
The Chinese Learning Organization

New Concepts for International HRD

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The concept of learning and organizational attempts to capitalize on information predates any attempts to study it as a model within a Human Resource Development (HRD) framework. HRD began with apprenticeship training programs in the eighteenth century and developed into “factory schools” by the late 1800s. (Werner & DeSimone, 2009) Today, many large corporations have corporate universities that customize employee education programs to meet organizational requirements. In organizational development (OD), learning takes place in dynamic organizations that must adapt to a changing environment. A learning organization acquires, organizes, manages, and uses knowledge to “move beyond solving existing problems to gain the capability to improve constantly” and includes organization learning and knowledge management. (Cummings & Worley, 2009)

The learning organization concept can be traced back to the research of Senge (1990) and his colleagues who defined the learning organization as “a group of people continually enhancing their capacity to create what they want to create.” Senge (1990) also described “five disciplines” representing fundamental attributes of a learning organization, which included systems thinking, personal mastery, mental models, building a shared vision, and team learning. KFC Corporation cited “becoming a learning organization” as one of its five competitive advantages allowing it to establish a dominant presence in the Chinese market. (Bell & Shelman, 2011)

Gephart and Marsick (1996) describe a learning organization with a “focus primarily on systems-level organizational learning” in which “learning processes are analyzed, monitored, developed, managed, and aligned with improvement and innovation goals” Studies conducted in China (Zhang, Zhen, & Baiyin, 2004) have supported the learning organization concept within the Chinese context. Existing literature suggests that building a learning organization is necessary to enhance organizational performance. (Xiaohui, Baiyin, & McLean, 2007) Watson and Marsick (1996) identified seven dimensions of a learning organization: promoting inquiry and dialogue; encouraging collaboration and team learning; establishing systems to capture and share learning; empowering people toward a collective vision; and connecting the organization to its environment.
Although definitions and models establish the field of HRD, these constructs “do not capture variations in practice or, for that matter, the diversity of empirical reality.” (Kuchinke, 2003) Thus, it becomes necessary to further understanding of such abstract characteristics of HRD by qualifying these topics according to the industries, strategies, markets, and even the cultures within which these various HRD concepts are being employed. Models must be consistent across an entire spectrum of factors while definitions, although requiring flexibility within an abstract academic model, must eventually be operationalized in practice and customized to a changing socio-economic context with cultural and strategic constraints requiring measurable, tangible, and socially acceptable outcomes.

In addition, these definitions and models have over weighted the Western cultural contextual factors potentially skewing results leading to bias. This could be because Communication has not received much attention in organizational literature (Daft & Huber, 1987). There is also a lack of organizational change communication research (Frahm & Brown, 2005). However, international HRD research depends on including culture as a “major influencing factor and to account for culture's influence on phenomena under investigation” which requires “a better understanding of our own and others' culturally conditioned perspectives and assumptions.”(Ardichvili & Kuchinke, 2002)

Communication and participation, important characteristics of a learning organization (Agarwal, 2005; Khadra & Rawabdeh, 2006; Skerlavaj & Dimövski, 2006; Lim, et al., 2006; Kantabutra, 2006; Heath & Brown, 2007), are affected by cultural values (Lei et al. (2011); Hofstede, 1984). (Barker & Camarata 1998) conclude that communication is at the core of the learning organization and empowerment is a prerequisite for personal mastery, one of Senge’s (1990) five disciplines. Cummings & Worley (2009) state that a learning organization is where “empowered members take responsibility for changing the organization and learning how to do this better and better.” A learning organization “facilitates the learning of all its members and continuously transforms itself’ (Pedler et al. 1991). This ability to transform itself not only depends on open communication and empowerment of employees, but also on “a culture of collaboration.” (Slotte, Tynjala, & Hytonen, 2004)

The Chinese learning organization is a subject that has received relatively little attention in the field of HRD despite China’s increasing social, political, and economic influence in the world. If cultural factors affect learning and organizational
development then it comes to reason that the cultural dimension must be considered when prescribing interventions, designing organizations, or managing employees. The Chinese learning organization represents a unique aspect of the learning organization concept and one that will become increasingly important in the future of HRD research.

Researchers have realized that Chinese social, economic, and organizational change not only provides a rich context for testing existing theories, but also offers the potential for discovering new or unique ways of organizing and managing in China

(Zhao & Jiang, 2009)

China has emerged as the manufacturing and economic center of the world in the post 2008 financial crisis environment, passing Germany in 2009 and Japan in 2010 in GDP terms. China is expected to pass the US in GDP terms measured by purchasing power parity (PPP) by 2018. (The Economist, 2011) The lack of mainstream academic literature involving HRD practices in China presents researchers with an opportunity to analyze cultural differences and test the validity of general assumptions in social sciences, which have historically developed from studies involving Western organizational activities. As China, and Asia in general, develops and establishes a firm position in a multipolar sphere of economic and cultural influence, Organization Development (OD) should logically balance best practice ideology based on a global context that exceeds the boundaries of Western culture.

There are documented differences between Chinese and Western adult students’ learning styles in the classroom (Cheng, Andrade, & Yan, 2011; Heffernan et.al 2010). Asians and Western adults also have different ways of “perceiving and acting in the world.” (Quintero, 1994) In general, Chinese thinking is complex, circular, and can tolerate opposing thoughts and ideas (Li, 2008; Wang, Cui, & Zhou, 2005) Although Chinese adult learners have been characterized as passive learners who rely on rote learning and memorization compared to their active learning Western counterparts, these stereotypes have been challenged. (Jie, 2009; Kennedy, 2002) Regarding active learning, ancient Chinese philosopher Confucius (551-479 BC) once said, “I hear, I know. I see, I remember. I do, I understand.” Confucius also warned, “He who learns but does not think is lost. He who thinks but does not learn is in great danger.”
Yang and Lu (2002) concluded that HR theory in China is very different from that of the US. Confucian values continue to have an impact on Chinese culture and, consequently, organizational practices in China. Jia, Wang, Ruona, & Rojewski, (2005) argue, “Cultural assumptions underlying Western management theories may make their applications less appropriate to Chinese organizations.” In addition, “given the profound influence of Confucian values, international HRD practitioners should realize the importance of ensuring that Western management practices are adopted critically in China.” (Jia et al, 2005)

**Hofstede and Bond (1988)** summarized Confucian teaching as

1. The stability of society is based on unequal status relationships between people.  
2. The family is the prototype of all social organizations.  
3. Virtue with regard to one’s tasks in life consists of trying to acquire skills and education, working hard, not spending more than necessary, being patient, and persevering.

(Jia et al, 2005) explain Confucian ideology as being represented by five virtues: ren (humanity-benevolence), yi (righteousness), li (propriety), zhi (wisdom) and xin (trustworthiness) Chinese culture is steeped in ancient traditions and symbolism. These values embedded in Chinese culture have a significant impact on every aspect of life in Chinese culture.

Continuous Change in Chinese Organizations

Learning Organizations operate under and adapt to conditions of continuous change. Continuous change involves fast-paced environments “where timing is critical, technological change is rapid, and competitive pressures are unrelenting and difficult to predict.” (Cummings & Worley, 2009) The Chinese economy has been growing at an extraordinary rate and is expected to continue growing over the next two decades while undergoing dynamic transformation (Lin, 2012)
Culture is often analyzed using Hofstede’s dimensions of national culture: power distance; uncertainty avoidance; individualism versus collectivism; and masculinity versus femininity; and long-term versus short-term thinking. Hofstede and Bond (1988) included the fifth dimension after studying Chinese cultural values.

According to Hofsted:

“At 80 China sits in the higher rankings of PDI – i.e. a society that believes that inequalities amongst people are acceptable. The subordinate-superior relationship tends to be polarized and there is no defense against power abuse by superiors.”

“At a score of 20 China is a highly collectivist culture where people act in the interests of the group and not necessarily of themselves. In-group considerations affect hiring and promotions with closer in-groups (such as family) are getting preferential treatment. “

“At 66 China is a masculine society –success oriented and driven. The need to ensure success can be exemplified by the fact that many Chinese will sacrifice family and leisure priorities to work.”

“At 30 China has a low score on uncertainty avoidance. Truth may be relative… adherence to laws and rules may be flexible to suit the actual situation and pragmatism is a fact of life. The Chinese are comfortable with ambiguity”

“With a score of 118 China is a highly long term oriented society in which persistence and perseverance are normal. Relationships are ordered by status and the order is observed. Nice people are thrifty and sparing with resources and investment tends to be in long term projects such as real estate. Traditions can be adapted to suit new
conditions. Chinese people recognize that government is by men rather than as in the Low LTO countries by an external influence such as God or the law. Thinking ways focus on the full or no confidence, contrasting with low LTO countries that think in probabilistic ways.”

(source: http://geert-hofstede.com/china.html)

The implications for organizational development are:

Power Distance

Chinese organizations can accept more hierarchical systems with less empowerment than Western counterparts can. This most likely affects areas of hiring and promotion, motivation, and ambition. It also implies that Chinese are less likely to find gratification in perceived opportunities for upward mobility in an organization. Chinese managers tend to make decisions “regardless of the standardised HR policies and practices and the low power distance organisational culture.” (Fu & Kamenou, 2012)

Collectivism

Chinese organizations rely more on teamwork and collective goals rather than individual aspirations. This affects areas of motivation and perceived individual value. The objectives of the organization are just as important, if not more so, than individual aspirations.

Masculine Society

Chinese employees are likely to sacrifice family life and leisure for work and achievement. This may be an advantage when meeting project deadlines or working overtime but become a liability if overwork leads to stress and absenteeism.
Uncertainty Avoidance

In China, laws exist in so much as they can serve people. When laws fail to serve people they are abandoned or even ignored. Chinese do not require that everything be explicitly verbalized or written. Compared to the US system, which faces potential collapse due to having about 50% of the world’s lawyers and only 5% of the world’s population (Black, 2011), the Chinese settle most differences out of court and often do not require formal documents to establish obligations.

When formal documents exist, they are often considered flexible outlines rather than a mandatory guideline. The context is more important than words and documents. Organization development in China should emphasize context over policy. According to the Confucian tradition “the conduct of people’s affairs is based on morality or the law of the gentleman. Enacted laws and regulations are not necessary.” (Ye, Tweed, & Toulson, 2011)

Long Term Orientation

In Chinese organizational development, more time must be spent in preparing interventions. Relationships should be cultivated and sources of contention worked out very early. For a learning organization, this may involve more time spent on environmental analysis and understanding the larger role of the organization rather than focusing too much on current events.

Transferring Western Concepts to China

The idea of a one-size fits all product has long since become obsolete in today’s consumer driven rapidly changing marketplace. Just as one would expect to find products with specifications conforming precisely to their needs, concepts in HRD must also conform to the organizations that will be applying them.
(Fu & Kamenou, 2012) confirmed some of Hofstede’s findings but were equally critical by claiming, “Cultural values appeared to be richer and more complex than the cultural dimensions and norms that are conceptualised in the existing literature”. The samples were only based on university students from 22 countries not just China and the findings may be out of date, as China has undergone significant cultural changes since Hofstede’s original studies over 20 years ago. Hofstede’s work also attempts to place a complex subject like culture into a “cultural dimension box.”

Even if Hofstede’s characterization of the differences between Eastern and Western culture overly generalizes and the criteria are too narrow, it still provides an analytical tool to conceptualize cultural differences and gives the Westerner a lens to view Asian culture. Obviously, the subject remains an opportunity for researchers to investigate in international HRD and will most likely receive more attention in the future.

Transferring education policies to China has revealed several issues. Some generic determinants for transferring educational policy were proposed by De Jong and Xi, (2002). Models are sometimes based on one example or set of circumstances requiring a “synthesis of various models” instead of focusing on one. Interpreting models freely is preferable to duplicating them. A strong sense of urgency must exist and there must be some adjustment to structural or cultural differences. Also, policy initiatives should be “pulled in” by adopters within the organization rather than “pushed” by donors outside of the organization. (Fu & Kamenou, 2012) argued that transnational corporations “may need to navigate through the distinctive cultural values when practising the HR policies which could support specific strategies and develop organisational culture.”

Chinese organization culture is also defined by moral and ethical standards, which are unwritten rules manifest through outward displays of humility and humbleness. Even though there may be respect for roles and positions within a company, the CEO may be indistinguishable from a common worker in appearance and habits.

Dejong and Xi (2007) listed specific determinants for successfully transferring Western educational policy to China. They also argue that awareness of these factors is necessary for successful policy transfer according. The Western focus is on task orientation while the Chinese focus is on personal trust. Westerners focus on ethical standards versus Chinese attachment to good intentions and lasting commitments.
Westerners have an inclination to act while Chinese prefer to wait for the right opportunity. Westerners focus on interpersonal equality and open communication while Chinese prefer to respect roles or positions and save face. (De Jong & Xi, 2007)

Within the context of cultural ramifications and policy transfer between cultures, the Chinese learning organization exists as an independent form of HRD structure. Although a derivative of the Western model, it remains a unique organization form/Unique combination of culturally influenced components separate it from its Western counterpart.

The learning organization takes on different characteristics in China due to the aforementioned factors and assumptions. Of course, many ideas, concepts, and definitions can be transferred seamlessly across cultures while others risk being neutralized by differences in perceptions, translation, and cultural mismatches. Ways of learning in Chinese culture may also differ from Western practices.

In a survey of the literature on learning in China some of the key beliefs about learning that guide learning behaviour that emerged were: the idea of lifelong learning to discover and achieve one’s life purpose; a focus on character traits that will facilitate this process including resolve, diligence, enduring hardship, perseverance and concentration; an aim to deepen understanding through the integration of knowledge to improve moral character and the emotional commitment to this project which requires passion, humility and shame/guilt. (Elkin, Haina, & Cone, 2011)

The Chinese learning organization represents a truly international concept, an idea developed and propagated in the West but one that HRD practitioners must customize to ensure that localization conforms to cultural boundaries and contexts. The global shift in polarity of socio-economic factors has introduced deficiencies in previous models that were developed using Western examples. Before analyzing the cultural factors and their impact on the strategic development of a learning organization, the concept must be further refined.

According to one study, HRD practitioners’ perspective of learning at the organizational level “embraced structural, managerial, cultural and business aspects and the processes by which they can be transformed in organizations.” (Slotte, Tynjala, & Hytonen, 2004)
Agyrus (1978) described learning as a single loop or double loop process where the single loop learning is the discovery of problems and correcting deviations from expected performance standards while achieving a fixed objective. Second loop learning is the questioning of the overall paradigm within which systems and processes operate and determining if there is a need to change. Second loop learning involves changing or modifying processes or systems to meet challenges in a turbulent environment. Appelbaum and Reichart (1998) described organization learning as a series of stages.

Cummings and Worley (2009) described learning organizations as being composed of two components; organizational learning and knowledge management. Organizational learning has characteristics such as structure, information systems, human resource practices, culture, and leadership. Although the idea of a learning organization is relatively new in OD, the concept of organization learning was already well established. Argyris and Schön (1978) defined organization learning as: "the detection and correction of error" Cummings and Worley (2009) explain organization learning as a process involving discovery of error or performance gaps, invention or creating new solutions, production or implementing solutions, and generalizing or adapting the solutions in other areas of the organization.

An organizational structure involving teamwork is consistent with the Chinese collective work ethic. The collective aspect of cultural values involves working as a group to achieve common objectives. Since the structure of organization learning is dependent on teamwork (Cummings and Worley, 2009) this may enhance the Chinese firms competitive advantage. However, Cummings and Worley (2009) also point out that learning organizations also involve “lesser number of layers” which may conflict with Hofested’s (2012) assertion that power relations tend to be “polarized” and “inequalities amongst people are acceptable.” The challenge in implementing organization learning interventions in Chinese enterprises may rest in implementing a process of bureaucratic delayering to facilitate organization learning.

Information Systems in Chinese organizations

In organization learning, information systems “facilitate rapid acquisition, processing, and sharing of rich, complex information and enable people to manage knowledge for competitive advantage.”(Cummings & Worley, 2009) Importing advanced technology is a priority in the Chinese government (chinadaily.com, 2011) China is even seen by some as becoming a leader a technological innovation. (Bräuner, 2011)

However, it was found in 2007 that obstacles to Chinese information systems development remained such as centralized decision-making, mandatory management style, and less experience with information technology and information systems applications. (Guoqing et al, 2007)

Cummings and Worley (2009) indicate the human resources practices should “reinforce the acquisition and sharing of new skills and knowledge.” The process of sharing knowledge is facilitated through the attributes of collective culture where people often collaborate with others before arriving at decisions and decisions are often made in the interests of the group or team. According to one study, Chinese employees prefer to “develop and maintain a positive and personal guan-xi (relationship) with their colleagues and managers.” However, “one needs to respect seniority when developing guan-xi with others.” (Fu & Kamenou, 2012) Guanxi focuses on personal relations and the exchange of favors rather than impersonal commercial networks. (Fu, Tsui & Dess, 2006)

Organization Culture

Cummings and Worley (2009) indicate that learning organizations have “strong cultures, that promote openness, creativity, and experimentation among members” and “nurture innovation.” Chinese innovation is defined by geographic and regional boundaries.

In general, provinces and municipalities with provincial status on the east coast are more innovative than the provinces in the central and western parts of China. Regional levels of innovativeness are highly correlated with their GDP per capita and their contribution to high-technology exports, but less with their shares in national R&D expenditures. (Arbolino, 2011)

The rising number of Chinese patents (Rebić, 2011) and the Chinese government’s science and technology initiative’s strategic four pillar plan including “indigenous innovation” as a key component (Arbolino, 2011) have also been cited as contributing factors to China’s improvement in innovation. Moving from imitation to innovation will certainly remain the trajectory of Chinese HRD initiatives in the future as business search for new ways to motivate and encourage employees to be creative and innovative.
Leadership

Effective leadership is essential for the learning organization to develop in terms of the other characteristics; structure, information systems, human resources practices, and organization culture. Open communication between leaders and employees promotes learning (Argyris and Schon, 1978, 1996).

According to one Chinese study of firms recruited in Shanghai, Wong, Tjosvold, and Jiafang (2010) found that “leader commitment to participation, people, and productivity were found to predict psychological safety among team members” and “predicted learning.”

Team psychological safety should facilitate learning behavior in work teams because it alleviates excessive concern about others' reactions to actions that have the potential for embarrassment or threat, which learning behaviors often have.

(Psychological safety may be especially important in the Chinese context. Dejong and Xi (2007) indicated that Chinese prefer to respect roles and save face to maintaining open communication and interpersonal equality. For Chinese, it may be more beneficial to learn within a team framework where mistakes and achievements can be shared.)

Knowledge Management
Besides organization learning, knowledge management represents another key component of the learning organization. (Cummings & Worley, 2009) Confucius broadly defined knowledge by saying, “When you know a thing, to hold that you know it; and when you do not know a thing, to allow that you do not know it - this is knowledge.” Knowledge can be found by studying historical events and trends. Confucius explained, “I am not one who was born in the possession of knowledge; I am one who is fond of antiquity, and earnest in seeking it there.” Knowledge can be explained in terms of its absence as Confucius pointed out in saying, “Real knowledge is to know the extent of one’s ignorance.” Knowledge is a source of competitive advantage as ancient Chinese general and military strategist Sun Tzu succinctly articulated, “He who knows when he can fight and when he cannot will be victorious.”

Contemporary academics have explained knowledge in terms of tacit and explicit knowledge. Tacit knowledge is abstract implicit knowledge such as experience derived from skill, judgment, and practice (Polanyi, 1967) while explicit knowledge is quantifiable and can be communicated easily through language or signals.

Knowledge creation is a process of making tacit knowledge explicit and the value of new knowledge is measured not only by economic indicators but also by how well the knowledge contributes to a company’s vision and strategic goals, as well as develops “potential to build the company’s organizational knowledge network.” (Nonaka, 1991)

Knowledge is created between firms in dynamic contexts where tacit knowledge is transmitted between active participants in a network. Knowledge is initiated (initiation), transacted through collaboration (encounter), and developed into a higher level cooperation and organizational commitment (intimacy). (Corno, Reinmoeller, & Nonaka, 1999)

Both internally and externally, knowledge creation within a Chinese context could be affected by factors such as collectiveness, guanxi, and power relations. Also, there is less regard for intellectual property in China than in Western countries so knowledge may be also be held to the same collective standards as shared goals and achievements.
Nonaka (1991) contended that Western tradition views knowledge management in terms of quantifiable facts while Japanese managers were able to harness the tacit knowledge of their employees through the use of analogies, metaphors, and other abstract visualization activities.

This could also be the case in China which is a high context culture meaning that it is more socially oriented, confrontation avoiding, and complacent with existing ways of life than Western countries. (Kim, Pan, & Park, 1998) Hall (1977) recognized differences in ways cultures communicate proposed the high/low context continuum. Low context cultures are considered to require more explicit meaning in the form of verbal or written communication while placing less value on contextual circumstances. Despite various models and definitions, which cannot be explicitly defined, the ambiguity of abstract conceptual theory may be welcome in China. Perhaps China will play a role in the next round of iterations in a process of continual refinement of these abstract HRD concepts.

Conclusion

Chinese culture is constantly changing and has been heavily influenced by Confucianism. (Wang, Wang, Ruona, & Rojewski, 2005) The Chinese learning organization will continue to be an area of study for future HRD practitioners. A learning organization composed of organization learning and knowledge management develops differently in China than in Western countries. A Confucian tradition, high context culture, long term perspective, and differences in styles of engaging in relationships are sure to ignite debate and investigation into this unique model.

The Chinese learning organization can be defined as a learning organization with uniquely identifiable cultural aspects grounded in Confucian tradition, respect for roles or position, and communication. These aspects include the way knowledge is distributed through network relationships and the functioning of teams. The world will remain diverse and the Chinese learning organization will continue to evolve into a uniquely Asian form of business, learning, and cultural expression. In the future, the Western companies could be looking to China to better understand tacit knowledge, leading by protecting and safeguarding, reducing relationship barriers through the concept of guanxi, and managing highly effective teams despite inequality among members. The Chinese learning organization is a unique model derived from earlier

Western concepts. Today it has developed into an identity of its own and merits further research as a differentiated form of learning organization.

References


Figure 1


Figure 2

Wong A, Tjosvold D, Jiafang L. Leadership values and learning in China: The mediating role of psychological safety. *Asia Pacific Journal Of Human Resources*