How to balance the traditional Chinese culture and western management method in leaders’ management?
— A case study on Chinese commercial bank SPDB

Strategic Entrepreneurship
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Abstract

Background: Most of the state-owned enterprises and family businesses introduce Confucianism in their management in China, while private enterprises are used to apply western management philosophy. Due to the development of the times and policy adjustments, many state-owned enterprises have gradually transformed into a mixed enterprise which has some functions of state-owned enterprise and a profitability goal like private enterprise. This phenomenon implies the management in mixed enterprises need to figure out a solution to balance Confucianism and western management style in their leadership.

Purpose: This paper tries to analyze a Chinese commercial bank SPDB to understand how Confucianism and western management style work together in one enterprise and provide suggestions to foreign leaders in their transactional management, meanwhile explore a new field for researchers.

Method: This qualitative study applies one case study in a Chinese commercial bank, eight research respondents including leaders and employees. Data is thereby collected from semi-structured interviews and documentary secondary data. The analysis of the empirical findings is according to grounded theory, through a series of processes such as coding, re-coding, linking to identify the pattern behind the case.

Conclusions: In the research, we find that traditional Confucian culture and Western management philosophy have many similarities in guiding leaders on how to manage enterprises. However, the different ideas between eastern and western culture may lead to inappropriate management behavior which may increase contradictions in organizations. For balancing the two culture in one enterprise, leaders need to consider the importance of ‘people’ in Chinese traditional culture, and thus adjust the western management methods, meanwhile, when recruiting new staffs and promoting current employees, apart from considering Guanxi, leaders should consider whether the performance of these employees can be recognized by other employees.
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1 Introduction

1.1 Background

Confucianism, as a traditional idea that influenced China for more than 2,000 years, almost every Chinese has been affected more or less by it. So, when leaders manage companies, their thoughts and behaviors are also influenced by Confucianism. Unlike Western management theory, which focuses on performance and profit, leaders influenced by Confucianism are more inclined to create a harmonious atmosphere in their organizations, allowing employees to have a common recognition on leadership and cultivating them the collective sense of the enterprise, thus motivating them to actively complete their work.

Some scholars found that many well-known Chinese companies apply Confucianism to manage enterprises, such as accounting, telecom sector and appliance sector (Gao & Handley-Schachler, 2003; McDonald, 2011). Hou Weigui, the founder of ZTE Group, in his management he emphasizes both self-cultivation and praise differences which are the reflection about Confucianism (McDonald, 2011). McDonald in his research identifies that more and more Chinese realize the value of ‘harmony’ and the wisdom of traditional culture (2011). The CEO of Haier Group, Zhang Ruimin attaches importance to education and self-cultivation, provide equal opportunities to everyone, and evaluating the personal performance to compete. As a leader in state-owned enterprise, Zhang made Haier Group has become the world’s fourth-largest white goods manufacturer.

Tsai, Young & Cheng (2011) said that some East Asian countries can improve long-term productivity and competitiveness by consciously adhering to traditional Confucian ethics. Cheah, Yusof & Ahmad (2017) discussed Chinese leaders with Confucian values in Malaysia, who are highly valued by followers in local companies, and which promote the development of the company. Schenck & Waddey (2017) discussed the impact of Confucianism on Korean business leaders and said that in addition to being good for business, Confucianism is also an important catalyst for social harmony. Tan & Tambyah (2011) also discussed the influence of Confucianism in Japan, Singapore, and Vietnam in their research.

In spite of the Chinese have been influenced by Confucianism for a fairly long period, some enterprises apply Confucianism in their management which lead to a good result, it does not mean that Confucianism is the main driving force for the development of enterprises (Atherton, 2018). Research showed that although there are more than 20% of people in the world consist of Confucianism and many firms apply Confucianism in their management, some scholars argue that most of the enterprises who introduce Confucianism in the organizations are mainly state-owned enterprises and family businesses (Yan & Sorenson, 2004; Atherton, 2018). However, most of the registered enterprises in China are private ones which contribute more than one-third of GDP and the main business direction of these private companies is related to people's daily lives (Atherton & Newman, 2018). This means that the development of private enterprises has a stronger correlation with people’s lives, so the management style and approach are crucial.
With the development of globalization, the transformation of the economy is necessary, while it raises questions to the recognition of Chinese traditional culture. Rapid economic development and competition for limited resources have reduced leaders’ tolerance, for getting success faster than others, some Asian companies even force the employees to work overtime without considering their health condition (Stankov, 2010; Miles & Goo, 2013). This kind of behavior violates the concept of 'benevolence' adhered to by Confucianism. At the same time, fierce competition also broke the harmonious atmosphere recognized by Confucianism. Some researchers stated that young managers who have a more open mind to western culture may be easier to accept the western management style and develop business, meanwhile, with western companies entering China, the position of Confucianism in management is likely to be replaced (Miles, 2006).

The founder of Alibaba Group Ma Yun claimed that young people should work long hours, and he suggested ‘996’ (people work from 9 in the morning to 9 in the evening, 6 days a week) is the suitable method (Asiatimes, 2019). Wang (2012) and Atherton (2018) even stated that Confucianism is an important factor that hinders the entrepreneurial environment and the innovation of the enterprise because it advocates avoiding initiative and relies heavily on hierarchy structure. For better expanding their business in other countries, many Chinese enterprises learn from their targeted countries and the internationalized companies to manage the organization through a proper way (Atherton, 2018).

The chairman of Tencent Ma Huateng and the CEO of Sina.com Cao Guowei introduce some concepts and ideas from Confucianism in their management and combine them with the modern management style (McDonald, 2011). ‘Telecom Titan’ Ren Zhengfei advocates ‘aggressive marketing’ and ‘wolf spirit’ which is almost on the opposite way to Confucianism (Zhang & Alon, 2009; Yue, 2010). Gree Electric Appliances CEO Dong Mingzhu does not promote harmony, as a businessman, interests and profit are the most important thing, she describes herself as a soldier, for winning the war, she is willing to sacrifice everything (Naville, 2009).

However, many things are not black and white. In any country in the world, there are not only state-owned enterprises, family businesses and private enterprises, many companies have multiple natures and multiple functions. Due to the development of the times and policy adjustments, many state-owned enterprises have gradually transformed into a mixed enterprise which has some functions of state-owned enterprise and a profitability goal like private enterprise. Although some scholars have found that most of China's enterprises are private, those sectors that have strategic value to the state, such as raw materials, petrochemicals, telecommunications, and banking, are still affected and controlled by national policies. Among those enterprises, Chinese commercial banks are typical mixed ones.

The People’s Bank of China (PBOC), which was established in 1948, was the foundation of the banking system in China. In the first 30 years of its establishment, it assumed the functions of commercial banks, regulators and government finance departments. Until 1979, PBOC was redefined as a regulator and central bank, while commercial activities and finance functions were transferred to other newly formed entities (Cousin, 2011).
Due to the different types of business and the different functions of various banks, they are specifically subdivided into national policy banks, commercial banks, credit cooperatives and other economic organizations (Figure 1). But it does not mean they only focusing on their specific functions, instead, they also need to take some responsibilities as PBOC in order to maintain economic stability. In a report on the proportion of assets in China's banking industry, commercial banks who are committed to promoting economic development accounted for 75% of all bank assets (Cousin, 2011). The main businesses of commercial banks are involved in supporting infrastructure construction and protecting people’s daily lives, meanwhile to absorb debits and issue loans as a mainstream business (Berger et al, 2009).

![China Banking Organization Structure](image)

**Figure 1. China Banking Organization Structure**

### 1.2 Problem statement

As mentioned in the previous discussion, state-owned enterprises and family businesses prefer to use Confucianism to manage enterprises, while private enterprises aiming at profitability believe that the idea of being too benevolent in Confucian culture will hinder them from realizing the maximize interests of enterprises on some certain extent. However, for those hybrid enterprises with two natures, the leaders face the challenge of combining Confucianism with Western management theory.

With the development of the times, to promote the further development of the economy, the state will adjust the nature of certain enterprises, more and more state-owned enterprises are transforming into hybrid enterprises. Among them, the banking industry is relatively typical and the adjustment time is earlier. Chinese commercial banks are the product of the subdivision of the People's Bank of China, so it inevitably bears part of the responsibility of the People's Bank of China. Specifically, it is to stabilize the financial market following the direction of the government. Also, as a company, it needs to guarantee the enterprise development and business goes smoothly through profit.

Therefore, Chinese commercial banks become a typical case to help us better understand the relationship between Chinese traditional culture and western management method. Based on this, we have drawn the research problem of this paper.
How does Confucianism influence the management of leaders in Chinese enterprises, under the context of Western management philosophy?

1.3 Purpose

Some Chinese enterprises have the dual nature of state-owned enterprises and private enterprises, the two types of enterprises have different management ideas. Commonly, state-owned believes in Confucianism while private-owned applies western management theory. Many scholars have argued that traditional Chinese culture is different from Western, therefore, it is necessary to understand how the two concepts work together in one enterprise.

The other reason why the problem is important because foreign leaders may have the ability to manage private-owned or foreign enterprises successfully, but if they need to take care of a company with traditional culture, it is better for them to understand how to apply western management skills under the Chinese culture. This paper tries to figure out the relationship so that provide advice for foreign leader in their transactional management.

Apart from that, this paper is going to explore a new field for researchers. Although there has distinguished between Chinese culture and Western management method, there might be some connections as well.

1.4 Delimitations

Because Confucianism has a profound influence on the lives of Chinese people, the behavior and thoughts of Chinese people will unconsciously adopt Confucianism as the standard. However, this article does not involve the influence of Confucianism on people's life. Instead, it takes the influence and role of Confucianism on mixed enterprises as the research direction and regards the typical representative of Chinese commercial banks as mixed enterprises as the research goal. Other types of companies are not the focus of this article and will not be discussed in this article.

1.5 Outline

The second chapter reviews the theoretical concepts related to this thesis, mainly related to western management philosophy, the main ideas of Confucianism and its role and influence in the management of enterprises. The third chapter introduces the research methods of this paper. This paper conducts qualitative research on Chinese commercial banks through interviews. This part covers the methods of data collection and analysis and adheres to the ethical standards throughout the research process. The fourth chapter refines the interview information as an empirical finding. Therefore, the interview situation and content are restored as much as possible through narrative, and the clear interview content is sorted out by categorizing the information with similar interview content, which is convenient for reading. The fifth chapter is based on the analysis of the contents of the second and fourth chapters. These include the findings of this paper contains some similar conclusions as previous scholars and some opposite ideas, while some new ideas are also derived from the analysis in this chapter. The sixth chapter is
also the last chapter of this paper. The conclusion of this paper is obtained through the analysis of the fifth chapter, and it is provided as a reference for scholars to carry out follow-up research.

2 Literature review

There are two types of literature reviews, traditional literature review and systematic literature review. Considering our research topic, which is about Confucianism and leadership in Chinese banking industry, we apply for systematic literature review first. Petticrew and Roberts (2006) state that, systematic literature review tries to ‘comprehensively identify, appraise and synthesize all relevant studies on a given topic (P. 19)’. For avoiding neglect of some important sources, we prefer to collect relevant research with high quality as much as possible. Systematic reviews only include peer-reviewed academic articles can help us to achieve the request (Easterby-Smith, Thorpe, & Jackson 2015).

We use ‘leadership, ethical, Confucianism, China, Chinese, enterprise, business, firm, bank, cultural, differences, skills, western, Asia’ as keywords, and arrange them by different portfolios. Although we get a lot of useful articles by using this approach, it relies heavily on abstracts of articles and we need to use accurate words as keywords for searching (Easterby-Smith, Thorpe, & Jackson 2015).

2.1 Western management philosophy

2.1.1 Social Identity Theory

Social identity theory is a theory that explains how individuals identify with an organization (Yang, 2014). Specifically, it describes a single individual who defines himself as a member of an organization in which people have the same recognition of the organization and are willing to work toward achieving organizational goals, while making a clear distinction from others who are not in the organization. Tajfel (1979, 1982) pointed out that when people have emotional connections to an organization, the organization can change people's self-recognition and behavior, so that they can better integrate into the organization and serve it.

On the other hand, people will also define their identity and behavior according to different organizations in which they are located, thereby demonstrating their recognition to the organization (Ashforth & Mael, 1989). The mutually reinforcing relationship between the organization and the individual promotes individuals adopt similar behavior as other members in the same group, further integrate into the organization, and deeply feel that they belong to the organization and be proud of that (Brown, 2000). This sense of pride enhances their recognition of the organization and is willing to demonstrate their trust and support to the organization through their own actions.
2.1.2 Leader-Member Exchange Theory

Leader-Member Exchange Theory is a relationship-based leader management theory that focuses on the interaction between leaders and team members and is often used to analyze teamwork in an organization (Fairhurst & Chandler, 1989; Yang, 2014). Deluga (1998) pointed out that the relationship between leaders and employees is based on trust and respect, this kind of relationship forms an emotional resonance which transcends the business. DuBrin's research found that employees who are loyal to leaders and have good performance (‘in-group’) are often easily encouraged and recognized by leaders (2010). In contrast, those ‘out-group’ employees receive less attention from leaders. In addition, being able to form the same values as leaders is also a way for employees to draw closer to leaders (Yang, 2014).

Sparrowe & Liden (1997) pointed out that the relationship between employees and leaders is crucial, which is related to the career development of employees, and employees who are more closely related to leaders are more likely to be promoted and developed. This view has also been supported by Yuki, who pointed out that leaders will make decisions based on the close relationship between themselves and their employees, and those who are close to the leaders will get more benefits (2013).

2.2 Leadership development

People have realized and started to study leadership more than a hundred years ago, however, until the recent 30 years, research on leadership has increased dramatically (Grint, 2010). However, until now, no scholar has been able to clearly define whether the ability of leadership is born or made. Bass believed that what makes a true leader stand out from the crowd is his noble personality (1990). While, Millar & Poole (2011, A) stated that keeping learning and taking further education is necessary for leaders to better manage organizations and help enterprises growth. From their perspectives, we can have a preliminary idea -- more than one factor that has a major impact on leadership. As a result, for better managing the company and maintain it growth, both intrinsic character and external behavior of leaders should be noticed.

Although people are not the only influenced factor to enterprises, they play a key role in organizations. In research of Ireland & Hitt (2005), they stated that effective strategic leadership was considered as a vital source of competitive advantage in organizations because it can help firms to enhance their performance under the complex and fiercely competitive environment. In an era of rapid information development, it is almost impossible to get a long-term competitive advantage through one technology. To enable enterprises to stand out from the competition while paying attention to technological innovation, managers began to think more about how to manage enterprises more effectively, thereby improving the overall competitiveness of enterprises. Schoemaker, Krupp, & Howland (2013) listed six skills (anticipate, challenge, interpret, decide, align, learn) to help leaders to improve their competence targeted so that maintaining the enterprise developing.
2.2.1 The recognition of leadership in business field

The determination of leadership is not a straight line of ‘high-level leadership empowerment—employee unconditional acceptance’. DeRue & Ashford (2010) stated that since leaders need to work with other subordinates, getting recognition from followers is as important as being authorized by senior leaders. Leaders cannot do everything by themselves, it is necessary to get support from followers, meanwhile, one of the main responsibilities of leaders is to manage and work with team members. Sy, Horton & Riggio (2018) supported this view and put more effort into how leaders can get approval from their employees. They stated that the recognized process requires constant communication between new leaders and employees, because the recognition is a kind of emotion, for getting recognition from followers, the quasi-leaders need to show their behavior and working abilities to persuade subordinates trust and follow them. The most efficient way is to help the organization to solve some difficult problems or achieve outstanding performance (DeRue & Ashford, 2010).

Another way to get recognition from employees is the charm of leaders. Sy, Horton and Riggio (2018) claimed that the charm of the leader is reflected in the interaction with the staff. An attractive leader is good at guiding employees' emotions and ultimately getting recognition from them. Charismatic leaders have the ability to get attention from followers through their behavior, and take the next steps according to their reactions. In this way, leaders promote followers' emotional agreement with themselves. In order to better shorten the distance with employees, leaders will clarify that his actions are beneficial to employees' interests. After the goal is achieved, it is easier for leaders to get respect and loyalty from subordinates, and the image of the leader will also be improved in the employee's mind.

Sy, Horton and Riggio’s idea can be understood as the behavior of leaders and the result of matters can increase the charm of leaders because people are easily persuaded by the fact. However, Den Hardog & Verburg (1997) argued that sometimes the ability of leaders' language appeal can both motivate employees and influence public which may help companies to achieve the goal of the organization. Therefore, their views represent the ideas of some scholars. In addition to the leader's own behavior, language skills are also the basic quality that a good leader should possess. This quality can also help leaders quickly build emotional resonance with employees and get follower's approval. In the research of Wildrom, Van Den Berg & Wiersma (2012), they interviewed more than one thousand employees in a bank in Netherland, the result showed that charisma leaders have an effect on employees’ behavior, however, organizational culture does not work.

2.2.2 The ethics of leadership in business field

Ethic is another vital factor that should be concerned about when talking about leadership. The moral cognition of the leader and whether his actions are honest and fair are important factors influencing the internal atmosphere of the company (Demirtas & Akdogan, 2015). An ethical leader has a positive effect on affective commitment of employees, while decreases the turn-over intention of them (Millar & Poole, 2011, A). In return, the consistency of ideas and the low liquidity of employees are conducive to the stability of the internal organizational structure. Leaders can save a lot of time on
the process of recruiting and training new staff, instead, they have more opportunities to consider the developing direction of enterprises, which is good for both companies and staff. Therefore, an ethical leader is conducive to retaining employees, developing business, and benefiting employees in the business, thereby enhancing the intimacy between employees and the company and forming a virtuous circle.

Some scholars pointed out that since charismatic leaders have extraordinary speech ability, they can influence the behavior of employees by their words. When their thoughts and organizational goals are the same, the leaders who lead staff to help the enterprise develop better will be recognized as ethical leaders. However, if charismatic leaders get personal interest through their language skills without considering the benefit of organization and employee, they are not an ethical leader (Padilla et al, 2007). Although there are some similarities between charismatic leaders and ethical leaders, they cannot be confused. In the research of Millar & Poole (2011, A), they claimed that the scandal caused by lack of ethics has become a global problem.

As a result, the ethics of leaders have a great influence on the firms and employees (Demirtas & Akdogan, 2015). Millar & Poole (2011, A) stated that although as the person in charge of the enterprise, the leader is obliged to maximize the profit of the enterprise, but simply pursuing profit without considering the ethical standards often brings more serious harm to the organization. In a research of Wright (2012), he claimed that it is important to cultivate the leader’s own rather than only focusing on the core skills. Especially during the period of rapid economic development, leaders value their ethics which provide a positive direction to guide and motivate followers, try to align their personal goals with organizational goals (Millar & Poole, 2011, B).

2.2.3 Internationalization requires leaders to pay more attention to culture difference

Konrad (2000) claimed that the different standards of identity for leaders caused by cultural differences. Due to the influence of different historical cultures and traditions, countries with similar characteristics are divided into one culture group, each group has its characteristics (Hofstede, 1993). As a leader, different management styles and methods need to be adopted in different cultural groups to achieve effective management (Dorfman et al, 1997). This perspective is recognized by Peterlin, Penger & Dimovski (2009), they claimed that Western management methods cannot be directly applied in Eastern enterprises, the result of such copying is only to bring conflicts. Since many Asian countries follow the collectivism and harmonious atmosphere promoted by Confucianism, Resick et al define these Asian countries as Asian Confucius group (2011). Millar & Poole (2011, B) advocated that improving the quality of education for leaders can help them to get a deep understanding of other countries, meanwhile adapting their management styles and methods according to these cultural characteristics, so that creating well-being for local people.

Li, Kevin & Qian (2001) claimed that huge cultural differences may affect the cooperation of multinational companies, so it is important to understand the culture of other countries and regions (Millar & Poole, 2011, B). Hofstede & Dooley (2017) also said that there is no uniform standard for the identification of superior leadership, it is influenced by cultural differences. As a result, an extraordinary leadership is not only
how many skills they have mastered, but also the ability of understanding and adapting to the local culture in a short time. Same action from the leader may get opposite feedback in different areas or countries. It is important to notice that, an unsuitable leadership and management method cannot help the company to develop smoothly, by contrast, it affects the loyalty of employees to the enterprise, generating more conflicts, thus making the enterprise into an embarrassing situation and hard to develop (Peterlin, Penger & Dimovski, 2009).

With the global expansion of Chinese companies, understanding the Chinese traditional culture has become a key success factor for western executives, however, the research on Chinese culture and business management were far less than in the west (McDonald, 2011). Selmer (2001) mentioned that many business expatriates felt helpless and even depressed when they were appointed to China due to fail on finding the balance point between their management style and the Chinese culture. For foreign executives, many of the common management rules are difficult to implement in Chinese companies. In the same way, Chinese employees cannot get the same thinking with their leaders which may cause conflicts. In a survey of profitable organizations in China and Taiwan area, culture is positively related to leadership, and hierarchy of leaders are not related to leadership (Chen & Li, 2013). Therefore, to better play their management functions, it is necessary for foreign leaders to learn the traditional typical culture.

2.3 The Eastern traditional culture – Confucianism

Confucius, as the founder of Confucianism, he lived in a period of political, social, and moral chaos (Huang & Charter, 1996). The original function of Confucianism is used to guide the thoughts and behavior of the monarch so that he can better manage the country and beneficial to his people (Bi, Ehrich & Ehrich, 2012). Confucius argued that if the monarch does not set an example to his people, but only manages them through strict command and punishment, people may violate these orders and not aware of their problems and mistakes. By contrast, if the monarch leads by example, using morality to guide and regulate the people, even if there is no command, the people will follow the monarch as well, and do the right thing (Xu, 2011). Confucius suggested that the monarch needs to restrain the atrocities and overcome the force through the moral restraint, and put forward the three principles of ‘Ren (benevolence), Yi (righteousness), Li (ritual)’ to guide the behavior of the monarch, he also advocated the realization of ideal life by cultivating the comprehensive development of personality, and thus realizes the desire for social stability (Bi, Ehrich & Ehrich, 2012). These principles have also become important principles of later Confucianism (Xu, 2011).

Confucianism guides the monarch to do the right thing is not only reflected in ancient times, even today, it is still the core idea of leaders in China. Zhu, Feng & Warner (2009) stated that former Chinese President Hu Jintao introduced ‘harmonious society’ in his management policy which advocated people should respect each other, thought more about the problem from the perspective of others. The current national president Xi Jinping also claimed that ‘Chinese Dream’, the core idea is to make everyone who lives in China have the same rights and enjoy the same benefits (Wang, 2014).
2.3.1 ‘Ren’ in leadership management

Ren as the core doctrine of Confucianism, the essence and basic content is to love people and support people, rather than just focus on the result (Seow, 2010). It guides leaders to be more tolerant, instead of focusing on the result, leaders should concentrate more on how much effort has been paid and what is the intention of employees (Stankov, 2010). Spending lots of time on business or having a positive attitude to the work cannot guarantee the result is positive, there are so many unpredictable factors during the process which may influence the performance. Moreover, Pellegrini & Scandura (2008) claimed that leaders always show their benevolence through concerning the circumstances of employees, and try to avoid letting subordinates fall into awkward situations, so that let them losing faces. According to Luk, Fullgrabe & Li (1999), saving face has a positive effect on shortening the relationship distance. Although almost all cultures consider ‘mianzi’ in management, Chinese are especially sensitive to it (Wu & Wang, 2012).

Although ‘Ren’ has guided the management of the leader to a certain extent, as the core ideal of Confucianism, ‘Ren’ influences employees as well. Leaders may show their love to followers and colleagues by keeping their faces in public, in return, subordinates have the same obligation to support their leaders. In the research of Wu & Wang (2012), they stated that if leaders evaluate the work of employees consider the changeable external environment, employees will express gratitude to the leaders and reward their leadership by improving their performance, thus forming a positive and mutually beneficial relationship between leaders and employees.

Apart from loving and supporting others, ‘Ren’ also asks people to be objective and fair, align appearance and inner thoughts. Confucius proposed that the establishment of leadership authority is achieved through noble morality, which requires them to show their virtues and become role models (Farh & Cheng, 2000). A moral leader should be willing to train talents and be willing to help others grow and succeed without considering whether they can get personal benefit from that (Xu, 2011). If the ideal and behavior of leaders are recognized by subordinates, they will try to learn and imitate the virtues and ways and play a role in their work (Lu et al, 2009). Therefore, working with a leader who has a positive moral, it is easy for employees to take the same action, so that forming a positive team which may benefit the organization.

2.3.2 Collectivism

Collectivism emphasizes that individual goals should be consistent with the direction of organizational development, and emphasize that people should be harmonious, cooperative, and jointly concerned with collective interests (Wagner, 1995). There is an old saying in China, the power of one person is weak but if people get together to do the same thing that the power will become greatly stronger and the goal is easier to achieve. Krone, Chen & Xia (1997) explained the idea and pointed that the success of a team relies on each personal achievement, for achieving the goal of the team, all members should have a sense of identity with the group. Since collectivist employees have a high degree of recognition of the goals to be achieved by the organization, in the business environment, they will show more behaviors that are beneficial to the organization (Paine & Organ, 2000; Kim & Lee, 2012).
It is no doubt that collectivism promotes the harmony of members within the organization. This harmonious atmosphere and the timely exchange of information among team members have in turn led to the sharing of knowledge in the collective (Michailova & Hutching, 2006). Meanwhile, it promotes employees to change their behavior to better match the needs of the enterprise (Cerne et al, 2012). In the research of Aerne, JakliA & Akerlavaj (2013), they mentioned collectivism emphasize cooperation and information exchange, this kind of working environment is conducive to management innovation, thus breaking through the original technology. Moreover, Rosenbusch, Brinckmann & Bausch (2011) stated that collectivism has a positive effect on each process of innovation.

Although the idea of collectivism is to achieve the organizational goal meanwhile realize the individual's demands, in reality, many employees have to choose to sacrifice their personal interests for the realization of collective interests. As far as back in 1962, Wright claimed that encouraging people to sacrifice personal interest to satisfy the collective benefit is one of the important views in Confucianism. Therefore, the people who consist of collectivism may focus more on the interest of the organization.

2.3.3 ‘Li’ in leadership management

‘Li’ (ritual) is a moral code and regulation of conduct in Confucianism if ‘Ren’ is an inner spirit, ‘Li’ is the external manifestation of ‘Ren’ (Xu, 2011). The original meaning of ‘Li’ is to let people recognize the relationship between themselves and others, things and objects around them. Now it is more understood as an important means to establish and maintain harmony in interpersonal relationships (Yum, 2007). ‘Li’ requires people to realize they play various roles in different situations and each role has some specific appropriate behaviors (Gong, 1989). Confucians believed that setting different behaviors to different roles can better regulate people and maintain social harmony and stability (Payette, 2016). For example, a man is a son when he is with his parents. He needs to embody the filial piety to the parents in all aspects because this is the behavior of 'son role'. However, when he gets along with his wife, his role is 'the owner of the family', so most of his actions need to reflect his sense of responsibility towards the family.

Since people from an early age need to learn the rules in their family, they are used to follow the social order, which laid the foundation for hierarchy structure (Krone, Chen & Xia, 1997). Under the guidance of ‘Li’, the role of employees is to respect and obey superior leaders unconditionally, only the leader has the right to decide what kind of action should be taken, even if the order is wrong (Krone, Chen & Xia, 1997).

In the business field, Confucianism encourages employees to be diligence and loyalty to companies, which has a positive effect on improving organizational effectiveness (Chan, 2008). To demonstrate employees’ recognition of their roles and their focus on work, employees volunteer to work overtime, because they believe that additional efforts can demonstrate their loyalty to the organization, which is a moral and responsible embodiment (Chan, 2008; Kang, Matusik & Barclay, 2017).
2.3.4 Guanxi in leadership management

Guanxi is an important factor in understanding Chinese culture, it involves all aspects of Chinese society (Bian, 1997; Park & Luo, 2001). Different from relationship, one function of Guanxi is to gain benefit. Pederson & Wu (2006) found that Chinese people are usually and willing to maintain their Guanxi by giving gifts or giving benefits. Although Guanxi exists more in the interaction between individuals, its impact on the enterprise cannot be ignored. Lee & Anderson (2007) claimed that Guanxi is based on trust and friendship with Chinese characteristics, it is not only a close relationship between people but also a vital impact on the development of the company (Park & Luo, 2001). Combining the two views of scholars, we believe that Guanxi is based on trust, in order to maintain or strengthen the relationships between each other, people usually use gift-giving, which is very common in the business environment.

For companies, Guanxi helps companies to get more competitive advantage in the market (Hwang & Staley, 2005; Warren et al., 2004). For example, if an enterprise needs to do business with another business, then he will choose to work with the person who has the closest relationship. Although the qualifications and conditions of the selected company are not the best choice, the company is willing to give the business to the company with the closest relationship, only because of the close relationship between them.

For individuals, Guanxi can help people find jobs and get more opportunities for promotion (Warren et al., 2004; Winn, 1994). Ma, Tang & Yan (2015) said that Guanxi is unfair to other employees in the organization which may reduce employee enthusiasm and organizational commitment and ultimately undermines organizational integrity and values.

2.4 Find the gap

Although Western management approach and oriental traditional culture have been studied by scholars, few scholars have put the two together to discuss. In the context of the integration of modern culture, people have reached a consensus on understanding different cultures. However, how to combine the culture of other countries with their own management methods, or how to integrate the management concepts of other countries into their own culture so that co-management of enterprises, there are few scholars involved in such topics. Especially in China, influenced by traditional ideas for thousands of years, how to make Western management methods and traditional ideas coexist in the management of enterprises is a problem worth exploring.

As mentioned above, most of China's state-owned enterprises and family-owned enterprises apply Confucianism to manage enterprises, while private enterprises borrow more Western management theories. A series of enterprises with both state-owned enterprises and private enterprises face a management problem: How to balance the traditional culture and Western management methods in leaders' management. This paper selects Chinese commercial banks as representatives of such mixed enterprises and discusses how leaders use Confucianism to manage enterprises in the context of Western management philosophy.
3 Methodology

3.1 Research philosophy

There are two kinds of theories in the philosophy field, ontology and epistemology. Gruber (1995) claimed that ontology ‘… is a systematic account of existence (P.908).’ In other words, ontology tries to describe existing things and goods through some conceptualization. While epistemology concerns more about what kind of knowledge we can know and how we get to know that. Since we want to figure out that how to balance Confucianism and western management ideas in the Chinese banking industry, and there are not so many researches about it, we are going to apply constructionism in epistemology in the thesis.

Interviewing is the main approach for us to get primary data. For getting the whole picture of the influence, we choose our candidates by considering various aspects. We believe that personal ambitious, working experience, ages may influence the thoughts of people, so we try to maintain the diversity of participants from several aspects, like working lines, their ages, the working period in the bank. Also, we want to know how the ideas guide the behavior of leaders, meanwhile, how the behavior influences the employees, therefore, both leaders and employees are included. From the two sides, we can get a deeper understanding of the influence of Confucianism and western management approach in Chinese banking management.

Apart from that, researchers claim that epistemology can be conducted through positivism or social constructionism. The former believes that some objective factors play a decisive role, on the other hand, social constructionism is used to collect information in a more intuitive way, it means it is influenced by feelings and emotions (Kemper, 1981). We try to identify the influence in a long period of banking management through interviews, rather than getting a large number of data, then according to the analysis of the data to find the answer. As a result, social constructionism is applied in this paper. Meanwhile, for having a deep and accurate understanding of the research question, triangulation is conducted, it means we will interview different people but asking similar or relevant questions to identify the information that we get is not a personal idea but a common thought. Therefore, triangulation perfectly matches the standards of constructionism as well.

Each kind of epistemology has both advantages and drawbacks. Constructionism helps us to work more efficient, summary information, accept the variety of the data etc. We can benefit from conducting constructionism, but there are still have problems that should be noticed, such as the possibility of accessing, realize the cultural differences and handle distinct information. These problems will be discussed in the following parts.
3.2 Research design

A rational plan can make the work more efficient and more effective, also, it helps people on the right track without missing their directions. Research design is the plan when starting a research.

As described above, there are few researches focusing on our research topic, therefore, this master thesis is more inclined to be an exploratory study. Case study is an effective way to understand the fact deeply, it contains many relevant issues in an organization, especially when the truth is not easy to identify. Stake (2006) advocate that through typical cases study, researchers can figure out the general idea of their research.

One case study concern more about constructionism rather than the issues of validity. It can provide a fairly abundant stories and pictures for researchers to get a deep understanding of the case. Our research focuses on getting the idea about two kinds of thoughts to affect Chinese banking leadership, therefore, instead of getting a surface result, we prefer to catch the deep thought. However, since there is only one case, there might have some difficulties to identify the common phenomenon, also, we need to consider about the current situation of the researched case, the findings and results may not reflect other periods.

Since the time-limited, getting interviewees by using less time seems important, so sampling strategies such as ad-hoc sampling, typical-case sampling and snowball sampling are applied in the first step of data collection. Jones (1985) emphasized that a well-designed structure can be a benefit for interviews. Also, some interview skills like laddering, probes and critical incident technique (CIT) (Flanagan, 1954) help us to get more deep and useful information. For analyzing the data, grounded theory is applied, the process will follow the 7 steps of grounded theory, by using coding, classifying and linking to mapping the crucial pattern. These approaches will be discussed in detail in the following part.

3.3 Data collection

Since the paper applies the case study method to identify the answer to the research question, interviews are conducted for getting primary data, secondary data is collected through the news on the internet and participants share. We prefer to have face-to-face interviews with each individual because this way can not only record what the staff talk about but get their emotions and expressions directly which have a potential benefit to understand them deeply.

Different from large commercial banks in China, the rise of joint-stock commercial banks is accompanied by the transformation of the Chinese economy (finance.ifeng.com, 2019). During the process, joint-stock commercial banks try to keep a balance between old and new mechanism. Through unremitting efforts, they have become a very active force in China's financial market and a new force to promote the development of China's national economy. Shanghai Pudong Development Bank (SPDB) as one of the joint-stock commercial banks is established in 1992, until 2018, it ranks 70th in the US ‘Forbes’ and ‘Global Enterprise 2000’; the UK ‘Banker’ and ‘Global Bank 1000’; the US ‘Fortune’ and ‘World Top 500’ ranks 227th. SPDB is one
of the few joint-stock commercial banks in China and has obtained the investment-grade ratings of the three major international rating agencies (xw.qq.com, 2019). These brilliant achievements are inseparable from the proper management of leaders and employee’s response. Therefore, we consider SPDB as a typical case to understand how the interaction between leaders and employees works in Chinese banking industry.

As discussed above, one of the weaknesses of constructionism is that it is not easy to access. Meanwhile, time is another factor we need to consider. Fortunately, those are not huge barriers for us, since both of us have work experience in SPDB which help us to contact the interviewees easier and less time-consuming. Besides that, for interviewing better, we performed extensive desk research on the bank and its current situation. Also, the working experience helps us to save time on researching the information.

From this point, Ad-hoc sampling is applied, which means we select the candidates based on easy to contact and can be interviewed immediately. Since both of us have working experience in SPDB, two leaders and five employees can be contacted directly. However, because most of them work in the same department, which is not the best choice for us to get a whole understanding of the management in SPDB. Therefore, we decided to select the participants based on several different standards, such as working lines, working period in the bank and their current position. Typical-case sampling is an efficient way which can help us to meet our requirements. By applying this strategy, we only interviewed one leader and two employees at the first stage.

For ensuring the variety of data, there might be some people need to be interviewed, but cannot be contacted directly. The best way is asking current selected participants to recommend other candidates who meet the requirement. This strategy is snowball sampling, which is applied in the sampling process as well. For using this approach, we can save a lot of time on getting in touch with new interviewees, on the other hand, the previous participants can provide a more suitable person that can match our needs better.

However, we need to notice that, during the time of interviewing the snowball sampling candidates, there might be some drawbacks. Since the new interviewees are recommended by the previous one, we are not sure whether the previous interviewee will share his or her personal idea to the news which may influence their thoughts. Moreover, we are not sure the new candidates can be recommended is really based on our research questions or only because they have a close relationship with the previous one. As a result, these issues may influence their answer, and influence the result of this paper.

We separate candidates into two big groups first: leader group and employee group, then each group can be divided into three working lines: operating line, marketing line and supporting line. People in the leader group are those who manage the team, they are the people who make decisions within the team and have a great influence on the employees that relate to their behaviors. Also, leaders have the experience on management during different periods, and they are our target objectives which cannot be excluded to the research. Furthermore, different working lines have different main tasks that makes leaders take various strategies on their management, some encourage innovation, some concern more about stable, but as leaders, there should have some of
the same characters that they can share. The interviews of three lines can be used as a comparison, in order to identify what behavior do leaders have under different situations in the bank.

Collectivism is a common phenomenon of Confucianism in Chinese enterprises (Wang, Tee & Ahamed, 2012). As a traditional and pillar industry, banks have always been influenced by Confucianism, so the collectivism is more obvious. For employees, they are the people who have daily communication with leaders, most of the time they need to work with their leaders or follow the instructions that announced by the leader, consequently, their judgements of leaders seem to be essential as well. Meanwhile, whether a person stays in a company can be influenced by the behavior of leaders. As a result, we divide employees into current employees and previous ones. The same as leader group, employees are separated into three categories as well. In the marketing department, creativity and innovation are encouraged, so employees need more freedom. While for operating division, they need to be accurate and follow the operating instruction step by step. So, they may evaluate their leaders from different aspects, and our task is to collect that information and understand the behavior and thoughts of leaders, meanwhile figuring out how the followers are influenced by leaders.

Considering all of our participants have their daily work, we need to book a time for an interview in advance. We contact the majority of the interviewees directly on WeChat, arrange the exact time depend on their possibilities. Sometimes, especially for leaders, they are not easy to interview, and they have many meetings with other departments or working lines, so we need to prepare several available times and ask the most suitable one for the leader. Also, the interviews may interrupt by phones or messages of the candidates, it requires us to follow their topic and idea tightly and record the keywords and thoughts in time so that the interruption will not affect the quality of the interview heavily.

Some previous employees are interviewed as well. Because no one can guarantee that when organization tries to find the balance point between two cultures, there will be no conflicts. If the conflict is serious, it might cause employees to leave their jobs. Therefore, we prefer to include previous employees to get ideas from them about SPDB and whether their leave is related to the management of leaders.

After determining the interviewees, we can go to a further step about the interviews. A successful interview consists of many factors, but how to design the structure is the first thing should be prepared (Jones, 1985). This paper applies semi-structured to conduct the interview. Different from unstructured and highly structured, semi-structured provides guideline of main topics, as well as gives freedom to interviewees to express their thoughts and tell their stories. Follow this structure, we can ask the prepared questions to follow the main topic and get additional information related to interviewees experience and opinions to enrich research data. To additional, we do not sort the topic guide because we want to follow the ideas of candidates without disturbing them in order to get more information.

Some strategies and techniques are used in the interviews as well. When doing the interviews with leaders, we are willing to use laddering up strategy. This strategy is usually used to identify the value of the interviewees (Bourne & Jenkins, 2005; Wansink, 2003). Take an interview of a leader for instance, he states that he should be
the most knowledgeable person in his department. For getting more information, the
following questions are asked ‘Why do you think so?’, ‘Is it important for you to
become the pillar of the employees?’ ‘Why get trust from employees are necessary?’
‘What can be the outcome?’. Then we can get the nature of his idea.

Laddering down strategy is applied for employees. Different from laddering up, this
strategy tries to get personal stories and details to illustrate how their perspectives
formed. In an interview of a previous staff, she mentions that unfairly treated attributes
to her resign. After that, we ask her to give some examples of unfair treated, which
promotes a more detailed situation to appear. Sometimes, individuals do not realize
which are the most essential issues, therefore, we provide some assumptions to help
them recognize the key concerns. For instance, one current employee claims that both
personal ethics and personal business ability are vital for a leader. While, when the
question is multiple choice, we can get a more clear answer. For the employee, we
assume there are two leaders A and B, A is a kind person, considering individual’s
development and fair but not professional. By contrast, B is an expert in a certain field,
however, he claims that all the contributions in the team are contributed by himself. By
doing the comparison, the employee reflects A is better. This method is called probes
which helps us to find the real idea of the individuals.

CIT (Flanagan, 1954) is applied in the interviews as well. Although those strategies can
help us to get many relevant information, some questions should be asked in a direct
way to follow the main topic. CIT is the technique that asks the main questions directly.
Meanwhile, by conducting this technique, misunderstanding of the relevant questions
can be avoided. Both interviewers and interviewees can have a clear idea about the
purpose of the interviews.

In Table 1, we present the candidates of our interviews. It contains the name of each
participant, position, current working line, working years and duration of the interview.
However, for protecting the personal information, we have anonymized the
interviewees and used pseudonyms to identify them.

Table1: Interview details
Although the research question is to recognize how to balance Confucianism and western ideas in the management of leaders in the Chinese banking industry, some secondary data is needed as well. We got two pieces of contact information 2014 and 2018, and combine to make a comparison (appendix1), which shows the changes in departments settings and reflects the changes in leaders’ strategies and thoughts.

### 3.4 Data analysis

As stated above, semi-structure can help us to get more and deeper information and ideas about the candidates. However, it makes the analysis process to take longer time. The reason is that when conducting the interviews, asked questions are disordered, and following questions are led by the content that was provided by the participant, most of times, the following questions are unprepared (Bailey, 2008). As a result, before we conduct the data analysis, it is necessary to transcribe all the data and organize it. Furthermore, during the interview, the main task of us is to record the answer or stories provided by the participants and observe their emotions and expressions. We have no time to judge whether some words are relevant enough or suitable for our topic. All these processes should be done after the interviews but before the analysis process.

We conduct grounded analysis due to it perfectly meets our demand, and there are seven approaches for analysing data. First, we do not have any hypothesis about the research questions or evaluate current theories, instead, we try to build a theory which emerges from the collected data (Charmaz, 2014). Then, our analysis focuses on the collected data from a more inductive way rather than a deductive approach, which means before interviewing, we did not get some information or knowledge from previous scholars, and we want to figure out the pattern by focusing on the interviews. Third, we analyse the data by concerning the background and the industry specificity. All the reasons promote us to apply grounded analysis for analysing the data.

For figuring out the initial codes, we went through the interview transcript several times, meanwhile wrote down the original words which were emphasized by the candidates.
in the interviews, then try to find the same or similarity ideas among them and treat the same ideas as our initial codes. ‘Open coding’ can be a keyword, an idea or a relationship, which summarizes the content of primary data. Each interview can have many codes which relate to numerous aspects, such as the satisfaction of the job, the relationship with leaders or employees. Then those codes can be classified into different categories depending on ‘similarity, difference, frequency, sequence, correspondence or causation (Saldana, 2009)’. During the process, we did not consider any theories, instead, we created the initial codes only according to the interviews. Take the interview of Xu for instance, he mentioned for recognizing by the young employees in his team, he ‘… need to set a role model, … and giving them support …’, this is described as ‘role model’. When analyzing the words from other people, Zhong stated ‘take responsibilities’. Although Zhong and Xu have different expression, both of them talk about ‘the ethical’ is important for being a leader. Therefore, ‘ethical’ becomes one of our open codes. By doing in this way, we listed all the open codes and use them as subtitles in empirical findings part.

The next step is to identify the relationship or connections among those open codes. ‘Ethical is important’, ‘young leader considers ability has the same value as moral’, ‘employees prefer responsible leaders’ and ‘young men judge leaders according to the performance’ all of the four open codes talk about the recognition of a leader, ‘ethics and competence’ can be understood as a generalization of the four codes. By using this method, we can get axial codes which are listed in the analysis and discussion part as subtitles.

For getting the core ideas correctly, we need to cover all relevant data and exam the previous codes. After determining the main categories, a redo process (“focused re-coding”) need to be conducted to coding. It is important to re-coding for getting a fully and deeply analysis of the data without missing or misunderstanding the vital information. ‘Linking’ is used to identify the patterns among concepts, relationships need to be built, that pushes us to get closer to the truth. The last step is ‘re-evaluation’ which may need to be conducted more than once, in order to ensure that the research is undertaken from an objective and fair aspect.

3.5 Research quality

The purpose of the research is to build or prove theories, therefore, the quality of the research is essential. Not only the authenticity of the research data, but the research result should follow some principles to ensure the research is worthy. As a result, Guba’s quality criteria (Lincoln & Guba, 1985) are applied for guaranteeing the quality of the research.

Credibility

The first criteria is also the basic and most important one. Without credibility, the research makes no sense. Since both of us have the working experience in SPDB, we have a basic understanding of the industry and this bank, which helps us to easily judge whether it is a fact. Meanwhile, we apply semi-structure to interview, which means we ask relevant and deep questions without preparing. The interviewees need to answer the questions in a fairly short time, which can avoid ‘fake idea’ to some extent.
Furthermore, triangulation is used for ensuring the credibility of research as well. By using this approach, we ask similar or the same questions to different participants, since they have different working tasks and they are at different positions, which can ensure the data more real.

Transferability

Transferability means when the research result is applied to other contexts, it makes sense as well. Therefore, the transferability of research needs to be considered in advance. At the stage of choosing target case, we have considered the feasibility of transfer. The main reason that we choose SPDB not only we are familiar with it, but also as a typical commercial bank in China, it contains most of the characters that exist in Chinese banking leadership. Moreover, different from other industries, in the banking field, there are fewer differences among banks. Especially when the research questions are related to the culture and ethical level, which gives us a benefit to guarantee the possibility of transfer.

Dependability

Dependability is different from credibility which concerns more about the accuracy and authenticity of the data and research. Dependability can be understood as reliable, which focuses more on the possibility of using. Sometimes, we can get authentic data which is credible enough, but without evaluating it from an outside perspective, we may have no idea about whether it is a common phenomenon or just a specific condition. The former one is treated as dependability, by contrast, the latter one has little effect on identical research. For achieving the criteria of dependability, public websites and magazines are our main method to get secondary data.

Confirmability

A common phenomenon is that people like to evaluate things from their own perspective. In our daily life, it happens anytime and anywhere, but when we do an academic research, personal opinions need to be avoided. There might be some troubles for us to avoid the bias since we have worked in this bank, which has two sides for us to do the research. For ensuring the confirmability, during the interviews, we just record what the candidates talk about word by word, without leading them by our views. All the asked questions are based on their answer, there are no subjective questions. We keep the objective mind during the whole research, which means in the analysis process, we often reflective ourselves in order to follow the original ideas provided by interviewees.

3.6 Ethical issues

Ethical issues are another important part of researches, which has a close relationship with the quality of the research. Without ethics, the result of the research may have no effect and useless. As a result, we apply 10 key principles in research ethics which is stated by Bell and Bryman (2007) to ensure the ethical part of this research.
In the process of contacting candidates, we demonstrate the topic and research question to every candidate in advance, in order to give them the right to decide whether they want to join in. Also, get their consent on collecting their data. Apart from that, we promise to protect the ‘privacy’ of interviewees in both the interview process and the research process. That means we do not talk about opinions of other participants to the interviewing one and let the participants be anonymized so that their jobs are not compromised anyhow, and they can be as open as possible without fearing of suspecting by their colleagues. The research data protected by researchers as well. For ensuring the confidentiality, researchers make the interview recording into an encrypted file for saving, and the transcripts do not share to others or post to publish.

During the interviews, we follow the principles of ‘no harm’ and respect the ‘dignity’ of participants. Although we have some continuity questions in the interview, we do not force candidates to answer them. We are not fully task-driven person, we consider the feelings of interviewees so that the collected data are voluntarily provided by them. Meanwhile, we do not treat people in different ways according to their positions or working lines.

We keep reflective in the research, by emphasis on the purpose of the research, to avoid working misinterpreting. Sometimes, it is necessary for us to contact them afterwards by email or WeChat to check whether our understanding is right and clear, we clarify the purpose of the interview again to keep transparency to the candidates. Moreover, we only record and summarize the interview data without interpreting them, so that there are no personal ideas of us which may mislead the research findings.

4 Empirical findings

4.1 Leaders opinion: ethics is important

Zhong is a leader with 36 years of management experience in banks, who has worked in different banks and various departments. He is a steady person, like to figure out the nature of problems and issues. In his management philosophy, he believes that the moral part of a person is more significant than others.

‘I think the moral is the most important aspects when evaluating a leader, in other words, what does he do and how does he do. Strong ability in business neither indicates the inside is upright nor can it represent a convincing management skill. If a leader is only good at achieving task without considering the ethic, he may do anything to achieve his goal, and problems will come sooner or later.’ (Leader Zhong)

Zhong also mentioned that, since there were some regulations in the banking industry to limit the working years of leaders in the same department, he had to change departments after a period. Although he cannot be the person who knows the business best, his integrity recognized by the team members and get support from them.

‘I have experienced a lot of abnormal events, however, in fact, most of the problems do not come to me, my team members always solve them in front of me. In my management,
I ask myself to be responsible which may influence my subordinates to keep the same idea in mind, when matters come, their first reaction is to do their best to solve the problem, instead of shirking responsibility to others.‘ (Leader Zhong)

4.2 Young leader considers ability has the same value as moral

Different from Zhong, Xu as a young leader, in his opinion, the business ability is as important as ethics for a leader. Xu is working in marketing line, the main task of his team is to earnings profit to the bank. He admitted that ethic is vital in his management, because as a marketer, completing a performance means getting more honors and bonuses. There have been so many stories about employees broke the regulations to achieve personal interest which destroys the future of the employee, and brings a huge reputational risk to banks.

However, Xu mentioned that sometimes the risk is not contributed by ethical problems but caused by unfamiliar with the rules and regulations of the business. Another reason that why Xu considered business ability was important because the bank had changed the promotion way from working years to comprehensive ability evaluation. It means that the employee who has a better performance is easier to be recognized than a staff who has worked for ten years but still at the basic level.

‘There are two employees in my team are older than me, they recognize me as the leader, but I feel pressure because I am young, so I have to prove I am qualified by learning enough knowledge and bring more business opportunities to the team, on the other hand, I need to set a role model for young staff, they are not persuaded by the position but by the ability, and giving them support when they are in trouble is a good way to get trust from them.’ (Leader Xu)

With the young staff recruited into the bank, ‘respect to the position’ is not so suitable for them. Different from employees who have a long working time in the bank and believe in the company culture, young ones are more realistic, which means they are persuaded by the objective fact such as business performance more easily. Therefore, it puts higher demands on leadership.

4.3 Employees prefer responsible leaders

People may have different ideas on a same thing due to they stand on different aspects. Although Confucianism is deeply rooted in every Chinese and people are asked to respect superiors, it is different from they are willing to respect the leaders. Therefore, in addition to the leadership’s definition of oneself, understand the real ideas of employees in order to provide some guided suggestions to leaders seems necessary.

Jing is an employee who has experienced three leaders in operating line during four working years. She described that she worked well with all of the leaders, because as an employee that is her basic responsibility. When asking the opinion about herself, she mentioned she would like to work with a leader who concerns the development of employees, but later she emphasized responsibility was more important when evaluating a leader.
‘Of course, I will be happy if the leader values my development, but if a leader does not care about the performance of the team, I am worried that he or she is going to treat my case seriously.’ (Employee Jing)

This idea is recognized by another employee Ding who has worked in marketing line. Having great rights means taking on more duties, no one can enjoy the benefit without taking responsibility. Especially leaders, in hierarchy structured enterprises, leaders are promoted to be decision makers, as a result, there are more obligations which belong to the team they need to take. By taking the responsibilities, leaders may get a further trust from their followers, on the other hand, for expressing loyalty to the leader and the organization, team members are going to put more effort into their work. This kind of interaction may form a virtuous cycle.

‘I think leaders should be someone that I can trust and rely on in business. He does not need to understand every detail of the business but have a general concept, if there is a problem, he is willing to help us to overcome that.’ (Employee Ding)

4.4 Young men judge leaders according to the performance

A young employee Lei who had two years working experience in SPDB introduced another view to us. His views represent the ideas of some young people. He believed commercial banks relied on profits to survive, therefore, the leader should be the person who contributed most and had the best performance. Emphasizing faith and enterprise culture are so far from him, because they are too virtual.

‘Leaders with better performance can make me respect and recognize, because business performance shows the ability of the leader from business aspect. Everyone understands the truth, but not everyone can do it.’ (Employee Lei)

With the development of globalization, the competition in the banking industry is getting fiercer. Commercial banks do need to make a profit to ensure their own development which requires leaders to expand the business area and scope to achieve the target. Meanwhile, the young employees get more knowledge about western enterprise, they are more willing to evaluate their leaders by using the western standards rather than value the traditional culture. Therefore, for better managing both experienced and new employees at the same time, leaders need to concern about the business performance of themselves.

4.5 ‘Mianzi’ is important

‘Mianzi’ is very important for Chinese, there is an idiom in China ‘Don’t hit people in the face’, which means when someone makes a mistake, others cannot talk about the mistake directly, they have to show their respect to the person by keeping silent to the mistake. It shows the importance of Mianzi, also an efficient way to keep harmony in the organization. Another phenomenon can help people to better understand Mianzi is that people do not actively talk to people that they do not know or not familiar with, because they are afraid of being rejected. On the other hand, if the chat has already started, even if someone wants to leave, he or she needs to find the right time to explain
the reason in order to avoid making the other person feel embarrassed. Both of the behaviors are caused by afraid of losing ‘Mianzi’.

In the management process of leaders, they also need to concern about the problem of ‘Mianzi’ with their followers. Keeping ‘Mianzi’ in front of other team members becomes one of the common unspoken rules, therefore, leaders are less likely to criticize someone in front of other team members. Moreover, even in a private business conversation, leaders do not talk about the drawbacks directly, instead, they are willing to express their ideas from a gentle way.

‘I prefer to talk with my team members individually in my office. In this way, I can talk to them more specifically, but even in this kind of private conversation, I am euphemistically expressing my opinions, asking them their current problems and how to improve them. I will never directly say that they are poor on working performance.’ (Leader Yang)

Although hierarchy structure management style emphasizes followers should respect leaders and follow the instructions of leaders unconditionally, leaders also believe that, the strong self-esteem of employees makes them more sensitive, which may influence the emotion and performance of them, so the way of 'stop when the meaning is conveyed' works well. On the one hand, it causes the attention of employees about the problem, on the other hand, protecting their self-esteem and maintaining their ‘Mianzi’.

This idea is recognized by employees as well. In the interviews, most of the employees described ‘Mianzi’ is significant in their working environment. Although employees are the people who do the specific work, leaders know which process the work is on. When something goes wrong, the staff notice that first, and they know they should take the responsibility to handle it. For keeping ‘Mianzi’ of the employee, leaders may give some tips individually rather than discuss the problem on team meeting. By doing this, the employee appreciates the leader and contribute more to the team to return the leader, make the leader feel proud when introduce his team to others, which is another way to enhance ‘Mianzi’ of the leader.

The problem of ‘Mianzi’ does not exist only in the relationship between leaders and employees. Among team members, ‘Mianzi’ is important as well. When the working performance of people is not good enough, they will actively put more effort on the work, because worse business performance represents they do not work hard or they are lack of competence. Comparing to other colleagues, they feel losing ‘Mianzi’.

As an operating line employee, Jing told us she could realize how many customers they served every day, if she handled the business was far away from her colleagues, she felt shame, and tried to be faster on dealing with the business in the following matters.

‘When I notice my colleagues served 70 customers, but myself only handled 30-40, I tell myself, I must be faster, otherwise, I feel less competence than others which makes me feel awkward.’ (Employee Jing)

‘Mianzi’ has a positive effect among team members, it promotes employees to be competence and qualified. No one wants to be the last person in a team caused by afraid of losing ‘Mianzi’. Therefore, the business can develop better and better.
There is an important phenomenon need to claim, some leaders do not concern the feeling of employees when evaluating them in public, that might be a huge hit to employees’ self-esteem, which may lead to the depression of them, and a more serious issue can be they do not want to take any responsibilities any more.

‘He (the leader) always criticized me on team meetings and defined my work as ‘stupid’, that made me feel very embarrassed, but after several times, my thought change to ‘anyway, I am stupid’ and I did not want to contribute to the team.’ (Employee Lei)

The story was told by Lei, he was a young employee with high self-esteem. He graduated from a famous financial university and treated everything seriously, he was used to be praised by his tutors, therefore, he built a high requirement for himself after working. He cannot accept be blamed in front of others.

4.6 Collectivism is recognized by leaders

Collectivism encourages people to sacrifice personal interest in order to realize collective benefit. SPDB as a half stated-owned enterprise influenced by collectivism deeply. Yang as an operating line leader told us, collectivism helps to cultivate the collective sense of honor of employees, and let everyone feel that the good and bad of the organization are related to them, thus forming an atmosphere of mutual help and mutual support, so as to better promote the development of the business.

‘Operational work needs to be settled every day, which means employees in my team they have to finish the follow-up work of the day before they get off work. I ask them to get off work together, because I do not want them to only consider about themselves. There are only 8 people in my team, I hope they can realize we are a team, and we should advance and retreat together.’ (Leader Yang)

Another advantage of collectivism is that people can learn more knowledge and business. Because of the concept of team is recognized by leaders, they have the will to share knowledge and information in the team. Therefore, if one employee gets a new knowledge on some business, others in the same team should understand it as well.

Xu asked his team members to help each other on picking up phones. In marketing line, the most important thing is keeping connections with customers, missing a call means giving up a business actively. The original idea of Xu was do not miss any opportunities, later he realized it was a good way to popularize knowledge in the team.

‘I told my team members they MUST answer the phone in time whether they are the direct person in charge of this business. If they have no idea about the call, they should ask the detail information of the customers and record it to the responsible person, and learn how to deal with the unfamiliar business. I cannot tolerate my team members who do not familiar with all the business in my departement, you only have to be fully prepared, you will not miss when the opportunity comes.’ (Leader Xu)

His thought is proved by the business performance of his team. Because of every employee in his team have the knowledge and ability to handle various kinds of
business, his department is the only one that create excess profit for SPDB for three consecutive years. Xu also mentioned he believed even if there was no leader in his team, the team members could perform well, because they were used to work with each other and they knew how to cooperate.

4.7 Collectivism may harm the interests of employees

Although leaders list some advantages of Collectivism, sometimes people need to sacrifice their personal interests to satisfy the benefit of the organization. Experienced employees are willing to achieve greater value in the organization by sacrificing their own interests, because they are involved in the organization for a long time and have a deep understanding on the culture of enterprise. Therefore, they believed in for achieving a greater target, suffering from some difficulties is necessary.

‘I think everyone has sacrificed personal benefit more or less for the organization, but I do not think that could be a problem for me, because the sacrifice is known to all other colleagues, including our leader, I believe I can get more from other aspects.’  (Employee Tong)

In supporting line, employees are more frequently work overtime. Because as second line employees, they do not face to customers directly, most of the time they communicate with colleagues in other departments. For supporting marketing line, they need to prepare business contracts or customized business for some special business in a short time. Meanwhile, they play a backup role for maintaining the operating system more stable. Both of the work takes a lot of time which lead to people in supporting line always work overtime.

Tong told us she did not care about working overtime, because she recognized that it was her responsibility. Moreover, she thought she could get in touch with various business in the current position which was good for her future career development. She also knew that with the development of the business in SPDB, the more she understands, the more opportunities she can get to be promoted.

However, not all employees are willing to sacrifice personal benefit, especially in marketing line, Fei is a typical example. Since marketers are evaluated mainly focus on their business performance, they considered the performance as the most important thing in their work. Different from team members, leaders take the responsibility to the whole team which contribute them concern more about team performance than individuals. Therefore, the most important thing for leaders is to guarantee the team can perform better.

‘The leader assigned a large client that I have served for more than a year to another colleague, because the leader felt that the colleague could better market that customer and increase the performance of the team.’ (Employee Fei)

Fei knew the performance of the team was important, but she could not understand why she had to sacrifice her personal interest to fulfill the target. In her mind, she believes personal interests are the most important without prejudice to the collective interests.
The behavior of the leader reduced both enthusiasm of Fei for work and trust for leadership.

4.8 Leaders need to help employees on their development

A qualified leader does not only concern about the performance of the team, but also take care on the development of individuals. Xu asked his team members to know every kind of business in the department, from another perspective to understand, that was good for the development of the members. In marketing line, employees are evaluated according to their business performance, the more knowledge and information they know, they easier they can get a better result, also they can get more attraction from superiors which may benefit to their development.

Xu also claimed that he did not think the business performance is everything for a marketer. He promoted a female team member to the top leader because of her excellent words and good at speech. He was willing to help his team members to get opportunities for a better development, in Xu’s idea, the successful of employees also reflects the management ability of leaders.

‘For employees, being a leader is successful, for me, helping my team members to achieve their personal development goal is my success.’ (Leader Xu)

Yang introduced an informal regulation in SPDB to us, ‘the thought is determined by the position’. It means the most important thing for an employee is to try his best to do his work, by contrast, a leader should not only focus on specific business, but the performance of the team and the development of team members.

‘I had been an employee, I realized how much effort they (employees) put on the work, therefore, as a leader, I should fight for better opportunities for their development.’ (Leader Yang)

As an experienced leader, Zhong stated it was important to combine the willing of the employees with their abilities to set the target for their development. He had two times regular personal conversation with each employee in his team every year, which helped him to understand what the personal plan did the staff have, based on that, Zhong would give them suggestions on how to achieve that goal. Sometimes, team members did not have a clear direction about their future, Zhong was used to describe what kind of work match their characteristics better in his opinion, and asked their own willing.

‘I have some ideas about what kind of work they (employees) are qualified in my mind, but I prefer to ask their ideas first, because they have the right to decide their future development. Even if their abilities are not qualified enough, I never say no, instead, I give them suggestions and encourage them to improve their ability on the necessary field.’ (Leader Zhong)

Zhong described his team members were more likely his family members, because he spent more time with employees than family members. As a leader, Zhong considered himself as the parent in the ‘department family’, all employees were his children. Like all Chinese parents hope their children can get a brilliant future, Zhong also has the
willing that all his employees have a good career development. Although he cannot get material things, the success of his employees will make him proud and spiritually satisfied.

4.9 Leaders should be tolerant and patient

Confucianism asks employees should respect leaders and leaders should take care of the development of their followers. Actually, ‘taking care’ is another way of respect, different from the respect of employees, leaders' respect for employees is reflected in understanding the work content and work progress of employees, and giving correct evaluation and guidance, especially for new staff or employees who join in a new department.

Zhong claimed leaders should have the patience to cultivate staff, like Rome was not built in a day, training an excellent employee needed a long process. One of the functions in leadership is identifying the expertise of employees and enable them to take the most out of this specialty at work. During the whole process, leaders should provide useful guidance when it is necessary.

‘I have heard some leaders evaluate graduate students according to their one-month performance, I don’t think it is right. Leaders should give time and room to new staff, growth takes time for everyone. I am used to observe them first, and recognize their flash points, then guide them into the match direction.’ (Leader Zhong)

Not all employees have a clear future development direction when they join in SPDB. Therefore, leaders as the elder generation, they have responsibilities and obligations help new staff to find the direction. Because of do not have a general knowledge about the organization and industry, news may make mistakes, leaders should help them to solve the problems meanwhile explain the principle behind the issues.

Although most of the work in operating line is repeated and time limited, Yang does not ask her team members only follow the instructions, instead, she requires every employee has a strong understanding of the theories behind the business. Some employees they focus more on effectiveness which is good, but without acknowledging the principle, there might exist many potential business risks.

‘I know it (learning the theories of business) takes time, I would rather let them spend more time learning and not letting them waste time making up for mistakes, because it may take a week to learn a business, but it can take up to a month to solve a mistake.’ (Leader Yang)

Apart from patient, tolerant is essential as well. Sometimes the mistakes are caused by the enterprising spirit of employees. In order to reduce the waiting time of customers, operating staff handle the business service as fast as they can; a large number of decentralized summary work makes supporting employees confuse business standards sometimes; for getting better performance for individuals and teams, marketers may ignore some risks in screening customers, and these larger or smaller mistakes may affect every team on each line. As a leader, more important than accountability is to accommodate employees, because some of the mistakes are caused by employees who
want the team to be better. The inclusiveness of leadership reflects his understanding of employee thought on the one hand, and promote the enthusiasm of new methods that employees are constantly trying to improve their departmental performance.

‘Even if I said that this business should not be done, but they did, I would not blame them for the following bad results, because I knew that they were willing to make the team have better performance.’ (Leader Xu)

Xu interpreted to us, making mistakes were good, it reflected the members really put themselves into the organization, mistakes always caused by change, while change was the driving force of development. But it does not mean Xu tolerant all kinds of mistakes, some problems related to ethics and regulations cannot be pampered. As a result, there are lots of amazing ideas come from his team, which helps his team get more business and develop better.

‘If you do nothing, you will never make mistakes, and you will learn nothing.’ (Leader Zhong)

Zhong considered making mistakes is a necessary learning phase during the growth process. People should not escape from some business because they are afraid of making mistakes. Nobody can make the right decision all the time, the most significant thing is to learn lessons from the mistake and pay more attention in future work. Furthermore, when a mistake has been a fact, it cannot be changed, blaming does not work, how to handle it and how to avoid the same or similar situation is the vital issue.

From employees’ perspective, an inclusive leader is easier recognized by followers. Tolerant of leaders does not only reflect on they do not blame the employee, but also on helping the team members to analyse the reason of the problem, so that the follower can notice that and will not do the same mistake one more time. Ding considered this kind of action can help employees to enhance the conscious of risk without dispelling their enthusiasm.

‘Compare with blaming me, tolerating me makes me feel more shame. Because of my personal mistakes, the leader needs to take responsibility or help me with follow-up questions, which makes me feel that I am owed to the leader. So, I will be more serious and active in my following work, and let him feel that tolerance for me is worthy.’ (Employee Ding)

4.10 Leaders encourage innovation

Although there are various commercial banks in China, the basic functions of them are almost the same. Therefore, how to attract more customers becomes a vital problem for banks. Different from emphasizing on improving the satisfaction of service customers in the past few years, banks now have shifted its focus to its own hard power, that is, enriching the types of business and the convenience of handling business.

Yang told us every year the bank held an innovation competition in operating line, the purpose was to encourage first line employees to provide or invent some methods to improve the effectiveness of business. The competition has a positive effect on
encouraging employees to learn more relevant knowledge and get a complete understanding of the business and combine them with their current working procedure to find a new approach to improve the effectiveness of the work.

‘There are a lot of good ideas emerge from the competition which help operating line to improve the work efficiency, I also encourage my team members to brainstorm, because for realizing a good idea, they need to be more familiar with the business first which is a vital aspect for operating employees.’ (Leader Yang)

Product manager is a new position in marketing line to develop new commercial business and business portfolio. Due to the similarity of commercial banking business, in order to obtain more business and customers, banks need to design some businesses to be able to attract customers while ensuring profits.

‘Even with our newly developed business, other banks can have similar businesses, but if you are the first to bring this business to market, then you will seize the market opportunity, all the customers who need or are interested in this kind of business will come to you, so it is very important to continuously innovate new business.’ (Leader Xu)

Not only on developing new business, Xu asked his team members try to think about traditional business in a new way and consider whether certain product combinations are more responsive to current market conditions.

Although there is little innovative place in supporting line, Zhong consider innovation plays a key role in his department as well. Different from other leaders, Zhong applies a heuristic approach to encourage employees to innovate. According to him, he often asked questions to his followers about how to solve some business problems or can the business be done more efficient, he had some ideas in his mind, but he was willing to get the ideas from team members.

‘Skills are abilities, innovation is a conscious, skills can be learned by others, but conscious will always with you. With the conscious, they (employees) will consider matters from a longer-term perspective.’ (Leader Zhong)

Because Zhong has the awareness of initiative innovation, during the four years he worked in supporting line, he has developed the business category from three to eight, and some innovations have been valued by the head office, as well as learn from Zhong.

4.11 SPDB insists on hierarchy structure management

Although many companies have begun to advocate flat structure management, banks as having feature of stated-owned companies have their own particularities. Because banks need to ensure that the risk of each business is minimized, multi-sector multi-level auditing of business is a must. Each department cooperates with each other and constraints each other, thus helping to reduce business risks.

‘I think it is good and necessary to apply hierarchy structure, even if sometimes it reduces the efficiency of the business. In SPDB, hierarchy structure does not mean that
every business needs to report and get a permit from the top leader, actually, there are several levels supervisors under the top leader. Who is going to evaluate the business is determined by the business risk level. Most of the low-risk businesses become more efficient, because we just need to get the business permit from one supervisor. However, when there is a high-risk business, we need more supervisors from different aspects and levels are going to evaluate it, which takes a longer time. Although sometimes customers complain that business approval time is too long, for me and the bank, controlling business risk is the most important. So I think it is a good way to rational use of personnel and control of business risks.’ (Employee Ding)

Ding said that as a marketer, her main job is to tap into more customers and businesses, so it may not be possible to fully and accurately assess the risks of the business. SPDB sets up specialized departments and personnel to assess business risks and also protect marketers. In addition, with the complexity of the business, the business risk will inevitably increase. Therefore, more experienced and authoritative personnel are responsible for the business in terms of business approval.

In addition, departmental and hierarchical segmentation ask employees to be more professional in certain areas, especially when dealing with complex businesses. As Yang mentioned, there are so many employees in SPDB, it is necessary to take care about each staff, the most suitable way is sorting them into small departments.

‘SPDB has too many types of business, and we have more than 1,000 employees. The hierarchical structure is a good management method. There are not many employees in each small team, which is convenient for team leader management. On the other hand, the classify of department and hierarchical also helps employees to acquire more specialized knowledge and business within the department. Therefore, even in the case of unconventional business, employees can find the right person in charge in a short time to solve these problems.’ (Leader Yang)

The departmental breakdown seems to make the management structure more complicated, in fact it makes management clearer. Zhong said that when the business volume was small, an employee might be responsible for a variety of businesses. When multiple businesses appeared together, they would distract their work, resulting in business errors or inefficiencies. After the division of the department, each employee has a clear business that needs to be responsible, and can focus on this business, which improve the quality of their work and enhance their professionalism in the current business.

‘I apply hierarchy structure management in my department, since there are more than 60 people and more than 10 kinds of business in my team, if I solve the basic problem every day, I have no time to consider what is the future direction of the team.’ (Leader Zhong)

Therefore, in Zhong’s department, there are several sub-departments and each sub-department has a supervisor, daily problems will be reported to the supervisor, special problems are transferred from the supervisor to Zhong which help Zhong to pull away from daily regular business and put more effort on management.
4.12 ‘Guanxi’ influences a lot

‘Guanxi’ is a complex concept in Chinese culture, it affects every aspect of people’s life, even in enterprises, ‘Guanxi’ is playing a significant role. Both leaders and employees mentioned having a close ‘Guanxi’ with leaders can get more opportunities on promotion, but they think about this phenomenon from different perspectives.

Most people who promoted by Zhong are have a close relationship with him, and Zhong is willing to promote candidates that he is familiar with. Those employees are defined as ‘one of their own’ by Zhong, and he admitted that he preferred to recommend ‘one of their own’. However, the reason is not what we imagine. Zhong emphasized enterprise culture in the interview several times, for him, leaders can be changed, enterprise culture as the fundamental spirit in organization should not be changed. ‘One of their own’ has the same norms and values with Zhong, therefore, promote them is a safe way to maintain the culture.

‘I consider the inheritance of culture is very important, if a leader asks employees to focus on quality, the other day another leader emphasizes timeliness, it is difficult for team members to use the previous way to meet the new requirement, and adaption with the new management style takes time which may cause confusion in working process, so that reduce the effectiveness of work.’ (Leader Zhong)

Zhong also interpreted that recognizing someone as ‘one of their own’ takes time as well, he needed to identify the value of people through their words and behavior. The longer they work together, the more familiar they are, the easier it is to find out ‘one of their own’. Therefore, most promoted employees have a long-time relationship with Zhong and have become ‘one of their own’.

As a young leader, Xu said in the interview that he really has a closer relationship with the previous department leaders than other employees, but he does not think this is the decisive condition for him to be the head of the department. In his view, there are many opportunities for contact with the leader because he has a lot of business which need to get a permit from the leader can be continued. In this process, he gradually understood the leader's focus on the business and the planning of the team's future development, which promoted his more effective and targeted work, bringing more performance to the team.

‘Others just saw that I have a good relationship with the leader. I can even have a drink with the leader after work, but they didn’t see how much work I did. When I was an ordinary employee, I worked overtime every day to study business, and sometimes I didn’t take a break on weekends. Therefore, I know business better than other colleagues, and naturally there will be more problems to discuss. The relationship between people is deepening in communication and interaction. I have said a lot, so my leader knows more about me. Similarly, I know more about what the leader is thinking than other colleagues. In the following work, he did not give suggestions, but I have already done it, and naturally I will get the weight of the leader.’ (Leader Xu)

However, as an employee, Fei felt it was unfair to work with ‘Guanxi’ employees in a same team. She claimed finishing the work was the responsibility of employees not
establishing a close relationship with the leader, while, ‘Guanxi’ helped closed employees to get more benefit from leaders.

‘There is no business performance evaluation to leaders in SPDB, so leaders will distribute his customers to team members, but the high-quality customers are distributed to the member who is better at giving gifts to leaders.’ (Employee Fei)

This view also appeared in interviews with another employee. Tong also experienced the fact that employees are promoted faster. She believes that employees who are close to the leader are more likely to get promotion opportunities, and this Guanxi is not just about communicating with leaders. More often, establishing close relationships with leaders require employees pay more.

‘I have a colleague. She goes to the office almost every day. When she goes in, it takes at least 1 hour. On weekends, she sometimes goes to the leader's family to play with the child. Every year, she gives gifts to the leaders. Children’s Day also gives toys to the child, so the leader always gives her the easiest job to do, and last year she was promoted to be the head of the department.’ (Employee Tong)

Ding described ‘Guanxi’ did influence the performance of employees, but she believed leaders were finesse. The consideration of ‘Guanxi’ is based on the fact that it does not affect the overall performance of the team. A 'Guanxi' but incompetent person, can only make himself not be eliminated by the leader, but will not be regarded as the first person to be choose when there is a chance for promotion.

Some young employees especially in marketing line have an excellent business performance when they join SPDB the first year, they can be hired sometimes because they have business resources. Considering their extraordinary performance but lack of understanding of enterprise culture, leaders are likely to named them as group principals for encouraging them. They have the responsibility for helping group members meanwhile evaluating the performance of members which is a good way for leaders to evaluate whether they (young principals) match the requirement of being a leader.

‘I have a group principal, he is younger than me. I know that he can take the position because he has some relationships with some companies, I am not sure whether he really has the ability in business, but the relationships are his ability, and sometimes it is more useful that the real competence.’ (Employee Ding)

5 Analysis and Discussion

By comparing the interview information with the previous scholars' research conclusions, the author finds that in SPDB, the leader's management method is to combine Confucianism with Western management system. Interestingly, the combination of the two reduces the conflicts of using the two methods separately to a certain extent, and most of the time the two views are consistent. In other words, the management style of leaders can not only be found in the Western management theory,
but also meet the ideological requirements of the Confucian culture. Therefore, in this part, the author will elaborate on each phenomenon from two aspects: Confucianism and Western management methods, trying to clarify the commonalities and differences between the two ideas.

5.1 Ethical and competence of leaders

In our interviews, both leaders and employees, no matter early or late join in SPDB, all respondents believe that leaders should be ethical. Farh & Cheng (2000) in their research stated that as advocated by Confucianism, the monarch (leader) should show his noble personality and make himself an example of the people and followers by constraining his words and deeds, subtly influence them, in order to guide them to do the right thing.

This idea is recognized by Western scholars as well. Bass (1990) in his research stated that noble personality of a person makes him or her to be the real leader. All of them consider ethical issues are important for leaders, because the behavior of leaders have a great influence on their followers’ actions. If the leader does not have a correct value, they may set a wrong model for his followers which will influence the behavior and ideas of them. In SPDB, Zhong set a role model as a responsible person, his team members also show this kind of behavior.

‘...I ask myself to be responsible which may influence my subordinates to keep the same idea in mind, ...’ (Leader Zhong)

As a leader with many years of work experience, Zhong manages employees more by way of his own behavior, rather than by rules or language. Because he believes that action is more persuasive than language. As a traditional Chinese leader, his idea is contrary to the western scholars who claimed that leaders who are good at language expression can be motivated by language to motivate employees so that get recognition from them (Sy, Horton & Riggio, 2018). If a leader does not meet the specified standards, there is no way to ask employees to comply with the relevant regulations. Therefore, precisely because Zhong has always appeared as a responsible leader, his behavior has deeply affected his team members. When the team encounters difficulties, the employees will take the initiative to solve the problem and assume their responsibilities.

Although both Confucianism and Western thoughts advocate leaders should be ethical, they do not think about the matter from the same aspect. Confucianism is a top-down idea as an auxiliary way to help the leaders to manage their employees. Most of the time, the leader is not elected by employees, instead, he or she is promoted by a higher-level leader. Leader show their ethical behavior for gaining more support from followers and others. On the contrary, Western management thinking is a bottom-up view. It believes that the determination of leader status must be universally recognized by employees (DeRue & Ashford, 2010). Therefore, by demonstrating own ethical behavior and getting recognition from others, it is a way for one to become a leader.
Zhong can be a leader recognized and supported by the staff, on the one hand because of his correct behavior (ethics leads), on the other hand caused by his rich management experience. ‘Li’ in Confucianism requires people to recognize the relationship between each other and show the appropriate behavior of their roles according to the social environment. In SPDB, since Zhong takes the position as department leader, the employees are asked to follow Zhong’s lead, which is called ‘respect the position’. Moreover, Zhong is also an elder generation in the bank, like the elders in the family, he should be respected by all family members, that is called ‘respect the elderly’. Therefore, for Zhong who is on the position and be elderly is recognized by his followers naturally.

When we look at Western theories, we find that scholars believe that employees' recognition of leaders is different from Confucianism’s respect for 'position', and it tends to evaluate individuals more. Sy, Horton & Riggio (2018) study found that leaders need to achieve employee recognition by working with employees to achieve their mission goals. This view is more obvious in the thoughts and behaviors of young leaders in SPDB.

Xu as a young leader needs to pay more effort to better manage his team members. Although he is the leader in his department, there are several older generations he needs to respect because of ‘Li’. In particular, when Xu and elder employees have different ideas on the same business, as a leader, Xu can make the decision, while as a younger generation, he needs to respect the advice of his elders, which may lead to the embarrassing situation of the business development. As a marketing line leader, the most important thing for a team is business performance. Therefore, for getting recognition from elder employees, Xu tried to learn new knowledge in order to explore opportunities which can bring good results to the team, so that gain the support and trust from them.

‘... I have to prove I am qualified by learning enough knowledge and bring more business opportunities to the team ...’ (Leader Xu)

Moreover, Xu knows that as a leader, his behavior will be more concerned by team members. Especially when there are more young employees in the team who are exposed to Western culture, their recognition of leaders is more inclined to a result that can convince them rather than ideological resonance. Therefore, in addition to creating a good atmosphere for the team in learning new knowledge, Xu believes that his respect for the older generation of employees will also have an impact on the younger generations. Imitating his good behavior while recognizing the leader's ability.

‘...I need to set a role model for young staff, they are not persuaded by the position but by the ability... ’ (Leader Xu)

Many Western scholars believe that language rendering is also a skill that leaders need to master (Sy, Horton & Riggio, 2018). However, in interviews with employees of SPDB, the results we obtained were completely opposite. Most employees say that leaders’ behavior and their performance have a greater role to encourage employees than the speeches.
Jing, from the perspective of employees mentioned that the recognition of leaders by employees is largely influenced by leadership behavior, because behavior is the expression of thought. A moral leader, the behavior he displays should also be ethical. The same as leader Zhong, Jing also mentioned the sense of responsibility. She believes that when facing difficult business, if the leader can take the initiative to help, it will increase her trust and dependence on the leadership, the recognition of the leadership will also be translated into the behavior of the leadership of the imitation, more active and serious to work. Her idea is a combination of East and West ideas: the leader gets the support and trust of employees by helping them overcome the difficulties (West), and the helping behavior to employees, reflects the morality of the leader and is respected by followers (East).

‘... leaders should be someone that I can trust and rely on ..., if there is a problem, he (the leader) is willing to help us to overcome that.’ (Employee Jing)

In the interview with Lei, he stated that his recognition of the leader was achieved through the performance of the leader, which is consistent with the conditions that Western scholars recognize the leader. However, Lei also said that inspiring speech is meaningless to him.

‘... Everyone understands the truth, but not everyone can do it.’ (Employee Lei)

In addition to the performance of the leader, he values the behavior of the leader rather than a slogan. Which means although he is influenced by western knowledge on some extent, the essence of Chinese traditional culture has already penetrated his consciousness. Even though Lei emphasized the importance of leader performance for him in the interview, we cannot deny that the performance of leaders is also the embodiment of their behavior. In other words, only the leader has the ability and hard work, he can achieve good performance. This kind of good behavior is recognized by the employees so that the employees are willing to imitate the behavior of the leader, and the improvement of performance enables the department to develop better.

In summary, although both management ideas refer to the importance of morality, Confucianism believes that leaders need to develop the same morality to their followers through their own morality, so as to do something beneficial to the organization. Western thought is more inclined to regard the leader's morality as a guide to the leader's behavior. It will affect the employee's recognition of the leader, but will not have a direct impact on the employee's behavior.

5.2 Leaders’ behavior -- Caring for employees

'Ren' as the core idea of Confucian culture emphasizes that benevolence should love people and support people (Seow, 2010). In the interviews with SPDB managers, several leaders mentioned from different aspects that they always adhere to benevolence in their own management. Through interviews with SPDB employees, we found that 'ren' is ubiquitous in the behavior of leaders, so it can be said that 'ren' has a great influence on the thoughts and behaviors of leaders in SPDB.
‘I prefer to talk with my team members individually in my office... I am euphemistically expressing my opinions, asking them about their current problems and how to improve them. I will never directly say that they (employees) are poor on working performance.’ (Leader Yang)

Different from parents’ love for children, leaders’ love for employees is more reflected in concerning and understanding the specific situations. Yang conducts one-on-one private conversations with team members which is a protection of employee reputation, it also maintains the image of employees in front of other team members. Even in a separate conversation, Yang does not directly point out the shortcomings of the employee, because she needs to give the employee a face so that the employee will not face the embarrassing situation.

‘Even if I said that this business should not be done, but they did, I would not blame them for the problems, because I knew that they are to make the team have better performance.’ (Leader Xu)

The care of the leader to employees is reflected in his understanding and tolerance of the employee. Xu knows that employees want to complete their work performance and the success of the business will also contribute to the team's performance. Therefore, when team members work in a business, but problems occur, Xu will consider the problem from the perspective of the employee, instead of blaming and punishing them.

‘If you do nothing, you will never make mistakes, and you will learn nothing.’ (Leader Zhong)

As an old leader with many years of work experience, Zhong has deeper thoughts on how to manage employees. Young leaders can understand the situation and help solve problems when team members make mistakes, and Zhong will encourage employees to actively try and make mistakes. He believes that learning in error is the most impressive and effective way. This practice of Zhong not only does not bring more trouble to the team, on the contrary, employees have a more comprehensive knowledge and cooperate with each other to reduce the error rate of the business.

When the leader demonstrates tolerance for the employee's mistakes, the employee's own sense of shame and gratitude to the leader strengthens the employee's identification of his or her role and manifests itself through careful work. In an interview with Ding, she said that leadership's tolerance and concern will increase her recognition of leaders and willing to follow and support the leader. As an employee, the most direct way to achieve this is to reduce unnecessary problems by improving the quality and efficiency of work.

‘Compare with blaming me, tolerating me makes me feel more shame... I will be more serious and active in my following work, ...’ (Employee Ding)

Confucianism defines several manifestations of caring for employees, such as not blaming employees in front of the public, giving them face, truly considering employee development, and accommodating employee errors, etc. Western management philosophy has made this description of employee care much simpler and easier to understand. The leader-member exchange theory states that leaders and employees are
not two independent individuals, and the relationship between them has an important impact on the development of individuals and organizations.

As Ding mentioned in the interview, the leader’s tolerance for her will enhance her trust and dependence on the leader, which is to shorten the relationship between the leader and herself. At this time, Ding is not only the subordinates' obedience and respect to the superiors also contains emotional factors. This factor will encourage Ding to work harder and show the emotional recognition of the leaders. From the leader's point of view, when employees are motivated to work hard, it will also increase the focus of leaders on employees and give them more opportunities and attention so that employees can get more development opportunities.

In the interview, we learned that although most of the leaders show their tolerance and care for employees in different ways, employees also said that the behavior of leadership has positively promoted their thoughts and behaviors, but we are not sure that the inevitable connection between the two. Until we interviewed Lei, he thought that because the leader could not really consider the problem from his perspective, he often fell into awkward situations at the team meeting, which reduced his trust and dependence on the leadership and the team, which ultimately led to his unwillingness to pay more effort for the team and leave SPDB.

‘He (the leader) always criticized me on team meetings and defined my work as ‘stupid’, ... I did not want to contribute to the team.’ (Employee Lei)

In addition to requiring leaders to love employees, Confucianism asks leaders are willing to help employees develop in the field of work. This view is also recognized by the leaders of SPDB. In the interview, Xu said that in his daily work, he will observe the characteristics and specialities of each employee, and assign tasks according to their different personalities, so that they can show their advantages in the business. He believes that although the team leader should focus on the performance of the team, the good result is achieved by the efforts of everyone in the team. Therefore, the outstanding performance of the staff will make him feel more pride.

‘... helping my team members to achieve their personal development goal is my success.’ (Leader Xu)

Yang considers the particularity of the operation line, that is, no fault in the business is the basic duties, and employees are not assessed by their performance, so their development opportunities are relatively few. When employees don't have enough opportunities to show their abilities, Yang will take the initiative to give employees some opportunities to make them better. She encourages employees to actively participate in various skill competitions organized in the bank, increase the exposure of team employees in front of others, and lay the foundation for the future career development of employees.

‘..., as a leader, I should fight for better opportunities for their development.’ (Leader Yang)
Zhong's concern and support for employees is based on the individual wishes of the employees. He believes that only when employees love the job, they will do their best to complete the task. On the contrary, if the employee is required to complete a certain job, even a simple job may have mistakes, because his subjective is rejected. Zhong’s support to employees maximizes the employee's subjective initiative, allowing them to choose their own development direction so that employees will be more willing to invest in. Coupled with leaders' guidance, it is easier for employees to succeed, and the support of the leader from a slogan to a reality.

‘... Even if their ability is not qualified enough, I never say no, instead, I give them suggestions and encourage them to improve their ability on the necessary field.’ (Leader Zhong)

Zhong pointed out that many new employees are ignorant of the business and it is unfair to judge them through short-term performance. On the one hand, there is a greater possibility of error in this kind of judgment. On the other hand, defining a new employee on an early stage is not conducive to their future career development. Therefore, it should be given more time and opportunity for young employees to help them find the right direction which is the right way for leaders to consider the development of employees.

‘... Leaders should give time and room to news (new employees), ... ’ (Leader Zhong)

Both Confucianism and Western management believe that the relationship between leaders and employees is very important, and both ideas encourage leaders to care for employees, draw closer to them, and more understand employees' ideas, help them to find the right direction and achieve it. At the same time, both ideas believe that employees as the other side of the relationship, in the interaction with the leader, can enhance the employee's emotional dependence on the leader, reach a consensus on the mind, and strive for the common organizational goals.

5.3 Encouraging innovation

Most scholars believe that Confucianism is a hindrance to corporate innovation because it advocates moderate and this is caused by ‘Li’. As mentioned above, ‘Li’ requires people to do their own work, not to transcend power and cross the border. In this kind of thinking, there is no room for innovation. Because innovation requires people to research and explore unknown things and areas, such behavior may over-authorize or out of bounds.

However, this view was denied in interviews with SPDB leaders and employees. Xu said in the interview that due to the similarity of business types, there is fierce competition in the business between banks. For acquiring more business and customers, banks need to tap the needs of customers, on the other hand, they also need to develop the corresponding business which match the requirements of customers, both of them are closely related to innovation. Therefore, it is not difficult to understand that for the development of banks, most of the leaders of SPDB encourage employees to innovate.
Xu’s views and practices are still consistent with the doctrine of the mean of Confucianism. With the development of the times, in order to seize the competitive advantage, each bank is attracting more customers by developing new products or new systems. It can be said that innovation has become a common phenomenon in the banking industry and has become one of the requirements of the role of Confucianism in the new era. As one of them, SPDB naturally needs to 'update' the behavior that the leader should have, giving them the responsibility to innovate.

Yang believes that the standardization work also needs innovation. However, in the past scholars' research, we have not been able to find similar conclusions. Actually, there is no direct connection between the innovation of standardization and the performance of the company. Yang encourages employees to innovate because she understands that innovation is based on the development of existing conditions, and only when employees are familiar with the current business, they are likely to innovate. That is to say, in some teams engaged in standardization work, the leader encourages innovation to strengthen employees' understanding of the business, and the innovation generated in this context is very effective.

The idea of Yang is interesting, it reflects that innovation is a way to show that leaders care about employee development. Confucianism requires employees try their best to do their own work. Yang requires employees to be familiar with the business, this practice is in line with the requirements of Confucianism. Because in Yang's department, most of the employees' work content is based on the repeated work of the operation rules, each employee has similar familiarity with the business, so the employees who can truly stand out from the competition need to be familiar with various businesses while being able to discover the inner connection within the business. The association is a method of accomplishing tasks efficiently. At the same time, as mentioned before, innovation has become a common phenomenon in the banking industry and a focus of leaders. Therefore, if employees can improve their familiar knowledge to a high level, it will be easier to get the attention of leaders and have more development opportunities.

Similarly, Zhong also encourages his team members try to consider problems from several perspectives and figure out the best one. Although many people think that the biggest beneficiary of innovation is the enterprise, Zhong believes that employees with innovative ideas will be more willing and good at thinking, which is also good for their future development.

Western scholars have always regarded innovation as an indispensable condition for enterprise development. Some scholars have pointed out that the leader's sense of
Innovation helps enterprises to gain competitive advantage in the fiercely competitive external environment (Millar & Poole, 2011). Although many scholars believe that Confucianism will hinder innovation, this view is based on the doctrine of the mean. The original intention of Confucianism is to maintain social harmony by constraining each person's behavior, and the behavioral requirements of people in different periods will not always be the same (Gong, 1989). Nowadays, when innovation has become a universal phenomenon and is a necessary factor for maintaining a company's development, it has naturally become a new requirement for Confucianism to constrain the behavior of modern people. Although Confucianism does not directly emphasize the importance of innovation as Western management, it has been constantly adjusted in a changing society, and innovation has been incorporated into the thoughts and behaviors that people need to play in their business roles.

5.4 Collectivism

Collectivism is another important concept of Confucianism. It emphasizes that people should live in harmony and cooperate for the common and far-reaching goals (Wagner, 1995). This idea is highly regarded by the leaders of SPDB. Yang asks employees in her department to wait until all the business has finished and leave together. The purpose is to cultivate a sense of mutual help among team members, thus forming a harmonious team atmosphere, which is conducive to the recognition of the 'team'.

‘... I hope they can realize we are a team, and we should advance and retreat together.' (Leader Yang)

Collectivism does not exist only in Chinese traditional culture. The West also has similar theories that employees should regard themselves as members of the organization. The social identity theory advocates that an individual determines that he or she belongs to a certain organization or some organizations through emotional connections. The deeper his feelings with the organization, the more likely he is to change his or her personal cognition and behavior for the organization, and adopt the same or similar behavior like other members in the organization. Therefore, Yang requires all employees in her team get off work together is to regard the team as an organization. The employees who have a highly recognized with the team, they are willing to be as consistent as possible with other members of the organization, such as working hard, helping each other and get off work together.

Xu also attaches great importance to the spread of collectivism within the team. He believes that although everyone in the team has a different division of labor, as a member of the team, ‘everyone’s business is your business’. As the previous scholars concluded, collectivism believes that collective success cannot be separated from the achievements of everyone in the team (Krone, Chen & Xia, 1997). Xu requires each member of the team to have a comprehensive grasp of the business, ‘everyone is anyone’. All business-related knowledge and information are shared within the team, and this phenomenon has also been recognized by previous scholars (Aerne, JakliA & Akerlavaj, 2013). This approach enhances the employee's business capabilities and has a positive impact on the ability of the team to seize the opportunity to handle the business. Even so, our interviews did not find that information exchange within the team had a direct impact on innovation, which was inconsistent with previous scholars'
research. In other words, collectivism requires information sharing within the team, but whether innovation can be formed is not certain.

‘... you only have to be fully prepared, you will not miss when the opportunity comes. ’
(Leader Xu)

Although collectivism has contributed to the harmony within the team and the performance of the team, some scholars have found that this culture may be at the expense of the interests of employees. In an interview with Tong, she said that the idea of collectivism is widespread in the SPDB and that employees in the bank are more or less sacrificed for the collective.

‘I think everyone has sacrificed personal benefit more or less for the organization, ... ’
(Employee Tong)

Lei said that he also sacrificed personal interests for the collective. Although marketers are assessed on individual performance, they are also in different teams, so for the benefit of the team, sometimes they have to make concessions.

‘The leader assigned a large client that I have served for more than a year to another colleague, because the leader felt that the colleague could better market that customer and increase the performance of the team.’ (Employee Lei)

Although most of the interviewed employees stated that the collective interests were considered before personal interests, they had different understandings of this behavior. Lei can accept that ‘employees need a sense of community’, but he can’t understand why it’s necessary to sacrifice the individual’s interests to meet the collective value. Tong believes that it is acceptable to make personal sacrifices for the collective. Her recognition of the collective is based on the trust of the leader.

‘... I do not think that (sacrifice personal interest) could be a problem for me, because the sacrifice is known by all other colleagues, including our leader, I believe I can get more from other aspects.’ (Employee Tong)

It is very obvious that Lei and Tong have different ideas. The emergence of this situation cannot be explained by only one thing. When we bring their respective ideas back to the interviews, we find that they have different views on things because they are treated in different ways by their leaders. In other words, their ideas are influenced by the behavior and thoughts of their leaders.

Although Western social identity theory has similarities with collectivism, Western theory does not emphasize that individuals need to sacrifice personal interests for the collective. Some scholars have studied the relationship between personal interests and corporate interests. The conclusion is that if this person has morality, then he will realize that the company's interests should be more important than personal interests, and spontaneously take actions that benefit the company. China's collectivism first requires that personal interests should aim at the company's interests and ensure the consistency of the two. Secondly, when there is a contradiction between the two, the individual needs to obey the collective interests unconditionally, which will damage the employee’s interests.
5.5 Hierarchy structure in SPDB

In addition to advocating that people should do their own things, Confucianism also emphasizes that people need to be bound by certain relationships to form a harmonious society (Krone, Chen & Xia, 1997). In the SPDB, leaders and employees are dominated by the relationship between the superior and the subordinate, that is, employees need to respect the leader's decision. This relationship is conducive to maintain the harmonious atmosphere within the organization while stable the development of business.

Different from the traditional hierarchy, Yang explained in the interview that the hierarchy structure of SPDB is also very wide in the horizontal direction except for the vertical extension. Due to the wide variety of services in the bank, senior managers will separate many complex businesses into several departments, and those with stronger auxiliary functions will merge according to business needs. Therefore, the hierarchy structure of SPDB is more like a pyramid-shaped.

‘The hierarchical structure is a good management method ..., the classify of department and hierarchical also helps employees to acquire more specialized knowledge and business within the department ... employees can find the right person in charge in a short time to solve these problems.’ (Leader Yang)

From the words of Yang, we learned that SPDB's hierarchy structure was formed considering both business needs and personnel management. This structure makes the number of employees in each team not too much, which is beneficial to the management of department leaders. The division of departments makes many complex businesses have special departments responsible and improves the professionalism of the business level. The organizational structure of SPDB is not a highly centralized hierarchy structure in the traditional sense. On the contrary, it divides the rights of leaders according to the type of business and the level of risk, which helps employees to find relevant responsible departments and person to carry out business more targeted.

In addition to the leaders, employees also support the hierarchy structure. Ding said in the interview that the stratification of the structure within the organization is based on the type of business and the risk level of business. While dealing with complex and high-risk businesses, although senior leaders still have the power to decide, the step-by-step approval method involves more grassroots and middle managers, who can provide a basis for judging to senior managers through multi-level and multi-faceted evaluation of the business. Compare with the organizational structure that employees can communicate directly with decision-making leaders, this multi-level organizational structure is more conducive to more accurate judgments by senior leaders.

‘I think it is good and necessary to apply hierarchy structure ..., there are several levels of supervisors under the top leader. Who is going to evaluate the business determined by the business risk level.’ (Employee Ding)

Western scholars' conclusions on leadership research emphasize that strategic leadership is an important resource for promoting enterprise development. One of the main roles of leaders is to help enterprises develop and gain competitive advantage.
This view is recognized by leader Zhong of SPDB, who believes that the role of the leader should be to manage the company and employees, rather than being tied to the daily business. At the same time, he was deeply influenced by Confucianism. He also stressed that it is also the responsibility of the leader to care for every employee in the team and help them to develop.

Meanwhile, Zhong said that due to the large number of people in the team, he could not pay attention to the specific situation of each employee. Because of the various businesses in the team, he also adopted the hierarchy structure. On the one hand, according to different businesses setting up group leaders, who have the right to decide how to deal with the basic business. On the other hand, the team members are distributed among the various line groups and are managed by the group leaders. Only when special circumstances and problems arise, Zhong is going to solve them. This type of management gives leaders more time to think about the direction and strategy of the company and the department, and not to leave the staff. However, we have not found similar conclusions in previous studies by scholars.

‘I apply hierarchy structure management in my department, ..., if I solve the basic problem every day, I have no time to consider what is the future direction of the team.’
(Leader Zhong)

5.6 Guanxi

As previously studied by scholars, Guanxi affects all aspects of the Chinese and plays a large role in the business field. Lee & Anderson (2007) believes that relationships are based on trust and friendship, and this view is fully reflected in the interviews with Zhong and Xu. Zhong is willing to promote employees who are close to him because most of these employees have worked with him for a long time. He has a deep understanding of them and has worked together to cultivate trust and understanding between them. During this period, Zhong can also learn more about the ethics of these employees, and promoting these employees is a way for Zhong to maintain the corporate culture.

‘I consider the inheritance of culture is very important … ’ (Leader Zhong)

Xu admits that he has a close relationship with the leader, which contributed by his responsibility to work in the long term and get trust from the leader. This view is consistent with Western Leader-members exchange theory, DuBrin (2010) mentioned that employees who are loyal to leaders and have good performance are more likely to be recognized by leaders. Therefore, according to the idea of Sparrowe & Liden (1997), with the close relationship, Xu gets the opportunity to be promoted as the new leader in his department.

In the interview, almost every employee mentioned that Guanxi can help employees to obtain better development opportunities. This result also supports the conclusions of previous scholars. And some employees mentioned that the leaders’ care for the employees in the relationship allows them to obtain more business resources, which makes them stand out in performance appraisal. This will make other employees in the team feel dissatisfied and easily reduce the enthusiasm of other employees. This view
has also been supported by Ma, Tang & Yan (2015), who argue that this particular relationship will prevent leaders from treating the members of the team equally, which will reduce the enthusiasm of other employees.

‘... the high-quality customers are distributed to the member who is better at giving gifts to leaders.’ (Employee Fei)

‘... so the leader always gives her the easiest job to do, and last year she was promoted to be the head of the department.’ (Employee Tong)

In the interviews with SPDB, we also found that Guanxi did bring benefits to SPDB (Hwang & Staley, 2005; Warren et al., 2004). Guanxi between enterprises will bring mutually beneficial results. As a profit-oriented commercial bank, SPDB needs to obtain more business to realize its own business profits. On the other hand, some enterprises and company leaders consider banks as a 'lifelong job', and hope their children can get a stable job in banks. In order to meet the needs of both, the bank agrees to accept the children of these business leaders' as employees of the bank. In exchange, these companies need to cooperate with SPDB in business. This Guanxi is accepted by ordinary employees of SPDB because employees who enter the bank through this special Guanxi need to prove the Guanxi works on completing business performance.

‘... he can take the position because he has some relationships with some companies ... the relationships are his ability... ’ (Employee Ding)

6 Conclusion

This thesis has looked at the issue how to keep the balance between Confucianism and western management style work together in Chinese commercial banks in today's society by using a case study of Shanghai Pudong Development Bank (SPDB). Applying the theories of Peterlin, Penger & Dimovski (2009) and Selmer (2001) as background, this study has examined the organizational structure of Chinese banks and the management style of leadership in Chinese commercial banks to conclude how to balance the two cultures in Chinese banks’ management.

In the research, we find that traditional Confucian culture and Western management philosophy have many similarities in guiding leaders on how to manage enterprises. However, the different ideas between eastern and western culture may lead to inappropriate management behavior which may increase contradictions in organizations. Specifically, eastern culture concerns more about the feeling of people, by contrast, western ideas focus more on achieving the result. For balancing the two culture in one enterprise, leaders need to consider the importance of ‘people’ in Chinese traditional culture and thus adjust the western management methods, which is very useful to the enterprise. Meanwhile, Guanxi is common in Chinese companies which cannot be fully resisted. When recruiting or hiring employees, apart from considering Guanxi, leaders should consider whether the performance of these employees can be recognized by other employees.
Our research problem is a fairly new field that few scholars have studied in. With the development of internationalization, we believe that there will be an obvious trend about mixed culture in leadership management, especially between western and eastern. This study focuses on the two mainstream cultures and explore how leaders balance the two cultures under a Chinese background. The authors of this paper try to figure out the management method in SPDB in order to provide useful information for scholars who are interested in this topic. However, due to limited time, this paper applies one case study which focuses on Chinese commercial banking industry. There are a lot of opportunities for scholars to explore how to balance different cultures in Chinese enterprises. We believe that could be a large field that should be concerned. Since the topic is related to the interaction among people, to understand the truth, qualitative research might be more useful in helping researchers to identify the pattern.

7 Limitation

The scope of this paper is the influence of Confucianism on Chinese commercial banks, so the conclusion may not have universal significance. Besides, since this paper only conducts in-depth research on a commercial bank SPDB, the research results may be affected by some special types of the bank itself. At the same time, due to the limited time, this paper cannot explain whether there is a change in the influence of Confucianism on the management concept in commercial banks through the comparison of time.
8 References

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## Appendix 1: Contacts of SPDB 2014 and 2018

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