



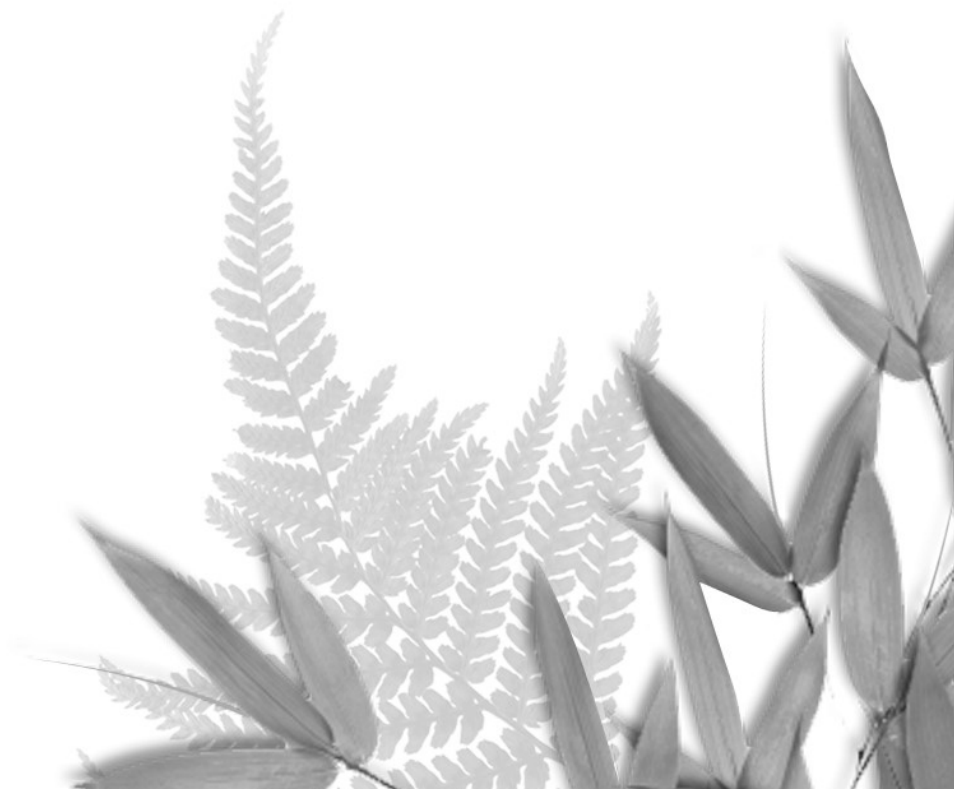
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Organizational Culture, Confucian values, and Change: Understanding the cultural shift within South Korean workforces

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ABSTRACT

South Korea's economy has become more internationally integrated and exposed to the demands of market competition. Concurrently, its workforce has been subject to a series of liberalizing reforms aimed at increasing flexibility and productivity. As the structure of the workplace and employment norms have changed, how has the internal culture of Korean business organizations been affected? This study investigates workplace culture, particularly the status and role of Confucian-based cultural norms, in three Korean private sector firms. We find significant variation in the degree to which organizational culture reflects the values and norms of what can be construed as traditional Confucian ideas of hierarchy and loyalty. This variation reflects both the average age of employees and the deliberate efforts of a firm's management to either uphold or break free from 'traditional' organizational culture. Findings suggest that while a strong Confucian-based organizational culture can still elicit high levels of employee commitment and effort, it is increasingly difficult to maintain such a culture. Firms where such a workplace culture is either being eroded or deliberately refashioned are finding alternative ways to manage and engage employees.

INTRODUCTION

The Korean workforce and the organizational culture of Korean workplaces are often elided in accounts of South Korea's economic performance. Contending explanations for South Korea's extraordinary economic growth and industrialization have variously focused on the role of an activist state, directed finance and government planning organizations (Amsden 1989; Woo 1991; Weiss 1995) versus more market-oriented policy settings (World Bank 1993). In many accounts, the private business sector and its coordinating institutions, particularly the large conglomerates known as *chaebol*, play a pivotal role in translating both market and government-engineered opportunities into business growth and industrial upgrading outcomes (Chwa 2002; Kim 1997). The role of the Korean workforce in this transformation remains contentious and often invisible. However, the workforce plays a critical role in transforming other resource inputs such as finance into the acquisition of industrial capacity. The global rise of Korean firms that have broken into highly competitive markets was contingent on extraordinary levels of employee effort and commitment: long hours, high levels of stress and a relentless focus on honing production techniques (Magaziner and Patinkin 1989; Amsden 1989). In some accounts, the effort and capacity of Korean employees is attributed to a ruthlessly coercive industrial relations system that, prior to 1990s, repressed labour through both legal and physical means (Deyo 1989; Minns 2001; Kwon and O'Donnell 1999). In other accounts, more emphasis is placed on national-level investment in education to develop human resources and a credible commitment to 'shared growth' (Campos and Root 1996; Rowen 1998).

Labour repression during Korea's authoritarian high growth era is undeniable; but a system that relies entirely on coercion is unlikely to be efficient, particularly when it comes to the acquisition and deployment of higher-level skills. This makes it plausible that monitoring and discipline can be (at least to some extent) internalized through cultural norms that find expression in workplace practices, routines and expectations. In the case of Korea, a national culture in which Confucian norms of hierarchy, collectivism and discipline are present alongside other cultural influences has shaped firm-level management practices and organizational culture (Deuchler 1992; Dastmalchian, Lee, & Ng 2000; Rowley and Bae 2002). In this line of analysis, the prevalence of Confucian values within Korean workplaces is put forward as a significant factor behind the country's economic performance (Chang 1988; Hofstede & Bond 1988; Kim and Park 2003).

Although Korea has traditionally been regarded as one of the East Asian countries in which Confucian values and norms are widely shared (Cha 1994), culture is not static. Generational change means that younger members of the workforce have values and orientations that are significantly different from those of previous generations (Park and Park 2017). The workforce has also changed its structure, as liberalizing reforms aimed at increasing workforce flexibility have sharply reduced employment protections and increased the proportion of 'contingent' or non-regular workers, who now make up at least a third of all Korean employees (Shin 2010; Cooke and Jiang 2017). In consequence of these national-level cultural and structural shifts, Korean workplaces, human resource management practices and organizational cultures have moved away from 'traditional' Confucian-based norms, which were consistent with an emphasis on internal labour markets, lifetime employment, seniority and hierarchy (Lee & McNulty 2003; Warner and Rowley 2014). Workforce restructuring and reform, along with other forces associated with technological change and global marketplace competition mean that these traditional organizational cultures and practices have changed since the 1990s (Ingelhart 1997). For example, in 1997, Samsung first introduced a merit-based compensation system similar to that of Western organizations such as General Electric, and attempted to merge into its existing seniority-based system (Khanna, Song, & Lee 2011). Khanna et al. (2011) suggest that Korean business environment has 'slowly become more friendly to ideas from abroad' (p. 147), and that Korean businesses are now accommodating a hybrid system that merges both Western and Confucian values. This means that Korean businesses are becoming more diverse, as practices diffuse unevenly and new organizational cultures and human resource management practices coexist with more traditional ones, often within a single firm (Rowley and Bae 2003; Cho, Yu, Joo and Rowley 2014).

How does this diversity and flux play out in Korean workplaces? Where traditional, Confucian-based organizational cultures still exist, do they retain their ability to motivate employee performance and loyalty? How do workplaces characterized by more individualistic organizational cultures manage to engage and motivate employees? How do employees themselves make sense of changing management policies and their congruence (or otherwise) with organizational cultures as reproduced at the firm level? In order to investigate these questions, we carried out a qualitative study of three Korean firms using an ethnographic approach, each representing different organizational cultures and workforce attributes. Our findings allow us to draw tentative conclusions about the effect of changing organizational cultures on employee

engagement and performance. Before presenting the case studies, the next section introduces the principal elements of Confucian culture in the Korean cultural context and draws connections between organizational culture and performance.

CONFUCIANISM AND ORGANIZATIONAL CULTURE

Korean society is widely considered to be one in which Confucian values and practices have traditionally been strongly embedded (Choi 2010; Duechler 1992). Hofstede's (1984) global study groups Korea with other East Asian countries, part of an East Asian cluster that portrays similar cultural values and characteristics. Korean organizations, including firms, operate in a context that is culturally similar to that of Japan and China, which share a common Confucian tradition. However, culture is complex and each context may interpret the same cultural idea differently (McSweeney 2002). Confucianism in Korea is idiosyncratic and entwined with other cultural strands and non-cultural influences, including the legacy of decades of authoritarian rule (Rowley 2001). The principal cultural values and practices associated with the Confucian tradition in Korea include strongly hierarchical interpersonal relationships, respect for authority, a collectivist ethos that puts the group before the individual, and a commitment to education. As a system of ethics, Confucianism encourages harmony and interdependence, in which deference towards superiors is matched by a paternalistic duty of care towards subordinates (Yao 2000). The desire for education and achievement within the Korean society may be considered as an evidence for Confucian influences (Lee 2006). In 2014, OECD reports ranked Korea as the country with highest tertiary education rate for the age group of 25 to 34 years, with 67.7% of the population receiving tertiary education ('Education at a glance: OECD indicators', 2014).

Culture is dynamically reproduced through practices, rituals and communication styles (Stowell, 2003). In the Korean context, ideas of hierarchy, status-consciousness, conformity, in-group and out-group distinctions, and family interdependence are both reflected in and reproduced through everyday communication practices (Shim, Kim, & Martin 2008). For example, honorifics are used to show respect and identify relational social position between the communicating individuals, and reinforce their status (McBrian 1978). Specific terms are used to address each other to represent the relationship between the communicators (Hwang 1991). This means that interpersonal communication constantly reminds speakers of Confucian values of respect and hierarchy and also reinforces these values, although the original meanings (based in Confucian philosophy) may change in the process.

Although organizations within any country can craft and maintain distinctive organizational cultures, the values and practices of managers and employees tend to reflect the values and cultural practices prevailing nationally. To the extent that Confucian values

are embedded in everyday life, they will often spill into organizational practices (Shim, as cited in Shim et al. 2008). The strong influence of the generic Korean culture is consistent with a high level of ethnic homogeneity within Korean companies as, until recently, the Korean workforce included few foreign workers (Kim, Bae, & Lee 2000). Along with pressures for institutional isomorphism, this means that there is often a concordance between elements of the societal culture and the organizational culture of national firms. To the extent that the Korean workforce is embedded within the wider Korean cultural context, employees may espouse traditional Confucian values such as group harmony, filial piety, and loyalty to superiors, which in turn impact interpersonal relationships and work culture (Kee 2008). In this way, organizational relationships and culture are influenced by Confucian ethics that promote subordination to authority and labour harmony in Korean businesses (Kim & Park 2003). Unequal power relations are a consequence of traditional Confucian deference to hierarchy (Dastmalchian, Lee, & Ng 2000). These relational differences between the workers are reinforced through paternalism, a masculine-dominant culture and collectivism, especially in smaller Korean businesses (Lee 2001).

Organizational culture may develop in distinctive ways at the organizational level while also being influenced by national context. Plester (2016) suggests that each company cultivates its own organizational culture, and this can be reinforced and crafted through worker interactions and communications such as humour. Organizational culture may be displayed in different forms, such as in physical settings and artefacts, and through language, stories, gestures, legends, symbols, ceremonies and rituals (Trice & Beyer 1984). Organizational culture is thus distinct from, but in reciprocal interaction with, more discrete organizational factors such as human resource management policies. Norms of deference towards seniors, for example, may be reinforced by human resource policies and management practices, or they may be in tension with overt organizational policies (Rowley, Benson, & Warner 2004).

The implications of Confucian-influenced organizational culture for performance are ambiguous and uncertain, especially given difficulties in measuring the subjective and inter-personal elements of organizational culture. Although organizational culture is a shared idea that is collectively crafted within the organization, how these cultural values are interpreted and perceived may differ according to each individual, and thus may impact performance related behaviours differently within the workplace (Meglino, Ravlin, & Adkins 1989). However, several studies provide evidence that Korean business performance has been supported by strong

corporate cultures that produce cohesiveness among employees (as cited in Cho et al. 2014). Korean corporate culture has been analysed as featuring 'dynamic collectivism', whereby high performance is bolstered by a mixture of Confucian-derived collectivist ethos alongside positive acceptance of change and innovation (Cho and Yoon 2001). The Confucian philosophy of interdependence and harmony may promote a culture that crafts 'productive' worker behaviour. Schein (2010) suggests that groups with in-depth social understandings that are specific to the organization may be created through a reasonably stable membership and a long history. This means that a strong culture between the members may be crafted through organizations with lifetime employment and seniority system, which encourages a stable membership structure within the organization. Wilkins and Ouchi (1983) suggests that development of such strong organizational culture provides a form of clan control that helps to efficiently govern uncertain and complex transactions within the workplace. Efficiency is achieved through individual members determining and behaving according to the best interest of the collective group (company). This form of collective culture and loyalty, although not unique to the Confucian tradition, is fostered by it.

As discussed in the previous section, Korean workplaces are undergoing significant change as a result of industrial relations reform, structural shifts in the economy and workforce, and changing human resource practices (Cho et al. 2014; Warner and Rowley 2014). Business organizations are becoming less 'Confucian', but traditional practices and understandings of authority and interpersonal relationships remain in many organizations. In this context, our investigation of workplace culture in three Korean businesses has focused on organizational practices, values and understandings of appropriateness held by employees. We show the mixture of traditional, Confucian-based values and practices alongside more individualistic norms, and trace some implications for organizational performance via employee commitment, self-discipline and engagement.

CASE STUDY METHOD AND COMPANIES

In order to investigate the nature and implications of organizational culture in different Korean workplaces we undertook qualitative, interpretive case studies of three firms. Although large-scale survey instruments have been productively used to study organizational culture in many studies (i.e. Hofstede 1984), here we used close-range, interpretative methods to attempt to capture the more subjective and interpersonal elements of organizational culture. Our findings are based on participant-observation, formal interviews and informal conversations with employees. Observations of company events allowed us to develop a picture of organizational practices, rituals, physical artefacts, and also interactions between the members (cf. Schein 2010). The empirical observation and interviews took place over a period of four months in 2014. To retain the confidentiality of the firms and individuals, we have changed the names of each company and all employees.

The three case study companies were selected from different industries: information technology, online gaming and manufacturing. We have named them Wisepath, Truscene, and Mintrack. Each of these companies presents a different case of the organizational culture, from one displaying relatively high levels of traditional Confucian values and practices, to one in which more individualistic, informal and Westernized norms predominated.

Our observations focused on a variety of markers of organizational culture, from physical manifestations (e.g. a company logo displayed on the wall), to documentary records (e.g. formal organizational policies), to the use of language and form of interactions among organizational members. Each was interpreted in terms of how much they demonstrated observance of Confucian-derived values and practices. We paid particular the use of language and interpersonal interactions among organizational members as an indicator of the company's level of formality and observance of Confucian notions of hierarchy. In Korea, personal titles and honorifics convey both degrees of formality and understandings of relative hierarchical status. As in other cultures that use honorific forms of personal address and different linguistic forms depending on the relational position of the speaker to the person addressed, all verbal communication requires a person to assess their relative position and the context in which they are communicating (McBrien 1978). The relational position or status is dependent on the age and the organizational position of the communicators. The titles used within the three studied companies include a mixture of the individual's first name, last name, the title 'nim', 'ssi', organizational position, and age-based hierarchical title.

Within the three studied companies, superiors had more options in addressing an individual of subordinate status, and the language (and the title) is much more casual. For example, the word 'nim' translates to 'madam' or 'sir' in English, and it is used to address an individual in a highly respectful manner. While it is most professional to use a combination of last name, organizational position, and the title 'nim' when addressing another person, some workers in subordinate positions also use an age-based hierarchical title such as 'unni' (direct translation as 'older sister') or 'obba' (direct translation as 'older brother') between individuals with close personal relationships. Therefore, this title is usually used towards customers or superiors, within a relationship. Contrastingly, within a relatively formal, yet hierarchically more equal relationships, the word 'ssi' is used to address another person. Often it is used by those in a hierarchically superior position, towards their subordinates. Within an organizational context, managers tend to use the word 'ssi' towards his/her team members (of lower hierarchical status or in age) to signal a hierarchical, yet professional relationship between the communicators. However, some managers may use only the first names of their subordinates to signal a distinct hierarchical difference within the relationship. Therefore, examining the language used by organizational members along with other cultural practices helps to understand the level of formality and Confucian influences within Korean workplaces.

CASE 1: WISEPATH

Company background

Wisepath is a metal recycling company that collects, dismantles, extracts, and refines metal (and some precious metals) parts for resale. The business involves purchasing electronic devices and other waste products within and outside Korea (from Japan and China), to extract precious metal parts and refurbish the material in an environmentally friendly way. The company has branches in American and China for import and exporting purposes, and has its main office and recycling factories in Korea.

The company employs approximately 63 workers, with 46 permanent workers and 17 temporary workers. Out of these identified workers, only seven were female. The age of the workers were relatively high, with only two workers were in their 20s, and the majority of the workers in their 40-50s. Furthermore, there were a few workers over the age of 60. The workers are divided into two divisions- office and factory. These two divisions operate

under a different hierarchical system, where the organizational positions/titles are incompatible with each other. For example, the office division is hierarchically more stratified than the factory division, with even the senior management team divided into four different levels, while the factory division only has two. This means Wisepath has a complex system of relationships and layers of organizational culture, yet the formality and hierarchical relationship structure between the members were similar across the office and factory divisions.

Organizational culture: Traditional and Confucian-based

In general, this company's organizational culture presented the most traditional and 'Confucian' culture, out of the three studied workplaces. The organization is separated into two different divisions, company office and factory. The office division is structured into nine different hierarchies, while the factory division has two levels of hierarchy. Through the company webpage, Wisepath emphasizes the importance of having a collective culture, in order to achieve cooperation and collaboration within the business. These ideas are commonly empathized within Korean workplaces, and embed Confucian values of collectiveness and harmony. In accordance with these values, the organizational relationships reinforced strict hierarchical differences between individuals, signalled through the use of honorifics and job titles used by the subordinates to address their superiors, while the superiors use the subordinate's first name only. One of the office-division workers suggested that the hierarchical relationship between organizational members is natural to Koreans, due to the family-like Confucian relationship structure within the workplace.

Korean culture maintains a family-like structure across all contexts. At a smaller scale, a family would have the mother and the father as the most senior person. In the workplace, the CEO and the management are the most senior. At a larger scale, the president is the most senior within a country. This idea is solid in our minds

Coral, 64, female

Such respect towards seniors (either in age or organizational status) was common across workers over the age of 40. Since the workers at Wisepath were relatively old, and some in their 60s, this was a commonly accepted perspective within the company.

Korean traditional and superstitious cultural practices were observed within the company building, and a number of physical ornaments suggested such cultural values. One of these cultural

ornaments included placing a dried Pollack wrapped in white silk threads above the main entrance of the company office building. This is a typical Korean cultural practice, where placing a Pollack with silk threads resembles the act of 'bringing in' long lasting wealth and 'pushing out' bad spirits for the company. Furthermore, the company conducted *gosa* frequently. Although there are different types of *gosa*, Korean companies often conduct *gosa* as a ritual to plead for the blessing of the land or house-protecting god. Therefore, *gosa* are performed prior to starting a new business or moving into a new building. In the modern Korean society, rituals and rites (such as *gosa*) are more often performed by companies not to sincerely plead for blessings and prosperity to gods, but to cultivate a culture of togetherness for the organizational members. Conducting these rituals helps to build group solidarity and merge the cultural gap between organization and individual members (Nugent & Abolafia, 2006), and thus constructing a collective identity. Within Wisepath, all employees were obligated to attend *gosa* rituals when they were held within the organization. Although these do not relate to Confucianism, the ornaments and rituals resemble Korean traditions, while emphasizing values similar to Confucianism (such as collectiveness). Conducting these old traditions suggests a culture deeply embedded in traditional Korean values and ideas, and employees who were obligated to attend such events accepted it as a part of their work.

Through traditional rituals, and using language that emphasizes strict hierarchy and formality between organizational members, the culture crafted within Wisepath stresses collective identity and encourage loyalty of the employees. This is also supported by rewarding systems and group activities within the organization. Loyalty is rewarded by the company by providing overseas trips and gifts to the workers- based on their organizational tenure. In 2012, employees with minimum five years of tenure were gifted with a trip to China, as a part of their Christmas reward. Although this was to a small rural town in China, the company provided for all expenses required for the trip. This was considered as a significant reward for the employees, as this was the first overseas travelling for the majority of the workers.

Another reward that the company provided was physical gifts. This included gold bar as a new year's gift in 2013. Each employee was gifted with 3.75 gram size gold bars (worth approximately USD 173, as of July 2017) depending on the tenure of the individual. The longer the tenure of the employee, more number of gold bars they received. The workers responded that this is a '*special reward*' only provided by Wisepath, and that it provokes special appreciation and loyalty towards the company. These unique rewarding systems

cultivates a culture of loyalty and a feeling of belongingness for the organizational members and workers suggested that they are especially thankful to the company for encouraging them through such rewards. For example, one of the older employees explained the company's '*thankfulness*' towards older members:

Not many Korean workplaces accept older workers. There is a tendency for Korean organizations to 'encourage' early retirement for workers. Usually in their 40's, unless you are high up in the management. However, for this company, there is no specified retirement age- the fact that Wisepath keeps these workers provoke loyalty and 'thankfulness'

Moss, 60, male

This example suggests that the fact Wisepath provides work opportunities for older individuals are sufficient to provoke '*loyalty and thankfulness*' towards the company. However, the rewarding system and programmes extends this feeling of '*thankfulness*' of the workers, and possibly leading to loyalty. Therefore, the combination of Confucian '*family-like relationships*' supported by a generous rewarding system seems to cultivate a culture of loyalty and respect towards the company. This also reinforces the Confucian values of collectiveness and hierarchical relationships, where individuals provide loyalty and respect towards their superiors while the superiors take care of their subordinates. Therefore, the workers at Wisepath perceived that the relational role of superiors and subordinates within the hierarchical organizational relationships were fulfilled through the organizational system, and seemed to accept such structure as a natural part of workplace relationships.

Loyalty and relationship bonding between the organizational members were also crafted through social events such as hiking in weekends, and alcohol drinking. All members within the company were invited to a drinking event, where members from different departments and divisions were given an opportunity to mingle and develop interpersonal relationships. This included the senior management and the CEO, where they also joined the employees to drink until dawn. The observation example below illustrates the complex mixture of organizational and societal (age-based) hierarchy between organizational members. The Confucian based hierarchical relationship is maintained through mutual respect between the management (higher in organizational hierarchy and younger in age) and older staff members (lower in organizational hierarchy and older in age):

Work hours finishes earlier than usual and all organizational members gathered at a traditional Korean restaurant located 20 minutes away from the company office. At 5:00 pm, the CEO makes a short speech in front of the attending members, and announces the start of the Wisepath company 'hwe-sik' (translation: company drinking event). The CEO stands in front of the room while all other members sit around the room in tables of 4 to 5 people. The CEO, dressed up with a formal suit, raises his glass full of 'pok-tan-joo' (direct translation 'bomb alcohol', a drink that mixes beer and soju) and shouts loudly across the room.

CEO: Wi ha yeo! (cheers!)

All other members: Wi ha yeo!

The members start to pour alcohol in each other's glasses. The CEO approaches the table that Coral is sitting with three other members. The male member sitting on the right side of Coral stands up to offer his seat to the CEO, and the CEO smiles and takes the seat.

CEO: Nunim (direct translation: older sister), you've worked so hard these days! Please accept a glass (alcohol) from me!

Coral: (partially stands up, and holds out her empty glass with two hands) Oh my! Thank you so much sir, you didn't have to! The CEO grabs a bottle of beer from Coral's table, and pours beer into Coral's glass with two hands. Coral looks at the CEO with a warm smile, while other members sitting on the same table smiles, nods, and starts to drink again.

June 3, Wisepath observations

This observation example illustrates how the CEO and the older female worker (Coral) show respect towards each other at the company drinking event. Organizational members attempt to develop interpersonal relationships by sharing drinks, and communicating casually outside the company grounds. As the CEO is hierarchically superior than any other members within the company, he is placed at the top of the organizational hierarchy. This means that he does not need to use honorifics or use body language of respect (for example, waving hands instead of bowing when greeting another person) when communicating with other organizational members. However, the CEO's behaviour of using 'two hands' when pouring beer into Coral's glass suggests respectful behaviour. This is because Korean culture prescribes subordinates to hold objects with both hands when delivering to a person of

higher status, while superiors deliver with one hand only, especially to those of lower status. This means the CEO is treating Coral as a 'superior' in this example. As Coral is older than the CEO (she is 64) this example suggests that the CEO is maintaining the Confucian value in respecting the elderly and filial piety, although he is hierarchically superior in terms of organizational position. On the other hand, Coral also displays respect by also using two hands when accepting the drink from the CEO, and maintains the organizational hierarchy between the individuals.

Wisepath's drinking event encouraged individuals to drink as a signal of togetherness amongst the group members. The management supported such intentions by providing support to those who had to drive home were provided with a 'call driver', and the CEO paid for the fees charged by the 'call driver'. Workers suggested that such drinking events are '*highly enjoyable*', although they are tired the next day, as drinking events usually continue until 3 am.

Confucian culture and organizational performance

The combination of social events along and monetary rewards seemed to help build a collective identity and enhance group belongingness for the workers. Such events were perceived as '*very considerate gifts by the superiors*' rather than as a return of their labour to signal that the workers naturally accept patriarchy in the organization, in accordance with Confucian traditions. Behaviours of workers on the next day of these drinking events suggested how the Confucian values of collectivism and hierarchical relationships help to achieve high levels of commitment and lower absenteeism, regardless of the health conditions of the workers.

For example, individuals who attended the company drinking event (which finished past 3 am) turned up to work on time the next day. Although many of the workers looked very tired and some suffering hangover (for example, some of the workers seemed nauseous and were gagging), they kept to the work schedule, especially those in the factory division. The factory unit that handles the process of dismantling electronic devices operated normally, and the amount of work completed were indifferent to normal working days. However, none of the observed workers complained about being tired or having difficulties with the work. One of the factory division workers suggested that this is the norm and the culture of the company:

Nobody misses work after a heavy drinking night, because it is culturally incorrect to skip work. Not being able to work the next

day suggests lack of effort and weakness for the person. We should always show effort towards the company, since they provide us with such fun events. We should be thankful, and not be disrespectful by skipping work. So it's natural for us to pay back to the company, and that's how we do things here.

Copal, 46, male

This respondent suggests that in order to achieve the collective goal (of organizational performance) the workers are willing to provide extra effort and achieve the necessary performance output, regardless of their physical conditions. Many of the factory workers stayed on site and slept at the company dormitory in order to start work on time. This seemed to be a norm for the workers to stay at the company dormitory when there was work needing to be completed, despite the poor infrastructure of the dormitory building and no 'after-hours pay' was made for the extra work.

Wisepath also did not have many mechanisms to monitor the workers. No official work 'quota' was required for the factory division workers, and no performance review was conducted. Nevertheless, only one manager was located per factory building (there were five factories at Wisepath). However, each factory was divided into three to four different sections, which made it difficult for manager to monitor all sections at once. Furthermore, the managers were also given factory-level tasks similar to other workers, and this created further difficulties to monitor other workers' performance, as the managers have to concentrate on their given tasks as well. Senior managers were usually off-site, therefore did not conduct any monitoring related duties. Therefore, the company did not invest much effort in monitoring the workers and their performance, except to rely on the traditional culture of collectiveness which believes that each organizational member will commit to their own role within the organizational group. This also suggests that there is a high level of trust between the workers and the management, which assumes high performance. Findings suggest that the Confucian based culture at Wisepath do relate to high performance of the company, as during the period of data collection, Wisepath was preparing to expand its business overseas (Japan). Furthermore, the management stated that Wisepath had shown '*dramatic growth*' in terms of profitability in the past 7 years.

CASE 2: TRUSCENE

Company background

Truscene is a software development company that provides Information Technology (IT) related services and products for machinery operations. The company targets both national (Korea) and international markets. Truscene also has resellers that operate in international markets, which includes Japan, China, and India. Most of Truscene's customers are businesses which need extensive support and updates in running the software developed by Truscene. A total of six teams operate to provide support for its clients. The company is divided into two major areas, which are research and sales related services, that provides continuous support to its clients that have purchased Truscene's software programme.

A total of 49 individuals are employed within Truscene, with 8 female workers who are mostly positioned in administration related teams. These individuals range from early 20s to late 40s in age, and all of the senior management were in their 40s. Similar to other Korean companies, Truscene operated under a seniority system, and thus promotion was based on tenure rather than performance. This means that workers age and organizational hierarchy are bound together, where the manager is older in age than his/her subordinates.

Organizational culture: Confucian and Western

The organizational culture of Truscene was the most complex to identify out of the three companies studied. This is because the official 'culture' presented by the management was different to what was observed within the organization, and the perceptions between those in senior positions conflicted with junior members. The management considered Truscene to promote a Westernized organizational culture, which is '*different to other ordinary Korean organizations*'. This was a common response from the CEO and department managers. A response from one of the Truscene's senior manager illustrate this belief:

I think our culture is completely different to other Korean companies. Our culture focuses on mutual communication and collaboration... our CEO tries a lot to develop this culture and employees also follow this well.

Amber, 40, male

The participants suggested that Truscene's culture is not like any 'other Korean companies'. This implies a rather negative connotation, where the participants consider Truscene's culture to be different and very unique. This sense of uniqueness is derived from the participant's perception of a stereotypical Korean company, which are often considered to have a patriarchal and oppressive workplace environment (following traditional Confucian values). This means as the participants do not consider Truscene's culture to be oppressive and patriarchal, it is perceived to be different to an ordinary Korean company.

However, observations show that Truscene is relatively traditional and Confucian-based in terms of culture and organizational relationships. Organizational members were encouraged to use formal language and honorifics that reinforce hierarchy, and were punished for using informal, casual style of language:

There's a formality, or a hierarchical system that needs to be maintained here... It was my first time to drink with company people. I kind of unleashed myself, since the casual atmosphere seemed like I could just joke around comfortably. I called everyone unni (older sister) and obba (older brother) instead of using their organizational positions to address them. Afterwards, Carnelian got told off for my behaviour, because she was my mentor at the time. Senior managers didn't like the way I was joking around, not using honorifics and stuff... I don't understand why we had to be told off for it.

Aquamarine, 20, female

The senior managers or those in superior position were not obligated to maintain formality in their language, and most organizational members either used the subordinate's first name and the term 'ssi' (using the first name suggests a distinct hierarchical difference between the communicators, with some elements of professionalism by using the title 'ssi'), to signal a low level of formality when communicating with subordinates. The different levels of formality taken by the organizational members suggest a strict hierarchical and unequal relationship structure. This is similar to the traditional Confucian relationships that expect respect and obedience from subordinates, and strong power by superiors.

The diverse workplace rituals and activities conducted at Truscene also resemble Confucian values, with a focus on crafting a collective identity. Truscene organize different activities such as morning 'mind-sharing' sessions, book reading groups, monthly 'sensitivity training', and role playing sessions, which are compulsory for all members to attend. The morning 'mind-sharing' sessions were

conducted as a short 30 minute gathering of all organizational members at 8:30 am every morning, where selected members share their thoughts and inform of any special events in their personal life. The management explained that this session helps organizational members to keep connected and provide social support to its workers. The book reading groups were formed within each organizational department, where each individual is given a book to read for the month, and the department manager guides its members to discuss about the book as a group. The 'sensitivity training' is conducted every last Friday and Saturday of the month, and workers are provided with training to be able to read other people's feelings, in order to associate with them well. Lastly, the role playing is also conducted once a month to train and prepare workers to respond appropriately in difficult situations (both in work and personal life), and cultivate the 'right' behaviour.

Observations and interview data suggest that these programmes help to construct a collective identity amongst the workers, and to accept their role as a part of the community. As all four programme listed above focuses on achieving a task as a group (collectiveness), follow the manager's instructions for various tasks (hierarchical relationships), and to comprehend and accommodate to the given situation (subordination), the workers learn to share a burden and behave according to their hierarchical status. This resembles a strong Confucian culture and relationships, which many of the younger workers disliked:

I think workplaces do need to loosen up a bit. If it is formal and strict, it may be more productive, but when you try to forcefully control people to be productive, there is definitely a limit to what you can achieve

Orthoclase, 30, male

In particular, younger workers under the age of 30 suggested that the culture pursued by Truscene is considered unusual and does not necessarily fit with their own cultural values:

At first I really didn't understand it. I thought 'what's going on? What's this all about?' I really didn't know why these people are doing these weird things. But I guess now, I kind of- not a lot though- get that there's a culture like this.

Apatite, 24, male

Apatite's response illustrates the confusion he experienced when he first experienced the company's training programmes. This also suggests that the collective, and highly Confucian cultural values reinforced through Truscene's system may not fit with the culture of

younger Koreans. A young middle-manager explained the discomfort created through the excessive control of his team manager, and the cultural clash created in encouraging team bonding:

Although I usually eat lunch with my team members, sometimes I do want to have lunch with other people - friends, you know. But when I told the manager that I wasn't going to join the rest of the team members for lunch today, I got that nunchi. I could see that he didn't like the idea. Seriously, even though he's my superior, he can't really blame me for wanting to have lunch with someone else. So that kind of stuff acts as a pressure. I can't even have lunch with people I want.

Morion, 29, male

The younger workers suggest that Truscene's system forces them to follow the patriarchy and collectivist ideals within the organization, which causes distress. This means that the younger workers are not accustomed to the Confucian values such as collectivism and hierarchical relationship structure, and this clash of values leads to distress. Organizational members suggested that the different perception towards humour is another signal of the cultural difference between the older and younger workers. Although the use of humour at Truscene was light, the younger participants suggested that humour creates a feeling of happiness and also helps to bond with others. This relational effect of workplace humour is summarized by one of the interview participants:

I just use casual jokes, playing around with words, teasing... nothing major. But if I don't joke around, I'm usually a very angry-looking person. That's what my friends say anyway. So by sharing humour, it makes it easier for other people to talk to me, and make good relationships, and just make my work life more enjoyable.

Biron, 29, male

An observation example illustrates how Biron, a young manager, uses humour to help ease the anxiety of his subordinates, before heading off to an important seminar which the members had to present the company products in English:

Biron, Lapis, and Topaz gather around the round table located at the centre of the office. The office is empty, as other organizational members have already left to set up the venue. All three members seem to practice their speech quietly, as if whispering under their breath. Lapis's face is slightly flustered, and he flaps the A4 sized script in front of his face. Topaz slowly

circles around the table, while reading his script quietly. Biron places his own script on the centre table, making a loud sound. He then jumps up to sit on the table, and swings his legs forward and back. He starts to say a part of his speech (in English) out loud, but intentionally emphasizing his Korean accent.

Biron: Hello, nice to meet you. I will see you at the global seminar soon!

Lapis and Topaz stop what they are doing, and start to laugh at Biron. Lapis mimics Biron's statement with a bubbly tone of voice, repeating the word 'hello'. Then all three members look at the clock located on the wall, fold their scripts, and individually put them in their bags. Biron jumps off the table upon which he was sitting, starts to whistle a melody, and rhythmically walks out of the office. Lapis and Topaz laugh, looks at each other, and follow Biron. Topaz walks beside Lapis and comments with a smile.

Topaz: I feel a bit better now.

Lapis also smiles, and rubs the back of Topaz's head.

April 8, Truscene observation notes

In this observation example, the manager, Biron engages in humour. Biron targets himself within the joke by making bad English pronunciation, resulting in others to laugh at him. However, this is a conscious play made by Biron, as Biron's English is quite fluent (lived in Australia for several years). This 'act' provokes laughter, and Topaz states '*I feel a bit better now*' to suggest that he is now less stressed. This suggests that the younger workers (Biron was 29 at the time of data collection) are willing to use humour regardless of the hierarchical differences between the communicating members. This is different to the traditional Confucian perspective, where those holding strong Confucian values either perceive the act of sharing humour unfavourably as it can diminish the level of formality required in workplace relationships, or use general or targeted humour (directed at other members) rather than the self so that humour does not damage the user's face.

Similarly, the younger workers also emphasized that they must be careful with using humour, as it may be considered rude and inappropriate to the senior members. The conflicting perceptions towards the idea of using humour in relation to organizational hierarchy, is illustrated by one of the younger participants:

While our company seems really friendly, the whole top-down hierarchy is really important here. Once I got told off by a passing-by manager for joking around with someone in the company kitchen. He asked who has the longer tenure, and only when I told him that we were only a month apart (in organizational tenure) did he back off. It was strange.

Carnelian, 24, female

This example illustrates the ambiguity of using workplace humour. In this particular example, the manager restricts the use of humour, by checking the organizational tenure of both involved members. Asking '*who has the longer tenure*' implies that humour is considered to be an inappropriate form of communication to use between members with different tenure. Furthermore this emphasizes a difference in the hierarchical status between organizational members, based on tenure. This may be because many Korean organizations are promoted based on a seniority system, which means that longer tenure signals higher position within the organization. This perception is strongly imposed by the manager to the respondent, who was '*told off*' for using humour, as the manager was unsure of the relational hierarchy between the joking individuals. However, the manager '*back off*' as soon as he found out that the two individuals were of similar organizational tenure ('*only a month apart*'), and permitted the use of humour. This suggests while the manager considered humour as something which can only be shared with peers (those of similar organizational tenure), the respondent disagreed with this perception and considered this perception '*strange*'.

Therefore, the organizational culture of Truscene is complex and stratified, as the organizational system and senior management reinforce strong hierarchical culture which follows traditional Confucian ideals. However, many of the younger workers suggested their dislike towards this hierarchical culture and even displayed resistance through methods such as using humour amongst the younger members in the workplace.

Confucian culture and organizational performance

The mixed response from the organizational members towards the organizational culture pursued in Truscene also influenced different aspects of organizational performance. Some younger workers considered that a more Westernized culture with less emphasis on hierarchy and formality would help with creativity and quality of work:

I prefer a culture that allows workers to play games, mingle, and communicate. I haven't worked at an overseas company, but I heard these things help workers to build friendships, and craft an atmosphere like that. But here, it's too blunt. People are fixed on hierarchy and relationships based on hierarchy. It limits things, like creativity, and work quality, and what we could potentially do better

Lapis, 28, male

This suggests that a culture less 'fixed on hierarchy' is perceived to increase worker effort and work quality. From the younger worker's perspective, the traditional Confucian cultural values that emphasize hierarchy and formality suppress individual's potential to perform in the workplace. For example, the members of accounts and administration department seemed to work more eagerly when their department manager, Vermeil, was working off-site. The group of five employees seemed happy to work without supervision, and Amethyst, one of the younger members in the accounts and administration department stated that she had completed her work tasks ahead of schedule, which was uncommon.

Despite the younger workers' cultural difference and the perceptions towards performance, members with strong Confucian-based beliefs (in their 40s) were positioned at the senior management level. This means that those in subordinate positions are forced to follow the practices based in Confucian values, according to the hierarchical organizational system and culture crafted by the management. Many of the domestic sales department members suggested in their interview that they do not enjoy the hierarchical relationship structure which is coerced by their manager. For example, one of the younger, entry-level members explained how his senior team members attempted to 'establish hierarchy' when he first entered the company:

It was kind of funny, because I'm not exactly a new graduate that doesn't know how to do work. But I guess my seniors just wanted to set some standards in terms of hierarchy. Wanting me to show respect. So on the first week that I started here, our team went out for a drink. After like... three bottles of soju, everyone was pretty out of it. Then my senior, who is only about 7 years older than me, told me to follow him outside. So I was standing in front of the bar, while he had a smoke. Then he suddenly told me to stand formally and in shape, like what they do at the military. I laughed because I thought he was drunk and joking... then he kicked me in the shin. He was swearing at me like crazy, saying that I don't show respect and I should do whatever my seniors tell me to do. So in the end I did what I

was told, but honestly, it was pathetic. Now I don't try as hard as I could, because I know that they only want hierarchy and respect. I'm not going to give them what they want, so I don't work that hard. Shame.

Moonstone, 23, male

The respondent suggests his conflicting perceptions towards the hierarchical relationship structure reinforced by his senior team members. This conflicting perception seemed to influence his performance within the company, where Moonstone states that '*I don't try as hard as I could*'. Although the level of damage this incident has had on the performance level of Moonstone is unclear, the cultural clash between Moonstone and the senior team members seem to influence worker performance.

Inefficiency in worker performance was also suggested through observations. For example, the majority of the departments within Truscene show that the workers were unable to go home until their manager leaves the office. Therefore, the members often stayed in office and 'worked' until 10 pm, when the manager persisted in staying at the office for work or other personal reasons. For the organizational members that were 'forced' to stay, this extended work hours did not seem efficient or productive, as observations show that workers in entry level positions used this time to play on their phones or drink coffee, and simply waited for their manager to leave the office. The workers acknowledged that such after-hours work is unproductive, and suggested that this may be because they are not paid for such extra work. The workers seemed to feel pressured to stay behind, and share the burden (of working extra hours) with their manager. Despite such negative perception, the senior managers seem to consider this behaviour as a sign of loyalty and productiveness. For example, one of the senior managers expressed his positive views about the 'collectiveness' of his team members:

Our team usually works until 10 pm, especially during the busy seasons. I'm so proud of them, voluntarily staying behind to finish work tasks and all. It shows their respect and loyalty, to the company, and to me. I think our team has the best team bond, and we share a collective identity, better than any other teams in Truscene.

Rubelle, 34, male

This suggests a contrasting perception towards the level of performance, commitment, and loyalty between individuals in senior management level, and workers. While the after-hour work is accepted and justified as a form of '*loyalty*' and expression of

'collective identity' for the older and senior members, the actual number of work tasks completed during these hours seem low. This difference may be due to the different cultural expectations between the members, where senior managers such as Rubelle perceive that Confucian values of loyalty and collectiveness leads to high performance of workers. However, the contrasting cultural perceptions of the younger members may affect performance negatively. Therefore, Truscene illustrates a mix of traditional Confucian culture and a more Westernized ideals amongst its workers, where these different perceptions and subcultures created conflicting outcomes in terms of performance.

CASE 3: MINTRACK

Company background

Mintrack is an online gaming company that develops online gaming platforms for players (customers), and provides server upgrades and maintenance for the programme. Mintrack operates internationally, and provides its service to 54 different countries, which includes China, Russia, Indonesia, Brazil, and America. The key business activities include administration, sales consulting, programme development and maintenance. Although the company had experienced steady growth for the past 20 years, the business has recently been experiencing an on-going change, impacting both the culture and its business operations. There is no articulation of organizational culture in the company's formal documents or on the company website. Similarly, the company does not provide any programmes or events in order to cultivate a specific culture within Mintrack. Instead, organizational members actively cultivate team-based cultures by independently running events and team relationship-building programmes.

The company employs 33 workers, with only four female workers concentrated in the administration related teams. These workers conduct team meetings and engage in work tasks freely, in terms of both time and space. For example, the employees were observed to meet at the local cafés during work hours and in bars after hours (drinking alcohol), for both work and social purposes. Workers were generally young in age, mostly in their 20s and 30s, except for the CEO and one senior manager in their 40s, and the vice-CEO in his 60s. However, these senior managers were rarely in the office, and only came in for occasional meetings with the middle managers.

Organizational culture: Informal and Westernized

Mintrack's organizational culture was the least traditional out of the three studied companies. The workers generally had a very casual attitude at work, supported by the loose organizational system with a high degree of freedom for the workers. The level of control over the workers was minimal, where the working hours could be decided by the individual (either 9am-6pm or 10am- 7pm), and this was not monitored by the managers. Furthermore, no formal training programme or events were organized by the company, thus casual social events such as Monday night drinking was organized by a few workers at times.

The casual atmosphere within Mintrack was also supported by the relatively casual language used by the workers. Individuals in subordinate positions used personal based appellations rather than organizational titles such as 'obba' (direct translation- older brother by younger females) and, 'unni' (direct translation- older sister by younger females), and superiors used the subordinate's first name. This is the most informal manner to address others within the Korean organizational context. Furthermore, although the younger workers used honorifics to the older members, this was maintained at the most informal level. Therefore, an informal culture was crafted within small groups, and this informal culture was developed continuously through social gatherings such as karaoke, drinking alcohol, and online gaming at least once a week. However, these gatherings were not compulsory, and individuals in subordinate positions were not forced to attend these events. For example, a number of the younger members frequently gathered for Monday-night drinks, and one of these members explain the casual nature of the Monday-night drink gathering:

I don't always join these drinking meetings, because sometimes I feel so tired I want to go home and snuggle up and rest. But unni and obba doesn't mind. They always offer me to join them though, which is really nice of them. It's not compulsory, and they don't give me any pressure to join them, where in my previous job, my seniors were really brutal in terms of peer pressuring and they really scared me.

Ivory, 25, female

The respondent suggests that the drinking gatherings are '*not compulsory*' and there is no '*pressure*'. This suggests that the nature of the social gatherings at Mintrack is casual and the hierarchical relationship structure between organizational members is not extreme, such as in other Korean workplaces which emphasize Confucian-based values and hierarchical relationships.

Furthermore, the fact that Ivory is not 'scared' to disobey or reject the offer by her superiors suggests a less Confucian culture, where independent opinions and characteristics are supported within the workplace.

Mintrack displayed the most number of humour instances, out of the three studied companies. This suggests that the generic atmosphere and the organizational culture of Mintrack are rather informal, in comparison to highly Confucian workplaces. The senior members within Mintrack also seemed to accept humour used by their subordinates, which is also uncommon in Korean workplaces (refer to the case of Truscene). An observation example illustrates the informal nature of the relationship between the members within Mintrack. This example involves a humour interaction between Lolite and Diamond which occurred as they were heading home after work. Within this relationship, Lolite is older in age and also positioned higher in organizational hierarchy, and they are not personally close (i.e. not friends):

The group of 5 individuals (Diamond, Emerald, Sapphire, Lolite, and Citrine) meet up on a Monday evening after work, to watch the new Spiderman movie. After the movie, the group walks through an underground passage, heading towards the subway station to catch a train home. While walking through the underground passage, Lolite and Citrine hold hands (they are an engaged couple) and walk ahead of the group, acting as if they do not associate with the other group members. Diamond, making shooting sounds while reaching out his wrist towards Emerald to mimic the Spiderman, stops and calls out to Lolite.

Diamond: Lolite hyung! ('hyung' directly translates as older brother)

Lolite ignores Diamond's call. He turns towards Citrine, bends down towards her ear, and covers one side of his mouth as if whispering.

Lolite: Don't look behind (at Diamond)

As Lolite's voice is loud enough for Diamond to hear, Diamond makes a grumpy expression, and continues to call out to Lolite loudly, for about 5 minutes. Lolite continues to ignore Diamond. Diamond smirks, and gathers his hands in front of his mouth to amplify the sound.

Diamond: Hey you, the guy who looks like Jang Dong Geon! (Jang Dong Geon is a famous Korean actor)

As soon as Lolite hears Diamond's statement, he turns around and answers 'yes?' with a big smile. Citrine, standing by Lolite's side laughs as she watches Lolite's reaction. She hit Lolite's arm softly.

Citrine: I told you not to do this!

Although Citrine's voice sounds sharp and perhaps agitated, her expressions show that she is trying hard not to laugh too much. Diamond watches the couple converse, turns his body around towards Emerald again, and folds his arms across his chest.

Diamond: Oh my god this (Lolite) is so embarrassing, let's go Emerald!

April 28, Mintrack Observation notes

This example displays how Diamond uses humour casually to Lolite, and ends up shaming Lolite in front of other co-workers. However, Lolite and Diamond are in a hierarchical relationship, where Lolite is positioned higher in the organizational hierarchy and also older in age. This means that Lolite's social status is higher than Diamond, and is considered as a superior to Diamond. Therefore, Lolite's act of ignoring Diamond's call in the above example is socially appropriate. Furthermore as Lolite signals rejection towards Diamond's call (*'Lolite continues to ignore Diamond*), Diamond should not force Lolite into a conversation. However, Diamond disrupts the expectations to abide Lolite's decision to ignore him by using humour. His joke in comparing Lolite to a famous actor is accepted by Lolite, and thus this interaction suggests that regardless of organizational hierarchy, the members within Mintrack are able to share humour freely. Nevertheless, this example also suggests that the target of humour may be anyone within the company, as the informal organizational culture helps superiors to accept such humour from their subordinates. This behaviour conflicts with the traditional Confucian values of hierarchical relationships and respect towards elders, and suggest an informal, and more Westernized culture within Mintrack.

Non-traditional culture and organizational performance

The informal, non-traditional culture at Mintrack seems to influence aspects of organizational performance differently to those in Wisepath and Truscene. Regardless of age, most organizational members suggested that they were motivated through socialization, and not because of the work itself or any part of the organizational system:

I only complete work tasks in a timely manner because I don't want to let down my friends in the other team. If I don't do my part properly, I know that they will suffer. But if they weren't here, or if I wasn't friends with them, I wouldn't really care much.

Zircon, 41, male

This example suggests a collectivist characteristic amongst workers, where social relationships and bonding between the members act as a driver to perform better in the workplace. However, this is not due to the relational role that each individual perceives that they must play within the group, as suggested in Confucian cultures. Furthermore, the extent of the effort each worker invests in work tasks seem to be dependent on the particular member affected by their work. This is because each individual cannot be 'friends' with every other worker within the company, and limits the number of tasks that they should 'care' about (*'But if they weren't here, or if I wasn't friends with them, I wouldn't really care much'*). Nevertheless, the lack of organizational programmes or systems to cultivate a collective organizational culture means that it is insufficient to consider the above response as a part of the organizational-wide culture, but perhaps a subculture within Mintrack. This also suggests that each individual is working for their own personal reasons and goals, rather than the collective goal of the company- which contrasts with the traditional Confucian values. Therefore, the organizational culture at Mintrack is rather independent and non-traditional. In particular, many of the younger workers under the age of 30 suggested that they prefer such independent culture at work:

The sense of freedom helps me to stay active, in terms of doing work

Jet, 28, male

The independent culture at Mintrack was also displayed through the voluntary after-hours work performed by the employees. As an online gaming company, the workers were occasionally required to work extra hours when there were server or client related problems that need immediate attention. The workers were willing to stay behind and invest extra hours, although they were not paid for the overtime. However, observations show that workers always gathered at the local pub after attending to such emergency-work task, to drink alcohol, socialize, and relieve stress by talking about (backstabbing) the senior management. Furthermore, organizational members that voluntarily invested extra hours of work often took half-day offs, and would come into work in the afternoon the next day. This behaviour was also under the

individual's discretion, which the workers perceived as a form of 'freedom' in the workplace, which helps individuals to commit to work tasks and perform better.

In contrast, some of the older members suggested that the informal culture which gives too much freedom to the workers is decreasing productivity. For example, an interview participant discussed how the younger managers are cultivating a casual culture, and the importance of unity and collectiveness within the workplace:

A few years ago, our company wasn't like this. We had a structure, and people knew what they were supposed to do, and when to do it. Now, it's all over the place. People don't work on time, there is no respect... I don't like it. One of the teams here thinks that they can do whatever they want, and kind of isolates my team. They don't invite us to team building events and stuff. I think there is a need for everyone to bond, develop some kind of collective identity and relationship. But people here are too independent, and it's mostly the younger managers cause trouble.

Heliotrope, 36, male

This respondent suggests that there is a need for workers to develop a 'collective identity and relationship' and 'respect'. This idea is similar to the collectiveness and harmony emphasized in Confucian traditions. The respondent also suggests his dislike towards the 'independent "younger managers''. An observation example illustrates the conflict between organizational members that have different cultural perceptions, in relation to company commitment, and performance.

Emerald arrives at the office at 11:30 am. She bends down to her waist-level and quietly finds her way to her desk. She sits on her chair, and acts as if she is busy working, with a smile. Diamond notices Emerald's arrival, looks at her for a few seconds, and turns back to his work task. Emerald smiles playfully at Diamond, while Sapphire who sits next to Emerald, nudges Emerald's arm with his elbow and whispers something to her. They laugh quietly, then turns back to their own computer screen. Heliotrope, who is sitting about 3 metres away from Emerald stand up with a frown, and starts to shout at Emerald in a joking tone.

Heliotrope: Emerald! You're late again!

Emerald: Sorry, I had to resolve something this morning.

Heliotrope: Excuses excuses! Diamond, you should control your team members properly. You people are probably not working up to standard with this kind of mental status!

Emerald: But I am going to stay until late today to make up for the lost hours. It is kind of optional you know. I'm going to go for a smoke.

Emerald laughs, and walks out of the office, and Sapphire follows.

April 21, Mintrack observations

This observation example shows the different perception between members Heliotrope and Emerald in terms of organizational commitment and performance. Heliotrope displays a more traditional, Confucian value of formality, where he asks Emerald to keep to the formal working hours, in order to '*work up to standard*'. Heliotrope's behaviour of jokingly scolding Emerald suggests his perception that workers should stick to the formal working hours, in order to display their commitment and maintain a reasonable level of performance. However, Emerald's attitude of being late to work, and emphasizing that she will stay behind to make up for the time, which is '*optional*' for the workers, suggest that she does not perceive the work commitment and performance is aligned with maintaining the formal rules within the organization. Walking out on her superior to '*go for a smoke*' also suggests an independent culture by Emerald, which conflicts with the traditional Confucian values of hierarchy and harmony. This observation example shows the different cultural values of the organizational members within Mintrack, especially in their cultural interpretation towards work commitment and performance.

Therefore, the organizational culture at Truscene suggests that although the independent culture similar to that of Western workplaces is difficult to cultivate a sense of loyalty and commitment to the organization itself which is pursued under Confucianism, workers can still be motivated to perform well in the organization due to the '*sense of freedom*'. However, this non-traditional organizational culture may only be perceived positively by the younger workers, mainly those in their 20s, while the older members (including the CEO and the vice-CEO) stated that they do not enjoy the informal atmosphere amongst the employees.

DISCUSSION: CHANGING CULTURE, CHANGING PERFORMANCE

The three companies discussed above illustrate how Confucianism may manifest within Korean organizations, as a part of the organizational culture. In particular, the age of the workers seem to influence and display different response towards Confucian-based values and practices engaged within each of the companies. This suggests that Korean workers and organizations are changing in terms of culture. While the older workers hold strong Confucian values, the younger workers display more Westernized, individualistic values.

The case of Wisepath illustrated how organizational members accept and adopt the Confucian value of hierarchical relationship, and the highly controlling practices by the managers are accepted with obedience. As in the example of the company drinking event, hierarchy in both organizational position and age are respected between the members. This sense of respect towards elders and hierarchy is similar to the traditional Confucian values of hierarchy and harmony (Deuchler, 1992), and individuals have a strong sense of performing their role as a 'superior' and as 'subordinates', and this division of role creates trust between the members to perform better as a collective group. Therefore, patriarchal relationship within the management and lower level workers do not damage firm performance, as each hierarchical level perceive that such power difference is natural in their relationship. This is a very traditional form of organizational culture and workplace relationships within Korea, based on Confucian ideals. This suggests that companies that display strong signs of Confucian values by both the management and workers may lead to high level of loyalty, commitment, and performance, which requires minimal monitoring of the workers.

This is consistent with past studies of Jang and Chung (1997), Lee (1998), and Chen (2004), where these studies suggest that the collective identity created through Confucian relationships help employees to work harder and perform better. Perhaps this suggests that Confucianism helps to improve firm performance by cultivating a social climate that encourages collective effort, contributing to improved overall performance of the firm. Although the productive effect of Confucian cultural values may not apply to all individuals, the case of Wisepath provides further insights to how organizational culture based on Confucianism may lead to high commitment (e.g. put in longer hours), loyalty, and thus needing less monitoring of the workers. However, the case of Wisepath also suggests that there must be strong Confucian beliefs held by both

management and workers in order to achieve such outcome. Similarly, study by Chen, Tsui, and Farh (2002) showed that Chinese workers show stronger relationship between loyalty to supervisor and performance, and suggests some influence of Confucian based values in Chinese workforces.

However, the studied companies suggest that strong Confucian organizational culture does not simply lead to high performance. Traditional Confucian culture may be most effective when the workforce comprises of older individuals that are accustomed to the Confucian values and relationships (refer to Deuchler, 1992). Hahn, Hwang, and Park's (1997) study suggests that employee's perception of hierarchical culture relates negatively to organizational commitment. The case of Truscene and Mintrack provides a contextualized explanation to Hahn et al.'s (1997) idea by showing that the younger Korean workforces who are less embedded in Confucian traditions, may not result in as much commitment and loyalty when the management implements the 'traditional' organizational culture. This may be because the younger workers do not accept the hierarchical culture and their prescribed role as 'subordinates' which must show complete obedience to the orders of their superiors. Instead, findings show that employee resistance may result as workers interpret the imposed Confucian values negatively. Younger workers (under the age of 30) in both Truscene and Mintrack expressed their negative perceptions towards the Confucian-approach and practices of the management. Although the younger workers did not cause direct conflict or express their disapproval to the management, the workers engaged in 'rebellious' behaviours such as using humour in the workplace. The younger workers reacted with cynicism at times, and also suggested that the mismatch of cultural values between the management and the individuals caused them to disengage in work, and decrease motivation. In particular, the younger workers suggest that less hierarchical and independent culture (*'Westernized culture'*) seem to improve work efficiency, work processes and associated relationships, and enhance motivation.

The cultural aspects of Korean workforces played a significant role in the rapid development process of the Korean economy, and thus it is important to understand the changing nature of these workforces and the modern organizational environment. Findings suggest that both organizational systems and culture in Korean organizations are changing (Westernized), yet Korean workforces are still expected to follow strong Confucian norms of the management. Although this expectation is understandable as it has helped to create great success for Koreans in the past, examining

the three Korean companies in this study suggest that reinforcing Confucian values to the younger workforce may create adverse effects in terms of performance due to the cultural gap between the generations (Ingelhart, 1997). Therefore, it is important for the modern Korean organizations to accommodate the changing values of the workers, and cultivate an organizational culture which can be accepted by all members in order to improve firm performance.

CONCLUSION

Within the studied Korean workplaces, the cultural orientation of the workers appeared to impact different dimensions of worker performance. The more traditional, Confucian based organizational culture inspired worker motivation by emphasizing a collective identity, and the important role each individual must play within the organizational group in order for the company to succeed as a whole. However, such Confucian based values were only effective when the workers also held strong Confucian cultural values (outside of the influence of the organization), such as those older in age. Some of the younger Korean workers disagreed with the Confucian-based values that emphasize hierarchy and harmony within the collective group. For these employees, reinforcement of a Confucian-based organizational culture created adverse effects in terms of performance. This suggests that although the traditional Confucian values which were effective in creating rapid economic development in Korea in the past are still operative, this holds true only for older individuals that hold strong Confucian cultural values. The cultural values of the Korean workforce are changing and the younger generation may achieve high performance through more individualistic and Westernized organizational culture, rather than those from traditional Confucianism.

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