

# The Dynamics of Guanxi in Internationalised Higher Education

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## Abstract

The internationalised higher education has developed in various forms, with changes varying from students travelling overseas and taking full-time education in a foreign country, universities exporting education services and programmes through an alliance or coalition, to universities opening their own branch campuses in a foreign countries or even online courses (Mazzarol et al, 2003). Among these changes, it does not only involve the expanding making of the education programmes and degrees, but also increasing demand of academic staff in terms of their mobility to work in different institutions. This paper is to look at the internationalised higher education involved with both Western and Chinese academics.

It is to explore the influence of both Chinese and Western cultures within such internationalised academic working environment, and examine how Chinese and Western academic members adapt values and perceptions in order to fit into the multicultural working environment. The focus of the research is on the cultural differences between Western and Chinese academics, particularly one of the main Chinese culture concepts, Guanxi. This research looks into how Guanxi is understood and adapted by both Chinese and Western academics, and how it influences their attitudes at work. Hofstede's cultural dimensions will be applied as the main Western culture theory to examine the interaction between Western culture and Chinese Confucianism concepts.

Taking an interpretivist approach, this research was conducted in four different organisational contexts of internationalised higher education institutions in China and the UK. Qualitative interview data were collected and analysed, and the research results were presented. The conclusion and limitations of the research will then be discussed.

## Introduction

There has been an increasing trend of internationalisation in higher education, particularly since the late 1980s with the rise of foreign student number studying on campuses and foreign students studying for Western degrees on off-shore campuses (Healey, 2008). Internationalisation of higher education is mainly reflected in providing university teaching not only to home students, but also towards a global consumer base (Healey, 2008). As a result of the internationalisation of higher education, universities are increasingly recruiting new academic talent on a global scale, and employ more and more academics from abroad in the recent years (Selmer and Luring, 2009). It has also led to increases in Western academics working as expatriates in China (NZ Education, 2009), and Chinese working in the Western context as well (Altbach, 2011; Cao, 2008). These two parties come from

different cultural backgrounds. According to Luostarinen (1979, p.131-132), culture distance requires “a need for knowledge”, and in the meantime it facilitated “knowledge and other related factors to flow” between different country origins, such as China and the UK. A large number of research have been conducted looking at Chinese and Western cultural differences. However, most of the previous research focused on the context of international business (e.g. Fang 2006b; Hofstede and Bond, 1988; Huang, 2007; Quer et al, 2007). There is still a gap of research on Chinese and Western cultural differences and the influences in the context of higher education, particularly in the academic working environment. Hence, it is essential to explore cross-cultural influence within such a working context.

The focus of the current research is higher education organisations, which have a mixed group of international academic staff, among whom substantial cultural differences exist between those from Western and Chinese cultural backgrounds. This paper will highlight relevant literature from the perspectives of both Western and Chinese national culture, and the concept of Guanxi. Taking an interpretivist approach, the research method and findings will be briefly presented. Then the interaction between Guanxi and Hofstede’s cultural dimensions is discussed. The conclusion will explore on the limitations of this research, and the implications for the future research.

### **Relevant theories**

Amongst studies of national culture, Hofstede’s cultural dimensions are commonly utilised (Barkema and Vermeulen, 1997; Gomez-Mejia and Palich, 1997; Fang, 2003; Zhang et al, 2007; Blodgett et al, 2008). He (Hofstede 1980a, 1980b, 1984, and 1991) defined culture as “the collective programming of the mind which distinguishes the members of one human group from another”. In Hofstede’s research, culture was categorised into four, and in a later study, five dimensions. They are power distance, uncertainty avoidance, individualism and collectivism, and masculinity and femininity, long-term and short-term orientation. Each dimension is dichotomised into two poles to represent opposite characters. In this research, Hofstede’s cultural dimensions will be applied as the main Western culture theory to examine the interaction between Western culture and Chinese Confucianism concept of Guanxi.

Darwin (1996) claimed that Western thinking was dominated by dichotomized either/or approach, and Eastern thinking, on the other hand, was opposite to the former by using both/and approach. In this sense, Western thinking, very often, excludes or does not count one character when the other is considered. Different from the bipolar types of Hofstede’s national culture dimensions, Fang (2006a) pointed out a dialectical approach which studied national culture in a more dynamic and paradoxical way, and called on researchers to shift the simplified bipolar way to a more comprehensive dialectical way in national culture research. According to Fang (2006a), cultural dimensions were not necessarily two-folded, which could be switched to each other upon different circumstances. While analysing the communication style between the East and West, Kincaid (1987) pointed out that the Eastern thinking emphasized the wholeness and unity of all individual parts in the group. It means instead of taking bipolar perspective, the eastern thinking regards all parts in the group in a dynamic form, who complement and define each other, and even swap roles when the conditions change. While in Western thinking, one character absolutely stands up against its opposite, and it does not consider the possible role swap between the two. The choice of bipolar perception and dialectical one make significant difference in people’s opinions and

decision making. Therefore, it is essential to look at more detailed analysis upon the differences, particularly from the Chinese perspective.

In terms of Chinese culture, Flynn et al (2007) pointed out that Confucianism emphasized the importance of interpersonal relationships, avoidance of conflict to maintain harmony, the idea of Mianzi, and respect for age and hierarchy. That is to say Confucianism focuses on interpersonal relationships, Harmony, Mianzi, and respect for age and hierarchy. In Confucianism, individuals were expected to respect and follow tradition and social hierarchy, such as rules, status and authorities, in order to maintain the priority of social integration and stability, and harmonious relationships (Bond and Hwang, 1986; The Chinese Cultural Connection, 1987; Zhang et al, 2005). Once more, the significance of hierarchy and harmony were highly emphasized in Confucianism. These values work closely within Chinese society. Serving as standards and rules for social interaction, Bond (1996) stressed that these values reflected essential principles of Confucianism and had great influence on Chinese' attitude toward life. Wong, Shaw and Ng (2010, p.1109) pointed out that Confucianism was possibly the most influential, and that it provided moral guidelines for the Chinese 'on how to behave, think, feel and act both in the private and in the public realm'. According to them, the essence of Confucian teaching in Chinese culture was maintaining harmony in interpersonal relationships, ranging from family members, to others in the clan, the community and society. In other words, relationships (Guanxi) are the foundations of Chinese social behaviour. Therefore, it is important to have a good understanding Guanxi.

*Guanxi* was defined as "particularistic tie" between people, which was the web of social connections where two or more people shared identification (Jacobs, 1979; Farh et al, 1998). Bell (2000) emphasized that Guanxi was built upon the basic relationships, which in Confusion logic are categorised as *Wulun* (五伦), and further developed other ties within the community, which surpassed the concept of simply connection among people. Lun (伦) stood for individuals' proper positioning within a social and political hierarchy (Lin, 1939). According to Fei (1992, in Bell 2000), Chinese people were linked by two-way social ties, in Chinese called *gang* (纲), and that Guanxi was formed by these interpersonal ties which were based on three closest relationships (*Sangang*, 三纲) out of five (*Wulun*, 五伦,). Apart from three core ties between father and son, emperor and official, and husband and wife, relationships also included those between elder brother and younger brother, and friend and friend (Buttery and Leung, 1998; Hofstede and Bond, 1988). Tai (1989, in Lovett et al, 1999) stated that Confucius *Wulun* formed a very personal and particular ethics among Chinese, which required a specific individual relationship upon each circumstance. In this sense, Guanxi, an individual-dependent personal relationship, appears to function well under such Confucius ethical perceptions, and represents Confucius individual-emphasis concepts. Meanwhile, King (1991) claimed that *Guanxi* formed a more expanded group which allowed the individuals sufficient social and psychological space to build relationships with others based on real and fictive kinship, and used a Chinese phrase "*tian-xia yi-jia*" (天下一家) to describe this kind of relationship status, meaning the world was connected closely like one big family. That is to say Guanxi does not only exist between people who has a real kinship that connect them together as a family, but also applies between people who do not share any kinship at all.

Within the academic work environment, both indigenous and expatriate employees focus on research and teaching, which is rather different from the business context where people work intensely to achieve organisational profit. It is interesting to find out whether the significance of Guanxi and Western networking for business people would be the same for

academics. This paper looks at how Chinese and Western academics understand the concept of Guanxi, and the extent of emphasis about applying Guanxi during their intercultural contact. Furthermore, it will seek to further demonstrate the influence of Guanxi within academic context.

### **Research methods**

Taking an interpretivist stance, this paper mainly adopted a qualitative approach. The study conducted four case studies in both U. K. and China. According to the geographical location and organisational management and structure, four cases are categorised as: Chinese case, collaborative case, colonialism case, and British case. These four cases shared a common feature. That is academic staff working in a multicultural team, which includes both Chinese and Western/UK academic staff.

Among these four cases, 1) Chinese case (Case HK) is where Chinese universities take the initiative and recruits foreign academic staff. The organisational management in this case remains Chinese style. 2) In Collaborative case (Case SH), Chinese universities set up collaborative degree programmes with Western/UK universities. The organisational management in these universities are shared, although sometimes Chinese might have more advantage in terms of programmes being carried out in China. 3) Colonialism case (Case NB) means Western/UK universities sets up their own campuses in China, which allow students to complete their degree in China. The organisational management is operated in Western/UK style. 4) While British case (Case UK) is Western/UK universities employ Chinese academic staff working in Western/UK campuses. With Chinese academic staff working and living in the UK, British culture context differ this case from the others of Chinese cultural context.

In total, seventy semi-structured interviews were conducted. The samples were confined to full-time Chinese and Western academics working in Business Schools in both China and the UK. Overall speaking, there was a balance between the number of Chinese and Western academics in each case. Based on an iterative coding process, thematic analysis was used to deal with the richness of interview data. With the support of NVivo, transcriptions were categorised according to the interview guide, which was structured by topics and concepts that directly linked to the research questions.

### **Findings and discussion**

From participants' responses, the analysis mainly focuses on the link between Guanxi and Hofstede's four cultural dimensions, i.e. Individualism / Collectivism, Power Distance, Uncertainty Avoidance, and Long-term / Short-term Orientation. Then the analysis will move on to look at the influence of Guanxi on individual academics, academic organisations and students.

The collectivistic aspect of Guanxi was recognised by all participants. It implies that Chinese Guanxi distinguishes different levels of collectivistic group, which consequently indicates the extent of the closeness of people's relationships between each other. The findings identify the discrepancy between Guanxi and Hofstede's collectivism. With both looking at people's distance in relationships, Hofstede's national cultural dimension does not imply differences in of people's relationships. Rather, it applies the overall collectivism and individualism to every individual or relationship. As a result, Hofstede's Individualism and Collectivism dimension reports differences between the individual and the society in a

general way. However, Guanxi acknowledges various circumstances of collectivistic groups and closeness of people's relationships. Guanxi looks at each specific type of connections of people's relationships, and the dynamics of people's distance. Previous studies used mainly focused on the characteristics of the individuals and society as a general form, whereas the current research implies the development dynamics of people's relationships. It suggests a new research approach to explore more detailed variations in the nature of people's relationships.

Apart from the collectivistic character, Guanxi was revealed to have a strong individualistic character in the interviews. In particular, it was highly related with personal motives in the Chinese context. It shows that it is in an individual's interest to build and maintain Guanxi. It becomes everyone's own possession of different contacts, which forms Guanxi. It was found that Guanxi was about what kind of important and crucial relationships that each individual possessed. Moreover, the idea of Guanxi being personal, or being an individual-oriented connection reflects the closeness of people's relationship when they are involved in Guanxi. When people are not involved in any specific network, they are not connected with each other. If the individual does not have any connection with the group, he or she will not be acknowledged by other group members. Hence, he or she will not be counted or considered as part of the group. In this sense, the Chinese collectivism is limited to a selective group, where members need to make efforts and earn respect from other group members. It distinguishes people inside the group from outside the group, so that the in-groups are much closer than the out-groups. That is why Guanxi, which demonstrates a strong collectivistic character of the Chinese, is built from personal and individual connections. This finding demonstrates a strong individualistic side of Chinese culture, which has been overlooked in the previous cultural research. Based on Hofstede's bi-polar cultural dimension, Chinese culture is categorised as a strong collectivistic one. It overshadows the fact that Chinese context also has individualistic feature.

Guanxi was found to be closely related the level of academics' status in their career. When academics' status gets to a higher level, people gain more respect from others, and as a result, more Guanxi will occur from others as well. The higher a person's position is, the more likely he or she will be contacted by Guanxi. It demonstrates that Guanxi is closely related to power distance. The higher the power distance, the more Guanxi is expected. This indicated that academics at a lower level needed to make more efforts and pay more attention to build Guanxi with those at a higher level. In China, Guanxi was crucial between superiors and subordinates, which required more respect from subordinates to superiors. A bad relationship with superiors would lead to negative impact on one's career, whereas it was not as important in the UK context. Relating to Hofstede's power distance dimension, China has a high power distance, meaning the management system has a more rigorous and disciplined image for subordinates. Power distance between people from different social status, therefore in this context, can be distinguished by the different level of respect that is given and Guanxi that is applied. Moreover, with Guanxi, people are able to make connections with others who are at a higher status, so that the distance can be shortened to a personal level. This makes a high power distance flexible and accessible, which is not indicated in Hofstede's cultural dimension.

In the interviews, academics reported uncertainty involved in Guanxi. It was related to the unknown return of favour, and closely related to gaining information. For Chinese, gaining information at work involved personal relationships. When Chinese are not certain about the information, they do not seek direct information in a formal way. Instead, they

intend to find out through informal channels, by using Guanxi. Whereas for Westerners, of obtaining information is more straightforward, with no personal relationships involved. This comparison showed that Chinese had lower uncertainty avoidance compared to Westerners, which was found in Hofstede's uncertainty avoidance dimension as well. However, this comparison further indicated that Chinese used a more informal way to obtain information, so that future uncertainty is avoided, which was not specified in Hofstede's dimension.

Guanxi was found to be related to Hofstede's Long-term and Short-term oriented dimensions as well. Mainly, it was reported with reciprocity and obligation. According the current research data, the return of favour is highly expected in the future, even it is uncertain when it will be returned. It demonstrates somewhat of a strong long-term orientation. This finding contradicts Hofstede's cultural dimension, which categorises reciprocation of greetings, favours and gifts as short-term orientation. Although with such strong reciprocity and obligation of Guanxi in China, this finding emphasizes that China has a strong long-term orientation, which agree with Hofstede's findings that China has a long-term oriented culture. Furthermore, it seems reciprocity and obligation are related to a collectivistic character when it is to serve a group's interest, but also to an individualistic character when it serves for a personal motivation. In other words, reciprocation and obligation indicate that Chinese culture is both collectivistic and individualistic, and it is not sufficient to look at it from only one side of the dimension.

Within the academic context, Guanxi was found to have important impact on academics, particularly in terms of academic career, research funding and publication, and doing research. Building and maintaining networks offered opportunities for the academics' job and career, even though some people may not acknowledge the necessity or existence of networks. Guanxi helped academics make contacts with other academics who may assist or collaborate in some research projects, or help gain access to research data, particularly in the Chinese context, in Hong Kong and Mainland China. According to the interview data, it was found that Chinese students put more efforts on building relationships with academics, and making academics more familiar with individual students. Particularly, students from Mainland China were more into having a meeting with, or giving gifts to academics. Such experiences showed that Guanxi did bring relationships between Chinese students and academic staff closer. However, it was hard for academic staff to judge whether students are trying to be close out of motivation for friendship only, or for other purposes, which might include gaining a good impression, so as to receive a good mark in return.

### **Limitations and further research**

The qualitative methodology of this research allows the analysis of data and results being carried out at an individual level. Most of previous cultural research has been mostly based at the macro level, meaning global, national and organisational levels. It is the more traditional approach to cultural research, by gathering massive data from one or more organisations, and analysing collective results at organisational or national levels. With a qualitative approach, this research provides in-depth cultural understanding from the participants. This is a strong advantage compared to the quantitative research approach, which has been the dominant research method in cross-cultural research.

Besides, this research investigated four different cases, in order to distinguish and evaluate the impact of national culture and organisational culture. The purpose of have four different case designs is to enhance the comparison of cultural influences in these different contexts, so as to distinguish the cultural differences much clearer. Such a design is one of the first that involves multi-cases and multi-contexts to look into cultural influences on employees' cultural understanding and working relationships. It provides the researcher with more contextual diversity to compare cultural elements' effects and participants' understandings, which leads to more detailed and comprehensive research findings. In this way, it helps highlight the differences and influences of both national and organisational levels, which might have been overlooked if in a single cultural context research setting.

One of the weaknesses of this research was caused while analysing interview data collected from Chinese academics. In this research, the data collected from Chinese academics appeared to be less elaborate or explanatory, compared to that of Westerners. This was found possibly due to the Chinese less out-spoken characters, meaning not able to express their own opinions in a straight forward way, although this does not mean that Chinese participants do not have opinions on these cultural values.

In the future, the research about Guanxi could also involve other Chinese cultural concepts, such as Mianzi and Harmony. As indicated from the current research results, the analysis of cross-cultural study should not be limited to bi-polar perspective only. Further studies may include a more dialectic view, such as using the Yin-Yang theory, and be open to changes and improvement when it comes to studying Chinese culture.

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