

Cross-Cultural Transfer of Management Knowledge: A Conceptualization for the East and Southeastern Asia Region

Tsang-Yao (Polo) Chen¹ & Shih-Ming Pi²

This research is an exploratory study aiming to reach a conceptual construct from the phenomena of cross-cultural transfer of management practice of multi-national enterprises (MNE's), which have been active in Eastern and Southeastern Asian region. Three countries: Taiwan, Japan, and the Philippines have been selected for the close management practice connection and transfer from Japan to Taiwan and from Taiwan to the Philippines. The rapid development of information and communications technology (ICT) has fueled the fast mobility of information and thus the trends of global mobility of business, knowledge, and culture. In the meantime, the ability to engage in transnational knowledge transfer has become a source of competitive advantage for MNE's in this global economy. However, it is still under-researched how the MNE's could effectively manage the cross-nation transfer of management knowledge (Fink & N. Holden, 2005). The transfer of management practice across cultures, for example, sometimes needs to take a "detour" approach rather than direct transplantation (Lunnan et al., 2005). There is, therefore, a theoretical and practical gap to be filled in this complicated scenario of cross-cultural management knowledge. While the success of cross-cultural transfer of management practice has become critical for the world-wide operations of the MNE's, further understanding of cross-cultural management knowledge transfer has also become urgent when engaging in regional and global business deployment. Three research phases are identified in this research project including: a synthesis of research literature to identify the themes and trends of development of the field; a set of transnational multiple case studies of the MNE's to see how cross-cultural transfer of management knowledge function in the business scenarios of the region; and, at the end of the research, reaching a conceptualization of the cross-cultural transfer of management knowledge as grounded in the East and Southeastern Asian region. The major foci of the research are as follows:

Research 1: The Understanding:

The first step to approach a conceptualization of cross-cultural transfer of management knowledge is to review research literature in the field of study. Historically, knowledge management has organization culture as one of its theoretical foundations (Baskerville & Dulipovici, 2006). Formal exploration of measurement of organizational cultures in cross-cultural context can be traced back two decades (e.g., Hofstede, Neuijen, Ohayv, & Sanders, 1990) and its importance has increased over time. The recent regionalization of East and Southeastern Asia has brought intensive business interactions among the ASEAN countries and others in the region. This regionalization has provided a ground for research for it is not only dynamic in economy but vibrant in culture. The multiple case studies to be conducted can provide understanding of issues in the cross-cultural transfer of management practice in the region. For example, there has been a line of research on the relationship between internationalization and the performance of corporations during the past

¹ Dr. Tsang-yao (Polo) Chen, Department of Information Management, Chung Yuan Christian University, Zhong Li, Taiwan. Email: polochen@cycu.edu.tw.

² Dr. Shih-Ming Pi, Department of Information Management, Chung Yuan Christian University, Zhong Li, Taiwan. Email: smpi@cycu.edu.tw.

decades (Annavarjula & Beldona, 2000; Ruigrok & Wagner, 2003), the replication of similar studies in the region would provide theoretical and practical implications to the field of study.

Research 2: The Regional Practice:

In the area of international organizational behavior and cross-cultural management study, it has been found that people behave differently in cross-cultural settings from intra-cultural settings and hence the inter-cultural interaction evidenced (Adler & Graham, 1989). Further, others have suggested that a standardized global knowledge management system may have shortcomings and might prevent the system from serving the employees globally for the failure to address local or regional challenges in knowledge management (Paik & Choi, 2005). Qualitative interviewing will be used to collect data from management team members in selected MNE's engaging in cross-cultural transfer of management practice. Case study methodology (e.g., Patton, 2002; Yin, 2008) will be used to research, analyze, and illustrate the mosaic phenomena of the cross-cultural transfer of management knowledge.

Research 3: The Development: With the bases of literature synthesis from Research 1 and multiple case studies from Research 2, the first goal of this research project is on the development of a cross-cultural competence (CCC) inventory for management knowledge transfer under cross-cultural scenarios in the East and Eastern Asian region. The output of the inventory survey along with the interview data of the cases from Research 2 will be analyzed and triangulated using grounded theory approach (Glaser & Strauss, 1967) with an emphasis on comparative analysis and theoretical model construction. The ultimate development goal of this research project is to reach a conceptualization of cross-cultural transfer of management knowledge developed from and "grounded" within the East and Southeastern Asian region.

As part of a larger government-funded research project on Asian societies, technology, and cultures sponsored by the National Science Commission of Taiwan, this research has targeted transnational knowledge management as the domain of research with a specific focus on the MNE's cross-cultural transfer of management knowledge of in East and Southeastern Asia region. This project is funded by the National Science Commission of Taiwan, project number: 99-2420-H-033-001.

Keywords: Cross-cultural management, Management knowledge, Knowledge management, Knowledge transfer, Cross-cultural competence,

References:

- Adler, N MNE's. J., & Graham, J. L. (1989). Cross-cultural interaction: the international comparison fallacy? *Journal of International Business Studies*, 20(3).
- Annavarjula, M., & Beldona, S. (2000). Multinationality-performance relationship: A review and reconceptualization. *International Journal of Organizational Analysis*, 8(1), 48–67.

- Baskerville, R., & Dulipovici, A. (2006). The theoretical foundations of knowledge management. *Knowledge Management Research & Practice*, 4(2), 83-105. doi:10.1057/palgrave.kmrp.8500090
- Glaser, B. G., & Strauss, A. L. (1967). *The discovery of grounded theory: Strategies for qualitative research*. Aldine.
- Hofstede, G., Neuijen, B., Ohayv, D. D., & Sanders, G. (1990). Measuring organizational cultures: A qualitative and quantitative study across twenty cases. *Administrative Science Quarterly*, 35(2).
- Lunnan, R., Lervik, J. E., Traavik, L. E., Nilsen, S. M., Amdam, R. P., & Hennestad, B. W. (2005). Global transfer of management practices across nations and MNC subcultures. *Academy of Management Executive*, 19(2), 77–80.
- Paik, Y., & Choi, D. (2005). The shortcomings of a standardized global knowledge management system: The case study of Accenture. *ACADEMY OF MANAGEMENT EXECUTIVE*, 19(2), 81-84.
- Patton, M. Q. (2002). *Qualitative research and evaluation methods*. Sage Publications, Inc.
- Ruigrok, W., & Wagner, H. (2003). Internationalization and performance: an organizational learning perspective. *Management International Review*, 43(1), 63–84.
- Yin, R. K. (2008). *Case study research*. Sage Publications.