

Cross-cultural Study on French and Chinese Managers' Use of Power Sources

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Abstract

With more and more interactions between French and Chinese business people, to enhance their cooperation and improve leadership effectiveness, it's necessary to make a cross-cultural comparative study on managers' use of power sources in the two countries. With Hofstede's cultural dimensions and French & Raven's power taxonomy as the basic theoretical framework and questionnaire survey as the study method, this paper explores the differences in French and Chinese managers' use of power sources and illustrates the deeper cultural reasons behind these differences.

Keywords: Cross-cultural management, Leadership, Power sources

1. Introduction

In today's borderless economy, culture is becoming a critical competitive advantage for corporations. Therefore, as an important area in cross-cultural management, cross-cultural leadership has been an indispensable component in international business. In cross-cultural leadership studies, culture is used to explain leadership behaviors.

The essence of leadership is influence over followers (Yukl, 1994, p.193). Power is the resource that enables a leader to induce compliance from or influence followers. To understand what makes a manager's leadership performance effective, it is necessary to make an analysis of his or her use of power sources.

France and China have developed close political relations since 1964 when France became the first western country that established the official diplomatic relationship with China. In the past several decades, with the rapid development of Chinese economy, more and more French corporations entered the Chinese market and expanded their investment. CCIFC has become the second largest chamber of commerce in China of European countries. Encouraged by the "Going Out" strategy, Chinese enterprises begin to invest in France actively. According to AFII, by August 2008 total investment of Chinese enterprises in France has exceeded 1 billion US dollars and created over 8000 jobs for French people.

The close economic relation between China and France has made cross-cultural leadership study of the two countries extremely necessary. This paper will analyze French and Chinese managers' use of power from a cultural perspective.

2. Culture and power sources

2.1 Culture's definition and dimensions

Culture is ubiquitous, multidimensional, complex, and all-pervasive, which makes it hard to be defined (Samovar & Porter, 1991, p.33). Different definitions reflect different theories for understanding, or criteria for valuing human activity. Among the over 200 definitions of culture made by various academicians, Hofstede's definition of culture and cultural dimensions are the most widely adopted theories in cross-cultural management studies.

Hofstede defines culture as the collective programming of the mind which distinguishes the members of one human group from another. He argues that culture includes systems of values and values are among the building blocks of culture (Hofstede, 1980, p.21). In his massive research involving IBM employees from over 50 countries, Hofstede distinguishes four dimensions of culture, namely power distance, individualism versus collectivism, uncertainty avoidance and masculinity versus femininity. For the purpose of the study, only the first three will be discussed in this paper.

Power distance is defined as the extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally. In small power distance culture, people believe in the importance of minimizing social or class inequalities, questioning or challenging authority figures, reducing hierarchical organizational structures, and using power only for legitimate purposes. Conversely, in large power distance culture, people believe that each person has a rightful and protected place in the social order, that the actions of authorities should not be challenged or questioned, that hierarchy and inequality are appropriate and beneficial, and that those with social status have a right to use their power for whatever purposes and in whatever ways they deem desirable.

Cultures differ in the extent to which individual autonomy is regarded favorably or not. Thus, cultures vary in their tendency to encourage people to be unique and independent or conforming and interdependent. Individualism versus collectivism index indicates the extent to which a society is a loosely knit social framework in which people are supposed to take care only of themselves and their immediate families, instead of a tight social framework in which people distinguish between in-groups and out-groups to look after them.

Cultures differ in the extent to which they prefer and can tolerate ambiguity, and therefore in the means they select for coping with change. Thus, all cultures differ in their perceived need to be changeable or adaptable. Hofstede refers to these variations as the uncertainty avoidance dimension, the extent to which the culture feels threatened by ambiguous situations and tries to avoid them by providing rules, believing in absolute truth, and effusing to tolerate deviance.

2.2 Power sources

Power is an agent's potential influence over the attitudes and behavior of one or more designated target persons. Distinctions among various forms of power are quite important for understanding power. According to French and Raven, power can be classified into different types according to their sources. In 1959, they proposed the following five sources of power: 1) legitimate, 2) reward, 3) coercive, 4) expert, and 5) referent power.

Legitimate power refers to the capacity to impose a sense of obligation or responsibility on another. Reward power refers to the capacity to provide others with things they desire or value. Coercive power refers to the ability to take away rewards and privileges or administer sanctions and punishments. Expert power is the ability to provide another with needed information, knowledge or expert advice. Referent power refers to the ability to provide others with feelings of personal acceptance, approval, efficacy, or worth.

The prosperous development of multinationals highlights the importance of cross-cultural leadership study. Academicians widely agree that culture is a key factor for explaining differences in leadership activities national across borders.

3. Design of the questionnaire

Questionnaire research is adopted in this paper. Eight companies in France and China participated in this research. They are Electricity of France, AREVA, Alstom, State Grid, China Huaneng Group, China Southern Power Grid, North China Grid Company Ltd. and Datang International Power Generation Company Ltd.. Altogether 60 questionnaires were distributed to both French and Chinese managers and 47 of them filled out the questionnaire and returned it to the author for the analysis. The respondent rate is 78.3%. Detailed information of the respondents is listed in Table 1.

The questionnaire consists two parts. In the first part, respondents are asked to rate their frequency of using the five power sources by using a five-point scale: 1) almost always; 2) frequently; 3) occasionally; 4) seldom, and 5) almost never. Part two contains twelve choices measuring respondents' use of power sources in terms of situation, leadership orientation, employees' readiness levels and leadership effectiveness.

4. Discussion on the results

4.1 Differences in the Frequency Rate of Using Various Power Sources

Differences in the frequency rate of using various power sources are summarized in Table 2 and Table 3.

From Table 2 and Table 3, it can be found that the top three sources of power French managers use in their jobs are legitimate power, expert power and referent power. The top three sources of power Chinese managers use in their jobs are expert power, referent power and legitimate power.

Every society has to deal with the problem of inequality. As mentioned in section 2, power distance measures the degree of inequality in society. When referring to the power distance index, it can be found that both France and China are large power distance societies, which means inequalities among people, are expected and accepted in these two nations. In France, social classes are very important. People are divided into different classes in

accordance with their professional activities, such as teachers, doctors, lawyers, craftsmen foremen, and peasants. It is extremely hard for the French to get rid of his social stereotype and reach the highest level of social consideration by working hard and being professionally successful. In China, the deep-rooted Confucian thoughts have influenced people thousands of years. One of the key principles of Confucianism is that the stability of society is based on unequal relationships among people.

Power distance also has influence on business organizations. In France, companies contain many social reference groups that are mutually exclusive. Tight reins of authority are needed to ensure adequate job performance. Power and decision-making is centralized in one or two top executives in French companies. Chinese organizational culture is greatly affected by China's traditional culture. Ancient China is built on the basis of ethics. Confucius proposes an ideological system centered on ethics, which stresses the importance of propriety and benevolence. In Confucianism, propriety is the compulsory hierarchical relationship between people. The proposition of benevolence is to give propriety an ethical foundation. Loyalty and filial piety are the ethical measurement of propriety, while their most important characteristic is obedience. These feudal ethical ideas, to some extent, still govern the mind of managers and subordinates in Chinese companies. Due to their different position in the managerial system in the organization, managers and subordinates hold a hierarchical concept in mind. Managers give their orders and make decisions without consulting with subordinates, and subordinates obey the manager's order without any opposite ideas.

From the above analysis, it can be seen that both French and Chinese managers and subordinates bear the unequal idea in mind and can accept inequality in power distribution easily. That is why legitimate power is one of the top three power sources in both French and Chinese managers' jobs.

When examining the power distance index closely, it can be seen that China scores higher in the index than France, which means power distance in China is greater than that in France. But what is amazing is that legitimate power is the top power source used by French managers, while in Chinese managers' jobs, it is only the number 3 power source used. The reason can still be found in the two countries' different national cultures.

When referring to the individualism index (IDV), it can be found that China is a typical collectivist society and France is characterized by strong individualism. In China, harmony is greatly valued. Confucian ideal of society is social harmony, while doctrine of the Mean, with the avocation that men should not go to extremes and always keep themselves in the middle in their behaviors, also brings harmony. Harmony can also be found in Chinese people's maintenance of face which means dignity, self-respect, and prestige. In China, losing one's face is equivalent to losing one's eyes, nose and mouth. Therefore, social relations including leader-subordinate relationship in business organizations in China are conducted in the way that everyone's face is maintained. If harmony and maintenance of people's face is so important in Chinese culture, it is not surprising to see that referent power, the ability to provide others with feelings of personal acceptance, approval, efficacy, or worth, which involves a lot of personal emotions, instead of legitimate power is used more frequently by Chinese managers in their leadership performance.

In individualist France, employees are supposed to act as "economic men" and are treated as individuals with their own needs. The relationship between French employers and employees is like some kind of business contract through which the mutual interests can be met. Everything in the company is based on skills and rules and the task prevails over any personal relationship. Therefore, although interpersonal relationship between leaders and subordinates is important in French companies, referent power cannot become the most important source of power in French managers' jobs.

Expert power, the power derived from the possession of expertise, can help a lot in maintaining a manager's power by making him or her irreplaceable in the organization. That is the main reason why expert power is among the top three power sources used by both French and Chinese managers in their jobs. Considered from the cultural perspective, France is achievement-oriented which means that people in such societies usually insist on the evidence of "what a person can do" (e.g. scholastic examinations, quality and quantity of output, etc.) in determining the criteria for leadership role, recruitment and allocation, and in determining the criteria for distribution of rewards. Therefore, possessing and demonstrating his or her expertise to show what he or she can do is important and common for French managers.

Confucianism advocates fostering one's inside virtues so as to manage one's family, country and even the whole world. Due to this value toward personality, Chinese managers pay great attention to self-cultivation and acquisition of knowledge. Meanwhile, Chinese managers' frequent use of expert power is also an embodiment of pursuit of reputation. Being recognized as an expert in a specific area by his or her subordinates through application of expert power can satisfy Chinese managers' need for high reputation to a great extent.

4.2 Differences in French and Chinese Managers' Situational Use of Power Sources

The second part of the questionnaire is designed to test managers' use of power sources in different situations, and the results are shown in the following Table 4 and Table 5.

As what can be seen from Table 4 and Table 5, French managers' most favorite power source in daily operation, decision-making and at each readiness level is legitimate power. Besides the fact that French society has a large power distance, its preference for uncertainty avoidance can be another convincing argument for this phenomenon.

Uncertainty avoidance measures the extent to which the culture feels threatened by ambiguous, uncertain situations and tries to avoid them by establishing more structure. In a strong uncertainty avoidance society like France, people prefer a tight structure in organizations, institutions, and interpersonal relationships, because a tight structure makes it easy for them to interpret and predict events. French companies are highly institutionalized and have more rigid organizational structure than Chinese companies. Chinese culture is very flexible and adaptable. In fact, China has great tolerance of ambiguity and uncertainty. Doctrine of the Mean is a good demonstration to this. Unlike the French who believe in absolute truth, the Chinese people take a relativistic stance. In France, both employers and employees are comfortable with tightly structured working environments and are full aware of their mutual responsibilities and obligations, which make legitimate power very effective in influencing subordinates. But in China, due to the flexibility of culture, the effectiveness of legitimate power is greatly reduced by the need for adapting to unexpected changes. For managers in modern Chinese companies, with a pursuit of being a man of virtue, the best power source used to adapt to changes may be expert power. That is also why expert power is frequently used in different situations by Chinese managers.

Another reason for why almost all Chinese managers choose to use expert power when making strategic decisions while only 36.4% French managers would like to use this power source in this situation is that group decision-making is highly appreciated by Chinese managers and employees. If a manager wants to make his/her arguments reasonable and acceptable to others in the group decision-making, the most convincing weapon is expertise. Since the matter must be discussed at various administrative levels in the organization, legitimate power is weakened. But for French managers, since the decision is made by the related responsible person and none of his/her subordinates is allowed to challenge it, legitimate power is always enough for making the decision accepted although sometimes it would meet difficulty in real implementation.

Under a low employees' readiness level R1, it can be seen from table 5 that besides those who choose to use legitimate power due to the large power distance in their society, a large group of French managers choose to use coercive power to make their employees to complete the task. Same use of power sources is found at level R3 that shares the common characteristic with R1 that employees are unwilling to carry out their task. This is caused, on the one hand, still the large power distance in French society as well as in French companies, because authority patterns in French companies are fairly stable, and once a manager's authority is established, he or she can not bear up his or her subordinates to challenge it; on the other hand, the French are proud and self-confident, they cannot put up with being looked down upon by subordinates through reluctant action to his or her order since the French respect an individual according to their inner evaluation of his/her personality and character. In a word, the unwillingness of employees at these two levels is regarded as a subjective offence to the manager.

More Chinese managers choose to use expert power than legitimate power to deal with level R1. Obviously, most Chinese managers pay more attention to employees' incompetence. A Chinese manager presumes that subordinates are unwilling to carry out the task due to their limited ability instead of any personal disagreement with him/her, because subordinates and he/she are within the same group. Therefore, most Chinese managers would like to deal with subordinates' unwillingness through improving the competence of subordinates by employing expert power. At level R3, employees are unwilling to carry out the task although they have the capacity, which leaves Chinese managers no way of getting compliance from employees but using coercive power, because at this time the unwillingness of subordinates is regarded as an disrespect for or even a possible damage to the group's interests. Even so, at level R3, managers who choose to use coercive power are still less than those who use legitimate power. The reason why Chinese managers are so reluctant to employ their coercive power is that the Chinese hold a strong belief that it is a virtue to not treat others as one would not like to be treated oneself. In addition, most probably, the use of coercive power will damage the harmony between a manager and his or her subordinates. In the questionnaire, there is a question designed to identify the leadership orientation of the respondent. It is no surprise that most Chinese managers state that no matter what kind of power sources they use, their final purpose is to keep a harmonious relationship with subordinates.

French managers report that their purpose of leadership is to increase organizational performance and productivity. What's more, as mentioned previously, French companies are task-oriented and people are put onto their position according to what they can do. Therefore, most French managers don't doubt their employees' ability in completing the task. That is why no matter their employees are able or unable to complete the task, as long as they show subjective unwillingness, they choose to use coercive power or at least legitimate power to force them to do it immediately.

At R2 level, some French and Chinese managers use referent power to influence subordinates. This may be for the purpose of strengthening employees' willingness to such a great extent that they even would like to do something difficult or impossible with their present ability. However, this use of referent power should better be based on good leader-subordinate relationship. At level R4 where there is no problem with either employees' ability or their willingness, besides legitimate power, a lot of French and Chinese managers choose to use reward power. This is for reinforcing the willingness of employees.

5. Recommendations for French and Chinese Managers

The results of the survey have shown that cultural differences between France and China still exist today despite continued business contacts between the two nations, and are exerting influence on French and Chinese managers' use of power sources. French and Chinese managers who are leading or would like to lead in a cross-cultural context are suggested:

First, respect and tolerate cultural differences

Hofstede predicts that for the next few hundred years countries will remain culturally very diverse. Due to cultural diversity, cultural conflict exists almost everywhere. In the background of globalization, every manager faces cultural conflicts both inside and outside the company. A manager's attitude toward these conflicts and his/her ways of solving them are extremely important for his/her leadership effectiveness as well as for the survival of the company.

Second, enhancing intercultural awareness

Intercultural awareness refers to the understanding of cultural conventions that affect thinking and behaviour. It can be identified as three levels: superficial culture traits, awareness of significant and subtle cultural traits that contrast markedly with another's, and awareness of how another culture feels from the insider's perspective (Samovar & Porter, 1991, p.203). At the first level, managers should have a comprehensive understanding of cultural differences and similarities between France and China. In terms of power source use, both French and Chinese managers should have an assessment of their own power sources with consideration of the influence from their own cultures, because only when one is full aware of his or her own power sources and what guides his or her use of them can he or she alter the way and attitude and thus improve his or her use of power sources.

At the second level, intensive intercultural communication is needed for French and Chinese managers. Only communication can help managers to understand what results in leadership behaviours of their foreign counterparts that confused them so much. In many well-known multinationals, intercultural communication skills are considered as the key competence of a manager to achieve leadership success.

After having assessed their own use of power sources and understood the other party's use of them, at the third level, French and Chinese managers need to examine their use of power sources from each other's perspective respectively. The manager should transform himself/herself from observers of the target culture to a participant of the culture. By doing this, a manager can, to some extent, understand how his/her foreign counterparts and subordinates perceive his/her use of power sources. In addition, a manager also needs to let his subordinates know what power sources he/she has, because an individual's power source, like wealth, has to be known to others before it can effectively be used, while playing as an insider of another's culture can effectively spread information about his power sources to others.

Third, improve use of power sources according to culture

Numerous studies have attempted to examine the relationship between the manager's primary power sources and the subordinate's performance, but the results suggest that the appropriate power sources are largely affected by situational variables. The author believes culture is one of these variables. In cross-cultural leadership, managers should adapt their use of power sources to the specific cultural environment in which they work.

To French managers who are used to using legitimate power frequently as shown in the results of this survey, the factor of human emotion should be considered when improving their use of power sources, because the Chinese culture emphasizes on human emotion so much that all the Chinese believe everything should be fair and

sensible without hurting anyone's face. To Chinese managers who try every effort to maintain harmony in the company, respect to institutional rules is needed when perfecting their use of power sources.

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Table 1. Information of the Respondents

Nationality	Number of respondents	Gender			Educational level (Bachelor's degree and above)	Average age	Average working years
		male	female	unknown			
Chinese	25	19	3	3	100%	42	14
French	22	21	1	0	100%	40	16

Table 2. French Managers' Frequency Rate of Using Various Power Sources

	percentage of managers who identified this power source as one of the top three sources of power in their jobs				
	almost always	frequently	occasionally	seldom	almost never
Legitimate power	95.5%	4.5%	0	0	0
Reward power	0	59.1%	0	22.7%	18.2%
Coercive power	0	0	22.7%	59.1%	18.2%
Expert power	0	90.9%	9.1%	0	0
Referent power	0	86.4%	13.6%	0	0

Table 3. Chinese Managers' Frequency Rate of Using Various Power Sources

	percentage of managers who identified this power source as one of the top three sources of power in their jobs				
	almost always	frequently	occasionally	seldom	almost never
Legitimate power	16%	16%	68%	0	0
Reward power	20%	0	60%	20%	0
Coercive power	8%	0	0	44%	48%
Expert power	0	84%	16%	0	0
Referent power	16%	72%	12%	0	0

Table 4. Use of power sources in two situations by French and Chinese managers

Situations \ Nations	Daily operations	Strategic decision-making
France	72.7% legitimate power; 22.7% expert power	40.9% legitimate power 36.4% expert power
China	84% expert power 12% legitimate power	99.6% expert power

Table 5. Differences in French and Chinese managers' use of power sources under different employees' readiness levels

Situations \ Nations	France	China
R1	40.9% legitimate 36.4% coercive power	48% expert 44% legitimate power
R2	36.4% legitimate 31.8% referent power	36.4% expert 31.8% referent power
R3	50% legitimate 45.5% coercive power	40% legitimate 44% coercive power
R4	59.1% legitimate 34.5% reward power	60% reward 40% legitimate power

Note: R1 is used to refer the level where employees are unable and unwilling to carry out the task assigned to them; R2 refers to the level where employees are unable but willing; R3 refers to the level where employees are able but unwilling, and R4 refers to the level where employees are able and willing to carry out their tasks.