awareness at the frontier of research community that a dynamic vision of culture is overdue (Leung, Bhagat, Buchan, Erez, & Gibson, 2005). This paper attempts to convey a message that it is time to go beyond Hofstede and that Asian management researchers can contribute to this enterprise.

Yin Yang and dialectical thinking

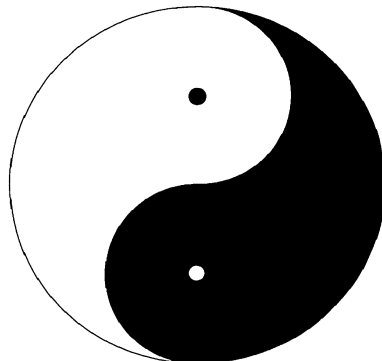
Hofstede (2007) seems to be so obsessed with cultural differences and cultural stability that discussions about “What is Asian management?” and emerging Asian multinationals in the twenty-first century are centered solely on his advice to adopt his five-dimensional prefixed indexing to understand national cultural differences in

management. It is a pity that Hofstede (2007) talks nothing about the emics of Asian management and how indigenous Asian thought can be used to inspire knowledge creation in cross-cultural management. Rich in history, philosophy, and tradition, Asia is undergoing institutional transformation and cultural change in globalization (Carney, Gedjalovic, & Yang, 2009; Lu, Tsang, & Peng, 2008). Asian philosophies and changing Asian institutional and cultural contexts can serve as an important source of inspiration for cross-cultural theory building.

Asian thought and management is fundamentally characterized by “both–and” dialectical thinking and change mentality (Chen, 2001, 2002; Fang, 2003, 2005–2006; Nisbett, 2003; Peng & Nisbett, 1999). Whereas in the West issues tend towards classification on a bipolar “either-or” basis, this is seldom the case in Asian cultures. Although juxtaposing one culture against another may fit neatly with Western notions of clarity, consistency, and parsimony, it does not reflect the Asian approach to tolerance of ambiguity, inconsistency, and paradox. In Asia, it is natural to have both “black” and “white”—the opposites—existing side by side and even within each other, allowing the situation, context, and time to determine what is appropriate (Fletcher & Fang, 2006). When asked whether they are feminine or masculine, whether they are collectivistic or individualistic, and whether they are reserved or expressive, for example, Asians would often be confused because they believe they can be both depending on situation, context and time. While Westerners often find Chinese concepts and practices such as “one country, two systems,” “socialist market economy” ridiculous, most Chinese feel comfortable as far as the internal consistency of the constructs is concerned (Faure & Fang, 2008). This Asian tendency to embrace contradictions is reflected in the philosophy of Yin Yang (see Figure 2).

Yin Yang is arguably the best-known symbol in East Asia (Cooper, 1990) and its basic motive is also found on the national flag of South Korea. Yin Yang refers to the integration of dual cosmic energies called Yin and Yang in any universal phenomenon. Yin represents female energy (the moon, night, water, weakness, darkness, mystery, softness, and passivity), whereas Yang stands for male energy (the sun, day, fire, strength, brightness, clearness, hardness, and activity). Yin Yang is grounded in Taoism which views paradox and change as a normal state of being. The Yin Yang image suggests that Yin and Yang coexist in everything and

Figure 2 Yin Yang



everything embraces Yin and Yang. There exists neither absolute Yin nor absolute Yang. There is no straight borderline between black and white; rather, the black (dot) exists in the white and the white (dot) exists also in the black. Yin Yang suggests that opposites contain within them the seed of each other and together form a dynamic and changing unity (Chen, 2001, 2002). Yin and Yang cannot survive without each other, and they complement each other, depend on each other, exist in each other, give birth to each other, and succeed each other at different points in time, all in the process of ceaseless change and transformation. The Yin Yang philosophy empowers Asians to perceive culture essentially as a dialectical and changing phenomenon full of paradoxical value and behavioral orientations. This dialectic, holistic, and changing perspective of culture inspired from Yin Yang differs philosophically from the static and bipolarized vision of culture advocated by the Hofstede paradigm.

In the history of Western philosophy, dialectical thinking with change and contradiction as central concepts permeated through the works of a number of influential philosophers and thinkers such as Friedrich Hegel (1770–1831) and Karl Marx (1818–1883). Unfortunately, the dialectical movement represented by Hegel and Marx was later overwhelmed by positivistic philosophies and functional paradigms which eventually formed the foundation of modern science (Popper, 1959/2002). The lack of debate on dialectical thinking in management literature especially in cross-cultural management literature may also be attributed to the fall of Soviet communism which triggered the total rejection of Marx and his thoughts in the West.

While paradox is often seen as “absurd and irrational” (Lewis, 2000: 760), it is a natural way of life. A culture’s strong tendency toward one extreme of a bipolar dimension (e.g., femininity) does not preclude its opposite (e.g., masculinity) (Fletcher & Fang, 2006). Drawing on Yin Yang and dialectical thinking and using “+Vi” and “-Vi” to symbolize paradoxical values, respectively, Fang (2005–2006) proposes that if there exist “+Vi” in a national culture, there must coexist “-Vi” in the same culture depending on situation, context, and time. A balanced culture embraces both Yin and Yang; a balanced culture is both feminine and masculine, both long-term and short-term, both individualistic and collectivistic, both monochronic and polychronic, both high-context and low-context, and both expressive and reserved, depending on situation, context, and time.

Why is karaoke popular in Asia?

Yin Yang and dialectical thinking which is inherent in Asian idiosyncrasy has never been given importance in any of Hofstede’s writings, including Hofstede (2007). The Hofstede paradigm rests on linear rationality and the “non-contradiction” principle which tends to sharpen its clarity only on one side of the coin. For example, Hofstede (2007: 414) tells selectively the story of Tan Chun, an entrepreneurial figure from the famous classic Chinese novel *The dream of the red chamber* to suggest that “the capitalist privatization” that Tan Chun carried out in the family garden is in line with Deng Xiaoping’s “privatization in the Chinese villages” and that “its effects started the present Chinese economic boom.” But why focusing only

on Tan Chun? Why was “the capitalist privatization” not working in Mao’s China (1949–1976)? *The dream of the red chamber* is probably the best Chinese novel to uncover the paradoxical nature of Chinese culture. Tan Chun is just one of more than 400 figures of various personality, character, and sentiment that are described in this novel. Had a comprehensive analysis of these figures been provided it would have revealed a far more complex and contradictory picture of Chinese values. The ups and downs of the Jia family itself may be seen as evidence of the coexistence of creativity and entrepreneurship on the one hand, and the lack of creativity and entrepreneurship on the other hand in the same Chinese culture.

Asians are routinely described as collectivistic people in the Hofstede paradigm, including Hofstede (2007). But from the Yin Yang point of view, Asians would have had a hard time surviving had they not had chances to think and behave as individualists. Asian people, like all other peoples, are collectivists in some situations and contexts but *the same people* are individualists in some other situations and contexts. It is enlightening to notice that karaoke is popular in Asia but hardly popular in the West. At a formal Asian workplace, collectivistic thinking and actions may be prioritized and individual identities and initiatives may be dampened and invisible. However, in informal settings such as karaoke bars where Asian professionals often socialize with each other, an opposite scene is often the case: Individuals sing whatever they want to sing and show whatever sentiments they want to show! Karaoke is not a venue for top singers but an informal meeting place to allow individuals to sing and cry out their individualistic feelings and thoughts. Karaoke in Asia reflects the culture’s inner psychological craving for balancing paradoxes. Moreover, communication in formal work settings in China and Asia may be high-context oriented and reserved (see discussions about China in Gao, Ting-Toomey, & Gudykunst, 1996). But in karaoke bars, Asian people can be direct and “wild” just like people from any low-context cultures. A piece of practical advice: Non-Asian businesspeople who are insensitive to Yin Yang and paradox inherent in Asian thought and behavior by remaining reserved and indirect in karaoke bars in Asia would have fewer chances to bring home a lucrative contract. So in the same spirit of the age-old advice, “When in Rome, do as the Romans do,” the new-age advice for Westerners is: Loosen up. When in Asia, enjoy karaoke as the Asians do!

The changing symbols, heroes, and rituals in China

Hofstede (2007) sees culture as basically unchanged over time because he places value at the core of culture and sees value as unchanged over time. In Hofstede’s visual “onion” presentation (Figure 1), the hard core of the “onion” is unreachable and impenetrable. In real life, however, onions do not have a hard core; one can simply keep peeling the onion layer by layer into almost nothing. An important implication from peeling a real onion bought at any marketplace around the world is that value—the “core” of the “onion”—can be understood as a relative and changing construct.

Change and paradox are deep-seated Asian values. Yin and Yang, water and fire, the moon and the sun, and so forth, are waning and waxing, coming and going,

opening and closing, all in the process of ceaseless change and transformation. During the past three decades, many Asian countries have been undergoing institutional transformation and economic development. In the case of China, it is about changes from Mao to Market, from isolation to integration with the rest of the world, from a backward economy to a rising economic superpower, all taking place since 1978. Thirty years ago, China had almost zero inbound foreign direct investment (FDI). Today, China is one of the world's largest FDI recipients. Nearly 600,000 foreign-invested companies, including more than 400 of *Fortune* 500 companies, are operating on Chinese soil (Fang, Zhao, & Worm, 2008). Amazingly, "China now exports in a *single day* more than it sold abroad during *the entire year of 1978*" (Meredith, 2006: 16; original italics).

In today's China, it is not uncommon that the son or daughter earns a salary ten or even twenty times higher than what the family father gets. It is often not the family father but rather a junior member of the family who pays the bill when the family goes out wining and dining (Faure & Fang, 2008). This new economic reality puts the traditional Chinese notion of hierarchy and the absolutely supreme authority of the family father to test. Another example is face. Chinese people are traditionally described as face-conscious, reserved and indirect in communication (Gao, Ting-Toomey, & Gudykunst, 1996); assertive behavior and individual initiatives are not encouraged as suggested in the Chinese proverb: "It is the bird ahead of the flight that gets shot the first." Today, while face and humility are still relevant values, Chinese professionals have learned to stand out. Facing competition, one must look confident and assertive. This is illustrated in a recent highly publicized advertisement from China Mobile showing the image of a confident Chinese manager speaking to his mobile phone in front of the entire world with the text displaying "I can!" (*Wo neng!*) (Faure & Fang, 2008). China's economic development and transition to a market-oriented system lends support to Inglehart and Welzel's (2005) finding that cultural change comes hand in hand with economic progresses. The more developed the economy, the more vigorously the value of self-expression blossoms.

In Mao's China (1949–1976), Mao and Maoist rhetoric was China's only idol, only hero, and only ritual. But in today's China, symbols, heroes, and rituals are multiple and diversified. If Chairman Mao "woke up" today he would be surprised to see how Chinese people are taking Deng Xiaoping's "capitalist" slogans (e.g., "To get rich is glorious") seriously, speaking to Mobile phones and talking about Money, Market, Mercedes, and MTV probably more fervently than Mao. Chairman Mao would also be surprised to see (1) crowds of fans of various kinds cheering no longer for Mao like the Red Guard did in the Cultural Revolution (1966–1976) but for their own idols at Chinese airports and other public locations; (2) young Chinese couples getting married not by singing "The East Is Red" as people did during the Cultural Revolution but by singing "Mice Loves Rice"² or any other latest pop songs; and (3) Western films and TV programs such as *Sex and the City* and *American Idol* simultaneously generating their counterparts in China. The *American Idol*, for

² "Mice Loves Rice" (*Laoshu ai dami* in Chinese) is a Chinese love song well received in China in recent years.

example, gave birth to the *Super Girls* contest in China in 2005, the first of its kind in Chinese history. The theme song for the contest was *Xiang Chang Jiu Chang* (Want [to] Sing, Just Sing). The number one hero drawing the largest audiences in the history of Chinese television was Li Yuchun, a 21-year-old music student from Sichuan province. Li won the “*Super Girl 2005*” title by challenging Chinese traditional values through her boy-looking appearance, unconventional clothing, and straightforward communication style.

The word “sexy” was completely banned in Mao’s China. A “sexy” attitude was synonym of “shameless” or “hooligan” behavior and talking about sex in public was impossible. But today Chinese media and public attitude no longer bans open discussion about sex, sexuality, and even homosexuality. The term “sexy” is received increasingly in a neutral and even positive light at least in large cities (Faure & Fang, 2008). Using the term “comrade” (*tongzhi*) to address each other was an integral part of daily rituals characterizing Mao’s China. Today, except for some clearly defined often politically oriented contexts where the word “comrade” still refers to (revolutionary) comrade in its original meaning, the term “comrade” means “homosexuals” (*tongxinglian*) in Chinese Internet slang and popular conversations among young Chinese in mainland China.³

Would the changes of symbols, heroes, and rituals in China have any impact on the changes of Chinese values? The Hofstede paradigm does not encourage this line of thinking. In Hofstede’s “onion” model of culture, symbols, heroes, and rituals are not core elements in culture; they are coming and going, emerging and disappearing. It is core values that determine and prevail over symbols, heroes, and rituals. However, if we accept that “[v]alues are broad tendencies to prefer certain states of affairs over other[s]” and that values “are about what is evil and what is good, dirty and clean, immoral and moral, irrational and rational” (Hofstede, 2007: 413), we have to be honest to ourselves and we must have guts to admit that what is evil and what is good in today’s China differs radically from what was evil and what was good in Mao’s China (1949–1976). Capital, capitalists, market, private ownership, individualism, self-expression, fashion, knowledge, professionalism, Confucian tradition, quality college education, academic degrees and even piano and anything Western were all labeled and condemned as evils in Mao’s Cultural Revolution. But these concepts, values and lifestyles are among the drivers in China’s New Cultural Revolution that we are witnessing today.

Bem’s (1970: 54) psychological research reveals that *beliefs follow behaviors* and that “one of the most effective ways to ‘change the hearts and minds of men’ is to change their behavior.”⁴ The relationship between values (beliefs, norms) on one side and behaviors and artifacts (symbols, heroes, and rituals) on the other side should be understood as a dynamic one; both sides can influence and be influenced by each other. The aforementioned enriched meaning of “comrade” in Chinese vocabulary comes hand in hand with China’s rapid economic development and with

³ This is similar to the use of the term “comrade” in Taiwan and Hong Kong when referring to homosexuals.

⁴ Hofstede (1980, 2001a) made a quick reference to this point without showing true interests in the implications of Bem’s (1970) finding (beliefs following behaviors) for cross-cultural theory building.

the increased openness in China and the multiple value orientations gradually taking roots in Chinese culture. “Culture and economic development are likely to exert mutual influence on each other. Value associated with long-term orientation may have contributed to the economic success of East Asia, but economic development may also propel important value change in East Asia” (Leung, 2006: 236). The new idols, new heroes, new symbols and new rituals prevailing in today’s China, such as “I can!” “Li Yuchun,” “Comrades/homosexuals,” and “Sexy” suggest that there is an ongoing value change process taking place in Chinese society.

But why were symbols, heroes, and rituals such as “I can!,” “Li Yuchun,” “Comrades/homosexuals,” and “Sexy” not openly visible in Mao’s China? Why were capital, capitalists, market, private ownership, individualism, self-expression, fashion, knowledge, professionalism, Confucian tradition, quality college education, academic degrees and even piano and anything Western all labeled and condemned as evils during Mao’s Cultural Revolution? Because they were “suppressed,” “beaten,” and “jailed” by the then prevailing political ideology and they were not able to show their faces legitimately on the surface of the ocean of culture but had to be hibernating on the bottom of the ocean during that period. Yet, their potentials were not dying but were waiting to be empowered and activated to come up to the surface of the ocean. China’s transition from Mao to Market illustrates the ups and downs of the life of Chinese values, which lends support to Rokeach’s (1973) assertion that no values are time free. Culture has a life of its own full of dynamics and paradox which cannot be understood without cultural values being placed in broader political, institutional, economic, and social contexts. The Yin Yang principle and China’s transformation and cultural change have inspired me to craft an “ocean” metaphor to understand culture (see Table 1).

Table 1 The “Ocean” metaphor of culture.

Culture can be compared to an ocean. In a given context at a given time, we identify visible values and behaviors just like we identify visible wave patterns on the surface of the ocean. Nevertheless, the culture we see at this moment does not represent the totality and the entire life process of that culture. The ocean embraces not just visible wave patterns on its surface (compared to visible cultural values and behaviors) but also numerous ebbs and flows underneath of amazing depth (comparable to “hibernating,” unseen and unknown cultural values and behaviors). Given internal mechanisms (Yin Yang) and external forces (e.g., globalization, institutional, economic, technological, situational factors), invisible and “unconscious” values and behaviors (ebbs and flows) beneath the water surface can be stimulated, powered, activated, promoted, and legitimized to come up to the ocean’s surface to become the visible and guiding value patterns at the next historical moment. For example, the spirit of Chinese capitalism had long been perceived as something that belonged only to the Chinese Diaspora rather than to mainland “Communist” China. However, Deng Xiaoping’s famous tour in southern China in early 1992 and his slogan “To get rich is glorious!” catalyzed an enormous cultural change process in mainland China, making the spirit of Chinese capitalism an integral and essential part of today’s “Communist” China.

Source: Fang (2005–2006: 83–84).

Faure and Fang (2008) show that China’s 30 years “Open-Door” reform (1978–2008), market-orientation, and integration with global economy are driving a fundamental value change in China. However, by “value change” it does not mean that China’s old value system is being replaced by a new value system but rather that paradoxical value orientations coexist more and more visibly in today’s Chinese society. Chinese culture is often discussed in terms of traditional value orientations

such as *guanxi*, *importance of face*, *thrift*, *family and group orientation*, *aversion to law*, *respect for etiquette*, *age and hierarchy*, *long-term orientation*, and *traditional creeds*. Today, while these old value orientations still remain valid and in many cases powerful in Chinese society, opposite value orientations are emerging and becoming powerful as well in the same Chinese society, respectively: *professionalism*, *self-expression and directness*, *materialism and ostentatious consumption*, *individuation*, *respect for legal practices*, *respect for simplicity*, *creativity and competence*, *short-term orientation*, and *modern approaches*. These new value orientations coexist with the old value orientations discussed earlier. These new value orientations are not created out of nothing but come as a consequence of China's *invited collisions* with foreign systems, foreign values and foreign lifestyles following Deng Xiaoping's institutional reform ("Open-Door" policy) which started in 1978.

The beauty of cultural collisions

Cultural differences are viewed essentially as a problem in the Hofstede paradigm in which the negative consequences of cultural collisions are warned and strategy which "mitigates cultural clashes" (Hofstede, 2007: 419) is welcome. However, culture's rich life during and after cultural clashes/collisions has rarely been studied in the Hofstede paradigm. From the Yin Yang perspective, cultures are not tangible "onions" and they do not collide in a mechanical way. Given his extremely static vision of culture declared consistently in all his writings, Hofstede's (2007: 413) assertion that "a management technique or philosophy that is appropriate in one national culture is not necessarily appropriate in another" seems to suggest that a management technique or philosophy basically cannot be transferred from one national culture environment to another. But cases from real-life management processes show that a management technique or philosophy can be learned and transferred often through cultural clashes/collisions. When different cultures (like Yin and Yang) "collide" with each other, the very collision itself, however painful it may be at the colliding moment, would help inspire and ignite invaluable cultural learning and management learning processes taking place on both sides, most probably leading to the integration of both cultures into a new hybrid culture. During the cultural collision, different cultural values radiate and penetrate into each other and coexist within each other, physically and cognitively. The case of cultural collision resulting in a "negotiated culture" (Brannen & Salk, 2000) illustrates this point.

China is also a good example in question. Interviewing Chinese business leaders we can see their value system influenced not only by traditional Chinese culture and management philosophy, but also by Western culture and management philosophy. How come? Learning and most importantly learning through cultural collisions. Without post-1978 collisions between China and the rest of the world, China's progress and growing prosperity would not have been imaginable. Without collisions between Western culture and management philosophy on the one hand, and traditional Chinese culture and management philosophy on the other hand, Western management concepts such as marketing, branding, franchising, innovation, and professional management would still have been unknown to Chinese managers and self-serviced tea house chains, just to give one example, would not have been

possible on Chinese soil today. Without collisions between IKEA/Swedish culture and Chinese culture, quality of life movement in China in terms of simplicity (*jianyue*) and DIY (do it yourself) would not have been as vigorous as it is today.

Management in the twenty-first century

Forecasting management in the twenty-first century, Hofstede (2007: 412) writes:

Most of the popular management literature implicitly assumes that management problems change over time—one should always follow the latest trends... Against these alleged assumptions in the popular management press, I would like to defend the opposite viewpoint: “That management problems basically have remained and will remain the same over time, and that their solutions differ less from period to period than from part of the world to part of the world, and even from country to country.”

Hofstede’s static vision of management and his assertion that solutions to management problems remain country-specific stem from his static and bipolarized vision of culture. Many times I was wondering why Geert Hofstede could end up persistently presenting such a static and bipolarized vision of culture and management to us. I have to say that, for good and for bad, we researchers could hardly escape from the shadow of our times. It is important to point out that the Hofstede paradigm has its important historical limitations; it was constructed in the height of the Cold War era when nations were like “black boxes” (self-contained “onions”), separated from each other physically, psychologically, ideologically, and culturally. It is not strange that culture was conceptualized as a nationality-based and passport-based phenomenon at that time: Dutch culture was the culture of people who held Dutch passports and Dutch values, while Chinese culture was the culture of people who held Chinese passports and Chinese values. This was the era that knew no mobile phone, no Internet, no Skype, no synchronized information sharing, and no global MBA joint degree programs—and certainly no globally influential academic journals such as *APJM*, which was founded in 1983 (Peng, 2007). This was the era when people of different nationalities lived in separation, physically and cognitively already in their childhood. “By the age of 10, most of the child’s basic values have been programmed into his or her mind” (Hofstede, 2001a: 394).

In the twenty-first century, the age of globalization and Internet, management faces new challenges and calls for dynamic approaches to management problems. Today, national cultures are no longer “black boxes” but are becoming increasingly transparent, fluid, elastic, eclectic, virtual, and mobile. From the Yin Yang point of view, different and even paradoxical cultures can coexist within each other; different and even paradoxical management philosophies can inspire and co-exist within each other. If we accept that culture derives from one’s social environment, not from one’s genes (Hofstede, 1991: 5), if we accept that “management is subject to cultural values” (Hofstede, 2007: 413), and if we accept that “*management is always about people*” (Hofstede, 2007: 412; original italics), we have to face up to the reality that today’s borderless and wireless cultural learning, knowledge transfer, and synchronized information sharing fostered by globalization and new technology is bringing

to the twenty-first century world of management a myriad of new challenges unknown to the Hofstede generation.

Management in the twenty-first century differs from management in the Hofstede times basically because people in the twenty-first century are no longer bipolarized and isolated creatures but of “bicultural identity” (Arnett, 2002), multicultural identities and “multicultural minds” (Hong, Morris, Chiu, & Benet-Martinez, 2000). In the twenty-first century, nation-states may still remain politically meaningful, but cultural values and management practices are increasingly not a country/culture-specific phenomenon but a self-selected and self-identified phenomenon. Before the age of 10, children in The Netherlands and China can learn and share very much the same symbols, heroes, and knowledge base through the Internet. By the age of 30 and even 40 and 50, Dutch managers and Chinese managers can sit in the same MBA class and work in the same management team brainstorming thoughts and values and together solving management problems by referring to the same frame of references. Today, Chinese managers, though still genetically looking like Chinese and still holding a Chinese passport, are no longer mentally programmed purely with Chinese values but increasingly with a dynamic portfolio of cultural values selected from the ocean of culture of the entire world given situation, context and time.

If today’s new borderless and wireless cross-cultural management environment has a chance to be understood and theorized we need to have courage to question many of the basic assumptions of the Hofstede paradigm. That there exists no universal value is one of such assumptions. While Hofstede (2007: 415) assumes that “there is no one universal human values system,” we cannot help noticing that emergent global culture (Arnett, 2002; Bird & Stevens, 2003) increasingly influences all of us no matter who we are and where we are from; we cannot help witnessing that meaningful and powerful global initiatives such as global warming debate, environmental protection, sustainable development, corporate social responsibility (CSR), and so on are reshaping many of our common beliefs, norms, values, conscientiousness and attitudes, and influencing our management philosophies and business behaviors irrespective of our nationality and physical associations; and we cannot help seeing that global firms such as IKEA can successfully transcend cultural differences on a global basis by applying many of their values and management philosophies to very different national markets.

In the era of globalization and Internet, culture and management philosophy are becoming less nationality-based and geography-specific but more situation-specific, context-specific, and time-specific. Cultural values and management skills can be learned, transferred and shared by corporations and professionals of different cultural origins (Holden, 2002). Different from the Hofstede times, cross-cultural management in the twenty-first century, as implied by Yin Yang and dialectical thinking, is not about managing cultural differences but about managing cultural learning, cultural change, cultural paradox and cultural harmony in a globalized multicultural business world with workforces of multicultural minds and with markets of multicultural tastes.

Globalization has given rise to a paradoxical movement of cultures and management practices. On the one hand, emergent global cultures and management practices transcend national and corporate boundaries. On the other hand, the synchronizing power of the Internet, wireless technologies, and various cultural

carriers (e.g., companies going international and global) provide local cultures and indigenous cultural values with unprecedented global exposure and attention. In this new era of humanity, all “potential cultural groupings” (Fang, 2005–2006: 86) can embrace each other and coexist side by side and even within each other. Asian management journals such as *APJM* do not need to be physically housed in Asia but can be based at any dynamic locations on and even beyond this planet. Asian management should be able to play an active role in global knowledge creation.

In the light of the above discussions about culture and management, I would like to say I share with Singh’s (2007) concern in the sense that culture, if left to be captured in terms of the Hofstede paradigm, has and will continue to have limited relevance for strategy. But culture as a situation-specific, context-specific, and time-specific dialectical construct as discussed in this paper has and will continue to have relevance for strategy formulation and strategy implementation in global business management in the twenty-first century.

Conclusions

In this paper I gave my reflection on Hofstede (2007) and the Hofstede paradigm in general. Yin Yang and dialectical thinking, and the changing Chinese society were discussed to suggest that there is a need to go beyond Hofstede’s static and bipolarized vision of culture and management. Asia has its rich philosophical and institutional contexts which offer invaluable inspirations for theory building. Management in the twenty-first century will be different from management in the Hofstede times (in other words, the twentieth century) because people in the twenty-first century no longer live in a bipolarized and isolated environment but are increasingly of multicultural identities and multicultural minds. This is where unprecedented challenges to management in the twenty-first century will emerge and will have to be managed with the help of new visions and fresh approaches. This is where Yin Yang and other Asian philosophical principles can make potential contributions to the development of cross-cultural management theory and practice.

In preparing this paper, I revisited Klaus E. Meyer’s (2006) *APJM* article “Asian management research needs more self-confidence” and I found it inspiring.⁵ Meyer (2006) touches the base of the Asian complex and gives us a far-reaching wake-up call, allowing us to ponder where to embark on our pursuit of management research: *self-confidence*. I cannot more than agree with Meyer on the point that Asian management scholars need to not only learn and enrich “global scholarly discourse” but also “make major contributions...by drawing on traditional Asian thought in developing new theories” (Meyer, 2006: 119).

So far most Asia-related cross-cultural management works published in Western management journals tend to unquestioningly adopt “established” Western paradigms and models without scrutinizing their underlying assumptions. Asia is home

⁵ In October 2007 when I contacted Klaus E. Meyer to borrow the title of his (2006) article “Asian management research needs more self-confidence” as the main title for this paper I didn’t know that the article would later be selected as *APJM*’s first Best Paper Award (Peng, 2009). But recently when I knew that Meyer (2006) won, I was not surprised at all.

to the world's oldest philosophies as well as the world's most fundamental societal transformations (Carney et al., 2009; Lu et al., 2008). Asian management researchers should be genuinely humble in absorbing the knowledge of the world. At the same time, as encouraged by Meyer (2006), Carney et al. (2009), Lu et al. (2008), Peng (2007), and Peng, Wang, and Jiang (2008), Asian management researchers must have self-confidence and courage in researching and globalizing indigenous Asian wisdom to advance management knowledge with global relevance. The required self-confidence does not come from our ignorance of Western theory as pointed out by Li and Peng (2008) but from our passion to learn, to embrace, and to contribute.

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