Barriers of Cross Cultural Communication in Multinational Firms

--- A Case Study of Swedish Company and its Subsidiary in China

Abstract

In times of rapid growth, both in terms of economic development and globalization, an increasing number of firms extend their businesses abroad. A subsequent challenge of this development is the managerial implications of cross-cultural management. This study employs a qualitative approach in a single case study of Swedish company and its subsidiary in China. After reviewing the previous studies, the authors summarize the differences of management style, staff behaviors and communication system in different culture context and find the barriers of cross cultural communication in multinational firms. The findings of this study indicate that the barriers of communication come from the national culture’s influence on the work place and behaviors of people with different identity. Moreover, culture also influences people’s way of thinking and behaving and result in different understandings toward vision and purposes of firms.

Key words: cross cultural, communication, multinational firms, management style, staff behavior

Prelude

It is 9:00 a.m. on Monday in Sweden. The Technical product manager of company X sent an email about the new design of the product to its subsidiary company in China. He would like to have a production ready model of the new design by Friday when he flies to China. An email came on Thursday saying that there was a 1mm error of the product they made and asked the manager what they should do. The product manager finds himself confused: “Do they need to ask such a question? They could simply adjust the error and give me the model on Friday, why are they waiting for orders instead of taking initiatives?” (Swedish Technical and Production manager, 2010, see in Appendix III)

It is 15:01 Monday in Shanghai. The Chinese R&D manager in Shanghai received an
email from the parent company in Sweden. The parent company asked for a production ready model of the latest design in five days. He called the production manager immediately. Three days later he got the new model but with 1mm error. He knew it would be better to provide a standard model. However, he decided to notify this problem to the Swedish manager first and let him to decide what to do. It is the Chinese way of showing their respects to superior by asking their opinions on everything. (Chinese R&D managers, 2010, see in Appendix III)

The cases above illustrate some of the main issues of multi-cultural management during the process of international knowledge transfer. The management team has devoted both time and energy in efforts to solve the issues, yet fail to derive any effective solutions.

**Introduction**

Because of the globalization and the rapid development of economics, multinational firms are more and more prevalent. Intercultural communication presents a new challenge to managers. Culture, as Hofstede (1997, p. 4) states, is the “software of mind” that can influence people’s patterns of thinking and behaving. Mental programming influences people’s living and working all over their lives. For example, Sweden and China are immersed in different cultures which lead to different ways of thinking and behaving. When a Swedish company tries to understand the management style or behaviors of Chinese staff, some basic principles are challenged. For instance, Chinese feel that all men are born unequal and they should all obey the decision of the authority (Martinsons & Hempel, 1998). While Western people believe that all men are born equal and they can make independent decisions and act on their own (ibid). Ambos and Schlegelmilch (2008) argue that one culture may support certain type (or types) of organizations rather than other types, and culture differences will eventually influence on the performance of company (ibid). In other words, national culture can influence the management and communications of organizations. For instances, the management style in the west is different from that in the east: Dutch management style is “approachable” and “assertive”, while, Japanese managers are “high hierarchical” and “dictatorial” (Ybema & Byun, 2009, p. 350). Poon, Evangelista and Albaum (2005) compare the management differences in China and Australia, and find that culture is a significant influence in management style in multi-culture perspective.

Companies who extend their business abroad have to face a challenge of cross-cultural communication. Bennis and Nanus (1985) refer to Erez (1992) and claim that communication is the only approach by which group members can cooperate with each other toward the goal of organization. Especially for multi-culture firms with some subsidiaries in other countries, it is necessary that managers have frequent communication and sufficient understanding for
organizational goal. Technical developments have removed most of the physical barriers on communication. However, managers still encounter some cultural barriers. In order to achieve success, managers working in global environments must be proficient in cross-cultural communication. Different characteristics of culture result in thinking, understanding and communicational diversity. These diversities obstruct organizational development and management more or less. Adler and Graham (1989) refer to Mishler (1965, p.517) and argue that “The greater the cultural differences, the more likely barriers to communication and misunderstandings become.” More and more managers have paid attention to the problem of cross-cultural conflict on communication.

Several researchers have contributed their studies in cross-cultural communication area (Mary, 1993; Bennett 1998; Yum, 1988; Ybema & Byun, 2009). In “Cross-cultural communication for managers”, Mary (1993) applies a multiple insights to managerial communications. In order to make communication effectively, Mary (1993) recommends managers to think about seven issues before communication. This study is designed only in a managerial context. In Bennett (1998)’s “Intercultural Communication: A Current Perspective”, he answers the question “How do people understand one another when they do not share a common cultural experience?” The question is answered from several aspects such as levels of culture, intercultural communication processes and cultural adaptation (Bennett, 1998). However, the focus of this study is too wide, which does not stand on a managerial context but on a social context. In addition, Yum (1988, p 78) researches “the impact of Confucianism on interpersonal relationships and communication patterns in East Asia”. He argues that the discussions of most communicational studies stay on the surface of the problem and do not go deeply to explore the source of problem. Thus, in his study, Yum (1988, p 78) “goes beyond these limitations and explores the philosophical roots of the communication patterns in East Asian countries”. But the focus of his study is on social contexts. Also, Yum (1988) only discusses the impact of Confucianism. Confucianism can in parts be regarded as a culture, but not in its entirety. In addition, Ybema & Byun (2009) “explore issues of culture and identity In Japanese-Dutch relations in two different contexts: Japanese firms in the Netherlands and Dutch firms in Japan”. From three aspects: communication, the superior-subordinate relationship and decision making, they illustrate that in different organizational environment, cultural difference influence people’s identity take. On certain extent, Ybema & Byun’s (2009) study is similar with this study, for instance, engaging a comparison between the people from different culture. However, their study pays more attention to power and identity talks while other culture dimensions such as individualism, masculine, and Confucianism or long-term orientation (Hofstede, 1980) have not discussed in the study. Thus it is interesting to look into different culture dimensions’ influence on the communication in multinational firms. By contrasting the differences of management style, staff behaviors and communication system between different cultures the barriers of cross cultural communication in multi-nation firms will be found.
Thus, the purpose of the present study is to look into the barriers on firm level in cross cultural communications in multinational firms. The research question of this study is as follows: What are the barriers (on firm level) of cross cultural communication in multinational firms?

**Literature review**

**Cross cultural management**

Cross cultural management mainly focuses on the behavior of people from different culture working together as a group or an organization (Adler, 1983). Most of cross-cultural management study aims at dealing with the issue of organizational behavior, such as leadership style, motivational approaches, strategy, organizational structure (Morden, 1995; Elenkov, 1998). Three aspects are discussed in this study as follows, communication system, management style, and staff behavior.

As to the cultural concept, culture is a complex issue in some fields such as sociology, anthropology and now become a hot topic in management. Several contributions are devoted in this area by some authors, such as Hofstede (1997), Hall (1976, refered by Richardson and Smith, 2007), Golbe (2004). It is no exaggeration to say that Hofstede’s dimensions of national culture theory is a dominant theory. Although a lot of people oppugn Hofstede’s theory and his data are out of time (Holden, 2002, p20), however, the data of dimensions of national culture is not an absolute value but relative values. At least, Hofstede's dimensions of national culture theory still is a famous and popular theory, which is engaged by a large number of researches. Project GLOBE is a recent study, in which culture is linked to behavior in organization (Shore and Cross, 2005). Globe proposals nine cultural dimensions, some of these are similar to Hofstede’s Dimensions of National Culture (Shore and Cross, 2005). However, Globe’s theory is still a new theory without sufficient test; therefore it will not be considered in this study. Hall’s high context-communication and low context communication can perfectly serve for the cross-cultural communication study and conflict-resolution studies (Kim, Pan and Park, 1998). In this study, both Hofstede’s Dimensions of National Culture theory and Hall’s high context-communication and low context communication theory are involved.

**Dimensions of National Culture**

“Culture is the pattern of taken-for-granted assumptions about how a given collection of people should think, act, and feel as they go about their daily affairs” (Joynt & Warner, 1996, p. 3). Hofstede (1997) addresses that there are two kinds of cultures: organizational culture and national culture, which differs when it comes to values and practice. Values come from the experience of life, in other words, one’s value comes
from family and school in the early year of his/her life. While practices come from social experience: working. The differences in national culture lie in values rather than practice. While, in organizational level, culture differences appear mostly in practice rather than value (ibid). Ybema and Byun (2009) refer to Schneider and Barsoux’s (1997) argument that the parent country’s culture is often remained in multicultural companies, and the national culture of parent’s company is often challenged by the national culture of subordinate company, because of the foreign rule put on it. National culture provides a principle for employees in organizations to understand how to work, how to approach to the goals and how they want others to treat them. If the management within an organization fails to consist with these “deeply hold values” together, the employee will feel unsatisfied and frustrated, thus will poorly perform (Newman & Nollen, 1996). Furthermore, the effectiveness of organization will decrease.

Hofstede (1980) argues that there are four dimensions of national culture: low vs. high Power Distance; individualism vs. collectivism; masculinity vs. femininity; and uncertainty avoidance. Before long, the fifth dimension is found by Harris Bond, which was called Confucian dynamism (Bond & Hofstede, 1988). Subsequently, Hofstede takes it into his framework in terms of long vs. short term orientation.

**Low vs. High Power Distance**

Power distance is “the extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed” (Hofstede, 1997, p. 28). In low power distance countries, the authority is distributed within the organization. Superiors are dependent on subordinates as consultation on a limited extent. Therefore the emotional distance between them is relatively small: it is quite easy and pleasant for subordinates to approach and contact their superiors. However, in high power distance countries, power is always centralized within the organization. Only a considerable dependence exists from subordinates to superiors. “Subordinates respond by either preferring such dependence, or rejecting it entirely, which in psychology is known as “counterdependence”: that is dependence, but in a negative sign” (ibid, p.27). High power distance countries thus show a pattern of polarization between dependence and counterdependence (ibid).

**Individualism vs. Collectivism**

“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 onwards are integrated into strong, cohesive ingroups, which throughout people’s lifetime continue to protect them in exchange for unquestioning loyalty”(Hofstede, 1997, p. 51).

The two dimensions (power distance and individualism) tend to be negatively
correlated: larger power distance countries are also likely to be more collectivist; small power distance countries are more individualist. When the authority is distributed, people are likely to be individualist. When the authority is centralized people is likely to be collectivist.

**Masculinity vs. Femininity**

Masculinity and femininity means the extent of how the society views the role of male and female. In “masculinity” society, people are more competitive, assertive, and ambitious. Moreover, accumulated wealth and material possessions are always valued (Usunier & Lee, 2005). While in “femininity” culture relationships and quality of life are more valuable (ibid). Sweden is considered by Hofstede (1997) to be the most “feminine” country.

Managers in masculine cultures are assertive decision-makers. They believe in facts rather than group discussions (Newman & Nollen, 1996). Feminine managers are “intuitive rather than decisive for consensus” and they listen to the suggestions of the groups (Hofstede, 1997, p. 94-96). In Feminine cultures welfare of the society is valued: people are caring for others, sympathy for the weak and pay more attention to the quality of life; while, in masculine cultures power and material progress are valued: gender roles are clearly distinct, people respect for the strong and pay more attention to competition and performance (ibid).

**Long vs. Short term orientation**

Hofstede (1997) argues that the dimensions of culture can be described as a society’s "time horizon” or, the importance related to the future comparing with the past and present. In long term oriented societies, "persistence (perseverance), ordering relationships by status, thrift, and having a sense of shame is included in the value while in short term oriented societies, normative statements, personal steadiness and stability, protecting ones face, respect for tradition, and reciprocation of greetings, favors, and gifts” are included. In Asia, China and Japan are regarded as typical long term oriented countries with a relative high score while the western courtiers are more about short term orientation. (Hofstede, 1997, p. 168-169)

The ethical system developed by Confucius and his disciples remain the predominant social principles across Greater China, which is deeply rooted in Chinese social system. Confucianism advocates that all men are born unequal, everyone have to accept this fact, which leads to an uneven high power distance. (Martinsons & Hempel, 1998)

Based on Konf Fu Ze’s (551-479 BC) life and works, Confucianism is a philosophy not only for social but also for moral, which has a wide and deep influence on all ages and views as the guidance of social behaviors. In addition, family is an important element in Chinese culture, which can be justified and supported by Confucian-based
values. (Martinsons & Westwood, 1997) Although there is a high score on Chinese collectivism, teamwork is not relatively frequent in the organization because China is family-oriented rather than society-oriented. Therefore, the performance of Chinese as a member of an out-group is quite poor. (Martinsons & Hempel, 1998)

In addition, power in China has a different cognition with that in western countries. Power is not born-with; instead, it can be gained through participating and contributing to a social group (Hall & Ames, 1993). In Chinese interpersonal relations, harmony, conformance and reciprocal respect are paid more attention than openness and spontaneity (Martinsons & Westwood, 1997).

**High context-communication and low context communication.**

High context or Low context communication theory is one of the most important theories in cross-cultural research, which can be viewed as a culture based on the messages that people within the culture prefer to use (Richardson and Smith, 2007). It properly links management style and staff behaviour to discuss the issue of cross-cultural management in communication. According to Richardson and Smith (2007, p 480) refer to Hall (1976) and argue that cultures cannot be easily classified into HC or LC, but to some extent, “some cultures tend to be at the higher end while others are at the lower end of the continuum”. In a high-context culture, people interdepend on each other. Information is widely shared through the word with potential meaning. In a low-context culture, people tend to be individualized, kind of alienated and fragmented, people do not involve with each other too much (ibid). High context communication tends to engage an indirect way to express while low context communication prefers direct information exchange (Kim, Pan and Park, 1998, Richardson and Smith, 2007). In a low-context culture, people coming from other culture can easily match these machinations, but in a high-context culture, these high-context machinations cannot be easily matched by people coming from low-context culture (Holden, 2002, p 28). The characteristic of high-context communication is economical, fast, efficient, and satisfying, however, programming is time-consumed (Kim, Pan and Park, 1998). Contrarily, low-context massages are more context-free than high-context communication, information about the character and background and values of the participants are less influencing on people to make deals, however, the reliance to make deal is upon the explicit communication (ibid).

**Multinational firm communication**

Ybema & Byun (2009) emphasize that culture difference influences communication between the peoples with different identity. In this study, internal communication of organization includes two parts: management style and staff behavior. To some extent, management style imply superior part of the organization, similarly, staff behavior imply subordinate part in the organization. Usually, because of the gap among these
positions, barriers also occur during the transmitting of messages and information. Communication system is the ways that are used within the organization to help colleagues to transmit messages and information. Organization uses communication system to link people together and make them work toward organizational goals.

Management style

Culture is a factor influencing the style of management. Several researchers have emphasized the importance of culture on management style (Williams, Morris, Leung, Bhatnagar, Hu, Kondo and Luo, 1998; Morden, 1995; Koopman, Hartog and Konrad, 1999). Williams, Morris, Leung, Bhatnagar, Hu, Kondo and Luo (1998) discuss the different way managers use to solve the conflicts within the organization. Chinese managers rely on an avoiding style while US managers prefer a competing style. Morden (1995) argues leadership style is influenced by culture result in centralized or decentralized. In addition, an effective management style facilitates communication and informational transmitting (Mcphee, 1985).

Chinese have a different point of view on the concept of leadership with western norms (Martinsons & Westwood, 1997). As a result, a distinctive in-group exists in the organization and bureaucratic regulations are used moderately (ibid). Chinese leaders are not used to listening to subordinates or adopting team’s perspective (Martinsons & Westwood, 1997 refer to Fukuda, 1983). Therefore, in China, important decisions are only made by leaders according to their individual experience or knowledge. It is natural that Chinese leaders who possess authority to determine the organization objectives (Martinsons & Westwood, 1997 refer to Silin, 1976).

Western countries believe that person has his/her individual right and a legitimate power to protect their private property. The belief has been deeply rooted in western organizational structure. According to Martinsons and Westwood (1997), in most western organizations, any decision-making in the system does not depend on its top managers or owners, instead, on a rational and impersonal set of rules with a well-defined purpose.

Staff behavior

Staff is crucial asset of organizations. They bring organization with their knowledge, skills, and experiences. Webb (1996) argues that education provides important developments and has been viewed as one of the most important values of staff. Skills of the labors will eventually leads to the inequality of their wages (Juhn, Murphy & Pierce, 1993). Wage is always viewed as the motivation part or the purpose of working. Educational level, which has a positive relationship with skills, will determine the wage level of staff. Thus well educated stuff will earn more and be more motivated than their less educated colleagues. In multinational organizations,
language is another important skill of staff that cannot be neglected (Usunier & Lee, 2005). According to Jiang (2000), there is a close relationship between language & culture. Moreover, both of these two influence each other interactively. Culture is immersed in its language and will influence the way of people expressing and receiving messages.

Lots of researchers have highlighted the importance of empowerment within the organization to both motivate staff and achieve efficiency. Empowerment within organizations leads to high productivity and high performance as well as the satisfaction of the employees themselves. (Labianca, Gray & Brass, 2000; Kirkman & Rosen, 1999)

### Communication system

System is procedures and rules both formal (plans and budgets) and informal, which communicates plans and goals; monitors the organization; and informs others of the developments within the organization (Hitt, 1995). System can be used to maintain the patterns in organizational activities, not only those can be predicted but also the surprised ones (Simons, 1995). In multinational firms, communication system is the most important system in international knowledge transfer. According to Erez (1992) refers Bennis and Nanus (1985) that communication is the exclusive approach group can exactly move toward the goal of organization. In addition, Erez (1992) emphasizes that there is a closed relation between interpersonal communication and culture. Interpersonal communication is one of the parts of organization communication system. Communication forms the links which help group members to transmit the social values and facilitate their sharing (ibid). Collective action can be facilitated by shared meaning and shared communication mechanisms (ibid).

Furthermore, Kraut, Fish, Root and Chalfonte (1993) classify communication into formal communication and informal communication, according to their point of view, formal communication tends to be scheduled in advance, arranged participants, participants in role, preset agenda, one-way, impoverished content and formal language & speech register. The structural and functional characteristics of communication and the nature of the communication setting influence the degree of formal. In terms of the different characteristics, formal and informal communication suit to different situation, “formal communication tends to be used for coordinating relatively routine transactions within groups and organizations, while, informal communication seems needed for coordination in the face of uncertainty and equivocality” (ibid, p 6).

### Summary

National culture has a strong influence on different aspects of organizations. Newman
and Nollen (1996, p. 754) refer to other authors and argue that: "There is ample empirical evidence that national cultures vary and that a variety of management practices, including strategic decisionmaking (Schneider & DeMeyer 1991, p. 754), leadership style (Dorfman & Howell 1988; Puffer 1993), differ by national culture". During the literature review, it became evident that multinational organizations are influenced by cultural difference. In multinational firms, the communication goes beyond cultures and people with different identities. The barriers of cross cultural communication in multinational come from the culture’s influences on organizations.

**Method**

**Research design**

In this study, the authors would like to have an in-depth firm level view to answer the research question: What are the barriers on firm level in cross cultural communications in multinational firms. Bryman and Bell (2007, p. 418) argue that “qualitative studies provide a detailed account of what goes on in the setting being investigated”. Since the authors would like to have an in-depth firm level study, the qualitative approach with a single case study, which can provide more details and depth is preferred. This qualitative data consist of both primary data and secondary data, which can be derived from five semi-structured interviews and some documents from the Internet and libraries.

A part of the secondary data is taken from Hofstede resources' website page, which is based on Hofstede theory and generates data (up to date) through official channels. There are debates on whether Hofstede’s study is valuable or not. Major criticism against Hofstede’s study is that it neglects the change of time (Holden, 2002). Changing of some factors, for example, the changing economic development will influence the result of cultural dimensions index (Tang & Koveos, 2008). However, the cultural dimensions index's relevant scores are rather better than the corresponding absolute scores. His cultural framework is still considered to be an important contribution to distinguish various cultures (Newman & Nollen, 1996, refers to Triandis, 1982). Hofstede’s study is a comprehensive study and also appears to be more reliable and valid than any other study (Ambos & Schlegelmilch, 2008). Especially for studies, only the empirical illustrations of the scores are used. Therefore, authors here believe that it is fair and valid to use Hofstede’s resources. As for the Internet sources, the authors mainly use official websites such as SCB (Statistics Sweden's website) to ensure the validity of the data.

**Case selection**

This study focuses on the barriers on firm level in cross cultural communications in
multinational firms. Both parties of the co-authors are from China. The authors have been studying here in Sweden for almost two years now. To some extent, this cultural background helps the authors to have a better understanding of both Sweden culture and Chinese culture. Therefore, it is reasonable for us to select a multinational corporation which has branches both in China and Sweden. The sample company (company X) is a medium-sized company with about 200 employees, and it is one of the famous companies in office appliance manufacture industry in Europe. Company X owns several subsidiary companies in other countries, one of which is in China. This Chinese branch is located in Shanghai which is one of the fastest developing regions in China and has about 400 employees. And it was a state-owned factory and had a good reputation in office appliance industry. Back in 1998, when this Swedish company bought 51% share of this company, it became a joint venture with this Swedish company. And later in 2002, Chinese subsidiary was totally bought out by the Swedish company and became a subsidiary of the latter.

Because this study is designed to focus on the barriers on firm level in cross-culture communications in multinational firms, the interviews are designed for managers, who have more knowledge of the organization and can provide more valuable information to the study, in both Swedish parent company and Chinese subsidiary company. The authors have interviewed three managers (R&D manager, Technical and Production manager, and Quality Control manager, they are all Swedish) in Sweden parent company and two managers (R&D manager and Assistant manager of Vice President, both of them are Chinese) in Chinese subsidiary. For Swedish managers, the authors used English to communicate with them. For Chinese ones, mandarin was employed, in order to have a better understanding of each other. All of these three Swedish managers have been to China and cooperated with Chinese subsidiary company’s managers and employees for many times. Therefore, they have seen and experienced the differences and difficulties during the cross-cultural management. The Chinese R&D manager is one of the most experienced managers who have worked in the company for many years, he has sufficient information about company’s history and status quo, and he contacts frequently with Swedish parent company. In the meantime, the Chinese assistant manager works closely with Vice President (who is a Swedish) of Chinese subsidiary company. Therefore, he has more possibilities in contacting with Swedish company and observing the Swedish management.

**Analysis method**

In order to answer the research question, the analysis is set to be based on the early theories that have been reviewed before. The primary data is designed to assess the organizational communication in both Swedish parent company and Chinese subsidiary companies from three aspects: communication system, management style and staff behavior. The secondary data that are the scores of Hofstede national cultural dimensions index is designed to illustrate the cultural influence on organizational
communication.

Based on the previous theories, the authors would like to build a matrix to clearly illustrate the differences of management style, staff behavior and communication system of the sample company between the Swedish parent company and the Chinese subsidiary. By comparing management style, staff behavior and communication system of the sample company, with the consideration from a multi-cultural perspective and of the national culture influence, the barriers on firm level in cross cultural communications in multinational firms will be unveiled.

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<td>Sweden (S)</td>
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<td>Management style</td>
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<td>C(118)</td>
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<td>Staff behaviors</td>
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<td>Communication system</td>
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Figure 1. Example matrix of culture’s influence on communication between Sweden and China

Limitations

In this study only two cultures’ influence of the communication are compared. Cultures, in this study are regarded as static context rather than dynamic context. The sample company is a typical case, which meets with a lot of problems when they are cooperating with Chinese subsidiary company. R&D manager in Swedish parent company admits that they did not do any research about Chinese culture when they decided to extend their business to China through cooperating with a Chinese company, so as to Swedish managers are all adrift to deal with cultural difference. The problems, which are discussed in this study, may not happen in all of the multicultural companies. But these problems typically exist during the cross-cultural management.

Data and Analysis

Based on the theories of previous studies and the data of the sample company, the authors find that cross cultural management barriers occur in the communications between cultures as well as the communications between superiors and subordinates.
Management style

Organizations are forced to develop a set of management styles in order to match the culture (Lee, Roehl & Choe, 2000). China (80) and Sweden (31) score differently in power distance index (see in the Appendix I). This fact indicates that the distribution of power within the organization varies between China and Sweden and result in different management styles. The quality control manager in Sweden shares her story with us that one time; the Swedish parent company made strict standards on one special order for Shanghai subsidiary company and the parent company knew that it was impossible for Shanghai subsidiary to deliver such high standard products. However, when Swedish manager asked the production manager in China whether they could fulfill the requirement, Chinese manager struggled for a little while but said “OK”. But their products hadn’t reached the requirement at last. Because of high power distance and high hierarchy level in China, subordinates are afraid of saying “NO” to their superiors. Also because of the individualist culture, in Swedish parent company the decision is fully discussed within the company before implementation and subordinates are free to say “NO” as long as it is reasonable. The decisions are “the work of the group” (According to the R&D manager of Swedish parent company, also see in Appendix III) rather than the boss’s decision. But, for most of the time their Chinese colleagues just follow the decisions that are made by superiors without any doubt. These different ways of decision making probably may result in the unexpected outcome from subsidiary company.

The scores of masculinity are also varying between China (66) and Sweden (5) (also see in Appendix I), which illustrates that Chinese managers are “decisive and assertive” and Swedish managers are “intuition and strive for consensus” (Hofstede, 1997, p. 96). These different expectations on managers will result in barriers during communicating. Swedish R&D manager mentioned that because Chinese subsidiary company had a long history for almost 70 years, he believed that Chinese employees were experienced. Thus, sometimes he tried to learn from Chinese employees. However, Chinese employees did not give much response. Because, In China, managers are expected to know everything in relative field in order to determine organizational objectives and make a right decision which is the responsibility for Chinese managers (Redding, 1980 cited by Martinsons & Westwood, 1997), in China, Power can be gained through contributing to the company (Hall &Ames, 1993, p. 957). In Sweden, the role of Swedish managers is more like a mediator among subordinates to coordinate and group them. Swedish managers are expected to appropriately empower employees and utilize employee’s professional knowledge to achieve a purpose. It is difficult to say which one is better or not, but if Chinese subordinates employees are managed by Swedish management style, they cannot get any motivation to work or probability they have no idea about how to work. Otherwise, if Swedish subordinates are managed by Chinese management style, the conflict will occur easily, because the argument will happen between superior and subordinate.
Another culture difference between China (118) and Sweden (33) is Long-term orientation. Chinese managers in Shanghai said that they are willing to learn and adopt the modern way of managing and organizing from the parent company in Sweden. However, because of high power distance, high collectivist and high masculine culture, it is not easy to really bring the essence of Swedish management into the organizing progress. In a short-term orientation culture, Swedes feel that their management is more efficient and effective compared with their Chinese subsidiary. When problems or misunderstandings occur in the communication between Swedish parent company and Chinese Subsidiary, Swedes managers keep feeling frustrated instead of finding the reason why these keep happening. In other words, as the superior of Chinese subsidiary, Swedes managers fail to take culture differences as a significant influence on managing and communicating. As a result, there are frustrations and barriers on communicating between Swedish parent company and Chinese subsidiary.

Staff behaviors

Staff plays very an important role in organizations. Thus, whether or not they feel motivated in their jobs can affect the efficiency of organizations. The employees in Sweden feel that they are proud of what they are doing in the company. The job has “became a part of my identity” (according to quality control manager in Sweden, also see in Appendix III). When the same question is asked to staff in Shanghai they do not share the same feelings as their Sweden colleagues do. As a feminine society, Sweden pays more attention to the welfare of the society, while as a masculine society, Chinese believe that material achievement and power is more important, and competition and performance are valued in China. In fact, the average salary of Swedish is ten times higher than that in Shanghai, and the household consumption level in Shanghai is just a little lower than that in Sweden. As a result, the life pressure in Shanghai is much higher than anywhere in Sweden (Rosen, 1996; also see in Appendix IV). Having a job in Shanghai is a way of making a living rather than enjoy life.

As in a HC (High-context) culture, people are deeply involved with each other and the relationships between people are complicated, especially in working places. As a result, people in Shanghai subsidiary prefer to work collectively. However, this deeply involved relationship does not extend outside the group: people within the same group can communicate without any hesitation; people do not belong to the same group will hardly communicate with each other. In addition, according to Holden (2002) that in a low-context culture, people coming from other cultures can easily match these machinations, but in a high-context culture, these high-context machinations cannot be easily matched by people coming from low-context culture. As the manager come from a low-context Sweden, The Swede production manager has the feeling that there are not enough communications between the Swedish company and its subsidiary in Shanghai, and when he tries to communicate with
Chinese employees they seem afraid of expressing themselves. The quality control manager also feels that Shanghai subsidiary is not willing to contact with Swedish company unless emergencies (See in Appendix III). Communication can be made only when both Swedish company and Chinese subsidiary are willing to express the real thoughts of themselves. Actually, Swedish manager do not realize that they have to deal with the differences between high-context culture and low-context culture. In addition, the programming of people from low-context culture get used to a high-context culture is time-consuming (Kim, Pan and Park, 1998).

As shown in the Appendix I, the individualism scores have a great difference between China (20) and Sweden (71). The parent company in Sweden prefers group work that can involve all departments into the discussion and make comprehensive decisions. Shanghai company have already applied some of the “Swedish management” into the company. Group work is also one of the forms of handing issues. However, the essences of group work are not learnt by Shanghai subsidiary company; people just sit together and wait for the decision from the managers. Staffs are afraid of expressing themselves in the group. Some of the managers think “it is a waste of time asking people’s suggestion when no one is willing to say.” (According to one of the Shanghai manager, and also see in Appendix III).

Because of the high power distance in China, subordinates are depending on the superiors (Hofstede, 1997, p. 37). In other words, employees are used to follow the managers’ decisions, and managers are expected to take all initiatives in organizations. While in Sweden, subordinates and superiors are treated equally. Ybema and Byun (2009) argue that in different culture contexts, people’s identity talks are different because of the differences on power distance. As a result, in multi-culture firms, there is a challenge on understanding the identity talk of individuals with different culture background.

With the culture of short-term orientated, Swedish company treat their brand seriously, and they will never risk it with low quality products. They could not understand why their Chinese subsidiary tends to use low quality masteries in order to lower the cost even though this action would damage their brand in the future (According to the quality control manager, also see in Appendix III). The Chinese long-term orientation culture teaches people to have a second thought on gain and loose, which means they value long term success and set backs are allowed in the process of developing. Chinese tends to make decisions for the future developments and they believe that the sacrifice of now may benefit the future. They use low quality materials in order to lower the cost for now and increase the funds for future development. However, we cannot deny that these set backs may bring problems like damage reputation and so on.
Communication System

The Swedish parent company expresses itself as “to be the leading supplier worldwide of high quality” and would like their brand to “stands for high quality, satisfied customers and competence” (according to the managers in Sweden, also see in Appendix III). These vision and mission statements are respected by everyone in Swedish parent company. Chinese managers in Shanghai know these statements. However, they do not think it is their responsibility to picture the future for the company. Those statements to them are just sentences rather than the slogans that can represent the spirits of the company, or simply, they do not have a clear vision of the company. When it comes to long term orientation (China scores 118, Sweden scores 33, see in Appendix I), in Chinese managers’ view, vision and mission are for the future: those are the place where they want to go. However, vision to Swedish managers is the “unchanging ideas” of the company and it stands for the present and the future of the firm. When asking the question “whether vision stand for the present or the future” misunderstanding occurs between Swedish managers and Chinese managers. If the multinational company would like to communicate well in the future, a common goal and a mutual understanding of the company are needed.

Obviously, China and Sweden have different cultures, through Hofstede’s national culture dimensions the cultures score differently (See in Appendix I). Lee, Roehl, and Choe (2000) emphasize that national culture, as an attribute of the country will influence a national management system. Ouchi (1977) argues that communication system of an organization is influenced by the structure of the organization. Structure as the hardware (Rausch, Halfhill, Sherman & Washbush, 2001) of organization is built based on the particular circumstances and situational variables (Burnes, 1996). Along with the development of company and the enlarging of size of company, the hierarchy level will increase correspondingly (Ouchi, 1977). Both Swedish parent company and Shanghai subsidiary company are medium sized companies. In the interviews the authors find that the structure of two companies to some extent has hierarchy levels. However, in both Swedish managers’ and Chinese managers’ points of view Swedish parent company’s hierarchy level is lower than that of Chinese subsidiary company (see Appendix II and Appendix III). One of the most important reasons of this phenomenon lies in the difference of power distance in Sweden (31) and China (80) (see in the Appendix I).

The differences on hierarchy levels of Chinese company and Swedish company lead to diversity of communication systems. In Chinese subsidiary company, any problem and urgency has to be reported to the superiors in order to make solution and get contact with relative department, which can be regarded as a formal communication system. In Swedish parent company, both formal and informal communication system are used. In other words, Swedish communication systems are more tolerant to accidents and are more flexible, while, Shanghai subsidiary’s communication systems are lacking the ability of dealing with accidents. As has mentioned in the introduction
part, Chinese managers did not take any action to correct 1mm error of the product, which can be corrected easily. Instead, he only reported this problem to Swedish superior and waited for the order about what they should do. In a HC culture, Chinese staffs are not willing to extend their relationship outside the group where they belong to. Therefore a feasible way of organize people from different groups is to use formal communication systems. While in a LC culture like Sweden, people are not highly involved and informal communication systems are feasible. However, as the organization grows larger formal communication systems are also employed. In an organization, both formal and informal communication system are feasible, but considering that in the context of cross cultural management, sometimes a formal communication system is more time-consuming and inefficient because of the distance (geography) which leads to many difficulties such as time difference, and impossible to communication face to face. In addition, “language difficulties represent one of the biggest barriers to cross-cultural communication” (Munter, 1995, p. 74). Manager in Swedish parent company have a good English skill. However, because of the tremendous language diversity between Chinese and Romanic, a big gap exists during the translation from Chinese to English in the light of Chinese thinking.

Because of the differences on management style and staff behaviors, the communications between Sweden and China and Swedes superiors and Chinese subordinates are facing barriers. When a Swede manager (who is intuition and strive for consensus) want a Chinese employee’s (who is afraid of expressing his/her idea) opinion on certain issue, how could they communicate without knowing the expectations towards each other? These unknowing expectations are the barriers of cross cultural communications in multinational firms.

**Discussion and Conclusion**

In a multinational firm it is not the best solution to push subsidiary company into parent company’s way of communicating, or simply let the subsidiary company work in their own way. The best solution of communicating multinational firms is to reach a mutual understanding between a parent company and subsidiary, which depends on mutual learning and mutual adaptation- in multi-culture management perspective.

When a parent company and its subsidiary do not share the same views which derive from the influence of different national culture where the firm operates in, problems and barriers will occur. In this study particularly, when the patent company holds the opinion that the subsidiary company lacks initiative on work, at the same time, the subsidiary company thinks that the parent company would not treat their suggestions seriously and afraid to express the frustration to the parent company. Due to differences in cultures, the emotional distance towards superi-subordinate relationship is varying. Swedish managers try to evoke the passion of Chinese employees by asking for their initiative at work. While, Chinese managers hold the
belief that it is better when the power is centralized and subordinates just follow the instructions of the superiors. Therefore, Chinese managers are expected to have a comprehensive knowledge of the firm to make “good” decisions for the subordinates. However, Swedish managers think that it is impossible for one to know all and they are depending on the wisdoms of the group. Besides, the language and geography distances always bring barriers on communicating and understanding each other. Even when they are using the same language (English), they might have different understanding on the same message because of the influence of the “hidden rules” in their mother tongue. Many researchers have found that in Asian countries people tend to express themselves inexplicitly, while in Western world people are straight when talking (Ybema & Byun, 2009; Newman & Nollen, 1996; Jolly, 2008; Welth & Welth, 2008). Another point to be mentioned is that, life pressure varies from country to country. In low life pressure countries, people pay more attention to fulfill one’s self-worthiness, which will enhance the initiatives at work. While in high life pressure countries people struggle with their lives and follow superior’s instructions is the best way to keep their job.

Based on the analysis, the authors build a matrix to illustrate the differences between different cultures (China and Sweden) and communication within multinational firms (See in Figure 2). Through the differences on management style, staff behaviors and communications system of Sweden parent company and China subsidiary that the authors can conclude the barriers of cross cultural communication in multinational firms. These barriers of communication come from the national culture’s influence on the work place and behaviors of people with different identity (superiors and subordinates). First of all, except for getting profits, people with different culture backgrounds have different expectations on work. These different expectations are strongly influenced by people’s social statues and their positions at work. On the other hand, culture also influences people’s way of thinking and behaving and results in different understandings toward vision and purposes of firms. This lacking of mutual understanding leads to various communication problems and let the communication trapped into a vicious circle. Besides language differences and geography distances are always the barriers in cross cultural communications.

Briefly, the barriers of cross cultural communication in multinational firms come from the aspects blow:

- Lack of mutual understanding
- Differences in emotional distance toward headquarter -subordinate relationship
- Different expectations on managers
- Different abilities on dealing with accidents
- Language difference and geography distance
- Different purpose on working
<table>
<thead>
<tr>
<th>Power distance</th>
<th>Individualism</th>
<th>Masculinity</th>
<th>Long-term orientation</th>
</tr>
</thead>
<tbody>
<tr>
<td>China (C)</td>
<td>C(80)</td>
<td>C(20)</td>
<td>C(55)</td>
</tr>
<tr>
<td>Sweden (S)</td>
<td>S(31)</td>
<td>S(71)</td>
<td>S(5)</td>
</tr>
</tbody>
</table>

### Management style
- **Power centralized**: Manager him/herself make the decision.
- **Power decentralized**: Decisions are made through discussions.
- **Manager expected to be decisive and assertive**.
- **Managers use intuition and strive for consensus**.
- **Willing to adopt new managements**.
- **Respect for their own way of management**.

### Staff behaviors
- **High emotional distance with superiors**: Ideas keep in the group.
- **Equal with superiors**: Ideas sharing within the whole organization.
- **High life pressure; work for living**.
- **Low life pressure; work for fulfillment**.
- **Long term success preferred**.
- **Short results expected**.

### Communication system
- **High hierarchy levels**: High-context communication.
- **Low hierarchy levels**: Low-context communication.
- **Formal communications are preferred**.
- **Flexible and can deal with surprises**.
- **Visions are for the future and they are flexible**.
- **Visions are for now and the future**.

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**Figure 2. Matrix of culture’s influence on communication between Sweden and China**
Managerial implication

An in-depth study of the topic is presented in order to awake managers’ awareness of cultural importance during the process of international knowledge transfer. Through analyzing and discussing the reasons of the conflict deriving from cultural difference, a practical study is provided to managers to help them having a picture about what barriers culture brings to the cross-cultural management. Make sure that those barriers are in manager’s mind when they managing multinational firms.

When entering from a LC culture into a HC culture, firstly, managers should take their times and learn the differences of the communication and the culture. In a business context, mutual creation of value is dependent on mutual learning and mutual adaptation of multinational firms.

Future Research:

This study is designed to elucidate the barriers of cross cultural communication in multinational firms. In order to discuss the influence of national culture on cross-cultural communication, national culture is regarded as static context rather than dynamic context. On the other hand, the sample company is a typical case, which meets with a lot of problems when they are cooperating with Chinese subsidiary company. R&D manager in Swedish parent company admits that they did not do any research about Chinese culture when they decided to extend their business to China through cooperating with a Chinese company, so as to Swedish managers are all adrift to deal with cultural difference. However, these problems are typical existing during the cross-cultural management. Hopefully, these problems presented in this study can shake the mode of managers’ thinking, bring new thoughts and be helpful to managers in multicultural companies. In this research the authors focus on two cultures of big difference as the study sample. For the future research, it would be interesting to extending the study on other cultures to study with.
Reference list

Literature


**Books**


Appendices

Appendix I: Hofstede culture Dimensions Index

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Sweden</th>
<th>China</th>
</tr>
</thead>
<tbody>
<tr>
<td>Power Distance Index (PDI)</td>
<td>31</td>
<td>80</td>
</tr>
<tr>
<td>Individualism (IDV)</td>
<td>71</td>
<td>20</td>
</tr>
<tr>
<td>Masculinity (MAS)</td>
<td>5</td>
<td>55</td>
</tr>
<tr>
<td>Uncertainty Avoidance Index (UAI)</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>Long Term Orientation (LTO)</td>
<td>1</td>
<td>118</td>
</tr>
</tbody>
</table>

![Figure1](Hofstede resources page)

Above is the figure, which presents the index of cultural dimensions of both China and Sweden. Beginning from left side, the first indicator is the power distance index. China (80) shows a high score when compare with Sweden (31). There is a significant difference between China and Sweden. The next indicator is Individualism, contrary with the score of the power distance index; the score of Individualism in Sweden (71) is higher than in China (20) as much as three times. However, in the third indicator, the score of Masculinity in China (55) is eleven times as that in Sweden (5). The forth indicator is Uncertainty Avoidance Index. Form the figure; it is clear that the score of Sweden and China are very close and almost the same. Therefore, this indicator is not discussed in this study. The last indicator is long term orientation; actually, this indicator was called Confucian dynamism before, since China as a country that Confucian is derived from, China (118) presents a very higher score than Sweden (33).
Appendix II: company information (sources from interviews)

Swedish parent company X

Company X is a famous Swedish manufacture company founded in 1936, which own several subsidiary companies are around the world, such as Denmark, France and China. The mission of the Company X is “to be the leading supplier worldwide of high quality relative products”. The brand of Company X is expected to “stands for high quality, satisfied customers and competence as the company’s vision”. Interviewees in Sweden mentions that cooperation with Chinese subsidiary company is not as easy as cooperating with the subsidiary company in other countries, because tremendous cultural gap. Actually, Company X has cooperated with Chinese subsidiary company for almost 12 years. At the beginning, Chinese subsidiary company was operated as the form of joint venture. Swedish company shared 51% stock when Chinese owner shared rest stock. They engaged a strategy that “China is China” and “Sweden is Sweden”, they operated these two company as separate company, meanwhile Swedish company only supply technology to Chinese company. In 2002, Chinese company was merged by Swedish company X with 100% stock, but still let Chinese company run as a separate company. This situation was last until 2008, Swedish parent company began to involve in the management of Chinese subsidiary company. As the result, Chinese subsidiary company was reformed gradually as a supplier for Swedish parent company. The Chinese subsidiary company is expected to manufacture the components, which are not only with high quality but also ready to be assembled. Companying with the frequent contacting with Chinese subsidiary company, a lot of cultural conflict turn up in the eyes of managers.

Chinese subsidiary company

Chinese subsidiary company, which locates in shanghai of China, was a very famous national company in relative field with more than 70 years history and good reputation before merged. Although the company has been merged by Swedish parent company X in 2002, most the old employees and old managers are still working within the company and have insufficient experience and skill to manufactory product. The quondam structure and management are still engaged by Chinese subsidiary company until 2008 when Swedish parent company begun to involve in the management of subsidiary company, thus, “Swedish elements” are brought into Chinese subsidiary company gradually, such as management style. Because of the long development history, Chinese national culture and way of management have
been rooted in the Chinese subsidiary company deeply, which cannot be easily changed. After two years, the company subsidiary company is still in the changing process, meanwhile, cultural matter frequently occur and result in Swedish managers beginning to realize the importance of culture during the process of knowledge transfers. (Data collected from the interviews and their Website)

Appendix III Data of 5-S Aspects—Swedish Parent Company and Shanghai Subsidiary Company (sources from interviews)

Management Style

Swedish parent company prefer to use a project team to solve problems, major project is involved all departments in the company, all the people are cooperated with a quite flat structure. In the Chinese subsidiary company, they talk officially; they just wait for the orders and do not make personal contacts. There is a story mentioned by Swedish R&D managers that

“Because of Chinese subsidiary company has a long history for almost 70 years, we believed that Chinese employee are experienced, therefore, sometimes we tried to learn something from Chinese employee. But Chinese employees do not give much response”.

On the other hand, other story was mentioned by quality controller manager in Sweden that

“One time, I invite a Chinese manager for a cake in my house when the Chinese manager comes to Sweden. Although the Chinese manager has no idea about how to make Swedish cake, he still acts like he knows about Swedish cakes, which is not the case”.

Chinese R&D manager mentioned that

“Swedish management style is with high standard. Comparing with Swedish parent company, the management style in Chinese subsidiary company is more flexible, their attention is on outcomes. In addition, Chinese subsidiary company uses half Swedish and half Chinese management system, and gradually, the Swedish management style will be the mainstream in Shanghai Company in the future. Swedish management style has potential to help company develop in the future,
but there are certain parts do not match the situation of China. Swedish prefer team and group work. Concerning to the wide range of project, team and group work is efficient, but concerning to the small project, individual communication will be better”.

Swedish parent company X engages a flat organizational structure with a low hierarchy, when comparing with Chinese subsidiary company. Swedish managers prefer to empower subordinate to do what they want, when Chinese managers tend to use a bureaucratic approach to command subordinates what they should do. The quality control managers in Swedish parent company mentions that Chinese subsidiaries are afraid to say “no”, they do not want to make superior unhappy. She shared a story that

“One time, Swedish parent company has made strict standards on one a special order to Chinese subsidiary company. Swedish parent company has known that it is impossible for Chinese subsidiary company to deliver such high standard products. However, when Swedish manager ask the production managers in china whether they can fulfill the requirement, Chinese manager struggled for a little while and said “OK”. But the products have not reached the requirement at last”.

**Communication system**

Managers in Sweden parent company are easy to communicate with, if someone meets some urgent problem, he or she can ask for help directly from the manager who is responsible. In China subsidiary company, the communication bases on routines. They don’t take personal initiatives just wait for official orders. In Chinese subsidiary company, any problem and urgency has to be report to the superior in order to get a solution and get contact with relative department. Concerning to the Swedish parent company, usually, the problem should be reported to superior firstly, and then, superior will decide how to solve it. But if the problem is too urgent to wait, subordinate can take action without reporting superior. There is a story given by technical product managers that

“One time, I sent an email about the new design of the product to the subsidiary in China; I would like to have a good model of new product by Friday when I fly to China. An email came on Thursday written that there was a 1mm error of the product they made and asked me what they should do. I feel that is funny and annoying, I cannot understand that why do they ask such a question, they can simply adjust the error and give me a good model on friend, why are they waiting for order instead of take initiatives? ”
During the interview, the technical product manager in Sweden again and again mentions “why?” he is so confusing about Chinese management style.

However, Chinese managers knew it would be better to provide a standard model. Since Chinese R&D managers just is a subordinate for Swedish superior without much enough responsibility to make this decision, therefore, he decides to notify this problem to the Swedish manager first and let him decide what to do.

Chinese R&D managers mentions that

“In Chinese subsidiary company now, big problem will be discussed as a form of conference. Small problem will be discussed between individuals. At the beginning of cross-cultural management, Chinese subsidiary company could not coordinate with Swedish parent company on both culture and skill level smoothly. But now, the situation is better than before.”

The vision of the company X is that to be the leading supplier worldwide of high quality, which has been embedded into the every manager in Swedish parent company. However, the managers in Chinese subsidiary company do not have a clear picture about the vision and mission of the company and the managers think it is not their responsibilities to picture the future of the company. Swedish managers and Chinese managers represent different attitude to the vision of the company.

**Staff Behaviors**

Swedish R&D managers feel that they are proud of what they do in the company. And the job has “became a part of their identity”. But Chinese assistant manager do not share the same feelings as their Swedish colleagues do. In addition, Swedish managers think Chinese do not interpret the same massage in the same way. People in China are always afraid to express the real thoughts of their own.

In addition, the subsidiary company has heightened the standard (such as English skill and education level) to recruit employee. On the other hand, old employees within subsidiary company have sufficient experience, because the subsidiary company was a famous Chinese company with a good reputation. Therefore, the employees within the subsidiary company have certain advantage on experience and skill. Furthermore, in these years, more and more employees come to Sweden for study new skill and experience Swedish management style.(Data collected from interviews)
Appendix IV: Life pressure comparison—Sweden and Shanghai

<table>
<thead>
<tr>
<th>The price on each aspect</th>
<th>Sweden</th>
<th>China (Shanghai)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real estate prices</td>
<td>Average price about 2,000,000 SEK in 2010</td>
<td>18,549 yuan per square meter in 2010</td>
</tr>
<tr>
<td>Education expenditure</td>
<td>0</td>
<td>The average university tuition fee is about 5000RMB per year (Zha &amp; Ding, 2006)</td>
</tr>
</tbody>
</table>

Appendix V: Interview Guide

This interview is mainly based on management style, staff behaviors and communication systems with the culture perspective. And these are the guide for the authors to remember the different aspects that are interesting and worth to explore.

The first part is for Swedish managers

General question

What kinds of problem are you meet when you communicate and manage with Chinese subsidiary company?

Can you give me a brief description about the history of both Swedish company and Chinese subsidiary company?
Management style:

- How do the managers participate in the company activity? How effective they are?
- How do the employees/ team’s behavior? (Competitive or cooperative, real function or nominal)
- How is decision making structured (controlling centralized or decentralized)
- How do you organize your team? (e.g. hierarchy)

Staff:

- How does the team divide the work? (position, specialization)
- How the internal rules and processes work on the team?
- How do the staff perform in the team?

Systems:

- How do the departments communicate with each other? (e.g. Explicit and implicit)
- How do the main systems work in arrange the different tasks? (HR, Financial…)
- How do this system monitored and evaluate the company?
- What are the core values and fundamental value of your company? How strong are they?
- What is the internal culture within company?

Second part is for Chinese managers in Chinese

概述性问题

- 上公司的历史，公司概况。
- 在和瑞典公司的工作过程中遇到过哪些困难，是怎样解决的？

管理方式

- 管理人员是怎样组织管理的？这些管理是否有效？
- 管理人员在小组中的表现是怎样的？
- 公司中的决策是怎样完成的？
- 在公司中是怎样组织团队的？

员工

- 在工作中小组是如何划分的？
• 中国员工受教育程度如何？
• 在小组工作中，组员的表现如何？

系统

• 系统在各个部门间是怎样运行的？
• 怎样评价一个系统是否在运营过程中的有效性？
• 公司内部的机制是怎样运行的？
• 公司中的相互沟通是怎样完成的？
• 公司的核心价值有哪些？
• 公司的内部文化是怎样的？