

Impacts of Cultural Differences in a Business Environment for French Companies in China

Audrey Parrenin, Pei-Luen Patrick Rau*, Runting Zhong
Department of Industrial Engineering, Tsinghua University, Beijing, China

**Corresponding author email: rpl@mail.tsinghua.edu.cn*

Abstract

Purpose: The purpose of this research is to explore how cultural differences in a Sino-French business environment will impact French companies in a time when Chinese culture is evolving.

Design/methodology/approach: After analyzing the concept and method existing for cultural differences, a comparison between French and Chinese were conducted to find some important factors. The hypotheses focus on determine 1) if Chinese have a stronger collectivism culture value than French in a business environment but the young generation tend to become individualistic; 2) If the cultural values of China are leading to avoidance of conflict in a business environment whereas French not, and 3) if the French acceptance of working with woman manager is higher than Chinese. These comparisons were done by conducting interviews with 9 people and a questionnaire answered by 166 respondents. The analysis was done using SPSS.

Findings: There are today two different groups of Chinese employees, the young generation group who is under 30 years old and tend to behave like French employees, and the older Chinese employees who still have traditional cultural values, even if these values are not as strong as before. Moreover, the avoidance of conflict pattern which is helping French managers to adapt the new environment in early stage will then lead to misunderstanding because it will take longer for managers to realize the existing difference. Finally, woman managers are not a problem anymore for China so there is no necessity for France to choose their managers regarding to the gender.

Practical implications: This research was analyzing the impact of cultural differences between French and Chinese in a business environment for French companies in China. This paper will be helpful to improve working relation and management style of French managers to Chinese employees.

Originality/value: This research more than validating hypothesis, gives information about facts which couldn't be discovered by the theory. It presents the recommendations which can be done based on this study in order to improve French companies to success in China.

Keywords: Cultural differences, Business environment, French companies, China, France

Paper type: Research Paper

Introduction

China is becoming one of the biggest economic power in the world and might become soon the first one (Service economique regional de Pekin, 2010, p.8). Due to this, China is attracting many foreign companies. However, Asian countries and more specifically China are different from most western countries and it is really challenging for Western business to expatriate there. Moreover, French companies are well implanted as there are more than 2 000 French companies employing 300 000 Chinese employees and representing a turnover of 30 billion of Euros in 2009 (etrangeres, 2010, p. 5).

The goal of this paper is to help French businesses for a better success in China through an improvement of the management style, an amelioration of the working relation by lowering misunderstanding of Chinese employees in order to minimize failure of French companies. More and more French companies are starting business with China, but a lot of them have never experienced business with China before and just think that keeping the normal working way will be fine. Moreover, French managers who are already here for a few years are used to Chinese employees and Chinese environment, but this paper is proving that Chinese employees are evolving in the last years so the management style might have to be readjust. We are interesting to find out: How important is the cultural difference between Chinese and French? What are the consequences of these differences in a business environment? How is the actual evolution of China affecting Chinese cultural values?

In the study, the first part was observing cross cultural differences between the two countries. Then the impact of these differences on behavior and reaction was studied through interviews and questionnaire to provide explanation and guideline in order to improve working relation and management style of French managers to Chinese employees.

Literature Review

Cross-culture differences

First, we review from past studies about culture and cross-cultural differences. The main researchers were analyzed in order to help for this paper. Brown, Chaney, and Hofstede have different definitions of culture. (Brown, 1995; Chaney, 2004 & Hofstede, 1991) There are many leading studies on cross-cultural differences which have been realized. Fons Trompenaars, Edward Hall and Geert Hofstede are famous researchers of this topic. The following table presents the existing model of culture created by these researchers.

Table 1: Leading studies on cross-cultural differences

Model	Cultural dimensions	References
Seven Dimensions of Culture	<ul style="list-style-type: none"> • Universalism vs. Pluralism • Individualism vs. Communitarism • Specific vs. Diffuse • Affectivity vs. Neutrality • Inner directed vs. Outer directed • Achieved status vs. Ascribed status • Sequential time vs. Synchronic time 	Trompenaars, 2003
Hall theory	<ul style="list-style-type: none"> • High and low context • Time orientation 	Hall, 1990

	<ul style="list-style-type: none"> • Space 	
Geert Hofstede™ Cultural Dimensions	<ul style="list-style-type: none"> • Power Distance Index (PDI) • Individualism (IDV) vs. collectivism • Masculinity (MAS) vs. femininity • Uncertainty Avoidance Index (UAI) • Long-Term Orientation (LTO) vs. short-term orientation 	Hofstede, 2009

These 3 researchers have found different cross-culture patterns but some patterns are similar. We can find in all of the three studies, pattern related to individualism and collectivism or pattern about time or gender.

According to Gudykunst (1996), “the culture in which people are raised influences the way they are socialized in terms of individualistic and collectivistic tendencies. It will affect behavior and communication because it has an impact on the perception of rules and norms, but it will also impact our perception of ourselves and the values we hold.” So more than individualism vs. collectivism culture or high vs. low context communication, the self-construal plays also an important role.

The self-construal

The self-construal is the perception created by individual to auto-understand themselves, someone own opinion, own feelings or actions link to others. People from different culture don't have the same self-construal.

As demonstrate in Gudykunst's (1996, p.539) study, self-construal is influencing communication and is indirectly linked to individualism and collectivism culture. People from individualism culture tend to have an independent view of self-construal while people from collectivism culture have the interdependent view of self-construal. Based on Kitayama's studies (1991), self-construal is impacting our cognition, emotion and motivation. According to Li (2006), there is a difference in self-construal between men and woman even from a same country. These impacts are really important for this research in a business environment.

Comparison of French and Chinese cultural differences

After analyzing the concept and method existing for cultural differences, the cultural values of China and France were determined and a comparison between French and Chinese were conducted.

Based on Hofstede (2009), China has two important dimensions: Collectivism and Long-term orientation. Based on Hall (1990), China has a high context cultural value and a cyclical time orientation. It means that Chinese people use implicit way to communicate and that their time is a cycle influenced by their past. Based on Chinese thought (Reid, 1999), the hierarchy pattern demonstrates by Hofstede, can be defined by three elements: harmony, loss of face and paternalism. Another important cultural pattern of China is the Guanxi. The Guanxi represents “the relationship between or among individuals creating obligations for the continued exchange of favors.” (Dunfee, 2001) On the other hand, France is strongly individualist and has high uncertainty avoidance. France has a low context value so it has as few rules as possible and people like to express their idea. (Hofstede, 2009) French people have a polychronic time management, which means that they can simultaneously do several things. (Hall, 1990) We also notice that

the masculinity value of France is around 38 which mean that France has a femininity value. This value show that women in France think in the same way than men. French women want an equality of the sex and can do the same job of a man. (Hofstede, 2009)

The cultural values of China defined through all past studies are Collectivism, Hierarchy, Loss of face, Guanxi, and High context, whereas the French cultural values are Individualism, Multi-task oriented, Low context, and Femininity. We can observe that France and China have different cultural values which are impacting their behavior while interacting together.

These culture differences reflects in a business environment. Chinese is more collectivistic while French is more individualistic. For example, Chinese culture has a harmony aspect, which is linked with collectivism and the idea that everybody lives together and helps each other. In opposition, French culture is based on individuality. People will think about themselves and their own benefit first. But this culture difference tend to change. Based on a research from CAO (2009), China is becoming more an individualism culture country than before. This might play an important role for this research and it is necessary to find out what is the actual status for a business environment.

Also, Chinese and French culture have different paternalism idea. For example, in France, people accept hierarchy and respect others but are always in competition to show their talent and that they are good in order to go higher in hierarchy. And this is also shown by expressing idea in contradiction with the supervisor. This expression of opinion is going in opposition with the loss of face cultural value of China. For Chinese people, hierarchy and paternalism is a way to avoid loss of face, but French people don't mind to be wrong and accept their mistakes.

The last difference is in Hofstede cultural value comparison: masculinity value. We can see that Chinese have a masculinity value whereas France has a femininity value. It is important to determine if this difference has an impact in a business environment, and more precisely, if having a male or female manager has an impact on Chinese employees.

Methodology

Interviews

First, we conducted interviews to gather the opinions of French managers and Chinese employees on culture differences. These interviews in addition to the literature review gave a clear vision of existing problems and helped to formulate the hypotheses. Interviews were arranged with French manager working in China and questions about their different experiences of working in China and the different problem they faced by having Chinese employees were asked. And Chinese employees were also interviewed for their opinions about French and women manager.

In this study, semi-structure interview were conducted, containing open questions as it is important to have the same framework of question for all interviews but with a possibility to go more into details regarding the answers and the experience of the respondent. During the interviews, notes were taken or recorded when it was allowed. In total, 4 French managers 2 French employees and 3 Chinese workers were interviewed. Each interview took around 30 minutes.

The questions for French manager's interviews are:

- a. For how long is the interviewee in China
- b. How do you see the Chinese way of thinking? Is it different to the French one?
- c. Have you already encounter a situation where Chinese disagree with you?
- d. What is your opinion on the Chinese behavior while working with woman from a higher hierarchy position?
- e. Which other major differences or problem is there for you while working with Chinese employees?

The questions for Chinese employees' interviews are:

- a. For how long are you working in a French company?
- b. Evaluation of the interviewee way of thinking and his perception to the French one.
- c. Have you already encounter a situation where you disagree with your manager?
- d. What is your opinion on working with a woman from a higher hierarchy position?
- e. Which other major differences or problem is there for you while working with a French manager?

The preparation of interviews with the framework of questions can be found in Appendix. Here is what we learn from the interview: Chinese employees have a feeling of being part of Chinese nation and their family but not of their company. They will always avoid conflict and never say what they think. When the manager makes them bad comment about their work, they will never try to go against what he/she says, but just listen and say nothing. Managers should not make bad comment about the work of a Chinese employee in public to avoid loss of face because the employee can directly change the company because of this. Some interviewee mentions that there is a difference of behavior between new and old Chinese generation so that managers have to manage the two groups differently. And about the woman manager, interviewees show tolerant attitude. Some interviewee mentions that when you are a really smart woman, it is always really good because you can go higher in hierarchy faster because it's good for the image. We formulate the hypotheses based on the interview results.

Hypotheses

The basic and most important value known by everybody is that China is a collectivism country. This value has been demonstrated by many researchers from the past, but we are now in a changing time and we can actually find research proving that China is becoming an individualistic country. It is important to know when this cultural value changed in order to understand which cultural value is present in the business environment. In a business environment, there are people from 20 to 60 years old, so it is important to know if everybody is still with a collectivism cultural value, or if the change already touches this environment and if yes, in which proportion. So the first hypothesis is to determine the collectivism value in a business environment:

H1: Chinese have a stronger collectivism culture value than French in a business environment but young generation tend to become individualistic.

While analyzing cultural differences in general, researchers generally analyze differences and what to do to remove these differences or to adapt our behavior. But the main point

before trying to adapt to a situation is actually to know how people react to these differences. It is necessary to understand the impact of these differences and misunderstanding. It could be that two persons are different but encounter only minimal problems; what would be the benefit to make an adaptation effort in that case of a minor problem. So, an evaluation on the importance of these differences between Chinese and French and how it is impacting the business environment has to be done. It has been demonstrated that French cultural values lead to competition and challenge whereas Chinese cultural values lead on group coercion and harmony. This research aims to find out if these differences in a business environment are creating a conflict, misunderstandings or not. So the second hypothesis is to determine the impact of these cultural differences in a business environment:

H2: The Chinese cultural values lead to avoidance of conflict in a business environment whereas the French one not.

Finally, the study demonstrated that self-construal between men and woman even from a same country are different (Li, 2006), we also know from several researchers that feminine role and masculine role vary depending countries. More precisely for this paper, it was found that Chinese have a masculine role cultural value whereas French have a feminine role cultural value. This difference is directly impacting the way of thinking of people and has an important impact in a business environment. For example, someone from a masculine role cultural value country will not react in the same way in front of a woman who is his superior in the hierarchy. So the last hypothesis is to evaluate the importance of masculinity in China and its impact in front of woman managers:

H3: The French acceptance of working with woman manager is higher than Chinese.

Questionnaire

After formulating the hypotheses, we use questionnaire to conduct a survey to answer these hypotheses and finally provide a guideline for French companies in China.

The questionnaire is composed of 4 parts. The first part collects the demographic information of the respondent.

Table 2: Questionnaire - Part 1- Demographic data

1.1	Nationality
1.2	Sex
1.3	Age
1.4	Geographical working place
1.5	Working experience in China
1.6	Percentage of women in their working environment
1.7	Presence of woman manager in their environment

The second part collects information about the first hypothesis, which says that Chinese have a stronger collectivism culture value than French in a business environment but the young generation tend to become individualistic. This questionnaire uses a disagree/agree 5-points degree of precision, developed by R. Likert (1932). 1 means strongly disagree and 5 means strongly agree. 3 is the neutral value.

Table 3: Questionnaire - Part 2 - Collectivism questions

2.1	The success of my company is more important than my own success
2.2	It is important for me to work in a group
2.3	The well-being of my group is more important than my own well being
2.4	I always offer my help to my colleagues
2.5	I put my loyalty to my company before my own success
2.6	Evening events or weekend events with my colleagues are important for me
2.7	If my colleague face some difficulties, I will stop directly what I'm doing to help him
2.8	A stable work in my company is more important than a higher salary
2.9	If I get compliment about a group work, I will always say that my teammates also helped me
2.10	I'm not putting myself in front but always my team

The third part collects information about the second hypothesis, which says that Chinese cultural values will lead Chinese to avoid conflict in a business environment whereas French cultural values will not.

Table 4: Questionnaire - Part 3 - Avoidance of conflict questions

3.1	I will never discuss my boss' orders
3.2	I believe that my boss is always thinking about the best for me
3.3	I'm not speaking to my boss until he authorized me to speak
3.4	I always say what I think to the person concerned
3.5	If someone speak to me in a honest and direct way, I'm getting hurt
3.6	If I receive a bad comment from my boss I need to discuss it
3.7	I will never say what I think to my boss
3.8	If I don't like my task assigned by my boss, I will tell him
3.9	While speaking with my boss, I always agree with him
3.10	I always adapt my way of working to my boss

And the fourth part collects information about the third hypothesis, which says that French are more open to work with woman manager than Chinese.

Table 5: Questionnaire - Part 4 - Acceptance of women manager questions

4.1	I don't like to have a woman in a higher hierarchy position than me
4.2	I think that women are less competent than men
4.3	I think that women are not as available as men because they are often concerned about their family
4.4	I think that women have less authority than men
4.5	I think that women should focus more on home tasks than working
4.6	I prefer to speak with a higher male boss than to my direct female boss
4.7	I think that female boss need more assistance
4.8	I think that women manager better understand employees
4.9	I think that female boss are less respected
4.10	I don't like to feel inferior to a woman

Before the first part of the questionnaire a prologue was written which gave some information about the questionnaire and after the last part an epilogue to thanks the respondent.

This questionnaire is created using a free website: <http://www.qualtrics.com>. This survey was sent to French companies managers in China and their Chinese employees via e-mail. Before accessing to the link of the questionnaire an introduction about this research was written and explained the benefit they can get from the result of this research which is giving people a reason to answer this questionnaire. In total, 166 answers which correspond to the total of answered without mistakes were analyzed.

Analysis and Results

Demographic profile

The first part of the questionnaire concerns the demographic data of respondents. The following table gives the demographic profile of the respondents.

Table 6: Demographic profile of the respondents

	Valid N
Nationality	
Chinese	82
French	84
Sex	
Male	122
Female	44
Age	
Under 25	1 French
25-30	35 French, 30 Chinese
31-40	23 French, 19 Chinese
41-50	18 French, 24 Chinese
Over 50	7 French, 9 Chinese
Geographical working place	
North of China	84
South of China	82
Percentage of women in their working environment	
Less than 10%	24
10-30%	110
30-50%	28
Over 50%	4
Presence of woman manager in their environment	
Yes	89
No	77

Hypothesis analysis

The questionnaire result shows that there is a real difference between the two groups tested. Hypotheses were tested using the ANOVA test through SPSS. The following is presenting

the result. Each part of the questionnaire is composed of 10 questions. The maximum value is defined by $10 \times 5 = 50$ and represents a high collectivism value for hypothesis one, a high avoidance of conflict for hypothesis two, or a high non-acceptance of women managers in a business environment. The minimum value is defined by $10 \times 1 = 10$ and represents low collectivism value for hypothesis one, a low avoidance of conflict for hypothesis two, or a low non-acceptance of women managers in a business environment. The neutral value is defined by $10 \times 3 = 30$.

Hypothesis one: Collectivism

Hypothesis one: Chinese have a stronger collectivism value but that young generation tends to become individualistic, as we can see in the following tables presenting the result of the questionnaire.

Table 7: Descriptive test between groups for H1

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum	F value	Sig.
					Lower Bound	Upper Bound				
Chinese	82	38.33	4.864	.537	37.26	39.40	28	50		
French	84	22.30	5.618	.613	21.08	23.52	14	46		
Total	166	30.22	9.598	.745	28.75	31.69	14	50	385.6	<0.001

This table shows the mean of French and Chinese respondents. The French mean is 22.30 whereas the Chinese one is around 38. We can observe some exception in the French and Chinese part, as the maximum value of the French respondents is 46 which describe a high collectivism, and the lower value of Chinese is 28 which correspond to a lower collectivism value.

The hypothesis, more than comparing the collectivism value of French and Chinese, is claiming a difference between Chinese employees due to the age factor.

So the next step is to examine the data regarding the age factor for the Chinese respondent.

Table 8: Descriptive of Chinese respondents for H1

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
25-30	30	34.10	4.037	.737	32.59	35.61	28	47
31-40	19	40.11	4.520	1.037	37.93	42.28	34	50
41-50	24	40.79	2.303	.470	39.82	41.76	38	46
Over 50	9	42.11	3.219	1.073	39.64	44.59	40	50
Total	82	38.33	4.864	.537	37.26	39.40	28	50

We can see that the young Chinese respondent have a much lower collectivism value that the respondent over 30 years old. The number of respondents in each category is fair enough to compare their answers. The mean of respondent under 30 years old is around 34 whereas the mean for respondent over 30 years old is 40.

Another observation is that this collectivism value is decreasing with the age. We can see from respondents over 50 years old to respondents between 31-40 years old, the collectivism value keep slowly decreasing. We can also see that the standard deviation of the group between 31-40 years old is bigger than the one between 41-50 years old. This standard deviation inform about how much the score vary from the mean. It informs on the fact that the difference started at this period.

So this validates the second part of the hypothesis saying that the collectivism cultural value of the young Chinese generation is not so strong anymore.

Hypothesis two: Avoidance of conflict

Hypothesis two: The cultural values lead to avoid conflict but this fact is also changing for new generation because of the change of new generation. However, avoidance of conflict doesn't mean easier to manage due to over cultural pattern. An ANOVA analysis was done to prove the link of cultural values to avoidance of conflict using the collectivism value of hypothesis one.

Table 9: Descriptive test between groups of H2

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum	F value	Sig.
					Lower Bound	Upper Bound				
Chinese	82	35.7	5.927	0.655	34.44	37.05	22	49		
French	84	19.9	2.905	0.317	19.29	20.55	12	32		
Total	166	27.7	9.192	0.713	26.33	29.14	12	49	480.7	<0.001

We can see that the mean of Chinese is 35.7 whereas the mean of French is around 20. These values validate the fact that Chinese avoid conflict whereas French don't. However the standard deviation of Chinese is big, the minimum value is 22 which is higher than the mean of French respondent. Whereas the maximum value of French respondent, 32, is still lower than the mean of Chinese respondents.

Knowing the findings of the first hypothesis, we can of course wonder about the impact of age on this hypothesis.

Table 10: Analysis of chinese respondents regarding the age for H2

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
25-30	30	33.50	4.142	.756	31.95	35.05	26	41
31-40	19	36.37	5.804	1.332	33.57	39.17	25	48
41-50	24	35.67	7.094	1.448	32.67	38.66	22	45
Over 50	9	42.11	2.759	.920	39.99	44.23	40	49
Total	82	35.74	5.927	.655	34.44	37.05	22	49

We can observe that age also influence the level of avoidance of conflict; however this difference is not as strong as for the first hypothesis. The mean is lower for young Chinese employees and with a smaller standard deviation value which is important but it clearly shows that collectivism is not the only cultural value impacting on avoidance on conflict.

The hypothesis stipulates that this reaction is linked with the cultural values of respondents. While creating the questionnaire, each question was describing one cultural value, so the ANOVA test, by validating this part of the survey, proved the impact of cultural values on conflict.

Hypothesis three: Rejection of woman manager

Hypothesis three: French have a better acceptance of woman manager but the level of Chinese employees is also really high as the result show that China has a feminine role cultural value.

Table 11: Descriptive between groups of H3

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum	F value	Sig.
					Lower Bound	Upper Bound				
Chinese	82	27.6	9.053	1	25.58	29.56	14	47	51.22	<0.001
French	84	19.9	3.877	0.423	19.03	20.71	10	33		
Total	166	23.7	7.919	0.615	22.46	24.89	10	47		

As predicted the French level of acceptance of woman managers (19.9) is higher than the Chinese one (27.6). But the surprising part is that the Chinese level of acceptance is also really high as the value does not represent a masculine role value anymore. However the standard deviation of the Chinese respondents is high (9) when the one of French respondents is not (3.9) which let us think about some factor which are impacting on some respondents such as younger respondents might have a higher acceptance, or woman impact a lot on this mean. So, further analysis about Chinese respondents has to be conduct. The following part is presenting these details.

Table 12: Descriptive of Chinese respondents regarding the age for H3

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
25-30	30	22.37	3.828	.699	20.94	23.80	14	30
31-40	19	27.05	9.583	2.198	22.43	31.67	14	43
41-50	24	30.29	9.967	2.035	26.08	34.50	15	41
Over 50	9	38.78	4.324	1.441	35.45	42.10	32	47
Total	82	27.57	9.053	1.000	25.58	29.56	14	47

This table shows a clear evolution of women manager's acceptance as the acceptance is becoming stronger with younger generation. We can observe that the mean of younger generation (22) is almost at the level of the French respondents mean. This table shows the clear evolution of Chinese acceptance of woman managers has only Chinese over 50 years old present some non-acceptance pattern. However, this group of respondents only represents 9 respondents so it should be analyze more in details in further studies.

Conclusion

As a conclusion, it was found out that there is today two different groups of Chinese employees, the young generation group who is under 30 years old and tend to behave like French employees, and the older Chinese employees who still have traditional cultural values, even if these values are not as strong as before. So even if a manager is working here for many years, he can today be shocked with the difference between the young Chinese employees he had when he arrived, and the one he has today. The young Chinese employees who also are less experimented are asking for more privileges and are not afraid of taking risks to have a better situation. So managers have to pay attention to different points while managing their employees.

They have to pay attention to loss of face and create a group environment to make older employees feel good, but they also have to fight to keep their young employees and always offer better output to attract them.

Moreover, the avoidance of conflict pattern which is helping French managers to adapt the new environment in early stage will then lead to misunderstanding because it will take longer for managers to realize the existing difference. Moreover, during this adaptation, the manager will have to realize that there is a difference of behavior between young and old Chinese employees. This can also go against a fast adaptation and understanding as depending on who the manager will often speak with, he will analyze the situation in a different way without first thinking that it could be a difference between Chinese generations. However, both groups have an indirect communication style that managers should not neglect. This difference of communication style can lead to misunderstanding. For example, Chinese will not ask question at the end of a meeting, but it does not mean that everything was understood. Or Chinese will always smile even if they are encounter difficulties. So there are differences within Chinese groups but also differences which are common between these two groups which can lead to misunderstanding.

Finally, woman managers are not a problem anymore for China as they are now fully accepted in China and even if it can still create some problems with some Chinese employees, it is only concerning a minority group of employees and can be handle easily as the cultural value keep evolving. France should not think about the gender of the manager they will send in China anymore.

According to these findings, we present the recommendations and guidelines to help French managers to better understand Chinese employees and lead for a better success of French companies in China.

- Don't expect Chinese employees to behave like French employees

Even if Chinese can behave in a similar way as French people, there is a real difference existing which should not be underestimated

- Never criticize a Chinese employee in front of other employee

Loss of face is a really important cultural value of Chinese people. Criticize a Chinese employees in front of others can lead to loss of face and the resignation of the employees from the company.

- Never wait for Chinese to tell what they think

Chinese will never say what they really think. It is something you will understand while paying more attention about external sign.

- If Chinese do not ask questions it doesn't mean that they understood everything

Because of the last point, and the fact that they don't want to show that they are in difficulties or didn't understand, they will not say anything, so you have to be able to see it and explain it again.

- Try to reduce the distance between you and employees in order to be able to perceive possible problems existing by organizing face-to-face meeting

Due to the previous point, the only way to understand your employees is to try to reduce the distance between you and them to then be able to see by yourself any possible problems.

- Chinese are always smiling but it doesn't mean there is no problems

To understand employees, the only possibility is to organize one-to-one meeting. Appearance will never let you see problems.

- Do regular internal marketing in order to keep young Chinese employee attracted by the company

Young Chinese do not feel any attachment to the company and are not afraid of taking risk. So if you want to keep these employees, an internal marketing is necessary.

- Organize regular company event in order to create a group feeling in between employees

Chinese need to feel part of a group. Creating regular event such as a possibility to do sport after work or create some excursion or events regularly will increase the group feeling and also create a better work atmosphere.

- Manage young and old Chinese employees in a different way.

There is a big difference existing regarding the different Chinese generation. Young Chinese employees (inferior to 30 years old) are closer to young French employees whereas older Chinese employees keep their traditional values.

- Take more time to explain your request to employees

Chinese employees will always do your request, but they often need to understand the reason of your request, especially if you want to do something new that they never do before.

- Don't speak in a direct way with employees to not hurt them

Chinese employees are communicating in an indirect way, which means that they pay more attention on how the message is delivered than the content of the message. So while receiving a direct communication style, it can hurt them.

- Encourage employees to generate ideas to ameliorate the company internal system

Chinese are not used to take initiative or generate changes. In order to help them express themselves and keep them interested in their work, a system asking them to propose idea to ameliorate the condition of their work is possible.

There exists some limitation of this research. It is only concerning French and Chinese employees from a French company in China. No other nationality has been analyzed and no French employees working out of China were part of this study. Moreover, the age of the respondent is between 20 to 60 years old as the respondents are all employees. However, employees under 25 years old or over 50 years old represent a minority in the totality of respondents and require further analysis to include them in this study. Furthermore, respondents were mainly from three cities of China: Beijing, Shanghai and Guangzhou. While conducting the research, only two groups were compared, Beijing and Shanghai/Guangzhou. There were no limitation about the fact to actually have or experience a woman manager. Moreover, no limitation on the area of the companies was done, different area and different size of companies were interviewed and invited to answer the questionnaire. And the number of valid response is 166 which represent a good sample to be able to make guideline and conclusions, but of course, it can be improved. Culture is a delicate topic where each person has a different perception and point of view. The research can be improved in few areas, which provides possibility for future research. While conducting the research, a non-significant number of employees under 25 years old and over 50 years old were obtain. So it is interesting to pursue this research for these age groups. Moreover, the analysis was only included three cities (Guangzhou, Shanghai and Guangzhou). So it is interested to pursue the analysis to all cities where French companies are implanted in china in order to know if Chinese cultural values are different regarding the location in China. The findings show that young Chinese employees have a lower collectivism value. This can be explained by the policy of the unique child, so it would be interesting to compare young Chinese employee from the city and young Chinese employee from the countryside to see if there is a difference. The findings also

demonstrate that Chinese cultural values lead to avoidance of conflict, and an evaluation of the impact of collectivism cultural value on avoidance of conflict was done. But it is also interesting to evaluate the implication of each cultural value on avoidance of conflict. It can be interesting to analyze the difference between French managers' cultural values when they arrived and 5 years later, or the difference between new managers and managers here for few years already. It is predictable that a change occurs, but it is important to know if they keep French cultural values with an adaptation to manage Chinese employees or if their cultural values are impacted. An analysis of the French management style can also be analyzed in order to give Chinese employees advice to better understand their managers. All of these further researches will help to analyze in further details the impact of cultural differences between French and China in a business environment and will help French and Chinese to minimize the misunderstanding existing due to cultural differences.

Acknowledgement

This study was funded by a National Science Foundation China grant 71188001.

References

- Brown, A. D. (1995), *Organisational culture*, London: Pitman.
- CAO, J. (2009), "The analysis of tendency of transition from collectivism to individualism in China", *Cross cultural communication*, Vol.5 No.4, pp.42-50.
- Chaney, L.H. and Martin, J.S. (2004), *Intercultural Business Communication*, Upper Saddle River: Prentice Hall.
- etranergeres, M. d. (2010), *Maison des francais de l'etranger*.
- Frey, L. R. (1991), *Investigating communication: an introduction to research methods*.
- Gudykunst, W. (1996), "The influence of cultural individualism-collectivism, self construals, and individual values on communication styles across cultures", *Human communication research*, Vol.22 No.4, pp.510-543.
- Hall, E. (1990), *Understanding cultural differences*.
- Hofstede, G. (1991), *Cultures and organisations*, New York: McGraw-Hill.
- Hofstede, G. (2009), *Geert Hofstede™ Cultural Dimensions*. Retrieved 2010, from itim international: http://www.geert-hofstede.com/hofstede_china.shtml
- Hofstede, G. (2009), *Geert Hofstede™ Cultural Dimensions*. Retrieved 2010, from itim international: http://www.geert-hofstede.com/hofstede_france.shtml
- Hofstede, G. (2009), *Geert Hofstede™ Cultural Dimensions*. Retrieved 07 2010, from itim international: http://www.geert-hofstede.com/hofstede_dimensions.php?culture1=33&culture2=18#compare
- Kitayama, S. (1991), "Culture and the self: Implications for cognition, emotion and motivation", *Psychological review*, Vol.98 No.2, pp.224-253.
- Li, H. et al. (2006), "Rethinking culture and self-construal: China as a middle Land", *The journal of social psychology*, Vol.146 No.5, pp.591-610.
- Likert, R. (1932), "A technique for the measurement of attitudes", *Archives of psychology*.
- Pekin, S. e. (juin 2010), *Bulletin economique Chine*. Pekin.
- Reid, T. (1999), *Confucius lives next door: What living in the east teaches us about living in the west*, New York: Random House.
- Reynolds, S. (2004), *Guide to cross-cultural communication*, Upper Saddle River: Pearson.
- Trompenaars, F. (2003), *Le choc des cultures: la fin du dilemme*.

Appendix: Interviews questions**1. Presentation of myself, my studies and my thesis topic****2. French manager's interviews:**

- a. For how long is the interviewee in China
- b. How do you see the Chinese way of thinking? Is it different to the French one?
 - i. Are Chinese less independent than French?
 - ii. Do they think first about the benefit of the company?
 - iii. Are they career oriented?
 - v. Can you feel competition in between Chinese worker?
 - v. Situation example:
 1. While working on a project, will Chinese will do everything for the success of the project or will they first think about their own benefit and advantage through that project?
 2. Can you feel a group adherence feeling while Chinese are working? Are they loyal to their colleague or can they disagree with them?
- c. Have you already encounter a situation where Chinese disagree with you?
 - i. Do Chinese employees express their opinion in front of you?
 - ii. Do they already told you "no" when you asked something?
 - iii. Did you already have a conflict with a Chinese employee?
 1. If yes, was the Chinese the one who entered in conflict?
 - iv. Did you have more conflict with a French person or a Chinese person until now in a business environment?
- d. What is your opinion on the Chinese behavior while working with woman from a higher hierarchy position?
 - i. Did you already encounter this situation?
 - ii. Can you feel any avoidance from them toward this person?
 - iii. Can it be for you a real problem in a company?
 - iv. Situation example:
 1. If a Chinese interacts with a woman manager, are they going to avoid her, or are they always put at last priority her request?
- e. Which other major differences or problem is there for you while working with Chinese employees?

3. Chinese employees' interviews:

- a. For how long are you working in a French company?
- b. Evaluation of the interviewee way of thinking and his perception to the French one.
 - i. What is more important for you, the success of your company or your career?
 - ii. What is more important for you while working? Have a stable work? A high career? Have nice colleague?
 - iii. How do you feel to work with a French manager?
 - iv. Is it your 1st time? If no, are there any differences?
 - v. What are the main differences between a Chinese manager and a French manager?
 - vi. What is your opinion about competition? Do you feel it with your colleague?
- c. Have you already encounter a situation where you disagree with your manager?
 - i. Do you express your opinion in front of your manager?
 - ii. Did you already said "no" when your manager asked you something?
 - iii. Did you already have a conflict with your manager?

- 1. If yes, was your manager the one who entered in conflict?
- iv. When your manager asks you something and you know that you cannot do it, how are you going to react? What are you going to say?
- d. What is your opinion on working with a woman from a higher hierarchy position?
 - i. Did you already encounter this situation?
 - ii. Do you try to avoid this person? Are you ignoring her request or do it with the lowest priority or quality?
- e. Which other major differences or problem is there for you while working with a French manager?

To cite this article:

Parrenin, A., Rau, P.L.P, & Zhong, R. (2015). Impacts of Cultural Differences in a Business Environment for French Companies in China. *Global Business and Management Research: An International Journal*, 7(1), 93-108.