

# Case paper: ho and wong establishing an ecl culture in china

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## Case paper: Ho and Wong Establishing an ECL Culture in China

## Problem identification

Notably, China emerged as a global power to reckon with by mid 20th Century. Due to its vast investment capacity and supportive policies, many companies saw it as a good investment base. Notably, the country had a diverse market structure and was one of the most promising in the near future. One such company was Electronic Communications Limited (ECL). Arguably, the company understood the overall benefits that would result from such a venture. However, vast stumbling blocks also lay on its way in establishing itself in the country. Notably, China was a relatively culturally rigid country that made most of the external applications to demand extra input to succeed in their organization's culture enhancement (Ho and Wong, 2001).

Since historic periods, China has been considered unique following its special culture which was highly hierarchical and the overall communication between and within the people which was highly folk oriented and based in local solution of their problem at all times. "In China, people like to talk about grey areas. If you ask about something, people may say the problem is not so big. You are not sure whether their emphasis is on the problem or not too big, so you have got to do more digging" (Ho and Wong, 2001). Establishment of the ECL modern culture called for clear understanding of the country's mode of operation that inculcated the correct niche for enhancing effective integration of the new system to the people.

Notably, ICL had had successful prior operations due to its operation philosophy that was directly linked to people's satisfaction from its services and uncompromising integrity in the system. Therefore, inculcation of this notion and cultural basement in the socialistic state owned management models in China posed a hard nut to crack for the company. Notion of value philosophy and objectivity consideration would be a key factor in the ECL operations.

### Situation analysis

#### Legal culture

Effective management demands effective coordination and harmony between the different organization structures in an organization. According to the management theories, organizations are defined by the systems that build them. It is through the organization structures that various operations effectiveness is derived. Notably, ECL culture poses a total contrast with that of the different companies in China. The society interconnect with the organization management in China was a total mixture and a possible source of confusion. It combined dignity, prestige, self respect and social standing as perceived by the overall society. Managers who criticized their subordinates could make them lose their 'face' in the society. However, ECL management emphasized on efficiency, autonomy, and cooperation between the team members in effecting the goals and objectives of the company. Therefore, it became hard with the Chinese to assimilate an external manager as most of the systems will not only stall but may fail.

#### Personal development

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According to the personality development theory, the immediate environment upon which the people operate determines their ability to adopt new systems. Establishment of the correct model and operationalization consideration by ECL was therefore necessary for the highly technical Chinese country. Notably, managers in China required having adequate technical and skills to get respect from staff. In contrast, the western model used by ECL emphasized on personal development as opposed to technical skills. Over the years, scholars have differed over the best system that can be used to guarantee the best results and develop a cohesive culture that considers the technical orientation and the personal orientation of the system. Notably, effective situational leadership theory considers an intrinsic evaluation of the situation necessary to enhance coterminous and cohesive operations of the management, the staff and the whole structural operations of the organization to make it flow within the consideration of the legal framework and its overall management plan. To add to that, the theory considers management as the overall umbrella which is supposed to study and comprehend the prevailing system's demands and considerations in order to develop the correct guidelines, rules, plans, objectives, rewards schemes, and monitoring systems that are geared towards maximizing the organizations growth and capitalizing the system.

#### Reliance on systems and management philosophies

According to the management theories, modern systems demand systematic orientation and procedural connotations in organizations running. The theory compares the historical periods where management was more 'haphazard' operations reined the organizations operations. Arguably, ECL

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had adopted the modern system relatively well where systems and division of labor were centrally considered. Of greater importance, was the cohesion system that formed to link the entire department and the teams with easy flow of information, ideas, and comments that were later incorporated into the system (Ho and Wong, 2001). However, Chinese staff had oriented themselves with the older system where management gave less power to structures but emphasized on individuals. Therefore, the new system introduced by ECL demanded the following of procedures via step by step consideration to solve various issues. Notably, the Chinese viewed this as part of wasting time as people had to consistently consult after any new development. Though their sentiments were correct, the later formed a good platform of ensuring a more inclusive system that was acceptable by all. It formed a direct system of enhancing acceptance of the people to a new decision by inculcating the correct sense of organization identity to the people.

Notably, the ability of any company to survive in a given region or country, is determined by the overall capacity to embed itself into the existing systems and their running principles for their organizations. As indicated earlier, the Chinese were entrenched in the traditional systems where the state managed most of the corporations and therefore invoked their behavior in a spontaneous mode. Too much power concentration in a single point acts as a direct notion and a rich ground for its abuse. However, ECL believed in total integrity of the operations by the individuals, teams, management and the overall company's orientation towards the consumers and the community in which they served. Besides, this philosophy was

complemented by the overall ethical demands in filling various positions, democratic leadership, and emergent team representation at all levels of the company management. Whereas this posed a direct negation with respect to the management styles in China, it formed a good niche for introduction of new ideologies to the people and the corporate world. Change is the most important aspect in the world organization's management considerations as it is new in application and self-perpetuating after benefits are visible.

### Recommendations

Arguably, change has been referred to be very hard in the society especially where it deals with the people's way of living. Notably, cultural changes demands that new systems being introduced take into full consideration of the current systems and devise modifications based on them. To add to that, it is important to understand that staff forms the most important section of the organization success. As a result, use of modern tools in enhancing effective culture for running the organization should be articulated. Establishing ECL culture in China called for extended consideration of the staff development through training to instill the ideals and philosophies of the company to the staff and society. At the ECL University, most of the modern demands of organization management operations were taught. Notably, the company benefited greatly as the University was focused at instilling all aspects of business operations at the present as well as the future considerations improving the overall sustainability demands.

As indicated earlier, cultural changes forms one of the most difficult aspects in life. As a result, coaching should be an integral part of the overall <https://assignbuster.com/case-paper-ho-and-wong-establishing-an-ecl-culture-in-china/>

objective. ECL introduced coaching where the local staff worked with various expatriates to gain new business practices insights and more knowledge with global reference and specific localization to China. Coupled and embedded on coaching was the overseas training where staff was taken to other international training institutions and companies to learn their systems orientation and applications. This assisted them to get the overall comparison with their traditional systems thereby assisting to derive intrinsic change from them while giving an international touch. To add to that, ECL established operations of team works and staff rotation in the company's management as an insight to the new system and a prerequisite to ensure the staff understood the demands of the company. This was insinuated by the overall rewarding system to the staff for various achievements. Under the philosophy of teaming for excellence the change demanded was possible as a double consideration for the rewards attached.

#### Reference List

Ho and Wong (2001). Establishing an " ECL" culture in China: Organizational difference or national difference, Hong Kong: Center for Asian Business Cases.