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## **Fragrant orchids blooming in Middle Kingdom**

*Cultural adaptation of Finnish nationals to Chinese business contexts*

Master's Thesis in International Marketing  
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**Abstract:**

The global economy has faced many changes since the 2010s, forcing Finland to pursue new economic opportunities and relationships as trade is not growing as fast as expected and hoped. As a result, the companies of the country are increasingly engaged in dealings with China, the rising economic might. However, these deals are significantly complex due to two very different cultures. For that reason, this thesis aims to elaborate how Finnish managers have adapted to Chinese business contexts while working in China, and what kinds of steps Finnish managers would need to take to succeed in their assignments in the country.

Finnish and Chinese national cultures were compared with each other and two kinds of cross-cultural approaches were taken to examine the differences. The first one, *dimensional approach*, gives a first and a general view on culture through different values that are used in making the comparisons. The second one, *distance approach*, offers a deeper and an individual perspective to culture and, together, these two approaches complement each other and try to offer a more complete picture of culture. Differences between Finnish and Chinese cultures and the respective business cultures and their underlying contexts were also examined, while cultural adaptation and its obstacles were reviewed as well.

A qualitative study was conducted to investigate the adaptation process of Finnish managers mostly in the provinces of Beijing and Jiangsu in China. Semi-structured interviewing was chosen as the research method for this study due to its flexibility and the explorative nature of this study. Six Finnish managers were interviewed in February–March 2020. Two Chinese managers who live and work in Finland were also interviewed, and the collected data was used to support and expand on what the Finns described.

The findings of this study brought several areas of interest to light, including hierarchy, public harmony, building relationships, dealing with secrecy, and efficiency. Finnish owned companies were stated to be easier to adapt to since the company culture is a hybrid of Finland and China. Managers should adopt a proactive attitude and give clear instructions to their subordinates while ensuring that they understand the instructions. Interpersonal relationships were also identified as a key feature of adaptation. By building and nurturing strong relationships with a large network of connections, trust can be gained, and various other benefits achieved. Further research could focus on cultural differences between Chinese provinces and on Chinese managers in Finland so that the understanding of the relationship between the two cultures could be deepened.

**Keywords:** *cultural adaptation, cultural differences, cross-cultural communication, China*

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## 1 Introduction

### ***Real knowledge is to know the extent of one's ignorance — Confucius***

East Asia, and its traditionally most influential region, China, can be regarded as very exotic, distant, and even alien from the Western perspective, but this thesis aims to demystify and to briefly unfold the Chinese business culture through the stories of several Finnish nationals involved in working in the country.

The title of the thesis refers to the Mandarin Chinese names of both Finland and China. The Mandarin name of Finland is 芬兰/芬蘭, Latinized as Fēnlán, which is used to phonetically refer to Finland, but literally, the pair of syllables can be translated to “fragrant orchid”. The Chinese also call their own country 中国/中國, Latinized as Zhōngguó, literally meaning “Middle country”, for which there exists an old English calque, Middle Kingdom.

The idea for the thesis came to be as the result of the author’s interest in East Asian issues, having had his minor subject in East Asian studies and studied Mandarin Chinese for approximately three years. While the area is economically tremendously important, the culture also seems fascinating, paradoxical, and even ridiculous at times, kickstarting the research into these peculiarities in the domains of business and work. Hopefully, by studying them, more insights can be gained into the Chinese way of thinking and how the Finnish ways should be adapted to them.

The tales of Finnish nationals, mostly managers, are inspected through the lens of qualitative research, and with the help of thematic analysis. Originally, the aim of the thesis was to study Chinese managers in Finnish business contexts to the same extent. Due to a lack of time and suitable persons, the study solely concentrated on Finns in the end.

## 1.1. Background of the study

### ***Finnish economy and its circumstances in the 2010s***

Finland is a Northern European nation that bases its economy on foreign trade as it cannot sustain its economic growth by solely concentrating on domestic trade due to its small population. This strategy had worked wonders, as the Finnish exports had quadrupled since the recession of early 1990s by 2008, which is when another global economic crisis hit the Finnish economy yet again, the current account becoming deficit and staying that way since 2008 until today with no end to be seen (Kangasjärvi, 2019). Traditionally, Finland had looked no further than its immediate neighbors Russia and Sweden that have served as the chief Finnish trading partners, but the trade with them is not growing expectedly as of today due to many unforeseen events that have unfolded in the 2010s. That is why a small economy such as Finland must quickly adapt to these changes it has no control over.

Russia has been issued an increasing number of economic sanctions by the European Union ever since 2014 as a backlash for the annexation of Crimea, which has been catastrophic for the trade of Finland with Russia combined with the effect of the counter-sanctions set by Russia towards EU in retaliation (Berg-Andersson & Kotilainen, 2016; European Union, 2017a). Haaparanta (2016) has estimated that Finland had lost export profits worth over 1.8 billion US dollars just by June 2015, the total number of Finnish exports to Russia decreasing by 44% from 2012 until 2015 (Berg-Andersson & Kotilainen, 2016). Combined with the weak economic growth of Russia itself and rising oil prices that have led into a weakening ruble and weakened purchase power, the whole chain of events has caused Russia to lose its importance as a Finnish trading partner, having been the second to third most important destination for Finnish exports at the beginning of 2010s (Berg-Andersson & Kotilainen, 2016; Kangasniemi, 2019). However, Russia is still one of the biggest importers for Finland aided by the rising prices of energy, which has left the trade balance of the two countries wildly deficit from the Finnish perspective (Finnish Customs, 2018b; Kangasniemi, 2019). These sanctions have even

recently been prolonged until March 15, 2020, and they could be renewed in the future, while the USA is stirring the pot and still coming up with new sanctions, forcing Finland to search for opportunities elsewhere (Council of the European Union, 2019ab; Rapoza, 2019).

Instable and undesirable progressions have started to appear even inside the European Economic Area, referring to the British decision to leave the European Union in 2017, after the 2016 referendum (European Union, 2017b; Ministry for Foreign Affairs of Finland, 2019b). The country properly and officially departed the EU on January 31, 2020 and is currently undergoing a transition period and negotiating a new partnership deal with the union (European Commission, 2020). This event, commonly known as the Brexit, has already shaken both economic and societal foundations not only in the United Kingdom but also in Finland, as the UK is as of right now the sixth most important exports destination for Finland, right after Russia (Statistics Finland, 2019). In case of a scenario where a deal that includes economic solutions between the EU and the UK cannot be agreed on, exporting to the UK could witness a similar negative response as in the case of Russia, reducing the trade between Finland and the UK drastically. While the Ministry for Foreign Affairs of Finland (2019b) reassures that the waning of the economic presence of the UK on continental Europe may offer new possibilities for Finland in this vacant space, these same possibilities are perfectly valid for all the other EU countries as well, so they are not to be counted on.

Since the regions in proximity offer no promises of a secure way of increasing business operations, Finland must look elsewhere to find the growth potential that the Finnish economy is yearning for. That is where China, the ascending economy that already has the largest GDP based on purchasing power parity as of now, comes into play (International Monetary Fund, 2019; Martin, 2019).

However, as the velocity of growth of the recent years of the Chinese economy has decelerated partly due to rising costs of labor and partly due to the US-China trade war that could become a contemporary cold war situation, and the Chinese population has started to age, it ought to be remembered that Japan was once thought to become the nation with the largest GDP, which never happened, and this option should not be

discarded when it comes to the future of China (Fickling, 2019; Winck, 2019; Wong, 2019).

Then again, the 2020 Corona outbreak that had its origin in China has already wreaked havoc on the Chinese economy, and on the global economy overall as well, so these speculations of economic growth are not rather relevant during this time, instead of focusing on stabilizing and recovering from the situation worldwide (Weinland & Liu, 2020). According to the worst forecasts, the virus could cost the global economy already \$2.7 trillion, meaning that the annual global economic growth would stay at 0.00% this year, i.e. no growth at all (Orlik, Rush, Cousin, & Hong, 2020). It all depends on whether China can recover in a fast manner and use its strength to maintain the business activities in the country (Orlik et al., 2020).

Nevertheless, China has already passed Russia as the fifth most important export destination for Finland, thus becoming the second most important partner for Finland outside the European Economic Area after the United States of America (Finnish Customs, 2018ab; Finnish Statistics, 2019).

### ***Overlook of Finnish Chinese trade***

It has to be noted that the basis for the diplomatic relationship and trade between China and Finland have their roots already in the 1950s, strengthened by different treaties and especially by China opening up economically for the world (Kaitila & Kotilainen, 2017).

According to Bank of Finland Bulletin (2015), and as previously mentioned, while traditional trading partners of Finland have lost some of their economic importance, China has become all the more important as a business partner for Finland in the 2010s. The country was already the single most important Asian trading partner of Finland in terms of trade in 2018 with a current account of €8.2 billion (Finland Abroad– Ministry for Foreign Affairs of Finland, 2019a). In addition to that, Finnish exports to China have grown faster than imports from China since 2015, decreasing the trade deficit in favor of Finland (Kaitila & Kotilainen, 2017).

There were approximately 350 Finnish companies on the Chinese soil in 2019, located mostly within the regions of Beijing, Shanghai, and Hong Kong (Finland Abroad– Ministry for Foreign Affairs of Finland, 2019a).

### ***Circumstances of the Chinese market***

The Chinese manufacturing sector had already faced a slight decline before the Corona outbreak, being hit especially hard in the vast Chinese automobile industry declining by 19% between January and August 2019, and overall, “growing at the slowest rate ever forecast” according to Winck (2019), but according to Lardy (2019), the losses in the Chinese manufacturing sector are being exaggerated (Bradsher, 2019; “Industrial profits in the first three quarters fell”, 2019). However, during Q1 in 2020 these Chinese automobile sales have plummeted down by 80%, and industrial production has halted in general – decreasing by 13.5% in January-February 2020, when the growth had been steady and generally over 5% monthly prior (Jones, Brown, & Palumbo, 2020; Orlik et al., 2020). Even when the workers have been able to return to work, a lack of worldwide orders and inventory still hinders production (Orlik et al., 2020).

Nevertheless, an aging population that has been estimated to start declining in the 2030s, the trade war with the US, and the possibility of entering the so-called “middle-income trap” remain real challenges, and even dangers to China even after the Corona outbreak will be over. Furthermore, it has been predicted that the largest corporations could move their factories abroad in search of cheaper workforce (Carter, 2018; Lee, 2019).

All in all, the role of China and its economy in the world will inevitably start to shift away from manufacturing in an ever-growing fashion, since the country already has a developed infrastructure and plenty of manufacturing facilities combined with a shrinking labor force (Bradsher & Tang, 2019; Orr, 2018). The signs have been there: For example, Samsung has moved tens of thousands of jobs away from China to Vietnam in the 2010s (Orr, 2018). Mental preparation should be begun already at this point and the role of service sectors will grow in importance, presenting opportunities for foreign



companies and their expertise in this field (Bradsher, 2019; Bradsher & Tang, 2019; Carter, 2018; Lee, 2019).

The sheer size of the Chinese domestic market will ensure that not all of the Chinese production will be ever shifted away, even with the decreasing population (Orr, 2018). Surely, this will be more easily said than done as the uncertainty caused by the shadow of the trade war is distancing long-term investments away from China towards more secure destinations (Orr, 2018).

Even if the Chinese industry is being shut down, albeit very slowly, 78.7% of new companies in 2014 were operating in the service sector, and a similar trend has continued ever since (OECD, 2016). According to the report by OECD (2016), the Chinese government has started supporting and promoting innovation and entrepreneurship especially in the ICT sector, and fruits of this include mobile apps Alibaba and WeChat, both of which nearly every Chinese person with a smartphone uses. The main motivation for innovating, in the long run, is to be able to internationalize with their already competitive products and services (Gilardoni, 2017). They are on their way there with companies such as Alibaba, Huawei, and Tencent becoming major players in their respective industries. However, the service sector is still offering the most opportunities for foreign companies as well, growing fast for the time being (Gilardoni, 2017; OECD, 2016).

### ***Opportunities and challenges for Finnish companies in China***

Now that it has been established that China presents enormous opportunities for various Finnish enterprises, it would be good to acknowledge that entering the Chinese market is not as simple as dealing with the immediate neighboring countries. The national cultures of Finland and China are very different from each other, which also reflects on the way business is conducted in them and the psychic distance between them can also cause moments of hesitation within individuals working in companies that participate in international trade, since conducting business operations in China is no easy feat (Gilardoni, 2017; Håkanson, 2014; Liberman & Trope, 2014). The cultures and

the circumstances of the countries especially influence individual members that pertain to these cultures. Yet, it must be acknowledged that national cultures and sub-cultures offer just basic insights to human behavior: Individuals act and behave differently. However, by better understanding the national culture of the other party and having a favorable attitude toward it, it is easier to trust the representatives of the culture as well (Ivanova-Gongne, 2015). Thus, trade dealings will certainly be easier than if the option of understanding the other party is discarded or their culture is discredited altogether.

Even though China is physically closer and more accessible and connected to the rest of the world than ever, the psychic distance between China and the West remains great (Gilardoni, 2017). Since the risk for failure for foreign companies entering the Chinese market with few preparations is great, there is no room for cultural rigidity and arrogance (Gilardoni, 2017). That is why Finnish companies ought to prepare well before entering such undertakings to evade any unnecessary regrettable fates.

Curiously, Finnish companies rarely consider cultural differences as one of the greatest factors preventing mutual trade, despite the fact that these differences are usually the most significant barriers in international business and when operating foreign subsidiaries (Kaitila & Kotilainen, 2017; Oh, Lee, & Se, 2018). According to a survey by Team Finland, Finnish companies think that various technical difficulties, registration requirements, legislation, and customs processes are the biggest obstacles to developing trade in China instead (as cited by Kaitila and Kotilainen, 2017). It has also been claimed that foreign companies face stricter entry requirements to the Chinese market and must give over their patents, which raises concern for intellectual property theft (Finland Abroad– Ministry for Foreign Affairs of Finland, 2019a). It remains a key challenge for Finnish companies to enter the market while protecting their own IPs.

## 1.2. Objective of the thesis

The purpose of this thesis is to examine the cultural differences and risks related to these differences between the two nations of China and Finland, and how cultural adaptation could be used as a tool to close the gap between the two national cultures so that the Finns representing Finnish companies in China could engage in business activities more effectively in China and accomplish more successes by adapting accordingly to the differences. To achieve this, successful adaptation practices already adopted by Finnish nationals to diminish the cultural gap will be identified, and their benefits and disadvantages will be further scrutinized. The effect of becoming familiar with local cultures under the wide umbrella term of national culture and how that knowledge could help managers with their cultural adaptation process will also be examined. The findings will add to the mass of existing previous literature by considering both the perspective of representatives of both Finnish and Chinese national cultures, and they will hopefully aid future Finnish nationals to better prepare for their endeavors in China.

As mentioned, Finnish managers' adaptational practices will also be considered in the context of multiple Chinese cultural regions, since differences exist between the cultures of the local provinces, and even within them, in terms of languages or dialects, habits, values, and norms (Gao & Long, 2014; Gong, Chow, & Ahlstrom, 2011). According to an itinerary from the 1800s, "there was much friction among the various Chinese dialect groups . . . almost as if they came from different countries and cultures," and while the national language, Mandarin, has gained a strong foothold since, the differences remain to some extent (Gong et al., 2011, p. 224). Therefore, to investigate how the local cultures might influence the process of cultural adaptation is something that will create valuable additional information.

To conclude, the relevance of the topic becomes especially emphasized in today's globalized world of cultural bubbles and indifferences (Henriques, 2014).

The following are the main research question of this thesis:

- *What can expatriate managers do to adapt to new cultural contexts when going on international assignments? What types of benefits and disadvantages can such adaptation cause?*
- *How do Finnish expatriate managers and their Chinese counterparts possibly misunderstand each other due to cultural differences? How do they overcome these situations?*
- *How can Finnish expatriate managers better adapt culturally to a Chinese cultural context and does this context potentially influence their ways of thinking?*
- *How can business managers overcome cultural differences in business contexts aided by the process of cultural adaptation?*

### 1.3. Key concepts

The People's Republic of China or mainland China will simply be referred to as China in this text as a separation from the Republic of China, informally known as Taiwan. Also, the citizens of mainland China are referred to as Chinese, which neither includes ethnic Chinese from Taiwan nor from other Southeast Asian countries or other overseas communities that have ethnic Chinese members. The separation is made because ethnic Chinese from different countries and even from different parts of the mainland accordingly manifest different cultural values, and these regions are, to a large effect, defined by their regional dialects (Gao & Long, 2014; Gong et al., 2011; Ramström, 2005).

When conducting the interviews for this thesis, it was revealed that the Finns in question had been involved in rather a small pool of provinces in China, more precisely in Beijing Municipality, Jiangsu, Shanghai Municipality, and Guangdong. This was a logical result, since, as mentioned above, Beijing, Hong Kong, and Shanghai have been identified as the provinces where most Finnish companies operating in China are located (Finland Abroad– Ministry for Foreign Affairs of Finland, 2019a). It must be noted that Hong Kong has a separate society, culture, and mindset than mainland China, even having results

of its own in the Hofstede and the GLOBE Project models (Hofstede, Hofstede, & Minkov, 2010). The question remains if Hong Kong is a subculture of the greater Chinese region, or a cultural area of its own even though it has separate results in these studies. Regardless of the answer, follow-up research should be conducted in other Chinese provinces as well to better compare the differences.

Cultural adaptation refers to the concept that was defined by Francis (1991) as “an attempt to elicit approval from members of a foreign culture by attempting to become behaviorally more similar to members of that culture” (as cited by Jia & Rutherford, 2010). The ones who are attempting to receive this approval, and who are under the focus of this thesis, are expatriates, i.e. managers conducting business activities outside of their country of origin. These are simply individuals who represent their respective companies and they are the ones who take concrete actions that intend to maintain and improve the relationships between the companies through personal interactions (Ivanova-Gongne, 2015). However, the adaptation process of these individuals is of more interest for this thesis than their processes of expatriation. This study simply happens to focus on expatriates out of convenience in its empirical part, but the results can be said to be applicable to any kinds of persons conducting business activities, not just expatriate managers. The expatriates’ efforts of adaptation in Chinese contexts will be revised by interviewing them. Due to the focus, this thesis applies an individual perspective to culture, cultural adaptation, and intercultural business relations, which is examined with the help of cultural distance.

## 2 Cross-cultural activities and approaches

### ***Culture and national culture***

Culture is a broad concept which is said to encompass, for example, the shared meanings, behavioral patterns, beliefs, morals, values, and customs of a group of people, where these groups can be anything from nations to organizations, such as companies (Chen,

Chao, Xie, & Tjosvold, 2018; Leung, Bhagat, Buchan, Erez, & Gibson, 2005). However, it is but an oversimplification: The concept is so complex that while reduced to these dimensions, its contexts and levels are invisible, and the dimensions offer an incomplete representation of a culture, but the best one available (Fang, 2012; Leung et al., 2005; Tung & Stahl, 2018). It must also be acknowledged that there is a difference between the broad concept of culture and national culture that is only a part of it (Gould & Grein, 2009; Shi & Wang, 2011). Culture is always an underlying context in human interaction, while national culture may not be, and, while not central to this research, it is worthwhile to remember it as a guideline (Gould & Grein, 2009). That is why the results of this thesis will be compared with those provided by national culture theories, GLOBE and Hofstede models, to be more precise. There might be interesting contrasts and paradoxes regarding the models and the firsthand data provided by this thesis. If found, they could suggest that some general traits in national cultures, stated by the models, might be absent in some contexts, for example. However, it has been suggested that paradoxes are always present in culture, and Chinese Yin Yang philosophy offers an example of this (Fang, 2012). It suggests that individuals are both collectivistic and individualistic, “depending on situations, context, and time.” (Fang, 2012, p. 34). This is something that cultural models often disregard, and especially due to that, the existence and naturality of these paradoxes should be kept in mind.

When individuals of one of these national cultural groups leave their group and enter another, they are bound to face a culture shock, which is why the concept of culture needs to be attempted to be deconstructed, so that the factors for the differences behind the shock could be better analyzed and understood (Jun, Gentry, & Hyun, 2001). Cultural differences have always existed, but the importance of understanding different national cultures in business contexts was first brought to the spotlight in the 1970s, and it has been constantly investigated further ever since. The research remains important as no universal culture exists, despite the globalization of the world, and recent technological inventions are claimed to have even strengthened the cultural differences (Leung et al., 2005). Social media may be included in such a list of inventions, but Zaw (2018) has pointed out that social media can be helpful as a tool of cultural adaptation. In the case of international students coming to China, social media helped them not only

to communicate with their home countries and local Chinese communities, but conversations and interactions with local people using the social media offered the students a great deal of cultural information at the same time (Zaw, 2018).

To examine the differences between the national cultures of China and Finland, the classic model of cultural dimensions by Geert Hofstede will be used, combined with the newer GLOBE Project model. They offer a basis for the concept of national culture in this thesis because of their convenience, broad use, and familiarity, despite the criticisms the models have received over time. However, they are not to be taken at their face value: The information offered by these models must be compared with the actual results and the models should only act as basic guidelines. It is also important to introduce the distance approaches in addition to the model of the GLOBE Project. Together, they can relieve the disadvantages that exist within the Hofstede model, forming a little clearer picture of national cultures.

When the criticisms that the dimensional approach models have received are inspected more closely, there are inconsistencies between the two models (Venaik & Brewer, 2008, 2010). Especially the dimension called “uncertainty avoidance” is problematic, since the two models might even depict different concepts, despite sharing the same name (Venaik & Brewer, 2008, 2010). The dimension of “collectivism” in the Hofstede model is also inconsistent with the GLOBE model (Venaik & Brewer, 2011). According to Venaik and Brewer (2011), it should be changed into “self-orientation/work-orientation,” while the corresponding GLOBE dimension remains relevant. The shared dimensions between the models may also be based on stereotypes instead of actual features within societies of different cultures, in addition (Shi & Wang, 2011). What the dimensions reflect could neither be reliable nor valid on an individual level, and questionable even on an organizational level, as they are further claimed to be prone to stereotyping and exaggerating differences within national cultures (Venaik & Brewer, 2013). As a result, the models should only be considered general guidelines. Despite all this, studies have shown that when scores of the two models were compared, GLOBE succeeded in describing and understanding national cultures better, in general (Shi & Wang, 2011). The truth can only be found by personally interacting with individuals and groups of said national cultures, and during this time, the firsthand experiences can be compared to

the models, but it has to be noted that they present unreliable measurements of national cultures.

Lastly, not all the dimensions of the dimensional approach are relevant when it comes to expatriate assignments: Organizational culture usually overrides some aspects of national cultures (Shenkar, 2012a). For example, even though the host country had high or low scores of power distance, the value that the organization from the home country has is the only relevant one (Shenkar, 2012a).

## 2.1. Dimensional approach, its critique, and limitations

The two models that measure the so-called cultural distances between national cultures that were introduced above have a couple of foundational differences. According to the Hofstede model, values pertain to societies and practices to organizations, while the GLOBE model offers a view that both can coexist at both the societal and organizational levels (Shi & Wang, 2011).

### 2.1.1. Hofstede's cultural dimensions

Hofstede's model of cultural dimensions is a classic tool of intercultural research that is used to approach the concept of national culture within international marketing both due to its pioneer status as well as its convenience (Shi & Wang, 2011). Having been developed for organizational culture research, the model tries to compartmentalize culture into the value categories of masculinity/femininity, individualism/collectivism, power distance, uncertainty avoidance, long-term orientation, and indulgence/restraint (Hofstede et al., 2010). Different national cultures are then divided into these categories and given numerical values to represent how they differ from one another (Hofstede et al., 2010; Leung et al., 2005).



The model has both its critics and defendants: On the one hand, it has been claimed that national cultures are stable and change very slowly over time (Leung et al., 2005; Shi & Wang, 2011). On the other hand, the model has been claimed to be too limited and not to represent actual culture very accurately, since it was collected a long time ago and in the context of a single company and its subsidiaries (Leung et al., 2005; Shi & Wang, 2011). However, perhaps the greatest restriction of the model is that it ignores the individual level of culture altogether (Tung & Stahl, 2018). By using a combination of different models and approaches and models in this thesis, potential threats to credibility caused by the restricted nature of this model can be avoided. Thus, it is a worthy tool that offers a view to be complemented by other theories.

### *2.1.2. GLOBE Project*

GLOBE, standing for Global Leadership and Organizational Behavior Effectiveness, is a research project that was founded to build upon Hofstede's cultural dimensions model (GLOBE Project, n.d.; Shi & Wang, 2011). The project has thoroughly examined leadership, and, more importantly, societal culture (GLOBE Project, n.d.). It arranges national cultures according to cultural dimensions as the Hofstede model does, while the researched countries are further arranged in various culture groups, based on similar results. (GLOBE Project, n.d.; Shi & Wang, 2011).

The GLOBE dimensions are performance orientation, assertiveness, future orientation, humane orientation, institutional collectivism, in-group collectivism, gender egalitarianism, power distance, and uncertainty avoidance (GLOBE Project, n.d.; Shi & Wang, 2011). Out of the new dimensions, assertiveness measures the extent to which people are aggressive and confrontational in their social interactions, humane orientation depicts how societies or organizations encourage individuals to act in an altruistic manner, and performance orientation how innovations, high standards, and hard work are appreciated (GLOBE Project, n.d.). Gender egalitarianism roughly corresponds to masculinity/femininity, with the distinction that masculinity/femininity is also associated with the societal competitiveness and the status of gender roles,

whereas gender egalitarianism concentrates more on the inequality between men and women in society (GLOBE Project, n.d.; Hofstede et al., 2011). Future orientation incorporates partly both long-term orientation and indulgence by Hofstede, whereas individuality/collectivism has been divided in two parts, known as institution collectivism and in-group collectivism within the GLOBE Project model (GLOBE Project, n.d.; Hofstede et al., 2011).

The data provided by the GLOBE model depicts both the cultural values of reality as well as the ideal values present in the culture (GLOBE Project, n.d.). Curiously enough, the practical values often fail to match the reality, which is perfectly plausible, but no one has been able to explain the phenomenon as yet (Brewer & Venaik, 2010).

The GLOBE model has been lauded for its expansiveness on the Hofstede model, but it has also been criticized for being difficult to interpret due to the definitions of its dimensions being vague (Virkus, 2009). Despite these flaws, GLOBE was depicted as state-of-the-art by Javidan, Stahl, and Brodbeck (2005), and it has withstood the test of time, as they predicted. Also, an extension of the research called GLOBE 2020 is currently being conducted, polishing it even further (GLOBE Project, n.d.).

## 2.2. Distance approach

In contrast to the dimensional approach to culture, the distance approach avoids simplifying culture and tries to unravel its layers instead. This approach is used to explain how cultures differ from each other on a deeper and more individual level. At the same time, it is made clear that generalizations cannot be made when comparing cultures, and that cultures are experienced differently by different people.

### 2.2.1. Cultural distance

The concept of cultural distance is used to convey the diversity and its effects on human interaction that is present in different national cultures around the world, although, as discussed, culture is such an abstract and complex concept that the task is tremendously demanding, if not impossible (Shenkar, 2012b; Triandis, 1998). It can manifest itself in various ways, such as differences in languages, family structures, religions, lifestyle, and, lastly, in values present in the cultures (Triandis, 1998). The point about the distance in values in different cultures makes the concept of cultural distance relevant to the models presented in the dimensional approach section. However, such representations that the models offer are often nothing but simplistic mirages that try to offer something tangible out of something that is not (Shenkar, 2012b).

Shenkar (2012b) points out that the concept of cultural distance has many flaws in form of assumptions that are made within it, such as 1) that national cultures would not change over time, 2) representatives, such as expatriates, from national culture A going to national culture B having symmetrical experiences as if the vice versa happened, and 3) that national cultures would be the same throughout, with no regional variations. It is untrue, which is the core issue of why the model is problematic (Shenkar, 2012b). However, since it offers tools for numerical and easily digestible data representing the differences, it has been readily accepted and widely applied within the research of international business (Shenkar, 2012b). The following extension concept of cultural interaction, also called friction, is given by Shenkar (2012b). The concept of friction is used to explain the importance of individuals and interaction: Cultural differences have no meaning in a theoretical void, but they only become meaningful when the differences are made to interact (Shenkar, 2012a, 2012b). For example, national cultures could be called differently shaped pieces of a puzzle: Some pieces fit with each other well, being synergetic together, some fail completely to fit. However, most cultures are somewhere in the between, which is where the term friction comes from.

Shenkar (2012a) also claims that talking about cultural distance instead of friction is non-productive if the environments whose distance is being measured are dissimilar, since

that would be comparing “apples and oranges” together. In practice, managers from a certain national culture work well with counterparts from other national cultures that are synergetic with each other (Shenkar, 2012a). In this case, friction is at a suitable level. It is to be noted that both high and low levels of friction are undesirable, and a balance should be sought (Shenkar, 2012a).

It has been suggested that especially differences in culture and language create friction, but employees known as “boundary spanners” or “bridge individuals” have the ability to partly relieve that by serving as intermediaries between the cultures in question (Barner-Rasmussen, Ehrnrooth, Koveshnikov, & Mäkelä, 2014; Jia, Rutherford, & Lamming, 2016; Sekiguchi, 2016). The definitions differ slightly from each other, but in both of them, individuals within multicultural organizations identify with one of the cultures and have extensive knowledge of the other associated culture and/or its languages, and, based on them, these individuals have several abilities that regular employees do not have (Barner-Rasmussen et al., 2014; Jia et al., 2016; Sekiguchi, 2016). These abilities include, for example, gathering information that would be otherwise missed, harnessing and connecting their networks within the company, interpreting and delivering messages between the cultures, and preventing instances of harmful communication due to cultural differences while bridging between cliques formed by people from one of the cultures (Barner-Rasmussen et al., 2014; Sekiguchi, 2016). Having such individuals in a multicultural company would certainly be an advantage in many aspects, both from the perspectives of the global headquarters and the local subsidiary, and they can even facilitate the adaptation process of expatriates by the virtue of their abilities (Barner-Rasmussen et al., 2014; Jia et al., 2016; Oh et al., 2018; Sekiguchi, 2016)

All in all, cultural distance can work as a measurement concept, but only when its three aforementioned flaws are acknowledged, and the data provided by the models measuring cultural distance are supported by additional theories and concepts so that possible skew would be minimized (Shenkar, 2012b). However, Shenkar (2012a) suggests that cultural distance should slowly be discontinued in favor of friction, which describes the interaction of national cultures better in detail. Friction has been somewhat ignored in business literature due to its flaw of being difficult to measure

numerically, contrary to the dimensional models and their codified values (Shenkar, 2012a).

### *2.2.2. Psychic distance*

Psychic distance is a concept that facilitates depicting how individuals experience differences between two or more given national or other cultures. The concept, also known as psychological distance, tries to explain how one separates various other elements from themselves with the help of various dimensions, such as temporal, spatial, social, and hypothetical distance (Baltatescu, 2014). These elements, or aspects, such as languages or customs, are associated with other elements using the dimensions (Lieberman & Trope, 2014). Their differences are afterward investigated based on how they are experienced individually, as opposed to cultural distance, where the differences are measured with given variables on an organizational level (Lieberman & Trope, 2014).

Because of lower psychic distance, companies, and especially individual employees within them tend to favor expatriate stints in closer countries with similar cultures before moving on to farther places (O'Grady & Lane, 1996). The closer the physical distance and the experienced cultural gap between the countries are, the more efficiently the business relations are improved, aided by heightened mutual feelings of trust, for instance (Håkanson, 2014). However, having international activities and sending expatriates on assignments just based on perceived similarities is an inviable strategy (O'Grady & Lane, 1996). By doing so, both companies and expatriates can become blind to cultural differences, even though the countries and their respective national cultures would be mostly similar (O'Grady & Lane, 1996). It is easier to manage the differences the more visible and notable they are, which eliminates the benefits of low psychic distance, which is also known as a psychic distance paradox (O'Grady & Lane, 1996). Thus, cultural differences should be identified, adaptational measures should be already adopted from the beginning, and companies should strive to learn from their its cultural environment to minimize errors caused by misjudging the level of psychic distance (O'Grady & Lane, 1996).

In the case of this study, the spatial distance between Finland and China is great, as are the perceived differences within the respective cultures. Psychic distance can cause Finnish and Chinese individuals to unconsciously abstract their thinking processes when it comes to the culture of the other. In other words, they may think in less concrete and practical terms, making complex comprehension more difficult (Baltatescu, 2014; Fiedler, Jung, Wänke, & Alexopoulos, 2012; Hamilton, 2015). Moreover, since individuals use different parts of their brains to process differences and similarities usually from an egocentric perspective, it becomes more probable that the differences are highlighted if they are too noticeable (Håkanson, 2014; Liberman & Trope, 2010, 2014). In this case, that makes it more difficult for Finnish managers to relate to the Chinese and to trust them, and vice versa (Håkanson, 2014; Liberman & Trope, 2010, 2014). This would consequently mean that it would be more difficult for Finnish expatriate managers to conduct business activities with their Chinese counterparts if the levels of trust are inadequate.

It should be noted that the experienced distance is asymmetrical for different parties, though – an individual, such as an expatriate, from one country, can experience the distance in another way than another from the other country, influenced by country-specific cultural circumstances, as speculated by Håkanson (2014) and proven by Håkanson, Ambos, Schuster, and Leicht-Deobald (2016). No studies have been conducted to observe the asymmetry between Finnish and Chinese national cultures, but it can be presumed that representatives from both cultures have unique perspectives and ways of interacting with members of the other national culture. It can also be argued that it is potentially easier for one party to adapt to the ways of the other because of the asymmetry. Then again, Yildiz and Fey (2016) have shown that Swedes have lower perceptions towards Chinese culture in terms of psychic distance, and that they also have a more negative attitude towards the Chinese culture. Meanwhile, the opposite rings true: Chinese people have higher perceptions towards Swedish culture and view it positively (Yildiz & Fey, 2016). These differences have been explained by differences in perceived statuses held by these two countries (Yildiz & Fey, 2016).

However, decreasing spatial distance via relocation, in other words, by moving to a physically closer environment, helps expatriate Finns tremendously in this case to relate

more to the Chinese people and their culture, allowing the Finns to think more concretely about them (Hamilton, 2015). Should they try to put themselves to the shoes of the Chinese and thus decreasing social distance, the gap can be reduced even further, facilitating communication and understanding (Hamilton, 2015).

The concept of psychic distance is influenced by how people from different national cultures perceive, operate, and relate to different values, such as collectivism and individualism, or short-term orientation and long-term orientation (Wong & Wyer, 2016). It will cause different individuals to have different perspectives and it affects their ability to attempt to change those perspectives (Wong & Wyer, 2016). Being individualistic and short-term oriented decreases perspective flexibility (Wong & Wyer, 2016), which contributes to the difficulty of relating, since people that have a background in Finnish national culture can allegedly be described as having both of those qualities (Hofstede et al., 2010). Finns should acknowledge these traits while abroad and adapt accordingly. However, language, habits, legislation, et cetera play a role as well, as mentioned when defining cultural distance above (Håkanson et al., 2016). Therefore, knowledge about cultural differences and values might not be enough, since other differences, especially in differing laws, should be acknowledged as well. These elements can also be viewed as distant by individuals as well – for example, Chinese Mandarin and Finnish language do not share much in common, which is an alienating factor in this case.

Furthermore, by examining cultural differences and psychic distance in the case of Finnish expatriates operating in China, potential faux pas need to be identified and evaded. All of this is necessary, as the risk of failing is very much real: According to a report by Weber and Shandwick, 48% of all foreign companies that entered the Chinese market had failed and discontinued their business activities within two years of setting up local operations there (as cited by Gilardoni, 2017). According to Gilardoni (2017), many of these companies reportedly adopted an attitude that whatever they were doing in their countries of origin was already working, and they considered changes to a winning formula unnecessary. However, as found out by Bartel-Radic and Giannelloni (2017), excessive confidence in one's communicational skills may lead to a neglect of cultural differences and, consequently, into an insufficient understanding of foreign

cultures, which is undesired when conducting cross-cultural business operations. As obvious as it might seem, companies need open-minded individuals that are motivated in understanding different cultures instead as a prerequisite to run their foreign business operations effectively (Bartel-Radic & Giannelloni, 2017). Afterward, to tap into the competitive advantage that the local companies already have there, context-specific cultural knowledge must be acquired first (Albescu, Pugna, & Paraschiv, 2009; Holden, 2001). This can be done both externally in the business environment via learning by doing, and internally from the local employees via dialog, since it is the key feature of setting up successful cross-cultural business operations and context fitting marketing strategies (Albescu et al., 2009; Holden, 2001).

### 2.3. Cultural adaptation and its obstacles

According to Jun et al. (2001), cultural adaptation is an active cognitive process that can reduce the stress levels and uncertainty between representatives of different cultures, thus bettering their mental well-being, while giving them social competences when communicating in the context of the other culture. Weck and Ivanova (2013) even claim that cultural adaptation is a basic requirement for mutual trust, which is consequently needed to build long-term business relationships in intercultural contexts. It can be claimed that when two parties that belong to different cultures are trying to communicate, or on an even deeper level, trying to do business with each other, they both benefit from making an effort to understand where the other party is coming from to communicate more effectively.

Chen & al. (2018) state that simply understanding the norms and values of the other culture can lead to adaptation and synergy in intercultural transactions, but they also add that interacting within the same culture might still lead to better results. In other words, members of the same cultural group mingling with each other can be more efficient even when communicating poorly than parties of different cultures whose intercultural interaction is somewhat successful. Since adaptation and especially successful adaptation should not be taken for granted, it should be one of the main



priorities of companies and their outgoing employees, such as expatriate managers. The companies should at least offer intensive courses for their outgoing candidates to kickstart the upcoming adaptation process, even though their effect on the candidates' deep long-term perceptions would be insufficient (Baack, Dow, Parente, & Bacon, 2015).

Adaptation begins from a very basic level where outgoing employees first learn about the specific national culture on a theoretical level and about cultural stereotypes that are related to that culture at the same time (Weck & Ivanova, 2013). Once a business relationship has been built, and the parties consider each other acquaintances, a more complex learning process through open communication can be initiated, and in a best-case scenario, the learning continues with the help of personal relationships, if the expatriates manage to befriend their foreign counterparts (Weck & Ivanova, 2013).

Adaptation has, however, challenges and limitations. It has been claimed that the influence of psychic distance has failed to decrease to a greater degree, despite the development of various communication technologies in the recent past (Håkanson, 2014). On the contrary, its effect could even have increased, which means that adaptation would be more difficult (Håkanson, 2014). Also, the expatriates' cross-cultural motivation is a major factor, since their interest in the local culture or the lack of it and their ability to lead and manage employees in another culture will have a direct impact both on their ability to adapt and on the local employees' relationships with the manager (Oh et al., 2018). When failed, deficient adaptation can lead to more stress, feelings of loneliness and isolation, and even confusion about one's own identity (Jun et al., 2001). However, it is good to be reminded that by being motivated to adapt and by developing efficient coping strategies, culture-related stress and the negative effects can be avoided (Jun et al., 2001). Consumer behavior and one's family also support the outgoing employee in the adaptation process: By gaining cultural knowledge first, participation in the host culture becomes easier, which reduces the feelings of alienation, finally leading to personal satisfaction (Jun et al., 2001).

According to Baack et al. (2015), there is a certain confirmation bias that makes managers approach the cultural differences based on their existing beliefs and thoughts. There is nothing wrong in this per se, but when they are faced with information that

conflicts with their beliefs, they find it hard to trust and process that information, making it hard for them to adjust their ways of thinking to the way things are (Baack et al., 2015).

As claimed by Jia and Rutherford (2010), ignoring cultural differences between co-operating companies from other countries indirectly impacts their business performances. If the differences are disregarded, mutual trust and intercultural communication between the companies will suffer, which demonstrated why the differences should be heeded. It has even been claimed that a large cultural distance between the companies may affect the long-term relationship of the two if left untended (Jia & Lamming, 2014; Jia & Rutherford, 2010). Presumably, disregarding cultural differences will negatively affect trust-building even on an individual level, as well.

Paradoxically, cultural similarities can also cause a headache for partners in these dyadic relationships, even though the purpose of cultural adaptation is to increase the familiarity between the cultures (Lin & Malhotra, 2012). For example, sometimes managers are disinterested in adapting culturally unless it takes a minimum effort, but other times, a chance to learn overtakes the unwillingness to adapt to large differences (Lin & Malhotra, 2012).

Nevertheless, by adapting culturally and tending to the relationships, most of the cultural problems can fortunately be avoided and positive relationships will usually lead to not only cost reduction benefits, but also to other increased competencies while operating in the host culture (Jia & Rutherford, 2010; Jia & Lamming, 2013; Lin & Malhotra, 2012). Furthermore, cultural adaptation also becomes more effective and more necessary in managing conflicts when the organization has heterogeneous cultural values, for instance, individualism versus collectivism (Chen et al., 2018). For Chinese subsidiaries of Western companies, this could be the very reality that craves attendance, once again proving the usefulness of cultural adaptation.

There are still problems even when adapting, as the degrees of adaptation might differ wildly, and the processes of adaptation sometimes fail to be mutual, i.e. both parties try to meet each other halfway in their co-operation (Lin & Malhotra, 2012). Usually, the party that is globally viewed more powerful has the upper hand in the interactions and

it will force the companion to adapt to their culture and values, even when acting in the territories of the less powerful partner (Lin & Malhotra, 2012). By increasing the level of adaptation on both sides, mutual benefits are also greater (Jia & Lamming, 2013). Due to this, it is more than recommendable to deeply engage in cultural adaptation, no matter the circumstances.

In addition to previous troubles, it is becoming more and more commonplace that people are trying to adjust to the cultural assumptions of the other party instead of their own, which is causing clashes between the cultures (Chen et al., 2018). Due to this, it is all the more important to have a culturally diverse organization, so that it would be easier to consider the situation of the other party, and thus, better succeed with adapting and having fewer conflicts (Chen et al., 2018).

### 3 Chinese and Finnish national cultures

Since it would be impossible to conduct a cultural research without becoming familiar with and delving deeply in the cultures in question, this section aims to explain the main characteristics of both Chinese and Finnish cultures and more specifically, their business cultures as well.

The two cultures are first compared with each other using models of cultural dimensions provided by Hofstede and GLOBE Project, while the main theoretical differences between China and Finland are scrutinized. Chinese and Finnish cultures are examined more thoroughly afterward, and cultural adaptation to Chinese business contexts is observed with the help of previous literature.

### 3.1. Cultural comparison of China and Finland using the dimensional approach

When comparing the results given by the Hofstede and the GLOBE models (see Tables 1 and 2 below), both similarities and differences can be perceived. However, one must remember once again that the practice values of the GLOBE model do not always match the reality (Brewer & Venaik, 2010).

Table 1 Chinese cultural dimensions according to the Hofstede model (Hofstede et al., 2010)

<b>Cultural Dimension</b>	<b>Power Distance</b>	<b>Individuality</b>	<b>Masculinity</b>	<b>Uncertainty Avoidance</b>	<b>Long-Term Orientation</b>	<b>Indulgence</b>
<b>China</b>	80	20	66	30	87	24
<b>Finland</b>	33	63	26	59	38	57

Note. Scores are presented on a scale from 0 to 100.

Table 2 Cultural practices and values in China and Finland according to the GLOBE model (GLOBE Project, n.d.)

<b>Cultural Dimension</b>	<b>Approx. practice score, China</b>	<b>Approx. practice score, Finland</b>	<b>Practice score, GLOBE average</b>	<b>Approx. value score, China</b>	<b>Approx. value score, Finland</b>	<b>Value score, GLOBE average</b>
<b>Performance Orientation</b>	4.45	3.81	<b>4.10</b>	5.67	6.11	<b>5.94</b>
<b>Assertiveness</b>	3.82	3.81	<b>4.14</b>	5.44	3.68	<b>3.82</b>
<b>Future Orientation</b>	3.75	4.24	<b>3.85</b>	4.73	5.07	<b>5.49</b>
<b>Humane Orientation</b>	4.36	3.96	<b>4.09</b>	5.32	5.81	<b>5.42</b>
<b>Institutional Collectivism</b>	4.77	4.63	<b>4.25</b>	4.56	4.11	<b>4.73</b>
<b>In-group Collectivism</b>	5.80	4.07	<b>5.13</b>	5.09	5.42	<b>4.66</b>
<b>Gender Egalitarianism</b>	3.05	3.35	<b>3.37</b>	3.68	4.24	<b>4.51</b>
<b>Power Distance</b>	5.04	4.89	<b>5.17</b>	3.10	2.19	<b>2.75</b>
<b>Uncertainty Avoidance</b>	4.94	5.02	<b>4.16</b>	5.28	3.85	<b>4.62</b>

Note. Scores are presented on a scale from 1 to 7.

With respective scores of 80 and 5.04, both models indicate that power distance is high in China, and consequently, inherent inequality and hierarchies are strong. Interestingly, the Chinese seem to value power distance less than what its effect currently is in their culture with a score of 3.10, being still higher than the GLOBE average value score of 2.75. According to the Hofstede model, Finland is quite the opposite of China when it comes to power distance with a low score of 33, but the practice score of the GLOBE model suggests similarities since the score there is 4.89. However, the Finnish value score is a meager 2.19, which also suggests differences in the approaches to this dimension of culture.

The Hofstede model states that China is very collectivistic with a score of 20, suggesting that people make their decisions in the interests of their in-groups, as opposed to themselves. Curiously, according to Hofstede et al. (2010), this would also mean that people commit somewhat weakly to their employer organizations. The GLOBE model supports the statement about high levels of collectivism, as China has institutional collectivism and in-group collectivism scores of 4.77 and 5.8, those scores being higher than on the respective GLOBE averages of 4.25 and 5.13. However, the Chinese value less collectivism on both levels, especially when it comes to in-group collectivism. Meanwhile, Finland scores high on this category with a score of 63, indicating of an individualistic culture. The GLOBE model institutional and in-group collectivistic practice scores are 4.63 and 4.07, which suggests that on an organizational level, Finns appreciate sharing the resources and working together almost as eagerly as the Chinese, but the lower in-group score suggests that loyalty and a certain “pack mentality” are lower than in China.

With a masculinity score of 66, the Hofstede model claims that China would be a competitive society, where traditional gender roles are enforced. People lowly esteem leisure time and they will work very late if needed, while students compete for places in the best universities with their exam scores (Hofstede et al., 2010). This is what the GLOBE model states as well, as the practice score of gender egalitarianism is 3.05, i.e. relatively low, and it is also lower on the GLOBE average that is 3.37. It is valued more, but only slightly with a score of 3.68, being on the lower end of the spectrum of the GLOBE average that has a score of 4.51. Finland scores once again in a different way on

the Hofstede model with a masculinity score of 26. This suggests that the environment of Finnish culture is very uncompetitive, status is invisible, and equality and the quality of life are appreciated (Hofstede et al., 2010).

The Hofstede model states that China has a low score of 30 in the dimension of uncertainty avoidance, where the first real difference with the GLOBE model occurs, as the practice score for the dimension on the latter is 4.94, i.e. relatively high. Hofstede et al. (2010) try to explain why the Chinese embrace the uncertainty by stating that people simply are adaptive: In China, truth is relative and can change, rules and laws can be bent to fit the needs of the moment, and the language itself is full of vague meanings left for the listener to interpret. The GLOBE model, however, states that the value score of China in this category is 5.28, which would be higher than what the GLOBE average of 4.62 is. Finland has a score of 59 on the dimension of uncertainty avoidance on the Hofstede model, thus, relatively high, but on the GLOBE model, the practice score is very close to the Chinese one, 5.02. However, the value score is 3.85, which is considerably lower than the Chinese one, but it suggests a bigger contradiction compared to the score offered by the Hofstede model altogether. Then again, as stated previously by Venaik & Brewer (2008; 2010), these dimensions might be dissimilar in the two models, even though the descriptions are almost identical. Hofstede et al. (2010) suggest that Finland would have a fondness for rules and codes of conduct since uncertainty is abhorred (Hofstede et al., 2010). The rules would need to be maintained even if they made little sense in some situations, while a sense of safety, keeping oneself busy, and hard work are appreciated (Hofstede et al., 2010). To a degree, Chinese individuals who follow traditional values set by Confucianism and Legalism would appreciate the same virtues of hard work and following the rules, so it is dependent on the people and their values.

In the Hofstede model, China has very high and very low scores for long-term orientation, 87, and indulgence, 24. Having high long-term orientation score is related to a pragmatic approach to life: investing in the future via education and actual monetary investments are valued, truths are everchanging according to the changing contexts, and history and traditions can be adapted to better fit the current situation, instead of preserving them (Hofstede et al., 2010). This readiness for adaptation may well stem from the ancient

teachings of Daoism and Yin Yang, since when change is needed, something new must grow, because the old cannot, anymore.

A low indulgence score means that the Chinese sacrifice their free time for work and tend to restrain their desires, leading to a certain degree of negative attitude towards life in general (Hofstede et al., 2010). This is what Confucianism and, partially, Daoism has been teaching, explaining the low score. The dimension of future orientation in the GLOBE model seems to express a medium score of 3.75 in practice, being a bit lower than on average of 3.85, and the value score is approximately 4.73, lower than on the average score of 5.49. This dimension is described as investing in the future and delaying gratification for the future, which may explain why it is close to the GLOBE average in practice since it is almost the mean between the dimensions of long-term orientation and indulgence on the Hofstede model (GLOBE Project, n.d.). With scores of 38 and 57 in the dimensions of long-term orientation and indulgence, Finland seems to be the polar opposite of China. When it comes to the GLOBE model, the Finnish practice score in the dimension of future orientation is also higher than the correspondent Chinese one at 4.24, while the value score is also higher at 5.07. According to Hofstede et al. (2010), being short term orientated means believing in so-called absolute truths and respecting traditions, while dismissing the chance to invest in the future to a greater degree. Being more indulgent than not, Finns appreciate self-actualization and leisure time while adopting a positive outlook on life (Hofstede et al., 2010).

According to the GLOBE model, Chinese society can be said to be performance orientated with a practice score of 4.45, the score being higher than what the GLOBE average of 4.1 is. Thus, hard work, high-performance levels, and innovation are appreciated, also supported by the long traditions set by Confucianism and Daoism according to which hard work is expected of a leader and doing that sets a role model for the others. The value score of performance orientation is also high, 5.67, but curiously enough, it is still lower than what the value score for this dimension is on the GLOBE average of 5.94. Finland is slightly less practice-oriented in practice with a score of 3.81, but performance orientation is evenhandedly valued more in Finland with a score of 6.11.

Lastly, China has nearly a medium practice score of 3.82 in the dimension of assertiveness, compared to the average score of 4.14. This can be explained with the desire to avoid conflicts and to save face, but fascinatingly, the Chinese value score for assertiveness is close to the maximum observed in the GLOBE research, 5.44 compared to the average of 3.82. Interestingly, Finland has an almost identical practice score of 3.81, while the value score is slightly lower at 3.68. This situation probably stems from similar communication styles or is the result of them.

### 3.2. Chinese culture

This section aims to clarify both the underlying contexts and key concepts in Chinese culture. To understand what Chinese culture is about, one needs to be aware of the millennia-long tradition of Chinese schools of philosophy. What is common to all of them is their goal: to pursue harmony (Ma & Tsui, 2015). The key concepts are related to phenomena present in all sections of life in China.

#### 3.2.1. Chinese philosophies

##### **Confucianism**

Confucianism may well be the most defining philosophy of Chinese culture. It assumes that people are innately well-meaning, and it has created and upheld many of the values even in contemporary China, as well as in other neighboring East Asian cultures and societies (Gilardoni, 2017; Lin et al., 2018). These values include taking an active role when leading, humility, benevolence, working hard, respect for the authorities, which has led to hierarchism based on seniority, and, loyalty and obedience towards those higher in the hierarchy as well (Gilardoni, 2017; Lin, Li, & Roelfsema, 2018; Ma & Tsui, 2015; Vihakara, 2014). In more concrete terms, people should be good children to their



parents and be good citizens governed by the powers that be, but in turn, parents should protect and take care of their children, while the government should do the same for its citizens. I.e., paternalism may be the most important of Confucianist values. Thus, relationships and loyalty are highlighted (Ma & Tsui, 2015). But, to become a leader, an individual should have had a comprehensive education and be well-prepared for their tasks, so learning and knowledge are also valued (Lin et al., 2018).

Like most philosophies, Confucianism advocates a good way of living life, and as such, harmony and peace are also very important (Gilardoni, 2017). Not living under the values set by Confucianism and causing public disturbances in harmony instead will lead to losing face, which can mean, depending on the seriousness of the breach, possibly even social exclusion (Chen et al., 2018; Gilardoni, 2017; Lin et al., 2018; Vihakara, 2014). In terms of Confucianist leadership, sacrificing one's ambitions is encouraged, and the law should be obeyed instead (Ma & Tsui, 2015).

However, what works in China may be inefficient in other countries: Lin et al. (2018) reported that while paternalistic leadership is related to high work performances in China, imposing paternalism on Western employees had negative effects. Nevertheless, Confucianism is perfectly complementary with modern leadership theories through its valuation of education, self-improvement, and letting subordinates prosper (Lin et al., 2018).

### ***Daoism***

Another significant Chinese philosophy that subconsciously steers the Chinese people is Daoism. Coined by the ancient Chinese philosopher Laozi, contemporary to Plato and Aristotle, the term *Dao* can be translated to "the path" or "the way," meaning the way that nature is, and how inherently good human beings are bound to follow this way of nature (Bai & Morris, 2014; Lee, Haught, Chen, & Chan, 2013; Ma & Tsui, 2015). One should refrain from making drastic decisions that would have considerable consequences to avoid disrupting the natural way of things, and this is wherein the largest difference compared to Confucianism lies, as Daoism recommends passive

leadership and refraining from unnecessary work, while Confucianism encourages one to work hard (Ma & Tsui, 2015). To follow this way is considered virtuous, and it instructs to act in a compassionate and considerate way towards others, having the same principles as Western virtue ethics (Bai & Morris, 2014; Lee et al., 2013).

Daoism especially comments on leadership, instructing managers among other people to be “water-like”, which has several implications:

1) A Daoist manager needs to be beneficent, for water nurtures and nourishes all living beings without gaining anything itself – a leader should support their subordinates for no personal gain (Lee et al., 2013 Ma & Tsui, 2015).

2) The manager needs to be humble, for water always flows towards the bottom – a low profile is appreciated, and humbleness enables the manager to identify and adopt others’ goals as their own to lead them efficiently (Lee et al., 2013).

3) The manager needs to be able to adapt well, for fluid water can take almost any shape – changes should be made according to a situation, and rigidity avoided (Lee et al., 2013 Ma & Tsui, 2015). However, too much adaptability depending on the context can be considered bad – in the research by Lin et al. (2018), Chinese managers regarded Daoism derived flexibility as something to be avoided, as they were working with Dutch people who were unadaptable in their experiences. For example, the Dutch wanted to follow set goals, and keep following them from the beginning until the end, even though lucrative opportunities presented themselves mid-operations (Lin et al., 2018). The Chinese did recognize that too much flexibility might jeopardize their expertise in the eyes of foreigners, but changing this mindset towards a more Western-friendly one does seem as if they simply adapted to a new environment just according to this principle.

4) The manager needs to be honest, for water is transparent – all kinds of political games and dishonesty should be avoided (Lee et al., 2013). According to Laozi (1961), “Who can make the muddy water clear? Let it be still, and it will gradually become clear.” (as cited by Lee et al., 2013, p. 268).

5) The manager should be kind, but tenacious and strong, for a gentle stream of water will always form a way through any stubborn obstacle (Lee et al., 2013; Lin et al., 2018; Ma & Tsui, 2015). By following all these principles, a manager or any individual can be

described as a good leader. By leading by virtuous example, it is possible to win over the hearts of one's subordinates and the general masses (Ma & Tsui, 2015). It is also stated that even though unethical leadership would be successful, the flourishing would be short-lived due to punishments by society, which is why a virtuous approach should be adopted (Bai & Morris, 2014).

Interestingly, this philosophy focuses on harmonious relationships between individuals and even setting oneself lower than them, even if one were their manager since as it will be seen, power distance and hierarchies are great in China. This kind of leadership can even be defined as feminine, and it is prevalent in the greater East-Asian region, even though masculinism is strong within the area, which makes it all the more fascinating.

Even though Daoism originates in China, the Chinese themselves have failed to perfectly master it: A study has shown that American students scored higher in some of these categories than their Chinese counterparts, when measured (Lee et al., 2013). The philosophy is even compatible with inter-cultural leadership as it focuses on adapting to surrounding environments and the people's needs in such a great degree (Lin et al., 2018). Lin et al. (2018) together with Ma and Tsui (2015) argue that Chinese managers who have been influenced by this philosophy are more like to believe and practice laissez-faire leadership, which can be strengthened by enabling subordinates to also make decisions and have power. Also, Bai & Morris (2014) add that Daoism can complement any modern leadership theory by offering ameliorated insights into ethical conduct.

### ***Legalism***

Legalism was born during a war-ridden time when Chinese lands were in discord and order was much needed, which is why legalism disregards the idea of the beneficent nature of all human beings (Lin et al., 2018; Ma & Tsui, 2015). While Legalism also strives for harmony, it advocates for establishing a plethora of rules and laws with rewarding those who follow them without erring instead of positive means, while seriously

punishing those, who break the rules (Lin et al., 2018; Ma & Tsui, 2015). Legalism also argues that all power should be centralized and concentrated, so that subordinates' access to it would be restricted, and selfish purposes of the use of power prevented (Lin et al., 2018; Ma & Tsui, 2015). This philosophy also states that everyone should be treated fairly and equally, while even the leaders should be punished if they broke the rules (Ma & Tsui, 2015).

### ***Yin Yang***

According to an ancient Chinese belief, energy, or *qi*, consists of two parts: *Yin*, the black, feminine, and passive one, and *Yang*, the white, masculine, and active one (Bai & Morris, 2014). It is said that all energy contains both and that it starts from any of the two, growing until it cannot grow anymore, and after that, the opposing part of *qi* will start to grow (Bai & Morris, 2014). If the previously mentioned term of friction is brought back for a while, according to Yin Yang, all national cultures are always incompatible with each other to some degree, but, on the other hand, they are also compatible on some level (Lin et al., 2018).

Yin Yang leadership is particularly adept at working with paradoxes and contradictory matters at the same time, why it is considered as an able tool in cross-cultural management (Lee & Reade, 2018). Yin Yang is especially used to respond to paradoxes in the Chinese culture, as traditionally, harmony and collectivism have been the most important values, but they are being challenged by contemporary needs for individualism and directness, for example (Lee & Reade, 2018). As mentioned, the traditional values have reached their peak, and those presented by the need for modernization have been planted, someday growing to greater heights as well.

Lee & Reade (2018) also argue that paradoxes should be adopted, as they are as natural phenomena, and that managing them is a core requirement for expatriate managers to have effective stints in China. By nurturing relationships and being benevolent according

to the virtue of Yin and by being decisive and managing uncertainty and risk through Yang will bring balanced and successful results (Lee & Reade, 2018).

### 3.2.2. Key concepts of Chinese culture

As pointed out in a simplified way by Hofstede and many others, China is a collectivistic society where people are associated and work with an in-group in which the members have very close ties with one another, and the needs and goals of the group are put before one's own (Jia & Rutherford, 2010). This leads to the concept of face and upkeeping the social harmony whose main function is to protect the honor of one's family and community while putting shame on it leads to repercussions issued privately by the family (Chen et al., 2018; Jia & Rutherford, 2010). Unfortunately, the fear of losing the aforementioned *mianzi*, literally face, but, practically social honor, will make the Chinese avoid public conflicts at all cost, causing them to sometimes make inefficient decisions when it comes down to sensitive issues, which may be harmful in business contexts (Chen et al., 2018; Vihakara, 2014). Avoiding loss of face, Chinese usually do act in a reserved and indirect manner, and they tend to try to solve any possible problems in private before or after meetings in business contexts (Fang, 2012; Vihakara, 2014).

In comparison, Western ways of thinking stem from the Ancient Greek culture, where individualism and a strong sense of self were combined with public rhetoric debates, basically taking the arguing to the center of the culture, which is why the foundation of Chinese culture is in its core the complete opposite of the Western culture (Gilardoni, 2017). It is been thought that the unique developments were caused by the ancient professions as well, and since the Chinese were farming rice, which requires a lot of cooperation, a system had to be developed where the farmers could avoid arguing and disrupting the farming operations. Because of that, it is no wonder why many consider Chinese culture one of the most distant cultures there is to westerners.

As westerners tend to analytically think about things, subjects or objects taken away from their context, the Chinese emphasize the relationships between persons and items

aided by their collectivistic worldview (Gilardoni, 2017). Even the Chinese language can be considered as highly contextual, depending not only on the relationships between singular words, but also on the relationships between the communicator and the audience as well (Gilardoni, 2017).

### ***Guanxi and trust***

Interpersonal relationships in general and the in-group relations are the most meaningful to the Chinese (Vihakara, 2014; Yao, Zhang, Brett, & Murnighan, 2017). Chinese people generally see people as either family, familiar, or strangers, the last of whom they completely distrust (Yao et al., 2017). If an expatriate is considered a stranger, there will be a lack of interpersonal trust, which, combined with the fact that the Chinese may want avoid interacting with foreign strangers, will consequently make conducting business operations effectively in China close to impossible (Yao et al., 2017). The significance of trust is highlighted due to Chinese people preferring to socially interact mainly within their families outside of working hours as noted in previous studies that have recorded high values of Collectivity (GLOBE Project, n.d.; Hofstede et al., 2010). To grow out of the status of a stranger, to raise trust, and, finally, to be able to open doors to new opportunities, a foreign manager must partake in building *guanxi*, or relational exchanges that lead to interpersonal long-term relationships, the concept of which is a perfect projection of Chinese collectivism (Chen et al., 2018; Lee & Reade, 2018; Nee, Holm, & Opper, 2017; Vihakara, 2014; Yao et al., 2017). However, the term “interpersonal relationships” carries weaker nuances than the original word, which is why *guanxi* is the preferred word that is usually referred to in Chinese contexts (Jia & Rutherford, 2010). The way Chinese initiate building relationships with the help of *guanxi* is to have a shared base for communication, such as a birthplace, an alma mater or other education-related institution, or workplace in common, that the relationship is built upon (Huang & Aaltio, 2014; Lee & Reade, 2018). Yao et al. (2017) commented that positive experiences, such as friendly discussions and negating negative stereotypes,

create trust between strangers, which Finnish managers should keep in mind when interacting with these people.

Unfortunately for foreigners, gaining access to the *guanxi* circles may be very difficult due to cultural differences and the lack of trust, and they should refrain from acting as if they were Chinese to gain inside access, since it is frowned upon (Sarkki, 2017). Instead, the first meeting between a foreign manager and the person they would like to become acquainted with would usually have to be arranged by a mutual friend or an acquaintance, and the relationship will take up from there through saving face and participating in social obligations, or *renqing*. For example, participating in formal banquets or just dining with familiar people are great ways of building mutual *guanxi* (Sarkki, 2017; Lee & Reade, 2018; Vihakara, 2014). It should be remembered that these relationships are governed by the additional concepts of *bao* and *li*, or the reciprocity of receiving and returning favors, and correct, courteous behavior in the relationships (Nee et al., 2017; Vihakara, 2014). However, this reciprocity may be more complex than simply exchanging favors between two individuals, as it is common that third parties are also involved (Yao et al., 2017).

While networking is practically always formal and based on corporate or career interest in the West, the point with *guanxi* is to build intimate relations to prove that one is trustworthy for the new persons (Huang & Aaltio, 2014). Building *guanxi* can be time and energy-consuming as the interpersonal relations need to be constantly tended to, but it is necessary so that the Chinese can become open-hearted and be honest with a new person (Chen et al., 2018; Nee et al., 2017). Being a foreign manager, mingling both with one's peers and subordinates must be done, and failing to do so could be an unforgivable mistake. Sticking to individualist values will more than likely cause impersonal relationships to become low quality and competitive in comparison, so there are *guanxi* should absolutely be embraced in China.

## **Authority**

Another distinctive cultural trait of China is the prevalence of and respect for authority on all levels of society, which stems from the teachings of Confucius in the ancient era and that can be described as having a high degree of power distance within the Chinese culture (Jia & Rutherford, 2010). According to this principle, leaders should have unquestionable power over their subjects, and the contemporary business leaders do command a significant authority, but they need to provide for their employees and protect them in return (Chen et al., 2018). This authority that can be measured by Hofstede's power distance also creates a strong hierarchy and an inherent inequality in the Chinese society that is natural for the Chinese and they almost instantly know their place in it (Gilardoni, 2017; Vihakara, 2014). The other persons' age, role at companies, status, et cetera need to be considered when interacting with the Chinese, and these unspoken conditions will guide one to act socialize properly with them (Gilardoni, 2017).

As a rule of thumb, and a part of the aforementioned *li*, or social manners, a foreign manager should be more polite with older people and those that have a more prestigious job title than they have. However, the Finnish manager can be more relaxed with equal peers and act as they would normally do, but within the context of the Chinese culture, of course. With those that are younger than the manager or having a lower-ranking job position, the manager can even expect them to carry out favors to the manager, like having their bags carried out of courtesy. Of course, they need to return the favor to their elders and senior managers as well according to the rules set by Confucianism.

Traditionally, high power distance has meant that communication between managers and employees in China has been dictated downwards from the top, while still involving and encouraging people, and according to more recent studies, the Chinese implement a more open and interacting approach influenced by Western culture that is still authority-based, and it has been stated to lead into higher levels of team participation (Chen et al., 2018).



### ***Millennials and changing values***

What needs to be noted about the traditional values of the Chinese culture is that they are changing slowly over time. Chinese millennials already hold more inclusive and egalitarian views than the older generations, having matured in an international and global world with the Internet and social media (Bucic, Harris, & Arli, 2012; Kurki, 2018; Tang, Wang, & Zhang, 2017). It has made them prefer lower power distance than the older generations who lived under Communism (Bucic, Harris, & Arli, 2012; Kurki, 2018; Tang, Wang, & Zhang, 2017). Since most of them were the only child of their family due to the one-child policy of the past in China, they have been argued to crave attention and being less emotionally intelligent than the past generations (Kurki, 2018). This could also mean that they could be more individualistic and desire to express themselves to a higher degree. Also, they combine some thoughts from traditional Chinese schools of thinking but are also influenced by Western leadership theories and they would like their ideal leader to base their decisions on a logical reasoning process (Kurki, 2018).

The extent to which their views differ from the traditional Chinese culture remains to be seen, as it will still take time until these people reach the senior management positions where they will be able to influence leadership culture at a corporate level. Meanwhile, when these millennials are finishing their studies and picking up jobs, the managers of older generations may need to make some adjustments if the millennials as a mass of people resist the status quo (Kurki, 2018). However, changes in the working environment are not limited to the attitudes of millennials, as employee commitment levels are sinking in China, mostly due to the quickly changing environments both in the working life and societal institutions (Lin et al., 2018). However, even though changing working places seems to be extremely common, becoming unemployed would cause an individual to lose access to social welfare (Lin et al., 2018). This competitiveness means that fighting for one's survival in the current labor market has diminished the importance of collectivism at the expense of rising feelings of individualism, at least at work-related environments (Lin et al., 2018).

### ***Formal and informal contexts***

As discussed before, national cultures can be various things at the same time, depending on the context. Finnish employees going to China should keep in mind that informal environments outside of work are very important for developing business relationships. This can be seen as a part of *guanxi*, the trust-building process, but outside of the formal work environment, Chinese become relaxed and less reserved, losing their strong hierarchical structures, and the activities at these after-work events usually involve drinking, eating, singing, and even dancing (Fang, 2012).

### 3.3. Finnish culture

#### ***Key concepts of Finnish culture***

Finnish national culture is strongly influenced by Protestant Christian religion during many centuries, and it is based on numerous key concepts, such as equality, work ethic, individuality, and truth, or sticking to honestly speaking one's mind, in no particular order (Lewis, 2011; Vihakara, 2014; Saviaro, 2007). Truth is an absolute concept to Finns, and they can be profoundly confused by the Chinese attitude, according to which multiple truths can exist at the same time (Lewis, 2011; Vihakara, 2014). Admiring the truth and living for it makes Finns very honest and direct among the nations of the world, and they also evaluate others based on their credibility and ability to deliver on their word and promises, while keeping their expectations at a realistic level (Lewis, 2011; Saviaro, 2007). By proclaiming ultimate truths, Finns and other westerners announce that other people are ultimately wrong if their views differ, which would be a severe breach of harmony in China (Vihakara, 2014). However, it is the Finns who would be offended if the Chinese fail to keep their promises, since verbal agreements are seen binding, even though not from a legal perspective (Saviaro, 2007).

Protestantism has also traditionally highlighted the special relationship of individuals and God, shaping the culture to one that can be described individualistic as the legacy of the religion (Vihakara, 2014). Thus, the business culture tends to favor honest low-context communication, hard work, and people tend to mind their own business at work unless specifically working in group projects.

Finns are quite formal when conducting business as their focus is on the business aspects and, thus, they usually want to skip probable small talk, preferring to build relationships outside of the working context (Saviaro, 2007). Time management is important for them and they aim to work as much as they can during their working hours, but working overtime is avoided whenever possible (Saviaro, 2007). Physical presence is unrequired during meetings and distance meetings can even be preferred.

### ***A sense of uniqueness and isolation***

Being different from nearly all their neighboring cultures, Finns are separate and alone in the world as a cultural group, sharing a common cultural identity only with Estonians to some degree (Lewis, 2011). Perhaps this sense of solitude is the cause of shyness and modesty that are important traits in Finnish culture as well and are especially prevalent in encounters with foreigners (Lewis, 2011). They may regard Finns as unnecessarily silent, but the Finnish view is that every time one speaks, one should have something substantial to say, and speaking for its own sake is frowned upon (Saviaro, 2007). Also, speaking “too much” can cause feelings of doubt in Finns, since they might think that one tries to cover something by talking a lot (Lewis, 2011). Also, favoring silence leads to small talk being eliminated at all levels of society in general, including at workplaces and in business meetings (Vihakara, 2014). However, it is worthwhile to note that the younger generations are different and, it could be said, louder than the previous ones, so this silence is changing (Saviaro, 2007).

The isolation itself stems from having a language that is not related to most European languages, a frontier mentality in a mostly forested land at the edge of Europe, and a sense of loneliness experienced since their independence when they had to fight for

their survival as a nation (Lewis, 2011). This fight and facing adversities, in general, give birth to perhaps the most defining part of Finnish culture, *sisu*. It cannot be directly translated in English: Words that are close but lacking in nuance would be grit or guts. However, the concept represents bravery and tenacity when facing hardships.

### ***Paradoxes within Finnish culture***

Paradoxes, as discussed before, also exist in Finnish culture. Even though Finns are generally warm-hearted, they can be very introverted at the same time. They greatly value freedom and independence, but the Finnish society has many restrictions and Finns are known for hesitating to express their opinions. As mentioned, Finland is also considered a highly individualistic country, but Finns are often concerned about other people's opinions and share a similar concept to the Chinese "face", albeit to a far lesser degree (Lewis, 2011; Vihakara, 2014).

### ***Finnish communication style and its proximity to East Asian ones***

Even though they are mostly Western and European in their ways of thinking, Finns are coincidentally very close to Chinese and other Asians in their communication style. Disliking speaking in vain, Finns make for much better listeners than speakers, and they value silent thinking in conversations (Lewis, 2011). Much like Chinese people do, Finns are often vague in their speech (Lewis, 2011; Saviaro, 2007). For example, they frequently use verbs in the passive voice and select impersonal ways of conveying things while avoiding eye contact, and they prefer to avoid referring to people with their given names (Lewis, 2011; Saviaro, 2007). The greatest fact in common is that arguments and strong opinions are usually avoided to avoid disturbing the public harmony, even if Finns place a weaker emphasis on maintaining that harmony as serious than Chinese people do (Lewis, 2011). The figure below shows how close Finnish and general Asian communication styles are, while Finns share Western values instead of Asian ones (Lewis,

2011). However, the ultimate goal of Finnish communication is to achieve mutual decisions via compromises, and everyone’s opinion is appreciated, which cannot be said to be true within Chinese culture (Hofstede et al., 2010). Saviaro (2007) also points out that Finns can listen and read between the lines, which is common in Chinese contexts as well, since, as high-context communicators, that is expected of them.

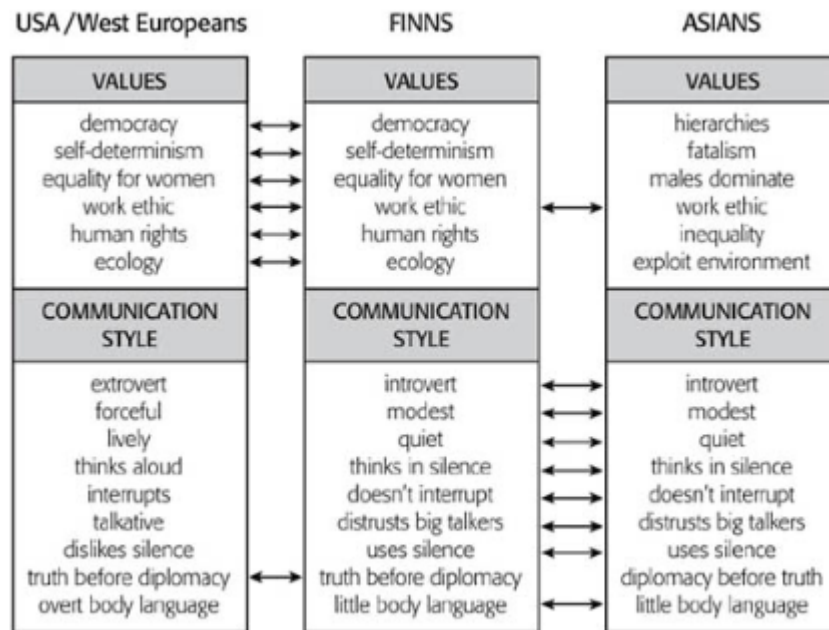


Figure 1 Values and communication styles of USA/West Europeans, Finns, and Asians (Lewis, 2011).

### 3.4. Cultural adaptation of expatriate managers to China

Even though China is currently experiencing a continuous and massive social and economic change, the cornerstone that the country is built upon is its culture that remains crucial to understand and it can be said to be the key to success within that country (Gilardoni, 2017). However, since Chinese culture is completely unlike any Western culture also described as being a “world apart,” professionals heading to China need to already have an excellent cross-cultural skillset and an ability to adapt to this alien cultural and social context while being culturally intelligent at the same time (Gilardoni, 2017; Selmer, 2005). This is surely helped by the fact that Finns are fascinated by cultural differences in general. They continually compare other cultures to their own,

and try to find potential differences, while being tolerant and polite in culturally challenging situations (Lewis, 2011; Saviaro, 2007). However, it is to be noted that even if a company, a foreign subsidiary, for example, is situated in a Chinese environment, all its employees might not be Chinese, which requires even more from the cross-cultural skills of the manager (Selmer, 2005).

Furthermore, even if an outgoing employee had had cultural adaptation training, the circumstances in which they work ultimately determine whether the extent of its usefulness – for instance, the type of organization plays a considerable role (Selmer, 2005). Regrettably, many professionals head to China with dated knowledge or no knowledge at all as the country is developing so fast that it was completely different just ten years ago, and the changes have been great in just two to three years (Gilardoni, 2017). Because of this, these managers may think beforehand that there will be no problems when they are going to China, and they will be surprised to see it is not what they expected once they arrive there. This kind of approach is especially dangerous as the damages caused by cultural faux pas are more often than not difficult to amend (Gilardoni, 2017).

One real stumbling block for mutual understanding in Sino-Finnish business dealings can be found in the differences between Finnish and Chinese ways of communication, as the former is low-context and the latter high-context, both of which can seem rude and confusing to the other party (Vihakara, 2014). Furthermore, Western values clash with Chinese ones, and forcing Western ways on Chinese managers and employees is a sure way of insulting them (Vihakara, 2014). This creates a need for an equilibrium concerning the values and the mindsets influenced by them, and at least partial adaptation, especially from the Finnish side if they are to conduct business in China – when in Rome, do as the Romans do. However, Lin et al. (2018) show that the more the Chinese employees are familiar with and open to many cultures from all over the world, the more they show commitment to their international employer. So, educating them in foreign ways may be an effective strategy if it is not overdone.

Nowadays, to succeed, different and more open attitudes should be adopted before entering a foreign market in which a foreign culture is prevalent. Without understanding the culture and its contexts, it is impossible to connect well with Chinese people – and

it needs to be highlighted that China is not a culturally homogenous nation à la Japan, for instance (Gilardoni, 2017). Much like the USA, China consists of different regions and peoples who are unified by a similar culture to a certain extent (Gilardoni, 2017). Regional and economic differences do exist within the country, so marketing and communication, in general, may be ineffective when not customized according to the different regions (Gilardoni, 2017). However, in the case of China, not only cultural factors should be considered, but the economic, institutional, social, and political themes should be eyed as well (Gilardoni, 2017). By successfully comprehending, adopting, and integrating both East Asian and Western values, westerners can significantly improve their cross-cultural management and communication, even in China (Chen et al., 2018).

Despite the various benefits, many westerners have forgone such adaptation and chances to learn from the local culture, in addition to failing to heed the advice given by the local partners or other managers in favor of enforcing their managerial practices based on their successes in the past, thinking that only their attitude towards a new environment mattered, and that learning by doing was enough (Gilardoni, 2017; Lin & Malhotra, 2012; Selmer, 2005). This is highly discouraged as the chances of failing are high, while long-term success is unattainable without changing perspectives to this unique cultural area in question, and even though some initial success might be achieved, the revenues are not as high as they would be through adaptation (Gilardoni, 2017). Fortunately enough, Finns seem adept to adapt well to cultural differences and being conscious of them (Lewis, 2011). Lin et al. (2018) also suggest that every foreign manager should build strong interpersonal relationships with their local Chinese subordinates while fulfilling their expectations and leading them in a culturally appropriate way to build trust and increase employee commitment in that way. Oh et al. (2018) also point out that expatriate managers representing the headquarters of foreign subsidiaries have the power to shape the impressions of the workforce both in favor of the headquarters and the local subsidiary, and that reinforcing the positive image via favorable actions would increase employee commitment. This is especially important when considering that, as mentioned, employee commitment is decreasing increasingly in China.

Lin and Malhotra (2012) state that especially American companies and managers feel that their need for independence and their need to control the interactions clash negatively with the Chinese value of interdependency caused by collectivism, thus resulting in a negative attitude towards cultural adaptation in China. It is hardly surprising that such companies usually report lower performance levels in their Chinese branches than in their domestic markets (Gilardoni, 2017).

Surprisingly, according to a study, Americans working in a company whose culture had high power distance were more interested in the views of their Chinese employees and integrated these opinions in their solutions to a greater degree, and in a company that favored collectivism instead of individualism, they developed more trust with the Chinese (Chen et al., 2018). Thus, organizational culture plays a major role in cultural adaptation and it should be noted while planning cross-cultural co-operation and strategies. If possible, building a mixed organizational culture combining values from both the West and China will help the company to enhance cross-cultural communication within it and with other companies as well through cooperation or other interaction (Chen et al., 2018; Jia et al., 2016).

Lin et al. (2018) also argue that by adopting both aspects of Yin and Yang in their management style, Western managers can address the low Chinese employee commitment. By manifesting Yang, by appearing strong and assertive, especially during difficult times, the Chinese employees feel more confident and feel safer in their working environment (Lin et al., 2018). However, the more traditional Yin and its values of being considerate and constructive, while tending to the relationships of the employees are also of value (Lin et al., 2018).

As an additional challenge, Chinese senior managers expect their juniors to hold them in high regard since the elders are to be respected, even though they sometimes expect their age and life experience to override the importance of expertise (Selmer, 2005). These senior managers do not usually have a formal educational background, which is practically an essential requirement for a manager in the West (Selmer, 2005). If tensions start to rise due to different values and backgrounds, trust and interpersonal relationships between Finns and Chinese will inevitably suffer (Gilardoni, 2017). As communication and interaction between the foreign and the Chinese managers begin



to diminish, unsuccessful business operations will most probably occur, leading to stress and blaming the other party for their inability, while they may fail to recognize the part that they had in it (Selmer, 2005).

According to the study conducted by Lin and Malhotra (2012), higher levels of cultural adaptation result in an increased performance level, while increasing the satisfaction level of Chinese employees and decreasing that of westerners. It seems logical, since the westerners are making more conscious effort in this case to please their Chinese partners, while the Chinese need to do less at their turf, playing by their own rules. As an interesting finding, they also found that when the cultural similarities are high between the two organizations, the Chinese experience dissatisfaction when adapting, whereas the westerners felt more satisfied in this case (Lin & Malhotra, 2012). This can be explained by the fact that the Chinese are eager to learn from successful organizations from the West but think that there is little valuable information to be learned from more familiar national cultures, such as those of South Korea or Vietnam. That is why adapting will decrease the levels of satisfaction as a result.

Shortly summarized, there seems to be a beneficial relationship between cross-cultural adjustment training and the performance of outgoing professionals, such as expatriates, backed by several studies (Jia & Lamming, 2013; Lin & Malhotra, 2012). Curiously enough, according to the study by Selmer (2005), receiving cross-cultural training gave little more advantage to adapting managers than informal sociocultural adjustment outside working hours did. There was no indication that both receiving the training and working for your adjustment yourself would be counterproductive, though. This also supports the earlier presented claim that building strong interpersonal relationships with Chinese coworkers will help a foreign national to better adapt to Chinese culture.

## 4 Methodology

### 4.1. Research approach

To find profound answers to its research questions, this thesis will employ a qualitative research method, or more clearly defined, semi-structured interviews. With these kinds of interviews, it is possible to gain both factual answers and also responses that reveal something about the interviewees' attitudes and it is even possible to probe the interviewees further with their answers when necessary (McNeill & Chapman, 2005; Sproull, 1995).

Since there were no hypotheses to be tested, but collecting the data required building the theoretical frame of reference beforehand, an abductive approach to research was chosen (Awuzie & McDermott, 2017). This approach was deemed fitting as the collected material defined the frame of reference even more specifically, and there was a continual shift between the theory and the findings so that connections could be built (Alasuutari, 2011; Awuzie & McDermott, 2017). The chosen approach also ensured that the theoretical frame of reference could be so diverse that it could be inspected from various perspectives, which would consequently reveal new insights (Alasuutari, 2011).

As to the selection of a qualitative research method, the nature of the research questions in this thesis relates more to the "how" things are done, so answers could not be easily obtained via quantitative methods that rely on given alternatives when the scope of the answers was unknown – thus, more profound knowledge about the behavior of Finnish nationals in China was required (Alasuutari, 2011; Mäntyneva, Heinonen, & Wrangé, 2008). By opting to utilize qualitative methods, more individual viewpoints and more complex and more expressive answers can be gained (Alasuutari, 2011).

### ***Semi-structured interviewing***

A semi-structured interview is in a balanced position between a structured interview with closed questions and an unstructured interview where there are no predetermined questions and where the interview resembles an informal conversation (Saunders et al., 2009). There is usually at least a research guide that contains questions arranged into appropriate themes that the researcher can exploit during the interview and it is common to record the interviews so that the focus would be on the conversation, not at writing or other mediums of non-audio recording (Mäntyneva & al., 2008; Saunders & al., 2009).

This form of research method is fairly flexible and inclusive, as questions can be added or dropped from the agenda, or asked in a variant order, depending on the specific interview occasions and the interviewees can speak in a freer fashion and tell the interviewer unexpected pieces of information, i.e. it is possible to gain sensitive insights that are difficult to attain by other methods (McNeill & Chapman, 2005; Mäntyneva & al, 2008; Saunders & al., 2009). Additional questions are even required to be asked to probe the interviewees further so that deeper data can be acquired through their explanations and them expanding what they told, which would give better answers to the research questions (Qu & Dumay, 2011; Saunders & al., 2009).

Closed questions might fail to include the interviewees' perspectives, which may be interpreted to mean that the researcher was imposing their point of view on them and ignored their reality, while the researcher just did not probably consider them – this is why open questions are more suitable for accessing deeper understandings (McNeill & Chapman, 2005). That is why such questions were kept at a minimum, and even then, accompanied by open follow-up questions.

Semi-structured interviews can also sustain smaller sample sizes due to their nature (McNeill & Chapman, 2005), and they support this research excellently. It is also helpful that people tend to accept interview requests more often than they are willing to answer questionnaires, as interviewing feels more personal and offers them an opportunity for self-reflection without having to write anything (Saunders & al., 2009).

Semi-structured interviews have their weaknesses and pitfalls as a research method, as all the other options do as well. The structure may be so loose or even non-existent that the focus of the interview might move away from the desired themes, so, preparation and good conversational skills are needed (Qu & Dumay, 2011). Since the material gathered is unique in each interview, influenced by the relationship between the interviewer and the interviewee, the repeatability is very low, and the relationship might even affect objectivity if the interviewer either consciously or subconsciously steers the interview in a direction they wanted (McNeill & Chapman, 2005). This might happen even with facial expressions and tones of voice, leading the interviewee towards a certain direction. People also tend to respond in such a way that it makes them look better, and agree with the interviewer more than disagree, to leave a pleasant impression, while they might not even be describing their reality, either by lying or believing what they say is true (McNeill & Chapman, 2005). Thus, face-to-face interviews were preferred so that physical communication could be read as well. However, most conducted interviews were done over the phone because of the special circumstances caused by the 2020 Corona outbreak, which is not entirely unproblematic. Since there were no physical clues, such as body language and facial expressions, analyzing the data is more difficult, in general (McNeill & Chapman, 2005). Also, if both persons do not share a common native language the number of misunderstandings could increase while interviewed over the phone. It was not a major factor since the telephone interviews were conducted in the native language that both the interviewer and the interviewees shared, except in one case. The analysis did take more time than analyzing face-to-face interviews for the aforementioned reasons, but the quality of data remained stable, as follow-up inquiries were sent per email when needed.

#### 4.2. Data quality

There are several factors out there that can tamper with the quality of the collected data, which should be revised before going out there to conduct the interviews and afterward. These factors relate to the reliability of the data, different biases, and the validity and

the generalizability of the data (Saunders & al., 2009), all of which are discussed below in greater detail. Before assessing the credibility of the study after the data has been collected, preparations can be made to assure that these issues with data quality can be evaded (Saunders & al., 2009).

When conducting the interviews, the researcher must know both their research topic and the organization whose manager they will interview, and it is helpful that these managers are provided with the list of the interview themes beforehand so that they can better prepare for the interview (Saunders & al., 2009). The interview locations should be comfortable both for the interviewer and the interviewee, and they should be in such places where the risk of disruptions is minimized (Saunders & al., 2009). The telephone interviews took place in peaceful environments, and the face-to-face interviews at cafés, so that the interviewees could feel themselves comfortable. Shensul et al. (1999) also suggest that the interviewer should keep the conversation flowing with little stops, by, for example, avoiding 'yes-no' questions, taking a friendly approach to the interview, and they should remain as unbiased as they possibly can (as cited by Qu & Dumay, 2011). The flow of the conversations turned out to be as described, and in some cases the interviewees could even talk for extended periods of time while they, unbeknownst to them, answered other questions and even follow-up questions when they were sharing their experiences without prompts.

The first minutes of the interview are also vital both for the first impression and for clarifying potential uncertainties, which in turn will lead to gaining the managers' consent and trust (Saunders & al., 2009). This was done in form of some small talk and by sharing some personal information to ease the atmosphere. During the interviews themselves, the interviewer should maintain a neutral attitude, speak clearly and stray away from excessively theoretical questions while avoiding comments and facial or body expressions that could lead into biases, while remaining present and interested in what the manager has to say (Saunders & al., 2009). If interviewing someone of another cultural background, the interviewer must know they can be misunderstood, and they can misunderstand the intentions of the interviewee due to cultural differences (Saunders & al., 2009). Thus, the interviews of the Chinese managers were analyzed with thought and more time to interpret what they meant in unclear situations. Since they

had already lived in Finland for long periods of time, no such misunderstandings were detected.

#### 4.3. Data collection

The interviews that act as the primary data for this thesis were conducted in February-March 2020. The interviewees included Finnish managers, most of whom were expatriates, and a current CEO that during the time was not a part of the management. Also, two Chinese managers who have studied and gotten their degrees in Finland were contacted. They have afterward had managerial positions in the country, thus, knowing aspects of both Chinese and Finnish working cultures. The interviews of the two Chinese managers support the bigger picture formed by the statements by the Finnish nationals.

Most of these interviews were conducted via phone calls, and a couple of them via face-to-face meetings, lasting between 35 minutes and over one hour. All the interviews were also recorded by permission for analysis. The original number of face-to-face meetings was to be higher in proportion, however, due to the 2020 Corona outbreak, some of these meetings were canceled and the interviews were done over the phone instead. Meeting face-to-face offered a tangible context for the interviews, and a chance for a proper introduction and small talk before commencing the interview, while it was also possible to have a closing conversation after the interview ended. Thus, it was regrettable that the proportion of face-to-face interviews was not higher.

The interviewees were selected on the basis that they had working experience in Chinese business contexts and that they had also been in manager positions. One of them entered her position as a CEO only after returning, but she introduced herself to her current industry while in China. Preferably, these Finns' stints in China should also have taken place within the past five years, so that their experiences and insights were still fresh in their minds. This was the case, except in a couple of exceptions. These people were contacted and briefed via email, and some of them received the interview guide if requested. Ultimately, the final roster of interviewees included all kinds of

people whose experiences in China were concentrated in the provinces of Beijing Municipality, Guangdong, Jiangsu, and Shanghai Municipality. Besides, the Chinese nationals that were interviewed originated from the provinces of Guangdong and Hong Kong. Since both were from Southern China, it would have been interesting to be able to talk with someone from Northern China as well, which could not regrettably be done.

### ***The interviewees***

Eight managers were interviewed in total for this study (see Appendix 1), six of which were Finnish and the other two Chinese. All the people involved in the interviews are referred to with sobriquets in this text to protect their anonymity. The companies where they work are similarly unnamed either for the sake of confidentiality. Lastly, all the Finnish managers had left China by the time of interviewing.

The first interviewee was Sofia, who was an exchange student in Southern China before she landed a job first as a trainee, then as an operational excellence expert at a large Finnish manufacturing company that has a subsidiary in Jiangsu province. She worked with the management team of the local factory for a little over one year in Jiangsu, improving the local production processes before recently returning to Finland. Sofia is also a bilingual in Russian, influenced by the culture of her other native language, which may have impacted her answers.

Matias worked as an operations manager at another large manufacturing company, also located in Jiangsu. He supervised the local factory and acted as technical support for the Chinese sales department of his company. He had lived in other European locations in advance but moving to China was a completely new experience for him. He worked for a bit under two years before returning to Finland.

Joel was a general manager at the same large manufacturing company where Sofia got her experience of working in China. Their stay in China overlapped partly when Joel resided in Jiangsu province, but he had previously been in Shanghai as well. He was no stranger to an expatriate lifestyle, having also worked in another East Asian location and

South America before going to China. He spent nearly four years in total in China, and for the time being, he is working in Finland.

Noora is the CEO of the company of her own, and she has had a long international career, starting with studying abroad. As a bilingual in English as well, she had worked as a teacher at a Southern Chinese business school, and a Beijing state school in the past. During her stay in China, she acquainted herself with the industry she is currently affiliated with, and since that, she has worked and lived in several other continents as well.

Elias has had a long career in the Finnish public sector, having worked as a preschool director and as a digitalization planner, for example. However, he took the chance to work as a private preschool director in Beijing, when he saw an opportunity arising. He had not previously worked abroad, and the company he worked in China for almost two years was Chinese. Even though he worked at a Chinese pre-school, it was a private company, nonetheless: His work assignments included direct supervision of most of the staff, making decisions on budgets and acquisitions, and participating in the board meetings.

Amanda has built her career in Finland as well, but she became involved in China due to the expansion policies of her company. She has not lived in the country while working with Chinese issues, but in her own words, she has spent numerous periods that could last anything from one week to a few weeks in China in the past years. She could not regrettably disclose a more exact number. Her stints have taken place in Beijing and Shanghai, but also in Taiwan, which is outside of the scope of interest for this study.

Of the two Chinese interviewees, Mei came to Finland from Guangdong province in China approximately ten years ago and had her education at Finnish higher education institutes. She has not worked at Chinese companies, but her current job at a large Finnish industrial company offering services, inter alia, had taken her back to work as a product sales manager in Shanghai, China until the 2020 epidemic. However, she feels like she is a part of both Chinese and Finnish culture at this point.

Kelly was a social media manager at a micro-sized telecommunications company in Finland. She has spent nearly eight years in Finland, first coming as an exchange student,



before returning to study a bachelor's degree in its entirety. After she graduated, she left for Hong Kong to gain some work experience, but after a while, she came back to Finland to study in a master's degree program. After graduating, she has decided to stay in Finland for the time being.

### ***The structure of the interviews***

The interviews followed an interview guide (see Appendix 2) that consisted of five or six themes, depending on the person. The purpose of the guide was to give the interviews a structure to follow, but the conversations did not necessarily include all the pre-thought questions or had some questions that came up during the interviews themselves. The themes in question were:

1. Background information
2. Pre-knowledge about the culture before the assignment
3. Preparations for the assignment
4. Life during the assignment
5. Repatriation

There was also a sixth theme for the Chinese interviewees the purpose of which was to inquire about the differences between different regions in China. Finnish was spoken in all the interviews save for one, where English was used. The choice was based on the comfortability of the interviewees in the selected language.

The interviewees played a great role in forming the structure of the interviews, since some were playing by the rules, i.e. awaiting and answering questions that were posed to them, while some took a more active role, recounting a great deal and the pace of the interview needed to be controlled by well-timed questions and probes.

#### 4.4. Data analysis

##### ***Preparing the analysis***

After conducting each interview, the recordings were uploaded onto a secure and verified cloud service in addition to keeping the original files intact on their recording devices, which was done to prevent accidental loss of primary data. Since qualitative research does not offer universally applicable answers, the gathered data were the impetus based on which both singular observations and connections to the theory were searched for, with especially new insights in mind (Qu & Dumay, 2011). It is good to remember that generalizations are not the main objective of qualitative research. What is most important is to question old ways of thinking and increase the understanding of the subject (Alasuutari, 2011).

The analysis included processing the data and thinking about its contents, which commenced by transcribing it to the form of text-based on the audio recordings (Saunders & al., 2009). The information contained by the text is to be read carefully, to be arranged and classified according to the similarities and peculiarities that are present in the data (Guest, MacQueen, & Namey; 2012). By comparing this material to the theoretical frame of reference, the analysis ultimately produced more data in the form of research results (Saunders & al., 2006). These findings consequently had an impact on the theoretical frame of reference, which was adapted according to the findings, and then the findings were re-examined using the new frame, as suggested by the abductive research approach (Awuzie & McDermott, 2017).

When analyzing the data, the bigger picture and generally recognized things with obscure details were in the focus (Alasuutari, 2011). However, the analysis could reveal some factors in individual interviews that suggested the existence of repeating phenomena, which were reflected on with the help of the theoretical frame of reference (Awuzie & Mc Dermott, 2017).

### ***Transcribing and coding the data***

An adequate amount of time should be saved for transcribing, since each interview can potentially take hours to transcribe, depending on the length and the type of the interview and the speed and clarity of the speech (Saunders & al., 2009). The audio recordings containing the primary data for the thesis were transcribed indeed within one week after the completion of the interviewing process at the speed of two transcriptions per day at maximum. A technique known as *basic transcription* was chosen but slightly tweaked. The transcriptions included the complete transcripts of the speech, including expletives, repetitions, pauses, incomplete syllables, and utterances, et cetera (Saaranen-Kauppinen & Puusniekka, 2006). The lengths of pauses were not marked, however. For quoting purposes, the transcripts were transformed into written language. The original Finnish interviews were also translated into English in a style that attempted to match both the formality of the study and the informality of the interviews.

The technique was chosen on the basis that one should rather be too precise than careless when transcribing, as even the transcriber has trouble analyzing bad transcripts well. Also, the level of the transcription is not usually given but decided by the researcher according to their own needs. No matter which level is chosen, the transcript should be logical and precise from the start until the finish and what matters most, is that not only should the answers of the interviewees be transcribed, but preferably also the tones and ways in which they gave them while including the non-verbal communication as well, combining all of this with the context of the interview, if possible (Saunders & al., 2009).

After the data were transcribed, a method known as *coding* was applied to the transcriptions next. Coding the data means that it is marked with different colors or symbols, so that processing and arranging it would be easier (Nowell, Norris, White, & Moules, 2017; Saunders & al., 2009). This step is described as optional, but helpful, since it helps the researcher to find observations much faster than if they skipped coding the text.

The transcripts were coded by the following colors and indications:

1) Gray color indicated cultural differences between China and Finland, Chinese subcultures, and other cultural information. 2) Light blue indicated chances for cultural adaptation, factors that improve cultural adaptation, and attempts at cultural adaptation. 3) Yellow indicated difficulties and obstacles in cultural adaptation. 4) Green indicated ways to overcome cultural differences, successful deeds of cultural adaptation, and insights gained abroad. 5) Dark blue indicated cultural similarities. Finally, 6) red indicated problems concerning returning and re-adaptation.

These codes try to correspond to the research questions and offer both new insights into the subject while tying the data in the theoretical background.

### ***Analysis and interpretation***

At this phase, connections were built between the codified data, and they were also matched with the theoretical background, allowing for the identification of possible similarities, dissimilarities, and even paradoxes. Consequently, a form of analysis called *thematic analysis* was chosen, since certain general and common themes kept repeating themselves and surfaced from the data (Guest et al., 2012; Nowell et al., 2017). Thus, the data were categorized according to the themes that can be found in the findings. These findings were compared with the theory, as mentioned, and the progress created new information that was subjected to interpretation. Initially, some themes seemed distinct from the research questions, but through rigorous analysis, they were tied to the theoretical frame of reference that did not remain static throughout the process, however. As Nowell et al. (2017) suggest, the themes, such as difficulties faced during foreign assignments and preparations done before those assignments, were revisited and refined, which allowed for a cohesive narrative to form.

#### 4.5. Trustworthiness of the research

After having completed the data analysis and achieving the results, the question remains if the research was a credible one. When conducting qualitative research, it is assumed already in the beginning that the results will be subjective to a certain extent, which is why the credibility of what they did, or the lack thereof is present in the entire research (Alasuutari, 2011; Saunders et al., 2009). To analyze the trustworthiness, the *reliability* and the *validity* of the research must be examined, as they together form credibility (Saunders et al., 2009).

The main threats to the reliability of a qualitative study all pertain to various interpretational errors and biases, more specifically, subject or participant error, subject or participant bias, and observer error and bias (Saunders et al., 2009). Subject or participant errors happen due to having different results when performing the research under certain circumstances that can affect the research, while subject or participant biases will occur if the interviewees answer in such a way that they presume that the interviewer wants to hear, or in a way that represents their companies the best, even though it could be false (Saunders et al., 2009). It can be confidently stated that the influence of surrounding circumstances was minimized during the interviews, as most of them were conducted over the phone anyway, and no signs of uncomfortableness were to be seen during the face-to-face interviews. There were neither any signs of dishonesty to be detected.

Secondly, the validity of the research reflects the logic of the cause-and-effect relationships within the study (Saunders et al., 2009). The objective of the study is not to create a universal and generalizable theory, but to try to explain the perspective of reality that the results of the study depict while avoiding logic leaps and false assumptions (Alasuutari, 2011; Saunders et al., 2009). What it means in terms of this thesis is that while the findings may show something curious about the cultural adaptation of the Finnish nationals in Chinese business contexts, it might be invalid, and most certainly is, if the nationalities were to be replaced by some other ones – the theme of generalizability is being approached, once again. It must also be considered that some

of the interviews might contain partly invalid data, as the responders could alter the answers, potentially basing them on some ideal fantasy, as discussed above. To ensure that the interviewees were honest with their answers, trust was built with them with small talk and building rapport beforehand, as described before. Also, it must be noted that the audio recordings included moments where the interviewees' voice cracked or was lost, so some words were consequently missing. Lastly, but not least, while the analyzed data was being interpreted, extreme caution was exercised (Saunders et al., 2009). Since these data would be compared to the theoretical frame of reference, that framework must be solid so that no incorrect deductions would be made (Saunders et al., 2009).

What was helpful in terms of knowing the contents of the theoretical frame of reference was that a prolonged engagement as described by Lincoln and Guba (1985) was established between the author and Finnish and Chinese cultures. The author is of culturally Finnish origin, having native-level knowledge of Finnish culture. While he had no natural affiliations with Chinese culture, the author still had minored in East Asian studies, worked with Chinese related issues, and studied Mandarin Chinese for nearly three years, granting him a basic level knowledge on the Chinese national culture.

In addition to this, the topics were further studied, and the interviewees' backgrounds were also considered during the interviews. If feasible, their working history and current companies were studied as well before conducting the interviews, working towards the diversity and triangulation of data as well (Lincoln & Guba, 1985).

As part of peer debriefing (Lincoln & Guba, 1985), the thesis was also presented to and commented on during various seminars throughout the fall semester of 2019 and the spring semester of 2020 by peers and supervisors alike. Changes were made according to the received suggestions, contributing to the final layout of this work.

Lastly, member checks were done to a degree (Lincoln & Guba, 1985). If there was something puzzling that needed additional information during the analysis process, it was directly asked from the interviewees, and each of them were promised to be provided with the results of the study after its publication. Thus, all the described actions

aimed to improve the credibility of the research, and to minimize potential errors, such as described in the beginning of the section.

## 5 Analyzed findings of the study

### 5.1. The context of the Finnish interviewees in China

#### **Sofia**

Having studied some Mandarin in high school, Sofia ended up in China as an exchange student before applying to the local subsidiary of a large Finnish company nearby to write her master's thesis while working there. She wanted to write her thesis outside of Finland, and since she could not study Chinese in her university, she thought that the best way to learn it would probably be to go to China. Learning the basics in the language aided her partially in reducing cultural and psychic distance while living in the country.

Sofia spent six months in Nanjing and was exposed to many of the peculiarities within Chinese culture during that time, which prepared her for her working period. She noted on the first clashes between the Finnish and the Chinese ways:

*"There were lots of such things that... that I did in a Finnish way, but when no one had not really informed me well, then I, for example, arranged myself an apartment of my own, and then I found out that I should have stayed at a dormitory, and then we tried to compromise with it for a while [...]."*

In the end, she stayed at the dorm, but these strong individual opinions and readiness for arguing are typical of westerners and it is likely that Chinese either give in to these arguments or just ignore or avoid them to maintain public harmony (Gilardoni, 2017). Westerners should keep this in mind while in China.

Being a part of a small group of four foreign students in her university, they were constantly approached and asked to be friends on WeChat, et cetera. As clarification, WeChat is the most popular social media platform in China with over one billion active

monthly users. While Sofia did not use WeChat to seek information per se, she had conversations with Chinese people, such as with her coworkers, which gave her access to cultural information in passing. This aided her cultural adaptation in the process, as suggested by Zaw (2018). In addition to that, the Chinese HR manager at her company usually helped her by telling her about cultural differences, when she did not understand why people acted the way they did, for example.

Sofia did not have much information about the working culture in China in advance, except for some pieces of information she received during her high school Chinese classes. When she attended a Chinese summer course, most participants there were engineers with work related to China and they told her some stories as well. She recalls hearing more about the working culture during her exchange studies, including information about hierarchy and corporate dinners that could sometimes involve a lot of alcohol:

*"... so, these kinds of stuff never came up, because the company was Finnish, so it was a bit different keeping that in mind... for example, if (I) had gone straight to work at a Chinese company... there might have been a big difference, then."*

After finishing her time in China, Sofia concluded that a year in China felt like three in Finland in terms of the amount of different matters and events at the company. Working there was more exhausting in a way since every day something unpredictable happened and the baseline of her work changed. This made her think about some out-of-the-box solutions to solve the surprising situations. These changes could be explained with the scores of Hofstede and GLOBE models on the dimensions of long-term orientation, indulgence, uncertainty avoidance and performance orientation. Since changes are readily adopted and innovation preferred, the working environment could change accordingly, and people are expected to work hard for the intended results at the expense of their leisure time. At the same time, pragmatism is favored instead of universal solutions.

Sofia feels like working in a different culture and seeing different ways of working gave her a larger perspective on intercultural work, though. She also learned how to prioritize which battles to fight for since there is not enough time and energy for everything due



to cultural differences. Her time there made her think more about how people may react to different situations, words, and even the ways that words are said:

*"[...] (I) thought about (the reaction) in my mind before saying something... if I was in a difficult communication situation, then (I) was thinking more in my mind how to express this thing in a way that will help me get the answer I want... and... I think that is such a thing that people will learn by doing work by concentrating on that, but I also think that by working in China, I learned it faster in a way [...]"*

Thus, Sofia opted for a more indirect, high-context style of communication and adapted in a way that gave her the ability to appear courteous and to save face better, as described by Vihakara (2014).

### **Matias**

Matias had worked at his company for five years, when he found out that there was an internal search for a production manager in China, and he applied for the position, being chosen after a while. Being well-traveled and having lived abroad before, he was curious and interested to see how things are done in China, which motivated him to apply. Having experiences of living outside of Finland helped him to reduce the psychic distance even in China. In a similar way as stated in Jun et al. (2001) and Oh et al. (2018), being motivated for the assignment potentially reduced the negative feelings Matias experienced while he resided in the country.

Matias' knowledge of Chinese culture, and China, in general, was superficial and based on assumptions before he left for his assignment. It is somewhat surprising, considering that he had been in contact with people who worked with issues related to China at his company. In addition to that, Matias knew little about the local working culture.

Matias stated that he had looked for some information and reading about China after he was chosen for the foreign manager position, but admitting he did little work with that. His company decided to organize no cultural training for him, and he would like to remind that he was among the first expatriates that had originated in the Finnish parent company. Therefore, he had to learn in practice. He highlighted the importance of

learning and reading even more information and starting to study the language well ahead of time. Matias himself knew no Mandarin in advance:

*“No, I could not (speak Mandarin) and I cannot really now, either, and I actually blame myself for that a bit, since I talked a lot with Finns and expats mainly from Europe, and those who were the most successful had started to study it (Mandarin), let us say, half a year beforehand, so, maybe they have had a better urge to learn and continue to study it in China for whole that time.”*

Matias reminded that he had a six-month-old child when he and his family left for China, so the six months leading up to the departure were an unsuitable time for building a strong motivation to study Chinese in the evenings.

However, Matias feels like coming home caused more anxiety than going to China. It was partly caused by feelings of disappointment when the time at a new and exciting place had come to an end, and he would return to the same point that he left from:

*“[...] the Chinese rhythm of life is a lot, especially at work, a lot, a lot faster, and that clock speed is higher, so, all the time (things) happen faster and it feels like your heart beats faster as well. When you will come to Finland, everything takes time and nothing happens, so it is rather a concrete (thing), you will come at a Finnish workplace, so, everything is a lot slower and that is quite a surprising shock...”*

Matias feels like Chinese are similar to Finns in their core, having worked for a long time with them and spent many an evening together with them. However, there are strong models of thinking imposed on the Chinese at home, by the schooling system, and by the society. He feels as if he had the chance to understand their thoughts by challenging both his Finnish ways of thinking and their ways of thinking. Therefore, he had successfully reduced the experienced psychic distance while in China.

Matias strives to continue maintaining the speed and effectiveness that he faced in China, which was probably due to high Performance Orientation in the culture as depicted in the GLOBE model.

### **Joel**

Joel had already worked as an expatriate in various countries when his former supervisor asked him to come to China for a second stint. These experiences of working as an expatriate in different locations had also contributed how he felt distances between his

culture and other cultures, and the fact he had worked in China before had already decreased the perceived social distance, aiding his adaptation. First, he was in Shanghai for two years, and then, he took up his former supervisor's position in Jiangsu province for another two years. During his first time working in China, Joel got to know Shanghai and Beijing, and he already knew about the practicalities of China. He has always preferred to go somewhere for a longer time to better understand the local culture, customs, and tasks at work. Even though he has had the option of going to a lot of countries for just a week at a time, he has declined the chances in favor of longer stints.

Joel received no cultural training for his second time in China in advance, but during this time there was a two-day familiarization event in China. In practice, there was a Western consult who had a course about "the collision of cultures." There was a group of both Western and Chinese people who were faced against each other, and the consult brought some cultural differences up in a comedic way. Joel remarked that he probably would mostly have forgotten the course if it did not include both Chinese and Finnish people. He pondered that if it were organized in Finland, it may have had been completely different.

Aside from this, Joel's employer organized no compulsory training, but he added that if he had wanted to, he probably could have had access to some training. His company had hired a consultant company to take care of the paperwork and other daily errands that he could contact if there was something he needed to know, but there were not any greater problems he needed help with. This resonates with the former experiences of Finnish companies in China, as it was stated that such technical difficulties are one of the most significant problems in the country (Kaitila & Kotilainen, 2017).

Joel knows little Mandarin Chinese, which he considered strange since he has a Chinese wife now. Their relationship surely further reduced psychic distance and increased his cultural knowledge of the country. He remarked that he was fine with speaking just English, and that the international environments in Shanghai and Jiangsu aided him to survive without speaking Mandarin.

Like Sofia, Joel pointed out that the most interesting aspect of working in China is that there are no two similar days, meaning that surprises will need to be expected. He

pondered that if someone hot-tempered went there, those changes would probably be too much for them and that working there for extended periods could make you numb to it. He felt slightly relieved coming back to Finland, not because of leaving China, but because of knowing that he could return home when some expatriates have never broken out of that lifestyle.

### **Noora**

Noora had no experiences of working abroad before she applied for a position at a private business school in Guangzhou, Guangdong. Despite that, she had traveled a lot and already studied abroad, which helped her reduce the psychic distance on some level even when staying in China. Noora wanted to go there, because she had graduated and she wanted to do something else in her life, having no prior knowledge of the country.

Noora studied Chinese culture little in advance since she wanted to embrace the culture as it was, and to form no preconceptions about the culture before experiencing it firsthand:

*“Well, I have always been more, like, about... that setting too many prejudices... and familiarization, well... [...] it is not really good for your mind when you can find so much information these days... so, (the best way) of all is when you just indulge (in it).”*

The approach she chose enabled her to avoid possible confirmation biases mentioned by Baack et al. (2015), according to which facing new information that conflicts one's former beliefs is harder to process and to adjust to.

She also feels that the most important thing when going abroad is the ability to turn off your own culture, so to say, and to see the country for just what it is, and nothing else, to put yourself in the people's shoes. This type of attitude is a beneficial factor in decreasing social distance, and thus, psychic distance between the cultures, aiding her adaptation process.

Noora received no formal cultural training at her school, apart from an informal student-organized cultural night for the international teachers. When she worked in the business school, Noora was teaching both business and business English classes. She studied

neither Cantonese nor Mandarin except for a little during her time there. If she needed help with something, her students and the other teachers gave her instructions, and these interpersonal relationships helped her to better adapt to the Chinese environment. This resonates with previous literature (Jia & Lamming, 2013; Jia & Rutherford, 2010; Weck & Ivanova, 2013) that highlights the importance of forming interpersonal relationships in China, and in similar developing and emerging markets, in general.

Noora remarked that returning home from China caused her few issues. She said that the best way to live in China is to avoid taking the cultural differences to the heart but treating them with humor instead. She feels as if her time in China taught her humility, avoiding judging others, and to listen and to appreciate others more. These values may be explained by the Chinese Hofstede and GLOBE scores on collectivism and humane orientation that are higher than the Finnish ones, but also by the principles of Daoism and Yang that promote kindness and appreciating others.

### ***Elias***

Elias had worked mostly in municipal positions, as a pre-school director and as a digitalization planner related to childcare, before he noticed an advertisement for the position of a pre-school director in a private pre-school with a Finnish concept in China and he became interested in it. Elias admits that he first completed the application just for laughs, but then, as he was invited to an interview, he became more serious and excited about the project:

*"... I had always somehow dreamed about going to work abroad and... to see what it is like... and in my field, there truly are very few such occasions when there is an opportunity to leave. If you are a pre-school director, then you will be a pre-school director until your retirement, that situation is not going to change."*

Elias landed the position, and thus, he relocated to Beijing. He had little knowledge about Chinese culture beforehand, and he knew little about the working culture as well: He only knew that the Chinese are hard workers. The company organized no cultural training, but he received help from the HR manager of the company in some practical issues. Elias knew no Mandarin either and he also had some challenges with English,

since he had never needed to actively use it as a working language. This is problematic when considering that language fluency is a requirement for mutual trust (Barner-Rasmussen & Björkman, 2007). Since Elias' cross-cultural skillset via education or experience was weak, his ability to adapt and experience less psychic distance may have been negatively influenced as a result, as suggested by Gilardoni (2017) and Selmer (2005).

Having spent nearly two years in China, he returned to Finland and admitted that he would probably have disliked the idea of living there for a longer period. Elias' perception of Chinese culture was somewhat negative, which indicates that his cross-cultural motivation suffered as a result in China (Oh et al., 2018). It may consequently have hindered his adaptation process as well. What he learned in China was that you can survive from all kinds of challenges and he got brave enough for other similar experiences in the future.

### **Amanda**

Amanda worked at a Finnish company that had expanded its operations in the Chinese market, which belonged to her area of responsibility, to such an extent that she needed to go on numerous business trips, even though she had no experience of working as an expatriate:

*"They (stints in China) were always counted in weeks, you never went to China for just a day, but weeks. But these stints happened really often."*

As she was no expatriate, the company arranged no training for her, and she went there with little preparation. She had no preconceptions about Chinese culture or the working culture besides what a Chinese subordinate in her team had told her and advised her:

*"[...] they (the employee) had been to Finland a lot, so, in a way, the threshold to go there was lower, but some basic things were advised to me [...]"*

This attitude was helpful for Amanda as it enabled her to experience less psychic distance to Chinese culture. She was also helped by the fact that her local coworkers were very Western in their ways of acting, and they knew how Western companies

worked, which aided cross-cultural communication. She is also an open-minded individual, which she thanks for experiencing no cultural shocks. What she learned in China was that life is somewhat similar after all since the same regularities worked there. She stated that it is easier to go there and other different places now after that epiphany. In the end, she could reduce her psychic distance to such a degree that she could see similarities behind the obvious differences on the surface.

## 5.2. Differences between Finnish and Chinese working cultures

### **Hierarchy**

Hierarchy is a significant factor in Chinese workplaces. According to Sofia, it is customary that hierarchies are strictly followed in China, and if a supervisor has said that something will or will not be done, that order will be obeyed. The statement corresponds to previous literature (Gilardoni, 2017; Lin et al. 2018; Ma & Tsui, 2015; Vihakara, 2014) that claims the heritage of Confucianism is strong in Chinese culture, advocating obedience and respect for those ranking higher in power.

*"[...] I think that at our place it was in a way... not that hierarchic, ultimately, just because the company is Finnish [...]"*

In companies that have a company culture of a Finnish origin but that are located in Chinese business contexts, employees from both Finland and China need to culturally adapt, at least to a certain degree, since such organizational culture consists of mixed values. Chen et al. (2018) together with et al. (2016) stated that having such an organizational culture with mixed values would lead to mutual benefits, such as improved cross-cultural communication and trust between the two parties. The process is aided by the fact that Finns tend to acknowledge cultural differences well and adapt to them accordingly. Meanwhile, Chinese people are also especially open to Western cultures, and they are keen on adapting to them as promoted by Daoism as well, if not overdone (Lewis, 2011; Lin & Malhotra, 2012; Lin et al., 2018).

Sofia stated that even though she and her group of Finnish exchange students had attracted attention while at the campus, it was her young age that got people's attention at work. She recounted that younger employees in China usually have no work experience when they graduate from universities, which leads them to not know what to do:

*"In China, they wait for someone to come and tell them, 'Do this, this, and this now.' And that was something that I did not fully understand in the beginning... or realize [...] nothing will happen... unless (you) do not give them some very specific instructions... and then they might just sit down and wait for... the new instructions to come (laughs)..."*

So, Sofia could see that these Chinese employees lacked initiative, and when she took initiative and went to ask questions to her Chinese coworkers, they were surprised. She could also outright tell people that she failed to understand something, or she could even argue with them, which is again typical behavior for the Finns and low-context communication. Mei connected the lack of initiative to the fear of doing something wrong. She also pointed out that not all Chinese are passive like that, but some are very proactive and come back with more questions and ideas about the tasks.

Matias acknowledged that he is in his mid-thirties and he does his daily work assignments well, but, in his experiences, a person's age is still a factor in China:

*"[...] if (I) were like a 60-year-old grayhead, and said that things are like this, then the Chinese would listen to what I say with a completely different ear..."*

This is also due to Confucianism and a respect for senior managers, who sometimes lack expertise making certain decisions, even though a leader should be educated and have the expertise for their tasks, as Confucianism also declares (Lin et al., 2018). However, due to their age, their will is done without being questioned (Selmer, 2005). Foreign managers also expected to be especially polite with their seniors and those who have higher ranking titles than they do as part of social manners (Vihakara, 2014). This may be perplexing for Finns, but they can expect their juniors and those lower in ranking to do the same for them, though. Kelly brought up a Hong Kongese joke, according to which, if you are applying for a position, you need to take a chair in the hallway and wait with other people, then, one day, you might land that position based on that you waited and got older, not that you qualify for the position.



Concerning the Chinese who act little on their own, they dare not act and make independent decisions because they fear they would do something that would cause either them or someone else at work to lose face due to working in an undesired way, causing them or their managers to lose face (Chen et al., 2018; Vihakara, 2014). Mei confirmed this by stating that there are lots of people who have no initiative and are afraid of asking for instructions. She also remarked that people might begin to have more work experience before graduating since summertime jobs and part-time jobs are becoming more and more popular. Mei explained that in the past, working in the summer was inconvenient since people finished their studies in July and then went back to campus in September. She knows people who have taken up part-time jobs teaching younger children who are at primary school.

Due to hierarchy, everything can become complicated. Sofia also spoke about a local production supervisor who had an idea that they wanted to develop further, and Sofia suggested that they should book a meeting with the managing director:

*"[...] and then, the supervisor was like [...] '(I) cannot (do that).' Afterward, they wrote me a message on WeChat: 'Hey, I cannot (do that), but if you could book that (time), it would be really good.' [...] because they should first ask their own boss, and if their own boss would agree, then they could book the time. But they think that their own boss will say no, so, it is that kind of story about hierarchy..."*

Sofia finally booked the time and invited the supervisor in question there, and it was alright when "she came up with the idea on her own," and evading the issue with hierarchy. Thus, the problem was solved privately, as suggested by Fang (2012) and Vihakara (2014). The extent of the problems caused by hierarchy was dependent on the people because some employees traditionally thought that they should ask their supervisor about every single matter not related to their responsibilities. However, there were also more independent people, who saw no problems with asking the right person straight away, but there were fewer of them, according to Sofia. Matias added that there are some very intelligent employees out there, but it is impossible for them to participate in everything due to hierarchy. He also remarked that if a manager has very light command on their area of expertise, a lot of their subordinates dare not participate in the decision-making processes. He recognized that this phenomenon is prevalent in East Asia, in general:

*"[...] even though there is a lot of talk in Finland that employees are not involved (in the decision making processes), it is good to remember (that)... people's voice is heard quite well at Finnish companies and there are possibilities [...] and our hierarchies are small... so, there is a strength in that..."*

Scores on the dimensions of power distance and participative in the Hofstede and the GLOBE models also indicate that Finnish managers would be more open to different suggestions and consulting their subordinates than their Chinese counterparts. However, as stated, the problems are also present in companies of Finnish origin in China, and even worse in completely Chinese organizations. Joel had similar experiences when he saw that innovative people could not have their voices heard since they could not bypass their supervisors. The supervisors tended to disregard the ideas due to a lack of time, even though the suggestions were indeed feasible. Joel was thinking about setting up an idea box, but a new problem appeared:

*"[...] if you will do it anonymously [...] the Chinese will not get credit for (coming up with that idea), even though they exactly do want the credit and to rise up in the hierarchy..."*

Since the Chinese society is very competitive with a high masculinity score, employees attempt to become more important to their companies via their ideas but being rejected outright will cause frustration (Hofstede et al., 2010). Kelly confirmed this, and according to her, the threshold to approach managers is high, since suggestions are usually ignored, and if they were heard, they might still lead to no concrete results. Joel learned from this in China and he can nowadays more easily recognize people who have ideas that are hard to describe at first. He has started discussing these ideas with those people, giving them time to develop them. He has seen that over time, and when discussed with other coworkers, these ideas may give birth to other ideas, feeding progress.

Matias also commented that Chinese employees are fairly restricted and have little power when working. He added that there is more surveillance around, which is what Amanda stated as well. This can be devastating for Finns who are used to lower degrees of control and power distance (Hofstede et al., 2010). However, Finnish managers are not expected to behave like this, unless specifically requested, but it will take time becoming used to the local way. Matias connects the control to differences in the company sizes, as a lot of Chinese employees have accustomed to working in very large companies, such as traditional state-owned enterprises, which can harbor even thousands of workers, compared to the average Finnish workplace of 50-100 people.

Selmer (2005) has stated that the type of organization does affect cultural adaptation, which could be worthwhile to remember in addition to the general power distance in China.

Lastly, Joel thinks that the hierarchy does have some good sides to it. Since changes will happen fast in a modern world, adaptations to them should be made accordingly fast, which the Chinese can do:

*"In China, someone says that we do it this way, and so they do it then... and if something will go wrong, punishments are given and it is done again, and again, more or less as long as it will succeed [...] they are able to make decisions and push through to some direction, even if the direction was wrong, but they push all the same."*

Even if punishing people and failing to discuss decisions first sound suboptimal from a Finnish perspective, Joel suggested that Finns should learn from the Chinese in this regard. If leaders fail to make fast decisions, Finnish and other Western companies will eventually fall behind with the progress. Slow decision-making is mostly due to the low power distance and the high femininity and indulgence in Finnish culture (Hofstede et al., 2010). That leads to decentralized power structures and needing a consensus for reaching decisions, while people only work shorter days and do not prioritize their professional life and work, in general. Thus, the processes can take a while, which is something that Chinese are unfamiliar with. Mei also reminded that the size of an organization will affect its decision-making ability quite remarkably. The company she works at is large, old, and traditional, but, by comparison, smaller companies can make changes rather quickly and better adapt to changes, which Joel also admitted. Mei said,

*"[...] we see an opportunity, but we are not able to wrap it [...] generally speaking, a Finnish company goes to Asia where [...] high-speed companies [...] they just go for many things, [...] (they) maybe make stupid decisions, but they are fast... I think that is a drawback at Finnish companies. They are not fast enough, or we are not brave enough to invest (in) something."*

Finally, Kelly added that, in Finland, matters in business life need to be discussed in general, and potential problems need to be conversed sooner so that they and their consequent opportunities would not be ruined because of silence. She also stated that Chinese hierarchies are set from a young age since there is only one accepted path to a respected life:

*"[...] in society, you need to go to a university [...] then to work... you will get married... you will buy a house, from time to time you will invest in index funds and that is your life then [...]"*

Even though describing a picture of life in Hong Kong, the description can be extended to the whole of China. Being a highly masculine society and lowly indulgent, work and professional life are prioritized, in contrast (Hofstede et al., 2010). Kelly remarked that in Hong Kong, a person's title and status have a large impact on first impressions, whereas people are respected as who they are in Finland. The way people dress and take care of their appearance also has an impact, and even if they have an English name or not:

*"[...] Hong Kongese people usually have an English name [...] I had decided that I did not want to use my English name anymore... it was just my own decision... but I was such a black sheep [...] this English name just gives people some kind of an idea that it would be like some crown [...] or that (a person) is just better... than (a person) without an English name [...]"*

Kelly explained that having an English name has its roots in colonial times, but people may assume that if someone has no English or other foreign name, they cannot even speak English in such a case. In her opinion, people easily feel superior to those lower in the hierarchy, and that the feel-good aspects in the hierarchy were based on very superficial factors in the end.

### **Public harmony**

Sofia said that Chinese habits that slowed down the intensity of work included the fact that Chinese people tend to answer with a "yes" to everything. If she gave someone some instructions on how to do a certain task, she asked if the employee understood it, only for Sofia to realize that the task had been failed to be fulfilled the next day. Since Chinese people have a habit of pretending to know and understand everything when facing the possibility of losing face, understanding their true intentions may be challenging (Chen et al., 2018; Fang, 2012; Vihakara, 2014). Sofia found a way to bypass this, however:

*"[...] but then, I usually asked the same thing, but in a different way... for example, I could ask: 'So, what are you going to do next?' Or: 'about this?' and then you cannot answer yes (laughs), so, they had to explain, and I could see then if there was something that they did not get before [...] I tried to dance around the same subject with many different questions [...]"*

Matias did not consider understanding the true intentions of the Chinese a huge problem:

*"[...] when you will understand that: 'Okay, when they say that, they actually mean something completely else...' It is a part of an ordinary learning process that when you will observe and listen well, then you will get it... Sure, it is the same thing with everyone in Finland as well, so, is it related to culture, that I cannot say."*

Thus, Matias succeeded to grasp the clues in a high-context environment because of successful adaptation. However, according to Saviaro (2007), this could have been influenced by the fact that Finns can recognize non-verbal messages as well, in general. Joel said that they tried to implement a more participative, Finnish way of management at his workplace in China, related to the concealing of ideas mentioned before. They tried to have people introduce their ideas during meetings, and it was emphasized that trying something and failing should be embraced, since the most important point is that they tried it together and new ideas can bloom from the old ones. Joel added that they succeeded in this to some extent but doing that required plenty of work. However, according to Chen et al. (2018), moving toward a more participative system, although, still based on authority, is a current trend in China. Kelly commented on being surprised that people from all walks of life are consulted when decisions are being made at Finnish workplaces, and if someone has an idea that is reasonable and feasible, it can be even put into practice.

All the Finnish interviewees also felt that speaking a common language was a real problem to varying extents, which has a negative impact on the adaptation process and the performance of an expatriate according to Barner-Rasmussen et al. (2014). Noora had to resort to interpreters at times, while Sofia and Joel had worked at the same company, and they commented that people at the office should have been good English speakers since English was the official work language there and the management team spoke English with each other, some being better, some worse at it. Elias said that [English is appreciated, but even relatively young people might be unable to speak it. He remarked that when Chinese people learn English in school, they put more focus on the written language than the spoken one. Mei commented that in Guangdong, practically all young people can understand English to some extent and communicate in it, however. Amanda added that being unable to speak Chinese is just a part of the problem since

the Latin alphabet is widely unknown in China. She remarked that business cards with Chinese characters will open doors once shown. Joel continued with reminding that even though something was discussed with the locals in English, understanding them might still be problematic. People tended to articulate poorly, which could potentially render discussions fruitless. However, this has enabled Joel to give people more time to explain themselves and their ideas even in Finland. He added that if some bigger projects were developed and tested in Finland, the Chinese would usually be excited and would like to adopt that system. However, a westerner is usually needed at the Chinese office to work as a kind of an interpreter between the subsidiary and the headquarters of the company. Regular workers were completely unable to speak English at all, and Sofia had to resort to using a combination of hand signs and Chinese:

*"[...] it was more efficient to send emails [...] if I sent the email [...] understanding them may have been quicker, but when I received an email back, it was hard to understand who did what, and why, so (I) had to go discuss things."*

Emails were usually preferred to phone calls when the subsidiary Sofia worked in needed to contact overseas locations, when calling would have been faster. The employees were scared to call Britons, for instance, since they were afraid that they would fail to understand fast speech with an unfamiliar accent. It could take a week for a Chinese employee to receive an understandable answer to some simple questions, so Sofia felt that there was room for optimization.

Joel also noticed that those employees who speak English, but not well, dare not say, "I failed to understand." People have a high threshold to come and ask if they fail to understand something in China, and that is why they act based on how they understood it, and in Joel's experience, the result will often be wrong. Joel and his team tried to overcome it by being very open and by having almost daily conversation moments. They tried to have the employees attend an almost Finnish like "coffee break" to discuss things. He felt that opening the atmosphere was important, and he claimed that some Chinese want to work at Western companies just because of the more relaxed atmosphere compared to the rigid control of companies of Chinese origin. Amanda added that since the competition for places at universities and other schools of higher education is so fierce, people who end up in Western companies are more well-informed and less superstitious on average, which Mei confirmed as well.

Joel also commented that sometimes when a long-time manager departed from the company, their Chinese subordinates left as well when a Chinese manager was hired as a replacement. Joel speculates that this might change now that native Chinese companies are gaining more and more status and prestige, making the Chinese want to work for their own companies. As the managers in these companies increasingly come from the younger generations whose members are more international and may have studied abroad, the company cultures are bound to change. This would lead to decreasing power distances and more participative decision-making processes, for instance (Bucic et al., 2012; Kurki, 2018; Tang et al., 2017).

In addition to that, Sofia saw that certain individuals tried to avoid responsibility, or share it with as many people as they could by involving them in it so that they could avoid receiving all the blame if something went wrong. This is also connected to the desire to save face, since the repercussions would be less severe in comparison as if shared by many people.

Matias stated that the way people work and the assignments at work are considered more important to *appear* good, instead of what kinds of results they really give, and he would like to add that this is something that is changing a lot currently. Elias pointed out that when they were hiring an English teacher, native English speakers, even those with neither education nor experience were preferred at his company. Even people who had received a formal education in the English language, but for whom English was a foreign language, were immediately discarded.

### ***Interpersonal relationships in business contexts***

Matias experienced no cultural shocks in China, but he was amazed by the differences in the ways that trade is done in China compared to Europe. In his experiences, trading is strongly related to interpersonal relationships, and even though it is based on relationships all around the world, in many cases both the seller and the buyer failed to understand the properties of the articles of trade in China. However, trade was still being done significantly every month:

*"[...] you will have to brew tea for a long time to get to talk about technology [...] we do not have to explain when we are selling a product, since a European or an American engineer will realize quite quickly, why you should buy... and in China, the way it goes is like... that truly is never enough... you will have to tell them in a very detailed manner... how it is... no, no, you cannot generalize, but quite often (it is like that)."*

The properties of the trading articles matter little, since, as stated, the interpersonal relationships, or *guanxi*, is what will seal the deals, being in the center of Chinese culture by courtesy of Confucianism (Ma & Tsui, 2015). For a foreign manager in China, knowing their partners and building trust first will enable everything from sales to workplace dynamics to become smoother (Chen et al., 2018; Lee & Reade, 2018; Vihakara, 2014). If items of dubious quality are sold to a trusted person, the trust will be broken, so it is a given that the articles of sale should be flawless. Non-Chinese persons will yet need to find other ways to win this trust when trading with the Chinese. For example, they could give very detailed accounts of their products or enter thorough and long negotiation processes, during which the partners can become familiar with each other. The ability to speak a common language is also a great way to increase trust between the parties, and to improve any interpersonal relationship in China (Barner-Rasmussen & Björkman, 2007).

Joel and Noora had similar notions since when dealing with subcontractors, among others, since these are usually people who will act according to the old ways, needing their rituals, so that the customer service will be good and items will start to move. Also, since the competition is fierce due to an enormous population, the amount of local companies, and the highly masculine culture, better and better suppliers are constantly pursued and older ones are consequently replaced (Hofstede et al., 2010). Then, those suppliers that have the most volume are preferred to anyone else, even if the relationship with them had been excellent, as in the words of Joel:

*"[...] you will almost always have to have a Chinese buddy with you, so you can converse and have (them) as an interpreter... and to slow things down, when things proceed too fast and [...] if some contracts need to be signed [...] you will have to have mastered the language with no exceptions... and lived there for many years before you will be able to do such things..."*

Even having this Chinese friend in the negotiations requires a strong interpersonal relationship or *guanxi* with them, since the manager should trust this person as they are the one dictating the rhythm of the process. Amanda had similar thoughts, highlighting the importance of having someone local with her, in a way, to open doors. Finnish



managers should also be aware that there are many people in Chinese meetings compared to Finnish ones. The decision-maker of these meetings is not necessarily the person that the Finnish manager talks with and having that local person with them can help the Finn identify the decision-maker, for instance.

According to Elias, formal agreements with the Chinese mean little, since they produce nothing concrete. Usually, the initial agreements are worded like that, and as trust grows and as the relationships progress, the agreements are rewritten with more concrete and lucrative terms. Elias also thought the Chinese disregard service-orientation, being very distant to their customers. However, if a manager or someone who is with the manager knows them, the whole situation will change. Hofstede et al. (2010) also commented that Chinese can be anything from indifferent to inimical toward those who do not belong to their in-groups. That is yet another factor why *guanxi* should be heeded while doing business in China. According to Joel, it can take rather a long time before a foreign manager can truly enter the atmosphere at work until interpersonal relationships have been established:

*"[...] the Chinese will think about and take the things quite far by themselves until someone dares come to tell you that, 'Hey, we have been thinking about this...' and then it will probably take a long time before you will get into it..."*

Sarkki (2017) remarked that the difficulty in entering the in-groups lies in cultural differences and a lack of trust, which will only change with time and adaptation. Elias also added that having tasks done in China requires connections and knowing people. For example, his company could never have had a property in Beijing where to build the pre-school from the ground without knowing the right people and having those people believe in their business model since land is very expensive there. It may have had a positive effect on their relationships that the company was Chinese in origin and established in Beijing, the administrative city.

*"[...] connections across the board (are important) in that machinery as well [...] knowing people in the Communist party is a winning lottery ticket, if there is someone who can progress things. We had connections too [...] his father was a general in Mao's regime, and that buddy had power. And... people reacted accordingly, there was constantly someone serving him [...]"*

However, Elias also remarked that the Chinese are very impatient when it comes to their expectations, and they generally tolerate no delays, especially, when they have invested in something. This is partly due to the high Chinese score of long-term orientation, which

suggests thriftiness, and probably also due to competitiveness caused by masculinity (Hofstede et al., 2010). Nevertheless, there is an apparent paradox in this behavior, since usually being short-term oriented will lead to a desire of achieving fast results, but, then again, Chinese are less future oriented compared to the GLOBE average (GLOBE Project, n.d.; Hofstede et al., 2010). It would be interesting to know whether this paradox is only related to business contexts, or if it is a more prevalent phenomenon in Chinese culture, in general. According to Elias, if the Chinese fail to see an instant benefit in something, they are disinterested in it:

*“The Chinese are so stingy when doing business that... for those 10 euros invested, they will have to get at least nine back [...] there is always that idea at the background that... that the profit must be strong.”*

However, it is unclear if this statement refers to the initial agreements or those that could be done with a stronger relationship. Mei also commented that the Chinese customers of her company expect them to solve problems extremely fast:

*“They do not want to listen to our explanations, or the plan, they just want to know the result. They just want to get things done. So, in Finnish culture, we wonder why the customers do not listen to us, we try to tell them that if you choose this way, you might need to face these consequences, why do not we start slowly, test something first. But the Chinese one is that once they think that our proposal is good, they just demand us to finish something really fast.”*

However, Mei also added that the Chinese do understand that making bigger changes does take time, for example, the kind of changes that are related to society, which is a bit paradoxical, unless this understanding is limited to non-business contexts. She also remarked that she would usually be the link between the cultures, explaining to her coworkers why they need to sometimes be faster and more responsible so that they understand the Chinese point of view better, making her a “boundary spanner,” or a “bridge individual” (Barner-Rasmussen et al., 2014; Jia et al., 2016; Sekiguchi, 2018). In addition, Mei received deeper information in both the Chinese and the Finnish circles within her company that she could then share forward and increase awareness of the others’ perspectives in that way. However, even though Mei had cultural knowledge of both cultures, and while knowing both Cantonese and Mandarin she was unable to fluently converse in Finnish language, which, according Barner-Rasmussen et al. (2014) and Sekiguchi (2016) limited her role in this function.

Sofia remarked that a very traditional way of thanking someone for a favor is to invite them for dinner:

*“... so, there may have been some colleague at work who I helped in something in some way... and then, they invited (me)... to a dinner... and in the beginning, there were also a lot of such things that... when I was new... so, people may have invited me, for example, like, ‘Let us go somewhere with my family during the weekend.’ And then, they showed me places in town, for example... which I thought was really nice... and then they invited (me) a lot... to some hobby activities [...]”*

These invitations and favors directly refer to the basic activities of building interpersonal relationships in China, i.e. renqing and bao, or social obligations and receiving and returning favors (Lee & Reade, 2018; Sarkki, 2017; Vihakara, 2014). They act as starting points for relationships that could blossom from that point forward if tended to actively (Chen et al., 2018). Foreign managers should note that they should give these invitations to others as well, and it is inefficient to just wait for others to contact the managers (Vihakara, 2014). As Sofia pointed out, using WeChat is very common in China. Foreign managers can use it to invite people to events and relationships can be further maintained by chatting on the platform, which will further improve adaptation as suggested by Zaw (2018). Finally, Noora expressed that these relationships can have long-lasting effects, as she received a thankful letter from a student four years after she returned from China.

### ***Informal events***

Sofia thinks that people were the same, if they worked or not, but the topics of conversations could change depending on the environment. Contrary to this, Fang (2012) has stated that Chinese should become more easygoing outside of work, in general. However, her company organized an annual trip for all the employees to Vietnam, which she felt was a pleasant way of spending time together with the rest of the employees. In a way, she felt like it was going to the confirmation school or participating in games at the beginning of high school, which helps people to become familiar with each other as both are common in Finland.

Matias, on the other hand, thinks that Chinese people become more open and feel more at ease at informal events as suggested, and they will appreciate it when you share something about you to them:

*"[...] they usually tell everyone around them everything in their lives... to coworkers and buddies (alike)... and when a Finn tells them a bit about their own things, they become more laid-back."*

Mei commented that Chinese people are very friendly in general, but they are also more inquisitive, asking private questions easily, which is very rare between new acquaintances in Finnish culture. She had a hard time for a couple of days when returning to China from Finland for the first time. This was affected by the closeness of the Chinese social distance after she had gotten used to the Finnish social distance, which is considerably greater, by comparison. Mei also thought that Finns act more formally at informal events in the beginning, but they start to relax and behave more friendly towards the end. She feels that get-togethers are important in Finland as well, allowing people to know others working with them in different functions. By connecting with them, it is easier to ask for help when needed.

Joel said that there were three to four occasions per year when there were some informal activities organized by the company, where people become acquainted with each other. He jokingly stated, *"Yeah, when a Chinese takes a couple of beers, they can speak any language and there are no more walls in between..."* He immediately followed this by remarking that being at work in China always feels a bit dictated by the authorities, but when the staff in its entirety will leave work or go on some trips organized by the company, everyone from management to ordinary employees will behave completely differently. This resonates with what Fang (2012) stated, as hierarchies lose their importance to a degree during these kinds of events.

Shortly summarized, informal events can be effective occasions to build guanxi with local managers and employees. However, these people expect that these events are only the starting point for the relationships, instead of just connecting and avoiding further contacts afterward, which is typical in the West (Chen et al., 2018; Fang, 2012; Huang & Aaltio, 2014).

Going out and about in nature can be said to be an important activity for relaxation for Finns, but Sofia and Elias remarked that doing so may be difficult in China, compared to Finland. According to Sofia, nature is mostly absent, and to find natural environments and to enjoy them, conscious effort will be needed. Elias also remarked that the air was so polluted at times that spending time outside was not recommended in Beijing. While

not crucial to business, the absence of nature and outdoors activities could have an impact on Finns' adaptation process.

### ***Trust and secrecy***

Matias remarked that European and American companies have exported technology and knowledge in China for a long time. He thought that the Chinese are rather cunning, absorbing information, but they are seldom ready to share what they think about that information:

*"[...] that is a very traditional Chinese custom, Chinese shrewdness that they play that kind of a game that they suck the information and (they) will exploit it quite strongly, but that (information) is not really reciprocally shared..."*

Elias discussed the same matter, adding that a copying culture exists in China, and he thought that intellectual properties are imitated without even internalizing their benefits. He also suspects that the goal of the Finnish style pre-school was to copy the system:

*"[...] we had pedagogic meetings every week where we openly talked about everything, problems and else... [...] then (I) started paying attention, when one teacher had their phone continuously recording... all the meetings were recorded, all the conversations were recorded... and then they were transcribed... [...] that is fine with me, but you will have to say about it... I did say (to them) that it is fine with me, whatever you will record because I am helping you here, but you must say that openly, 'Hey, is it okay if we record these things?' So... so, it is ok, but when you do it as if the cell phone were hidden somewhere [...] so what is behind that? It also kind of brings suspicions about what... the core thing in this ultimately is..."*

He also noted on the poor flow of information and Sofia stated that there were people at her company who did not convey certain information further, but it depended a lot on the persons' characters:

*"[...] there were employees that did not... you knew that they knew (something), but for some reason, when they were asked to share that information, then they said, 'I do not know anything about this.' Even though you had conversed with them and then you just were thinking why they want to keep that information as their own, is it because when they have that information, they can then use it... in a way, they can use it to profit from it at some point."*

What these stories share is a lack of trust between numerous parties, and the hidden or withheld information is kept in secret for either one's in-groups or one's own advantage. Since the society is so competitive, everything that may give one the edge over other

people is eagerly grabbed. This commonly happens even if the procedures or even the advantage itself were unethical from a Western perspective. The concerns are valid since even the Ministry of Foreign Affairs of Finland (2019a) had discussed them and warned Finnish companies about intellectual property theft.

Amanda remarked that since her teammates were changing from time to time, someone new who had something to hide in her opinion worked in the company for a short time. She described that as a small disappointment to her. She said that people cannot be trusted in the same way as in Finland, since people may prioritize their or their in-groups interests ahead of that of the company. However, she also noted that the opposite:

*"[...] I was there when the enormous earthquake in Sichuan occurred [...] so they collected money for help at the office and there was a huge amount of bills there, so helping their own country is important to them [...] they did not ask, how many... tens in euros there were... so it was seen as very important... and in that way collectivity will rise up..."*

Knowing that only the in-group persons usually matter to the Chinese, what Amanda recounted sounds paradoxical. It seems as if sharing the same nationality would be of great importance to them, or the disaster may have extended their definition of in-groups for the time being.

Matias commented that the best way to have the Chinese to speak their heart and to become more open is the result of a long process of building trust:

*"[...] if you know a lot about something, and the other party knows a lot, then the things will start to unravel, little by little... but the surroundings will have to be such that... speaking and conversing is like easy to them... and surely it is, like, that... that the best conversations are very seldomly had in English over there... in my opinion, that is a fact."*

Chen et al. (2018) have stated the same since there needs to be a strong interpersonal relationship before trust and honesty will be achieved. Matias' anecdote also suggests that being fluent in a shared language would be helpful for the expatriates (Barner-Rasmussen & Björkman, 2007). In addition, if the company is a foreign subsidiary originating from Finland, for example, its managers should share pieces of information about and from the headquarters with the locals. That will improve the experienced levels of trust and it will generate positive feelings toward the manager and the employer in general, even leading to enhanced employee commitment (Oh et al., 2018).

There could well be a challenge ahead for Finns since Kelly stated,

*“Finns can speak about things properly and open-mindedly in a way, which is good and can solve problems, but if... this thing that is discussed is not something very deep, then there is a certain border after which people cannot, cannot deal with things open-mindedly, so... I do not know if it is just deep in human nature that no one wants changes in the end [...] people want good ultimately... they are ready to listen for a bit but to a certain extent...”*

Thus, learning to open one’s mind and avoid prejudging cultural differences while learning the Chinese language seem to be the absolute catalyst for increased cultural adaptation. However, managers should note that regional dialects and languages are spoken all over China. Mandarin is the native language only in Northern China while educated people speak it nationwide, nonetheless. Elias also noted that when he tried to pronounce something in Chinese, people were strict about his pronunciation, which discouraged him: *“It is not (essential) that you get afraid of saying something funnily, and in China, they pay attention to that funniness...”* Incidents such as these may certainly have a negative effect on outgoing managers’ cross-cultural motivation.

Mei had noticed that when her Chinese coworkers interacted with her Finnish colleagues, communication was slightly formal and polite, even though they had been working together for quite some time:

*“[...] so, they just do this and tell the fact [...] the communication in the emails... when the Chinese colleagues write to me, they talk more, how they truly feel, or why... [...] so, this is something different how they treat Finnish and Chinese people [...] I feel my Finnish colleagues also tell me more (about) their feelings than to their other Chinese colleagues... so... I am somehow in between this... so, I... I... hear a lot of... their own opinions, in a way.”*

The willingness to share deeper feelings is directly related to experienced trust between individuals in China, which is yet another good reason why multinational companies need boundary spanners to build trust between various culture groups within them (Barner-Rasmussen et al., 2014; Oh et al., 2018; Yao et al., 2017).

In Noora’s experiences, the Chinese can be very good-natured, and there are people who act altruistically. She thoroughly felt people’s humble attitude and appreciation, and when people were thankful, they truly meant it in her experience, which made her appreciate China and the Chinese even more. That is the other end of the spectrum that can be reached once trust has been established. However, Noora interacted with people in a scholarly context, raising the question if the process of building guanxi differs in corporate contexts.

### ***Efficiency and leisure time***

Sofia thought that Finns are perhaps more efficient employees in quite many ways, even though the atmosphere at work is more relaxed in Finland. According to the GLOBE Project (n.d.), Chinese people are considerably more performance orientated than Finns. However, this would mean that hard work and performing well are rewarded, while they might not necessarily be efficient per se, and Confucianism advocates these values as well (GLOBE Project, n.d.; Lin et al., 2018). Since the Finnish score of uncertainty avoidance is rather high, Finns have a subconscious need for work and staying occupied, while they score somewhat high on indulgency and femininity, which balances the desire to work with a desire to enjoy life and to self-actualize at work (Hofstede et al., 2010). Meanwhile, everyone had the same working hours at the company where Sofia worked in China, so it made no sense to work more efficiently, because common transportation away from the company back to the city still left at the same time every day. If people were preparing to work overtime, they brought food at the factory and set themselves in the right mood, since the first hour of overtime was not compensated. According to Sofia, there would have been no need to work overtime to such an extent in the first place, if the tasks at work would have been done more efficiently, said Sofia.

*"[...] somebody may have decided that they would work overtime that day and then they stretched the time they worked, which would be very illogical in Finland, in my opinion."*

Amanda also remarked that the Chinese worked long days, while she questioned their productivity, and Elias had similar experiences, noting that the workdays are long indeed, but the time during them is used inefficiently:

*"There might be a little naptime in the middle of the day, and... we work for eight hours (in Finland) and that time is efficient, while there the Chinese officially had an eight-hour workday, but they may have worked for 10-12 hours without receiving any compensation. When you are at an employer's service, then... you are."*

Elias thinks that people should work shorter days more efficiently, which would also be good for the Chinese economy, in his opinion. He continued,

*"[...] you will get fired quite rigorously if you do not do your job or tend to it. Because the workforce is so cheap, it is easy to take the next ones in again... and just that... if someone gets tired of that and decides to say that, 'Now I will leave,' it is an insult against the employer in a way, and then they might get*



*entertaining and reply, 'We will not pay your last wages at all, then.' So... the way they act is not really fair all the time."*

So, flexibility and independence are at lower levels than in Finland, as the employer has plenty of power over the employees, as suggested by the Confucian heritage and the high score of power distance (Hofstede et al., 2010). Also, this partly explains why the commitment levels of the employees may be low, in combination with the changes in working environments (Lin et al., 2018).

However, Matias regards Chinese as industrious people and hard workers, while many of them are very ambitious:

*"[...] it is due to the fact that when there is an enormous mass of people and if those people want to get a better job, you will want to differentiate (yourself) somehow... you will truly have to work a lot, and not in a half-baked way..."*

Sofia also remarked that the sheer amount of people at work is behind the fact that tasks can be done fast:

*"[...] when I rented my own place, they were just building a subway station over there... and I was like, 'Shucks, I will probably have moved away by the time the subway will be opened.' And they had it opened by Christmas. So, they had constructed the whole new line in half a year [...] and they had plans to construct two more lines at that point..."*

There lies a paradox within this since the Chinese way of working has been described as inefficient, but, on the other hand, feats like that are possible. Sofia also discussed the construction of the tram lines in Tampere, Finland, which has taken years and is still not finished. The comparison is interesting, considering that the Finnish way of working has been described as more efficient before. Sofia's input on the matter was that in China, someone with authority will ultimately arrive and say what needs to be done, and then, unresolved tasks will suddenly proceed.

Mei commented that Finns do appreciate private time after work, even though they work hard, but the Chinese have a different mindset:

*"[...] Chinese people... because of the Confucian culture and also the customer needs, we tend to work more hours to satisfy the customer, so we do not mind to work overtime [...] in China, if they have departed (from work), then clients call them, then they will still find the time to fix the things..."*

These mindsets can be partly explained with differences in performance orientation, masculinity and femininity, and indulgence, when Finns appreciate private leisure time more than working, whereas Chinese favor the opposite (GLOBE Project, n.d.; Hofstede

et al., 2010). Kelly added that Finns are consciously wanting peace after work, but in Hong Kong, people work all the time:

*“They think that ‘a break’ is such a weird concept [...] because the rents are so high... there is no such thought as: ‘From time to time, we need a break.’”*

Kelly continued by discussing that people complain about work all the time, even referring to working as suffering. She clarified that the people think they have no choice, they will just have to work to make ends meet. Noora also recounted that people could not afford to be absent from work, so if they became sick, they were treated with intravenous antibiotics so that they could return to work fast, and that her students had long days at school, as did the teaching staff. Thus, having leisure time might be inconsiderable for Chinese people.

Lastly, both Joel and Elias discussed the fact that bureaucracy is high in both China and Finland. In Joel’s experience, receiving a Finnish resident permit can take nine months, and Elias waited for his Chinese work permit for 10 to 11 months. Elias said that that caused all kinds of complications since a Chinese bank account cannot be opened without the permit, for example. He also commented that the people at his company were slightly inexperienced, since they were inefficient at dealing with the bureaucracy and, then again, the authorities are very strict:

*“For example, if some stamp on a paper is facing the wrong way or something else, everything must be done again [...] when the clerk sees a mistake on the first paper, they say, ‘There’s a mistake, this will not be processed,’ and hands over the pile of papers, which is the end of discussion [...] Things are not looked as a whole and instructions are not given [...].”*

Elias admits that there is always a solution for any problem in the end but reaching that will take an enormous amount of time, so the work could be more efficient. In addition to that, when his Chinese company tried to import Finnish pieces of furniture and other materials from Finland, the Chinese authorities disapproved of the deal, and Finnish export documents were not accepted. In the end, they had to acquire everything locally that they originally wanted to export.

### **Changing values**

Matias saw a clear difference between senior employees and their juniors, and he thought that the younger generation is somehow similar to their global peers. The differences between generational values are due to the more international environment of the Internet age that the younger generations were raised in, combined with the one-child policy during that time (Bucic et al., 2012; Kurki, 2018; Tang et al., 2017). In Matias' opinion:

*“They have been more influenced by our actions and we have been more influenced by their culture, so the differences are a lot smaller, and people are really bright, following international issues and they learn fast... I cannot say anything concrete... but there is a difference.”*

Noora thought that especially young people in their twenties were very enthusiastic about internationalization, whereas older people seemed as if they were frozen in time. While Joel also thought that the older generation appreciates authoritarian and old-styled ways of working, he added that when the younger people who have studied abroad will become managers, many changes will consequently happen, which is what Kurki (2018) has stated as well. Joel speculated that especially local companies related to digitalization, telecommunications, et cetera, may already well be very progressive when it comes to their work cultures.

Elias thought that only the young people who know English are different, but since he regularly conversed with the parents and even the grandparents of the children at his pre-school, he had the chance to see how wide the gap between the current and the older generation is as well. He also thought that the older generations may have had their prejudices towards westerners based on history, and how Western countries treated China in the past.

At Sofia's Chinese workplace, there were some employees aged 35-40 who were progressive with their ways of thinking, for example, when it came to hierarchy. These people knew how to profit from the hierarchy, and when it was unsuitable for them, they could shed that part of Chinese culture. They had been influenced by Western company cultures and they used their multicultural knowledge so that they could have an edge in the competitive, i.e. masculine society (Hofstede et al., 2010). However, their

age was insignificant, since the very traditional employees were also close to 40-years-old:

*"I would say that it is more related to where they have grown up... and where they have worked before. For example, [...] this HR manager who was non-Chinese in some ways [...] (they have) lived in areas with a lot of westerners [...] they have never worked for Chinese Chinese companies... Then there was another colleague [...] they had worked in some American companies... and traveled a lot... and seen the world."*

Sofia concluded that the more traditional employees hailed from smaller places, they were uneducated, they had traveled less, and they worked for Chinese companies at an earlier time. Amanda had similar experiences, according to which the place and the family where a person came from mattered more than their age:

*"[...] if they had moved from the countryside to the city, so... there are still those kinds of... for example, beliefs... a bit like superstitions... whereas those who have had something more to do with westerners, so, those... those attributes are not apparent."*

However, Amanda recalled that someone had talked with her at work about converting to Christianity, which was surprising to her that someone would adopt Western values even willingly. Perhaps this was an attempt to increase one's status as Chinese are highly pragmatic (Hofstede et al., 2010). Consequently, they usually express no faith in any religion.

### 5.3. Differences between Finnish and Chinese styles of management

Joel never had a Chinese supervisor, but he noted that the managers were different persons with different styles of management. Some were more traditional and reserved, and some were more open, but he remarked that people are like that in Western companies as well. He thought that since his company had been in China for quite some time already, the local managers had become familiarized with the Western working culture. However, if someone new was added to the management team, that manager would be really surprised at first about the ways of management at the company, When the opinions of these new managers were inquired, it took them some time to become used to it.

During her time in China, Sofia had a Chinese supervisor who managed her to a minimum extent, according to her experiences. This manager arranged for training sessions and advised her to talk with the right people to smoothly begin her time at the company, but that was about it. If the manager had needed some help from time to time, she came to Sofia and asked her if she could do something or had the time to do something, but Sofia had usually already done what was expected of her: “... *she was (acting) more like a support, if... (I) required some help...*”

Based on this account, Sofia’s Chinese manager was heavily influenced by the tenets of Daoism that promotes passive leadership in a similar way as Western laissez-faire does, even though Daoism is not as important for Chinese culture as Confucianism is (Bai & Morris, 2014; Lee et al., 2013; Ma & Tsui, 2015). Sofia herself stated that she was the only such manager she encountered in China.

Sofia also recounted that her supervisor had worked at the company for practically the whole duration of its existence and she had also acted as a temporary managing director for the factory, and thus, she had the most seniority of all the employees, and was respected because of that: “... *so, if she said (that) something (needed to be done), people did that.*”

Respecting her seniority stems from the hierarchies, high power distance, and Confucianism, in general (Gilardoni, 2017; Lin et al., 2018).

Sofia eventually learned that if she was unable to force the discussion of some ideas or decisions she had by herself, she asked this manager to be present in meetings, and then, if she said something, it was done since this manager was present. Sofia admits having exploited this, but the manager understood why she did it, and in a way, she agreed with Sofia and informed her that if she needed help, she would just need to invite this manager to come along. This pertains to pragmatism and the tendency to bend rules to fit each situation, as courtesy of high uncertainty avoidance (Hofstede et al., 2010).

There was also an older manager who refused to do anything that he was irresponsible for, but Sofia clarified that this could be a universal phenomenon, as she had encountered similar managers in Finland as well. It may well be yet another way of doing the bare minimum, so that these managers can save face if difficulties are faced.

Amanda discovered that even some employees could be like that and giving them instructions and orders was unhelpful if they had already made up their mind about the right way to do things. This type of defiant behavior seems highly atypical for ordinary Chinese employees, since the managers and those who are higher in the hierarchy should be respected in any situation (Chen et al., 2018; Lin et al., 2018).

Matias remarked that his observations about Chinese leadership led him to think that the Chinese way was more rigorous, and even militaristic compared to the Finnish one:

*"... somehow the individual is not really trusted, and that way it is based on rather strong rules and orders... the way things are done. Maybe it could be compared to... the Finnish way of management does tend to be quite soft both at the office and on the employees..."*

Mei has never had a Chinese supervisor, but her experience has been that Finnish managers are very soft, supportive, and engaging, in her opinion:

*"... they do not demand you to do anything, you need to be self-corrective to think about what you want to do [...] you need to have your own ideas and propose them, and then... they will encourage you and... so, Finnish managers, they are more... supportive. They do not necessarily tell you what they want. Or maybe they do not even know."*

She stated that it is very different compared to how tasks are done in China, where the managers, based on what she knows from her time in China and what the Chinese managers of her customers have done, might give very clear guidelines what they want to be done. Also, if some tasks cannot be carried out to completion, Finnish managers are more understanding and leave the fact usually unsaid. Their Chinese counterparts are more target-oriented, in her opinion, and they do not care if the employees are exhausted or not doing well, whereas Finnish managers appreciate their employees' well-being and encourage them to enjoy life more, in a way.

What Matias and Mei remarked is typical for Confucian leadership and a high power distance, but it is contradictory to the GLOBE values of humane orientation, since the Chinese score is 5.19 and the Finnish one 4.30 (GLOBE Project, n.d.; Lin et al., 2018). This would suggest that Chinese management would be more caring, but Matias and Mei had the opposite experiences. Management based on Yin of Yin Yang is described as nurturing and considerate (Lin et al., 2018), but the interviewees failed to detect such managerial behavior patterns.

Amanda had no clear experiences of the Chinese ways of management since she never had a Chinese supervisor, but she commented that the local employees acted in such a way that a more rigorous way of management was needed. Their ability of self-guidance was poor, and they took little initiative, waiting for the manager to come to them and tell them what to do instead, as described in the previous section. Relating to the previously mentioned hierarchies as well, Kelly stated that in Hong Kong, people seldom prefer to express their opinions. They know that the supervisors would just ignore them since they are lower in the hierarchy and that the managers are unready for changes. She said that both in Hong Kong and in China, in general, changes are faced poorly. This resistance pertains to the high score of long-term orientation in China and slightly lower future orientation than on average (GLOBE Project, n.d.; Hofstede et al., 2010).

Noora commented that she had total freedom when planning her syllabi, but plenty of work was required of her, and there was a plethora of rules to follow. Expectations to follow rules and laws is also typical for Confucian leadership, but imposing strong rules is characteristic of Legalism as well (Lin et al., 2018; Ma & Tsui, 2015).

According to Noora, the hardest aspects related to the Chinese way of management were related to restricting what people could speak about at their workplaces. She and her other non-Chinese coworkers were instructed to avoid discussing certain topics at work, and Noora connects these restrictions to the authorities protecting the people to a certain degree, as is typical for Confucian paternalism (Lin et al., 2018):

*"[...] they were protected, in a way. It has been some time, and then, they could not access information that was in a way... given (to us). [...] even more adult people could be really naïve in many things during that time."* These restrictions may have had other motives as well, related to saving the face of the governing bodies, for example.

While Elias was working in China, he was free to work the way he wanted, and how the employees under him worked, but he was unable to lower the employees' daily workload when he tried to introduce a Finnish working hours system at his pre-school. When he discussed it with the CEO and the human resources manager of his company, they dismissed the idea. Making such demanding changes within an organization that has a completely Chinese company culture could be too much to ask unless trust has been established and the managers have been convinced. Elias also stated that the CEO

seemed to be inexperienced as a manager, and he thought that the CEO delegated work and wanted to be more like a developer than a manager who makes decisions:

*"... maybe he told people what to do, but he never did that during meetings when decisions should have been made. Sometimes (I) noticed that when we held a meeting where he participated as well, he did not use his voice at all, so, we may have made a common decision, I said that, 'Okay, let us do it this way, then', but, however... that decision had changed by his decision that had come up, then..."*

Elias failed to recognize that the real decisions are usually done behind the backs of most people, so that the managers avoid losing face, if concerns arise, for instance (Fang, 2012; Vihakara, 2014). However, he would have wanted the CEO to directly say what he wanted to do during these meetings, wherein lay a clash between low-context and high-context communicators. Finnish leaders in general score quite low on the attribute of self-protectionism on the GLOBE leadership model, which can highlight these problems since it can cause these Finns to not recognize the local behavioral models and their importance. It will certainly impact their adaptation process simultaneously. Similar problems arose when Elias was dealing with the HR manager who was described as very strict and stubborn, usually ignoring what others were telling him. When the HR manager and the CEO made some mistakes and tried to deny those mistakes, Elias thought their behavior was problematic:

*"It is horrible... to say that 'Okay, now we made a mistake, let us work from that...' They do not admit it (making a mistake), they do not admit it, they do not... admit (laughs) it in any way, (they) make all kinds of excuses..."*

The importance of saving face in Chinese culture was unrecognized or unappreciated, both of which can be dangerous from the perspective of building trust. However, it is understandable since Finnish managers can easily consider this kind of behavior dishonest. Therefore, cultural adaptation is needed. Elias received no cultural training or education either in Finland or in China, which could have helped in this issue. By failing to know, and by even pressuring the Chinese manager further about the matter, the situation may even have escalated.



#### 5.4. Chinese subcultures

Elias worked in Beijing, and after visiting other regions, he realized that Beijing is stricter than the rest of China, possibly due to it being the administrative city. Amanda had similar experiences, remarking that Beijing has been influenced by the bureaucratic institutions in the city, which has made it rigid in a certain way.

Shanghai, in comparison, was more of an international city in both their experiences, even though both cities have foreign workers. However, the attitudes of the locals were different in both places. In Beijing, people were more curious, but, on the other hand, awfully shy. Thus, it was harder to communicate with people, since many were very self-conscious about their skills in English, according to Elias. Amanda stated that the Shanghainese appeared freer and more easygoing when interacting with them. This is related to Shanghai's status as a special economic zone or SEZ within China, which includes mostly cities on the eastern and southern coasts. Cities belonging to the provinces of Guangdong and Jiangsu are included in these zones, while Beijing is not a part of them. That may explain why the locals have little exposition to international presence compared to the other areas. Special administrative regions of Hong Kong and Macau have even more autonomy than the SEZs, and they have been open for international trade for a longer time.

According to the Chinese Labor Law, as stated by the Ministry of Commerce (n.d.), employees of the state "shall work for no more than eight hours a day and no more than 44 hours a week on the average." However, different provinces have different policies, and private employers have more leeway when it comes to setting up the working hours: For example, and most notoriously, a so-called "996" working hour system is common within the technology industry, meaning that some employees are expected to work from 9 a.m. until 9 p.m. for six days a week, which is facing increasing resistance (Gao, 2019; Fannin, 2019). Joel thought that China is following in the footsteps of Japan and South-Korea where companies had moved on to a five-day working week, even though following the old model at first out of old habits.

Elias stated that people were working six days a week in Beijing, even though the Saturdays usually included other work-related activities than those during the week, such as marketing events or meeting with the customers. Matias and Joel commented that it was just like that also in Jiangsu, but Matias adds that it is not worthwhile trying to stereotype China as one large cultural region, since the differences in working cultures between different provinces, and even within them, can be rather significant:

*“... so, I have always been thinking that China could be compared to Europe, and... if you generalize that Finns and Spaniards work in the same manner, it would be the same situation as... they have their own strong dialects [...] and the cultural heritage is different...”*

Gao and Long (2014) and Gong et al. (2011) have also suggested in their studies that the Chinese provinces have different customs, values, languages, et cetera, which would mean that experiences of cultural adaptation in China are asymmetrical, and that the process of adaptation would be different for each province.

According to Matias, one of the first things the Chinese employees start to talk about with each other when meeting for the first time is asking where they are coming from, trying to establish interpersonal relationships in that way. Even though Matias knew little about the differences concretely, the north and the south of China have some notable differences. Noora could also only say that they are a bit different in some ways and they have different customs. Amanda described Beijing and in Shanghai as safe, but based on what she heard from her coworkers, the south could be more dangerous due to more crime.

Mei's input about the cultural differences between the north and the south were more concrete, and she described northerners more straightforward and speaking whatever they think, which could make them even rude and rough from a southerner's perspective. People in the south are more polite, in comparison, and softer, but, in general, Kelly added that the Chinese way of communication can be complex and indirect, with some things left to be read between the lines, while she described herself to be quite straightforward in her communication, similar to the Finnish style. Mei said,

*“... people in the north are more honest and straightforward, and people in the south will not necessarily tell, what they think.”*

Based on this piece of information, Finns could relate more to the northern Chinese style of communication, and they could better adapt in northern China in this respect, since they can be described as honest and straightforward as well.

Mei's home province of Guangdong is influenced by the culture of Hong Kong, which is influenced by the culture of the United Kingdom, in turn. In her words, Guangdong is very different compared to the other Chinese provinces:

*"We are not really that... that much deeply involved in traditional Chinese culture, we are more trendy people in a way, we speak more English, and we like Cantonese (language), we have our own culture and songs... and also Cantonese people enjoy life more."*

Kelly said that Hong Kongese culture differs significantly from mainland Chinese culture, since Hong Kong is a society with a different legislation and it is isolated by a physical border. Mei had contradictory feelings towards Hong Kong, since even though Guangdong is influenced by the area, tensions between Hong Kong and the Chinese mainland are high. However, whenever she has visited Hong Kong, she has been treated like a local as she looks like them and speaks Cantonese.

In Mei's experiences, Cantonese people, and mainlanders in general, are very friendly but prefer a tighter social distance than Hong Kongese people, which is tied to the subdimension of psychic distance. So, the Hong Kongese may think that the mainlanders might be too close, too loud, and too excited. They might also consider themselves better people than the mainlanders altogether. Kelly added that even though everything cannot be generalized, the culture, the structure, and the style of governance of a society has an impact on the cultural values as well. She recognized the existence of political games in Hong Kong and stated that they exist in the mainland as well. She speculated that managers in the mainland may be stricter:

*"... the management... can the manager be emphatic, when they deal with the employees, I think that is the bad side of Hong Kong, and maybe it is a bit more serious on the other side of the border... if they treat you as a human being, or just as a machine? [...] of course, Chinese women also work nowadays, but in Hong Kong, we women are a bit ahead, let us think of the 70s to 80s, for example, when women went to work in offices... not in just some factories..."*

Nevertheless, Hong Kongese managers have a humane orientation score of 4.89 on the GLOBE model compared to the mainland score of 5.19. It should be noted that the Finnish score for this dimension stands at 4.30, i.e. much lower, but Finnish managers can hardly be described as inhumane, the score of 4 indicates that this attribute simply

has no impact, whereas a score of 5 can be said to have a slight impact. Anyway, the scores suggest that mainland managers would be more humanely oriented than their counterparts in Hong Kong as an interesting notion. This info contradicts the information provided by Mei before, who thought that Finnish managers are more supportive and understanding in general, creating a paradox.

Matias also discussed the position of women in China, which he considered good, especially in Shanghai:

*"[...] it is not written anywhere, but women have a lot of power... the leader of our Chinese and Asian operations is a woman born in Shanghai, and I have never seen such a situation when I was in China that a man on the opposing party would not have appreciated her, or (that they would have) looked her the wrong way, because the ladies of the Shanghai area are made of iron [...] that actually surprised me, but.. in my opinion, equality is in a good shape there, but I cannot elaborate further."*

However, Kelly remarked that in Finland, women are not sometimes taken seriously, especially if they appear youthful and cheerful, but that the situation is still better than in Hong Kong and the rest of China. Outgoing female managers should consider this since it could potentially affect their adaptation processes. A question arises if the situation is like that in all the provinces, or what the extent of this appreciation is. Managers should be reminded that China scored low on gender equality both in practice and in values compared to the GLOBE average, but the results were published in 2004, and the situation may have changed since that. Hopefully, GLOBE 2020 will bring new light on the matter.

In the end, Mei remarks that a lot of people in Hong Kong, or their parents, or grandparents, come from other provinces in China, and they share these conflicted feelings, being tied both to Hong Kong and their home regions. Kelly also stated that plenty of Hong Kongese people have relocated to work in mainland China, so representatives of different cultural regions take their values and customs with them from province to province, making their little impact along the way. This phenomenon is due to the highly masculine culture, in which people may leave their home regions for opportunities, be they however far (Hofstede et al., 2010). It also indicates that the influence of these subcultures might be weaker than it would with people staying put. However, it is helpful to identify the meaning of the subcultures and to which degree they are separate from each other.

## 6 Conclusions

### ***Adapting to new cultural contexts and theoretical implications***

When a multinational company or an MNC decides to send managers for international assignments, it should first consider organizing cultural training for them. There are arguments both for and against such training: On the one hand, previous literature suggests that by learning the basics related to the other culture, such as its norms and values, managers' cultural adaptation processes and performance levels abroad are improved since the training allows them to better understand that culture in general, which is why it could be recommended (Baack et al., 2015; Chen et al., 2018; Jia & Lamming, 2013; Lin & Malhotra, 2012; Weck & Ivanova, 2013).

On the other hand, other studies have shown that socializing with locals and building interpersonal relationships with them is as beneficial as receiving cross-cultural training, if not more (Selmer, 2005). These relationships enable the managers to engage themselves in the culture more deeply, which would lead to more comprehensive understanding of the culture over time (Weck & Ivanova, 2013). Social media can be used in addition to regular face-to-face interaction to achieve this (Zaw, 2018).

Moreover, managers can avoid potential pitfalls in cross-cultural communication caused by confirmation bias if they decide to learn little about the other culture in advance, and thus, preconceptions that are solely based on stereotypes fail to dictate their intercultural transactions (Baack et al., 2015). However, knowing nothing can be dangerous as well since faux pas may be subconsciously committed by doing so. In any case, managers should constantly compare their knowledge with what they experience firsthand to learn more about the true essence of culture. They can improve this learning process by turning off their culture of origin in their mind, and by trying to understand the perspective of representatives of the other culture. They should be warned, though, since insufficient adaptation may lead to confusion of their identities in between the cultures, and increased stress levels.

Finally, the prerequisite for any successful adaptation is managers' interest in and motivation to adapt to the other culture, since it affects the adaptation process both directly and indirectly through the quality of the managers' interpersonal relationships (Oh et al., 2018).

However, the adaptation may prove to be complicated as paradoxes between theories and reality do simultaneously exist. In the case of Finland and China, it was reported by both Finnish and Chinese managers that Finnish managers tend to be softer, more supportive, and more understanding than their Chinese counterparts. Yet, the GLOBE leadership model suggests that the Chinese managers would be more humanely oriented than Finns with a score of 5.19 compared to 4.3 (GLOBE Project, n.d.). In addition, even though Chinese culture is described as extremely long-term oriented by Hofstede et al. (2010), the findings show that the Chinese are very impatient and want fast results and changes in contrast. Their future orientation is lower than on the GLOBE average, and this relationship between the orientations and the unwillingness to create and to follow plans should be revisited (GLOBE Project, n.d.). Lastly, even though the Chinese are described as performance oriented, putting an emphasis on work, and they can accomplish much in short periods of time, the findings also suggest that they would be rather inefficient after all. This creates a puzzling conundrum that should be re-examined, in addition.

### ***Miscomprehensions between Finnish and Chinese managers***

When Finnish managers are conducting business operations in China, misunderstandings due to cultural differences are bound to happen at some point, which is not to be feared: These are moments of new insights and epiphanies. And as such, the managers must first acknowledge the existence of cultural differences that cause Chinese people to act in certain ways that they initially fail to understand. The managers should keep an open mind and avoid having prejudices, since strange and unfriendly behavior from a Finnish perspective is rarely the result of hostility or something that they did. Thus, acceptance is the first step of adaptation.

Perhaps the greatest cultural difference between Finland and China is related to the significance of interpersonal relationships. Without these relationships, the foreign managers will be coldly treated as outsiders like other Chinese persons who are outside of their in-groups. Through these relationships, trust can be built between numerous parties, such as co-managers and employees, while they are an unofficial requirement in sales as well. A smooth start will require establishing a broad network of connections.

Since Chinese managers and lower-tier employees are rarely as proficient in English as Finnish managers, but then again, since these Finns are likewise unable to speak Sinitic languages, it may be difficult to build new relationships. Chinese are very conscious of their language skills and they are consequently afraid to interact with Western managers. This will lead to the formation of Western and Chinese cliques at companies and intermixing the two groups could be difficult. It would be an advantage for the Finnish managers to be able to speak Mandarin to make the Chinese feel more at ease, and to accelerate the establishment of relationships. In addition, the Finns should be patient and give the Chinese time to explain themselves better, if they are unable to do so at first.

Public harmony is of utmost importance to the Chinese, causing them to avoid public conflicts and expressing themselves in indirect ways. For example, they will usually simply refuse to decline something outright, but they expect that the other party will read clues that indicate their intentions and if they fail to understand something, they will still pretend that they understood it to save face. Therefore, certain sensitive matters should never be brought up during public meetings, as by doing so, multiple parties are at risk of losing face. Finns should pay attention to how they formulate their own messages so that they fit in the context of high communication and they should also learn to interpret the clues present in such communication. They can also customize their communication for the persons with whom they have strong relationships and they can lighten the atmosphere of communication by establishing a more participative atmosphere at work. Lastly, if Finns want to discuss sensitive matters, such as Chinese managers' decisions, they should always do so in private.

The close social distance of Chinese people can surprise Finnish managers, who are not used to private questions from complete strangers, but there is also a chance that

Chinese will be secretive and unnecessarily formal toward the Finns. The Finns should practice openness, sharing and asking for information in such a situation. Doing so will inevitably lead to increased trust and improved relationships with the Chinese.

Last but not least, Finnish managers should recognize the prevalence of hierarchies in Chinese culture and act accordingly. Power distances are much greater in China and senior managers should be treated with respect, as junior managers will do so for the Finns as well. The Chinese meeting conventions are usually different, as many people can be present and usually the one making the decisions is not the one speaking. However, the decision-maker is most certainly one of these senior managers, which the Finns need to recognize. These senior managers should not be bypassed when making decisions since it could lead to anything between awkwardness and veiled hostility. Thus, it is fairly common to see Chinese subordinates struggling as they need to respect their superiors, and a Western manager should sympathize and empower them if they can do so.

Lastly, Chinese people from managers to clients are often impatient and they disregard detailed and careful plans and explanations when business is being conducted. That is why Finnish managers should focus on achieving the results instead of developing elaborate business plans.

### ***Improved adaptation to Chinese business contexts and its long-term effects***

When Finnish managers try to adapt to Chinese business contexts, their adaptation should focus on altering their behavior according to the cultural differences, and the process should begin with comparing the core values of both Finnish and Chinese cultures so that the cultural gap can be closed. As stated, such differences can perhaps most notably be found in the cultural dimensions of power distance, collectivism, uncertainty avoidance, and indulgence. Finns should accept that the hierarchies are a natural phenomenon for the Chinese, and they should especially try to interact and mingle with their local co-workers as much as possible. The findings show that this is an effective way to improve the adaptation process, and that the interpersonal



relationships do extend and take place even outside of work, both in face-to-face meetings and by chatting via social media. They should also rely less on rules, as it is customary that they are bent or circumvented, as discussed in the findings. Lastly, it is important that Finns adapt to the Chinese way of hard work by working longer days and staying in reach of clients, and thus showing the Chinese that they are dedicated and serious workers. This should be noted since Finns usually tend to work for the officially stated working hours and then move off the radar until the next workday.

Depending on the level of adaptation and motivation, a foreign manager's competencies in working in a multicultural environment may be improved by working in China. For example, patience and advanced listening skills may be obtained by courtesy of adapting to the Chinese way of communicating. Based on stories of Finnish expatriates, adapting to the new environment enabled the managers to understand that people were similar to them in their core, despite the superficial and most notable cultural differences. Working in China may render foreign manager's rhythm of life faster, since changes happen quickly and decisions are made without long delays. Thus, it is easier to react to surprising situations. The environment also may augment managers' humility and appreciation for cultural diversity, as reported. However, negative experiences can cause foreign managers to conversely lose respect for Chinese people and their culture while failing to see their positive sides effectively.

#### *Adapting the style of management*

Since Finnish management usually places a strong emphasis on personal freedom and open hands due to low power distances, adaptation is needed in Chinese business contexts where the employees are afraid of acting (Hofstede et al., 2010). According to the findings, Finnish managers should learn to give clear instructions to their subordinates while finding a way to ensure that these instructions are understood by the Chinese employees. An effective way adopted by an interviewee was to ask open questions and inquiring how the employees plan to start their assignments, what to do then, et cetera. The employees should also be surveilled in the sense that if they finish

what they were doing, they usually start to wait for further instructions without going to speak with the managers themselves.

The managers should also learn to lead people in some direction when fast decisions are required, regardless of the outcome, and take responsibility for it. They should also be prepared to work longer days than in Finland to earn the employees' respect, and they should sacrifice their free time if customers come calling and need their help. The managers need to concentrate on what results they can bring both for the clients and their company since the way how things are done is usually of no interest to the Chinese.

Creating a participative and a transparent atmosphere at work should also be encouraged, and it should be emphasized that mistakes are allowed there. However, if such mistakes are made, it should never be made apparent and culprits should not be questioned aggressively about it to preserve public harmony. Managers should also devise ways in which employees can devise their ideas so that they could be presented, developed, and even taken into practice without being shot down by their supervisors.

Finnish managers should also acknowledge the power of seniority in the company and appreciate it. However, if the senior managers' decisions seem to make little sense, Finns should have private discussions with them to learn their reasoning and promote rational outcomes if they have something suitable in mind.

### ***Managerial implications***

Based on the interviews of the Finnish managers, the importance of cross-cultural training was highlighted. Adopting a stance of open-mindedness partly alleviates deficiencies caused by lack of preparation and training for foreign assignments, but a basic understanding of intercultural communication should be acquired before going on international assignments. A good starting point for managers going to China would be to adapt their ways toward the local way, instead of opting to work in the foreign way they are used to, even if it would seem unsuitable.

However, according to the findings, going to a foreign subsidiary in China will still ensure a smoother adaptation process for foreign managers since the company culture is closer to their native one and the local employees of such companies are mostly accustomed to Western ways of working in that instance. These findings agree with theoretical suggestions of establishing a company culture mixing both Western and East Asian values to enhance cross-cultural communication, while cultural adaptation can improve the communication even further (Chen et al., 2018). Thus, if foreign managers were to go to a fully Chinese owned company, the differences would be greater and adaptation more difficult, as observed in the case of Elias who had neither been culturally trained for his position, nor had he had worked with intercultural themes or worked abroad before going to China.

The findings show that knowing English is the absolute minimum requirement for working in China, but foreign managers should remember that the English knowledge of the locals does not necessarily match theirs. Dabbling in Mandarin or Cantonese Chinese depending on the region is highly recommendable in terms of earning the trust and the acceptance of the locals in a faster manner. Knowing even a little about the form of Chinese that is locally spoken in the area where the foreign managers work can further open doors. One should also acknowledge that the Chinese regions are dissimilar since there are differences in customs, languages, and even values between them.

### *Relationships and connections*

Strong relationships and a large network of connections should be built to accomplish tasks at work efficiently. Interpersonal relationships also have the power to increase sales and employee commitment: People are not necessarily loyal to their companies, but they do show loyalty for those that they feel are part of their in-group, including coworkers and managers if they have built a strong rapport between them. Participating in get-togethers organized by the company and treating people for dinner are great ways to nurture these relationships, which need to be constantly tended to.

If people seem reserved, especially quiet, or if they even seem to withhold some information, they clearly distrust the manager at that point. Transparency and openness are the only ways to proceed in such a situation. By sharing anecdotes and personal information from their life to them, with time, trust is built, and these persons will start to open. All in all, it can be claimed that interpersonal relationships are the most important aspect to focus on while in China.

### ***Further research***

This study has brought some questions to light that remain unanswered. Firstly, it would be interesting to see how Chinese managers have adapted in Finnish business contexts as well, and how they would need to change their behavior to compare the results with those of this research. That would help with both Finns going to China and Chinese coming to Finland, as a deeper understanding would be built.

Another point of interest would be to see to what extent being bilingual and demonstrating multiple cultural values at the same time helps or hinders a manager to adapt to a new business context. Similarly, there was a so-called boundary spanner present in this research, and as stated by previous literature, they are beneficial to multinational companies, but the extent of the advantage they provide remained hidden. Their usefulness should also be a focus of interest.

Thirdly, since cultural differences between the Chinese provinces do exist, but it is unknown to what extent, having a clearer picture about those differences would be both fascinating and helpful for managers who need to work in multiple provinces.

Finally, the paradoxes perceived when comparing the theory and the findings should be taken into further examination. These paradoxes include Chinese managers being humanely oriented in theory but to a lower degree in practice, and the clash between the Chinese long-term orientation and impatience, combined with their unwillingness to follow plans but a desire to act immediately. Lastly, the Chinese appreciate hard work and consequently work long days, but they are still described as inefficient.

## Summary in Swedish – Svensk sammanfattning

### **Doftande orkidéer i Mittens rike**

#### *Kulturell anpassning av finländska direktörer till kinesiska affärskontexter*

#### Inledning

Ostasien och särskilt dess mest inflytelserika region Kina erbjuder en massa möjligheter för finländska företag och därför borde man forska mer om den främmande kinesiska kulturen. Med hjälp av nya insikter kan individuella direktörer också bättre anpassa sig till landets särdrag och på detta sätt kan affärsverksamhet mellan företag i Finland och Kina förbättras.

Titeln på avhandlingen hänvisar till de kinesiska namnen av både Finland och Kina. Finland heter 芬兰/芬蘭, eller Fēnlán som ordet skrivs med det latinska alfabetet. Detta namn används för att fonetiskt referera till Finland men utan kontext kan de två tecken som ordet består av översättas till *doftande orkidé*. På samma sätt heter Kina 中国 eller 中國 som kan latiniseras till Zhōngguó, bokstavligen *mellersta landet* men det finns ett översättningslån för namnet, nämligen Mittens rike.

#### *Bakgrund*

Eftersom Finland är ett litet land, behöver det syssla med utrikesaffärer för att kunna öka sin ekonomiska tillväxt. På grund av förändringar på den ekonomiska kartan, t.ex. Brexit och de stränga sanktionerna mot Ryssland, kan Finland inte längre bara lita på

sina traditionella affärspartner utan finländska företag måste sikta på områdena där den ekonomiska tillväxten är starkast och då träder Kina in i spelet.

### *Syftet med avhandlingen*

Syftet med denna studie är att undersöka kulturella skillnader mellan nationerna Finland och Kina och hur kulturell adaptation skulle kunna användas för att överbrygga klyftan mellan de två kulturerna. Genom att göra så kan finlänningar som arbetar på finländska företag i Kina bättre hantera affärsverksamhet i landet.

De följande är huvudforskningsfrågorna av denna avhandling:

- Vad kan utvandrade direktörer göra för att anpassa sig till nya kulturella kontexter när de åker på internationella uppdrag? Vilka typer av fördelar och nackdelar kan sådan anpassning orsaka?
- Hur missförstår finländska utvandrade direktörer och deras kinesiska motparter möjligen varandra på grund av kulturella skillnader? Hur kommer de över dessa situationer?
- Hur kan finländska utvandrade direktörer bättre anpassa sig kulturellt till en kinesisk kulturkontext och påverkar denna kontext potentiellt deras tankegångar?
- Hur kan affärsdirektörer komma över kulturella skillnader i affärskontexter med hjälp av kulturell anpassningsprocess?

### *Nyckelbegrepp*

Folkrepubliken Kina skall refereras till som Kina i denna text och fastlandskineser till kineser på samma sätt. Skillnaden görs på grund av olika värderingar som etniska kineser utanför Kina har i andra länder i Sydostasien eller i andra utländska samhällen som har etniska kinesiska medlemmar.

Kulturell adaptation hänvisar till begreppet som definierades av Francis (1991) som ett försök att framlocka godkännande från medlemmar av en främmande kultur genom att beteendemässigt försöka bli mera likadana som medlemmar av den där kulturen (enligt Jia och Rutherford, 2010). Avhandlingen fokuserar på finländska individer som försöker framlocka detta godkännande. De är utvandrare direktörer eller andra anställda utanför sitt hemland. Deras ansträngningar skall revideras i en kinesisk kontext genom att intervjua dem. Därför utnyttjar denna avhandling ett individuellt perspektiv på kultur, kulturell anpassning och interkulturella affärsförhållanden.

## Tvärkulturella aktiviteter och tillvägagångssätt

### *Kultur och nationell kultur*

Kultur är ett mycket brett begrepp som kan hävdas innehålla t.ex. delade meningar, beteendemässiga mönster, övertygelser, värderingar och seder som folkgrupper har både i relaterade länder och organisationer (Chen, Chao, Xie, & Tjosvold, 2018; Leung, Bhagat, Buchan, Erez, & Gibson, 2005). Men att påstå att de ovannämnda är allt som kultur består av skulle vara en stor förenkling och därför jämförs resultaten av denna studie med andra resultat som är försedda av studier och teorier om nationella kulturer, dvs. Hofstede's kulturdimensionsteori och modellen av GLOBE Project. Möjliga skillnader mellan modellerna och samlade primärdata identifieras och meningen med dessa paradoxer undersöks vidare. Dessa modeller fokuserar dessutom inte på individer, och därför måste individcentrala teorier också introduceras. På grund av detta skäl undersöks även begreppen kulturell och psykisk distans inom ramarna för denna avhandling för att få en fullständigare bild av kultur.

## *Dimensionellt tillvägagångssätt, dess kritik och begränsningar*

### *Hofstedes kulturdimensionsteori*

Hofstedes kulturdimensionsmodell är ett klassiskt verktyg inom internationell kulturforskning som man använder för att försöka kategorisera kultur enligt olika värderingar av maktdistans, maskulinitet mot femininitet, individualism mot kollektivism, osäkerhetsundvikande, lång mot kort tidsorientering och tillfredsställelse mot återhållsamhet (Hofstede et al., 2010). Olika nationella kulturer kategoriseras enligt de ovannämnda kategorierna och numeriska värderingar ges åt dem så att de kan jämföras med varandra (Hofstede et al., 2010; Leung et al., 2005).

Den största nackdelen av modellen är att den hävdats vara för begränsad och att inte representera kultur på ett exakt sätt (Leung et al., 2005; Shi & Wang, 2011). Därtill skapades modellen inte med individuellt perspektiv i minnet (Tung & Stahl, 2018).

### *GLOBE Project*

GLOBE eller Global Leadership and Organizational Behavior Effectiveness är ett forskningsprojekt vars mål är att bygga på Hofstedes kulturdimensionsmodell (GLOBE Project, n.d.; Shi & Wang, 2011). Detta projekt har undersökt ledarskap och samhälllig kultur efter att ha värderat de forskade länderna som uppdelades i olika kultursgrupper (GLOBE Project, n.d.; Shi & Wang, 2011).

Prestationsorientering, bestämdhet, framtidsorientering och mänsklig orientering bl.a. tillhör de nya GLOBE dimensionerna tillsammans med några samma som i Hofstedes modell, t.ex. maktdistans (GLOBE Project, n.d.; Shi & Wang, 2011). Dessa kulturdimensioner värderas inte bara enligt realiteten men också enligt de ideala värderingarna i varje land (GLOBE Project, n.d.).



## *Distanstillvägagångsätt*

### *Kulturell distans*

Kulturell distans tas upp när man försöker beskriva diversiteten och dess inverkan på mänsklig interaktion i och mellan olika nationella kulturer omkring världen (Shenkar, 2012b; Triandis, 1998). Den kan manifesteras sig på många olika sätt såsom i skillnader mellan språk, familjestrukturer, religioner och värderingar i olika kulturer (Triandis, 1998). Begreppet kulturell distans blir viktigt och relevant för de ovannämnda modellerna eftersom de mäter dessa distanser men representationer som de här modellerna erbjuder hävdas vara bara hägringar som försöker skapa något som inte alls existerar (Shenkar, 2012b).

Shenkar (2012b) poängterar att det åtminstone finns tre bristfälliga antaganden: 1) att nationella kulturer inte skulle förändras över tiden, 2) representanter från nationell kultur A som åker till nationell kultur B skulle ha symmetriska erfarenheter med representanter från kultur B som åker till kultur A och 3) nationella kulturer skulle inte ha några regionala varianter. Därför kan kulturell distans fungera som mättningsbegrepp men endast när de tre bristerna erkänns och data som utrustats av modellerna som mäter kulturell distans blir stödda av ytterligare teorier och begrepp (Shenkar, 2012b).

### *Psykisk distans*

Med hjälp av begreppet psykisk distans försöker man avbilda och undersöka hur individer upplever skillnader mellan två eller flera nationella kulturer. Begreppet används också när man försöker förklara hur man skiljer olika slags andra element från sig själv med hjälp av olika dimensioner, såsom tidsmässig, rumslig, social och hypotetisk distans (Baltatescu, 2014). Dessa element eller aspekter associeras sedan med andra element med hjälp av dimensionerna och man försöker förklara hur kulturella skillnader

erfars individuellt i motsats till kulturell distans där skillnaderna mäts med givna variabler på en organisationsnivå (Lieberman & Trope, 2014).

Genom att vidare granska kulturella skillnader och psykisk distans i fall när finländska direktörer arbetar i Kina, kan potentiella fadäser identifieras och undvikas. Att utnyttja den där konkurrenskraftiga fördelen som lokala företag redan har där, måste sammanhangsberoende kulturella kunskaper först införskaffas både externt från affärsomgivningen och internt från de lokala anställda med hjälp av samtal (Albescu, Pugna, & Paraschiv, 2009; Holden, 2001). Där finns nyckelsärdraget för att upprätta framgångsrik tvärkulturell affärsverksamhet och marknadsföringsstrategier som är lämpliga för sammanhanget (Albescu et al., 2009; Holden, 2001).

### *Kulturell anpassning och dess hinder*

Jun, Gentry och Hyun (2001) beskriver kulturell anpassning som en aktiv och kognitiv process som kan minska stressnivåer och osäkerhet mellan representanter av olika kulturer medan den utrustar dessa individer med sociala kompetenser när de kommunicerar i sammanhanget av den andra kulturen. Weck och Ivanova (2013) påstår till och med att denna process är ett grundläggande krav på ömsesidigt förtroende som å sin sida behövs när man skapar långsiktiga affärsförhållanden. Det kan hävdas att när två partier som har sina rötter i olika kulturer försöker kommunicera med varandra, drar de nytta av att anstränga sig att förstå situationen ur det andra partiets perspektiv för att kommunicera mera effektivt.

Denna process kan inte tas för given utan den borde vara en huvudprioritet för företag och deras utvandrade anställda. Anpassning har dessutom sina utmaningar och begränsningar. Misslyckad anpassning kan orsaka mera stress samt känslor av isolering och ensamhet och den kan till och med förvirra ens egen identitet (Jun et al., 2001). Det måste minnas att genom att vara motiverad att anpassa sig och att utveckla effektiva hanteringsstrategier kan kulturellerad stress och de negativa effekterna undvikas (Jun et al., 2001).

### **Kulturell anpassning i fallet med Kina**

Även om Kina kontinuerligt möter massiva sociala och ekonomiska förändringar, förblir den kinesiska kulturen nyckeln till att bättre förstå landet (Gilardoni, 2017). Yrkesmän som åker till Kina måste dessutom redan ha utmärkta tvärkulturella kunskaper och en förmåga att samtidigt anpassa sig till denna främmande kulturell och social kontext (Gilardoni, 2017; Selmer, 2005).

Ett av de största hindren i affärsförhållandet mellan Finland och Kina kan finnas i skillnader mellan finländska och kinesiska stilar av kommunikation därför att den förstnämnda är låg kontext och den sistnämnda hög kontext som båda kan verka förvirrande för det andra partiet (Vihakara, 2014). Låg kontext-kommunikation är rak och ärlig medan kroppsspråk och det *hur* man kommunicerar i stället för meddelandet själv uppskattas mera i hög kontext-kommunikation. Allt sägs inte och det förväntas att man läser det som inte sägs mellan raderna. Lin, Li och Roelfsema (2018) visar dessutom att ju mer de kinesiska anställda är bekanta med och öppna för många kulturer från hela världen, desto mer visar de engagemang för sina internationella arbetsgivare. Det måste också kommas ihåg att Kina inte är ett kulturellt homogent land, utan olika regioner har sina lokala kulturer som kan dock variera betydligt (Gilardoni, 2017). Genom att framgångsrikt förstå, anpassa och integrera både västerländska och ostasiatiska värderingar kan västerlänningar såsom finländare markant förbättra deras kunskaper i tvärkulturell ledning och kommunikation, till och med i Kina (Chen et al., 2018).

### Metodologi

Denna studie utnyttjas en kvalitativ forskningsmetod, dvs. semistrukturerade intervjuer, för att effektivt tackla sina forskningsfrågor. Med hjälp av dessa slags intervjuer är det möjligt att få både faktiska svar och gensvar som också avslöjar samtalspartnernas attityder och vidare frågor kan även ställas vid behov (McNeill & Chapman, 2005; Sproull, 1995).

Sex finländska och två kinesiska nuvarande direktörer intervjuades i februari–mars 2020 för undersökningen. De finländska direktörerna hade haft erfarenhet av att huvudsakligen arbeta i Kina under de senaste fem åren åtminstone i ett helt år och de kinesiska direktörerna agerar nuförtiden i Finland efter att ha studerat och bott i landet i tio och åtta år. Intervjuerna med de kinesiska direktörerna utnyttjas för att stöda helhetsbilden som bildas av de finländska direktörernas uttalanden.

Samtalspartnerna intervjuades mestadels via telefonsamtal och ett par av dem via möten ansikte mot ansikte. Alla intervjuer varade mellan 35 minuter och över en timme. Samtliga intervjuer spelades in med tillstånd för analys. Efteråt laddades varje intervjuinspelning upp till en säker molntjänst medan de ursprungliga filerna sparades intakta på sina inspelningsenheter, vilket gjordes för att förhindra oavsiktlig förlust av primärdata. Ljudinspelningarna som innehöll primärdata för avhandlingen transkriberades inom en vecka efter intervjuprocessen avslutats med högst två transkriptioner per dag. En transkriberingsteknik som heter grundläggande transkription valdes men den justerades litet. Sedan blev transkriberade data kodade med flera färger som motsvarade forskningsteman för att lättare finna nya insikter i ämnet och samtidigt binda data i den teoretiska bakgrunden.

## Resultaten och diskussion

### *Tvärkulturell utbildning och regional varians*

Utifrån intervjuerna med de finländska direktörerna betonades betydelsen av tvärkulturell utbildning. Finländska företag anser inte kulturella skillnader som hinder för affärsverksamhet utomlands, vilket påverkade de intervjuade personerna. Ingen av dem hade haft någon kulturell utbildning specifikt för Kina med undantag av en kvinna som studerat i landet innan hon blev anställd av ett finländskt företag i provinsen Jiangsu. Om utvandrade direktörer inte har någon erfarenhet av att arbeta utomlands eller om de inte har några grundläggande interkulturella kunskaper, kan anpassning visa sig vara

oöverstiglig. I början borde dessa direktörer förändra sina sätt mot de lokala sätten i stället för att fortsätta arbeta på det finländska sättet.

Det måste kommas ihåg att det är lättare att arbeta på ett finländskt företag i Kina än på ett helt kinesiskt företag därför att företagskulturen är närmare den finländska och de lokala anställda är mestadels vana vid att arbeta på ett västerländskt sätt. Om finländska direktörer arbetade på ett helt kinesiskt företag, skulle kulturella skillnader vara större, vilket betyder att det även skulle vara svårare att anpassa sig.

Att lära sig engelska är det lägsta möjliga kravet för att arbeta i Kina men det måste erkännas att lokalbefolkningen kanske inte pratar språket med samma kunskaper som de utvandrade finländarna. Med hjälp av att lära sig mandarin eller kantonesiska beroende på region kan direktörerna bättre förtjäna förtroendet och bli accepterade av de lokala anställda på ett snabbare sätt. Alla kinesiska regioner är sist och slutligen inte likadana eftersom det finns skillnader mellan seder, språk och till och med värderingar, vilket borde minnas innan man åker till landet för att utföra internationella arbetsuppgifter.

### *Att anpassa ledningsstilen*

Den finländska ledningen värderar personlig frihet på arbetet och därför borde denna stil anpassas till kinesiska affärssammanhang därför att de lokala anställda är rädda för att agera utan lov. Således borde finländska direktörer ge sina underställda klara instruktioner för att bli säkra på att de underställda förstår instruktionerna. De anställda borde också observeras därför att de ofta bara passivt väntar på nya instruktioner när de blivit färdiga med sina arbetsuppgifter.

Direktörerna borde även lära sig att leda folk i någon riktning när snabba beslut krävs, oavsett resultatet, och ta ansvar för sina beslut. De borde också bereda sig på att arbeta längre dagar än i Finland för att förtjäna respekt, och de skall offra sin fritid om några kunder ringer och behöver hjälp. Dessa direktörer måste också koncentrera sig på

resultaten som de kan ge både kunderna och sina företag eftersom *hur* resultaten fås vanligtvis inte är av intresse för kineserna.

Att skapa en deltagande och transparent atmosfär på arbetsplatsen borde också prioriteras och det bör betonas att misstag är tillåtna där. Men om man gör sådana misstag, bör direktörerna aldrig peka på de skyldiga och de anställda borde inte ifrågasättas för aggressivt för att bevara harmonin på arbetsplatsen. Direktörerna bör också tillåta de anställda att komma med sina idéer så att de där idéerna kan presenteras, utvecklas och till och med tas i praktik utan att de skall bli nedskjutna av de anställdas egna handledare.

Slutligen borde finländska direktörer även lägga märke till anciennitet och dess makt på kinesiska företag och uppskatta sina seniora direktörer. Men om besluten av dessa högre direktörer inte verkar vara meningsfulla, borde finländarna prata privat med dem för att lära sig deras resonemang och främja rationella resultat.

### *Mellanmänskliga förhållanden och nätverk*

När finländska direktörer åker till Kina, borde de bygga starka mellanmänskliga förhållanden och ett stort nätverk av personliga förbindelser för att effektivt utföra sina arbetsuppgifter. Med hjälp av dessa mellanmänskliga förhållanden kan de anställdas engagemang och försäljningen också ökas. Folk är inte nödvändigtvis lojala mot sina företag men de visar lojalitet med personer som de känner och litar på bra, inklusive kollegor och chefer på arbetsplatsen om det finns en stark förbindelse samt förtroende mellan dem. Att delta i sammankomster som ens eget företag organiserar och att bjuda folk på middag är fantastiska sätt för att vårda dessa relationer som ständigt måste skötas.

Om en person verkar vara reserverad och om hen inte pratar mycket eller om hen till och med verkar undanhålla viss information, litar hen helt klart inte tillräckligt på sin chef. Då är öppenhet det enda sättet som kan tas i bruk: genom att dela anekdoter och personlig information med den anställda byggs förtroende och personen börjar öppna

sig. Äntligen kan det hävdas att mellanmänskliga relationer är den viktigaste aspekten som man borde fokusera på i Kina.

### *Vidare forskning*

Denna studie har lett till några frågor som förblir obesvarade. Det skulle vara intressant att se hur kinesiska direktörer har anpassat sig till finländska affärssammanhang och hur de borde förändra sitt beteende för att jämföra resultaten med resultaten av denna undersökning. Eftersom en djupare förståelse kan byggas på det här sättet, skulle det hjälpa både finländare som åker till Kina och kineser som kommer till Finland.

Å andra sidan skulle det vara intresseväckande att studera hur tvåspråkighet och flera kulturella värden av olika kulturer påverkar anpassningsprocessen. Det borde undersökas vidare om dessa egenskaper hjälper eller hindrar direktörer att anpassa sig till nya kulturella affärssammanhang.

Slutligen finns det kulturella skillnader mellan de kinesiska provinserna men man vet inte hur stora dessa skillnader egentligen är. Därför skulle det vara både fascinerande och användbart för direktörer som arbetar i flera provinser att ha en tydligare bild av dessa skillnader.

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## Appendix 1 – Table of Interviewees

<b>Alias</b>	<b>Current position</b>	<b>Title abroad</b>	<b>Industry</b>	<b>Company size</b>	<b>Origin of organization</b>	<b>Province of stay</b>	<b>Approx. length of stay</b>	<b>Interview type</b>	<b>Date</b>	<b>Duration</b>
<b>Sofia</b>	Project Manager	Operational Excellence Expert	Manufacturing	Large	Finland	Jiangsu	1 year, 8 months	Skype	26.2.2020	59.02
<b>Matias</b>	Customer Service Director	Operations Manager	Manufacturing	Large	Finland	Jiangsu	1 year, 9 months	Phone	3.3.2020	35.35
<b>Joel</b>	General Manager	General Manager	Manufacturing	Large	Finland	Shanghai; Jiangsu	3 years, 11 months	Phone	6.3.2020	48.37
<b>Noora</b>	CEO	Private business school teacher	Education	SME	China	Guangdong; Beijing	1 year	Phone	9.3.2020	44.21
<b>Elias</b>	N/A	Private pre-school manager	Education	SME	China	Beijing	1 year, 10 months	Face-to-face	15.3.2020	1.10:01
<b>Amanda</b>	Senior Category Manager	-	Telecom	Large	Finland	Beijing; Shanghai	Undefined periods of weeks	Phone	25.3.2020	39.51
						<b>Province of origin</b>				
<b>Mei</b>	Product Sales Manager	-	Services, etc.	Large	Finland	Guangdong	10 years	Face-to-face	11.3.2020	49.36
<b>Kelly</b>	Social Media Manager	-	Telecom	Micro	China	Hong Kong	8 years	Phone	20.3.2020	53.48



## Appendix 2 – Interview Guide

### ***Theme 1 – Background information***

- What is your current job title/working position? What kind of tasks are you working with?
- What motivated you to take the opportunity to relocate to China? Did you work in numerous positions and companies while in China?
- What region/province did you work in?
- Do you speak Mandarin? If yes, could you describe the level you believe you are currently at?

### ***Theme 2 – Pre-knowledge before the assignment***

- What did you think about China and Chinese culture before you went there for the first time?
- Did you know any concrete facts about Chinese business culture beforehand? If so, please specify.

### ***Theme 3 – Preparations for the assignment***

- Did you try to find out about Chinese culture and business culture before you left for your assignment? If yes, what did you do, specifically?
- Did you receive any cultural training for the assignment on the behalf your company?
- Did you receive any help in some form from your colleagues or friends before you left?

#### ***Theme 4 – Life during the assignment***

- How was your experience in China in general? Tell me about it, please.
- What language did you use in your daily transactions at your workplace/in business life? Did you resort to using translators?
- How did you relate to the culture while in China? What about the local business culture?
- What made you experience culture shocks? Other seemingly very different things? Was there a specific event that you remember very well that was caused due to cultural differences?
- On some occasions, were you misunderstood by the Chinese, and did you misunderstand them? Were these misunderstandings solved immediately, or did they cause some problems?
- What means did you use to overcome the difficulties caused by cultural differences?
- Did you participate in corporate or personal informal activities related to your professional life in China?
- Tell me about your local supervisor (If they are not Chinese, about the Chinese closest Chinese manager you worked with). Can you describe their style of management?
- Did you notice any differences when interacting with Chinese millennials in business contexts compared to people from older generations?

#### ***Theme 5 – Repatriation***

- What was the return to Finland like?
- Did you experience reversal culture shocks?
- How did you feel about Finnish business culture after having spent time in China?
- Do you feel like adapting to Chinese business culture has influenced your professional life, even after you returned to Finland? Has there been some lasting influence?

**Theme 6 – Extra**

- How would you describe the most important differences between Northern Chinese culture and Southern Chinese culture? Are there differences in the business cultures between these two greater regions?
- How would you describe that the culture and the business culture of your hometown/home region differ from Chinese culture and Chinese business culture in general? Are there some differences and specialties?