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**SOCIOLOGICAL PATTERNS AND THE CHINESE MANAGER**

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## **Sociological Patterns and the Chinese Manager**

The following statement continues a series of monographs published at The Business School, The University of Michigan. Previously, publications have appeared under the following titles: "A Managerial Profile: the Woman Manager" (1985); "A Managerial Profile" (1984); "The Newly Promoted Executive: A Study in Corporate Leadership" (yearly, 1983-1987); "A Managerial Profile: The Asian Manager" (1987b); and "A Review of Managers in U.S. Industries" (1987a). The following statement is limited to Chinese managers' sociological patterns which is third in a series of four--the others pertaining to their career paths, education, and lifestyles--and is prefaced by almost identical background material as stated in the other three research statements.

All the above studies, including the 436 Chinese managers described in this statement, responded to similar questionnaires in order to permit both longitudinal and cross-comparisons. Accordingly, the final data base resulted in an N of 436 Chinese managers, 282 males and 150 females (4 did not indicate their sex), who were compared with 6,223 U.S. managers; 319 Asian<sup>1</sup> managers; and 8,720 U.S. top-level executives such as Chairmen, Presidents, and Vice-Presidents. Data summaries of the monographs have appeared in scholarly journals, professional association publications, and in newspapers and periodicals in the U.S. and in foreign countries.

Two goals underlie the research described in the following pages: (1) to create a sociological profile of the Chinese manager, particularly those located in Beijing, and (2) to compare that

sociological profile with comparable Asian and U.S. managers who responded to similar questions.

If those two goals are met, the preeminent goal will result in better understanding of and communication between those managers who have significant business interchanges across national boundaries. Understanding both similarities and differences in education levels across all groups creates opportunities for improved commercial relationships and understanding between people. To achieve these goals, the following statement focuses on five background subjects and five sociological patterns as based on a completed management questionnaire.

## **BACKGROUND**

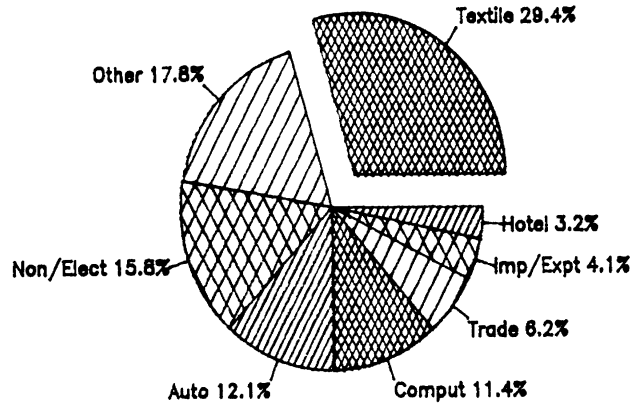
### **Industries Represented**

Over thirty-one manufacturing and non-manufacturing Chinese industries are represented in the sample. Because the focus was upon specific industries, the majority of responses came predominantly from seven which closely participated in the study: Textile Manufacturing (29.4 percent); Non-electrical Machinery (15.8 percent); Automotive Manufacturing (12.1 percent); Computer Technology Manufacturing (11.4 percent); Wholesale Trade (6.2 percent); Import/Export Services (4.1 percent); and Hotel Management (3.2 percent).

The remainder of the sample (17.8 percent)--often with few persons in the group--came from diverse categories such as the government, education, and the legal area.

Thus the data are more representative of manufacturing managers rather than non-manufacturing, somewhat influencing the conclusions

Chinese Industries Studied



drawn in later analyses. Simply for contrast, in 1952, 56.9 percent of the gross output value of China stemmed from agriculture and only 15.3 percent from heavy industry. By 1985 those data showed an agricultural decline down to 34.3 percent of gross output value but an increase in heavy industry to 35 percent. (Statistical Yearbook [China Stat], 1987, p. 20)

An interesting fact is that in only the textile industry do women managers outnumber the men: 51.2 percent to the males' 48.8 percent. Overall, the one-third female managerial presence is quite parallel to U.S. and Asian managers where 20 percent of the managerial workforce were women (Hildebrandt, Miller, Edington, 1987a, 1987b), but slightly lower than the data cited in the Statistical Abstract of the United States [Stat Abst U.S.], (1987), which suggest females hold 42.7 percent of the managerial and professional positions. In Great Britain 20 percent of the managerial workforce is women. (Davidson & Cooper, 1987). Total Chinese women in the workforce in 1985 was 36.4 percent of the total labor force. (China Stat, 1987, p. 103)

If there is a bias toward sexual stereotypes and type of industry, it is that Chinese women are disproportionately represented in the textile field. On the other hand--and to the credit of China's insistence on the omission of sexual stereotypes across industry lines-- women are represented in managerial positions in many industries.

### **Enterprise Size<sup>2</sup>**

It is not difficult to aver that the data represent larger industries, a precise two-thirds (66.6 percent) of the managers coming from firms in excess of 2,700 employees. In part this skewed information is due to accessibility; the larger firms being easier to contact for purposes of the study.

There is currently discussion on how to measure the size of Chinese enterprises. Some suggest that on the basis of employee numbers 3,000 and above is large; 500 to 3,000 medium; and below 500 a small enterprise. We had no way of knowing the gross operating revenue of the enterprises studied, so the classifications which follow are more labor rather than capital intensive. If classification were on the basis of gross operating revenue--a common measure for size in the U.S.--some Chinese feel a large company would gross in excess of 50 million yuan; a medium enterprise 5 to 50 million yuan; and a small one less than 5 million yuan. But no formal government statement for the moment is forthcoming.

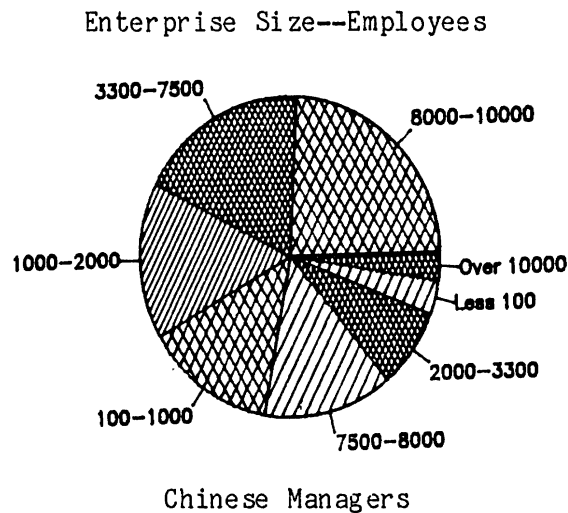
An exact number of firms by employee number is seen in the following table.

Table 1

Enterprise Size by Employee Number

<u>Employees</u>	<u>Percentage</u>
Less than 100	3.4
100-500	10.0
500-1,000	4.0
1,000-2,000	15.8
2,000-3,330	8.0
3,330-7,500	18.2
7,500-8,065	14.0
8,065-10,000	23.5
Over of 10,000	<u>2.9</u>
	100.0*

\*Rounding will sometimes result in percentages greater or less than 100%. In some instances a very precise number-of-employee figure was used by respondents, that common figure being given the managers by top management.



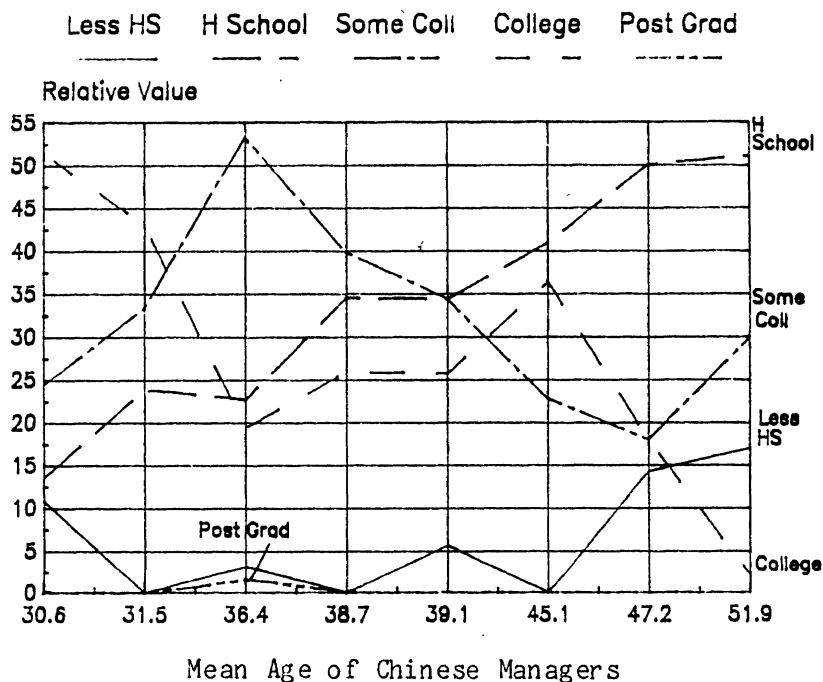
**Time Spent With Present Enterprise**

General Secretary Zhao Ziyang in speaking to the 13th National Congress of the Communist Party of China on October 25, 1987 made these statements:

Basically, the development of science and technology, the revitalization of the economy and indeed the progress of the whole society all depend on improving the quality of the work force and training large numbers of competent personnel. Education is of fundamental importance to the fulfillment of our great long-range mission. We must therefore continue to stress the strategic role of education and do a better job of tapping intellectual resources. As the economy develops, the state should increase year by year the funds allocated for education, while continuing to encourage people from all walks of life to raise money to set up new schools. We should stick to the principle that education must serve socialist modernization. [Zhao, 1987]

Educational data, correlated with the years spent with the present employer—in the manufacturing and non-manufacturing categories noted in question one—suggest that none of the managers with an enterprise in excess of 25 years had a post-graduate<sup>3</sup> degree. For example, in 1952 there were only 2,763 graduate students (China Stat, 1987, p. 629) compared with 87,331 enrolled in 1986. Moreover, within that same span of years, nearly a third (31.3 percent) had less than a high school

Education/Age Comparison





education. Predictably, with China's increased national emphasis on education, the younger managers--mean age 31.5, and employed in a company less than one year--obtained an undergraduate education (42.9 percent). Those young employees with an enterprise 1-5 years--mean age 30.6--have the highest undergraduate degree percentage, 51.4 percent.

In other words, younger managers are better educated than their older counterparts. For instance, only 20 percent of the managers with a company in excess of 15 years obtained an undergraduate degree.

Yet a lack of mobility characterizes the Chinese manager: just over a quarter (27.7 percent) of them spending in excess of 21 years with the same enterprise. Asian and U.S. managers in excess of 21 years with a company had respective percentages of 2.8 and 12.7, the Asians suggesting thereby even more mobility than the U.S. Of the 141 managers working in Beijing, 95 percent of them were born in Beijing; thus, only 5 percent of the managers came from outside the city, for three potential reasons noted in the following paragraphs. Only 1.7 percent of Chinese female managers working in Beijing came from outside the city, again attesting to the axiom that females particularly born in Beijing work in Beijing.

A brief statement of the communist worker's dependence (Walder, 1985) on the enterprise is in order, for several factors do and often did have an influence on the longer time in grade of the Chinese managers when compared with other managerial systems.

(1). Economically a state-owned factory in China is influenced via central government planning, suggesting that a high degree of control over the enterprise and the employee is centrally administered. Thus

for a manager to leave his or her place of work is possible but economically infeasible for in so doing the manager would lose seniority--if he went to a collective or private enterprise--and have to begin anew in his or her other position. If another state enterprise would accept them the seniority would carry over, but to be accepted is no minor task. Additionally, a housing move most likely would be involved, moving to the housing units of the new unit; this too would require approval. Finally, to give up many state supported benefits--if one wished to move to a collective enterprise--could result in loss, for instance, of death benefits, minor dependent benefits, and usually a decrease in old-age pensions. Worker welfare via the enterprise is not an easy perquisite to omit, particularly because some enterprises are total working and living environments. (Schermerhorn, 1987; Nelson and Reeder, 1985) Economic reasons become forceful motivations for remaining in the same unit, regardless of personal likes or dislikes.

(2). Politically the Party has a parallel structure to the central government's structure and role within Chinese enterprises. Workers' political attitudes are observed and evaluated in addition to one's work, in part illustrated in a statement by Committee Secretary Xing Chungzhi (Top Cadres, 1987) of Hebei Province:

We are not accusing these young cadres of being good for nothing or that all of them are bad, but there really exists a problem of upgrading their ideological and political quality. Education in the basic principles of Marxism-Leninism is a most fundamental education which must never be overlooked.

Such a political oversight group includes a second form of employee control, influencing promotions, raises, and in some instances denying approval of leaving an enterprise.

(3). A third reason for lack of mobility is migration policies. Workers, managers included, may more easily move from larger cities as Beijing, Shanghai, or Tinanjin to medium sized cities, to smaller cities, to towns, to the countryside. But to move in reverse order is difficult, those constraints being enacted in the 1950's in an attempt to control large migrations to the cities, where were located the industries and larger cooperatives. Indeed, neighborhood committees keep track of the number of persons within a home/apartment to ensure no additional friends or family members move into the area.

In short, individual mobility may be desired, but the impediments imposed via central planning, the Party, and migration policies are exterior constraints over which the manager has little control, forcing him or her to remain in the same position much longer than in western countries.

Adding the factor of age produces no surprises: the older aged managers have been with a firm longer. Managers in excess of 30 years had a mean age of 51.9; those with the same enterprise 26 to 30 years had a mean age of 47.2.

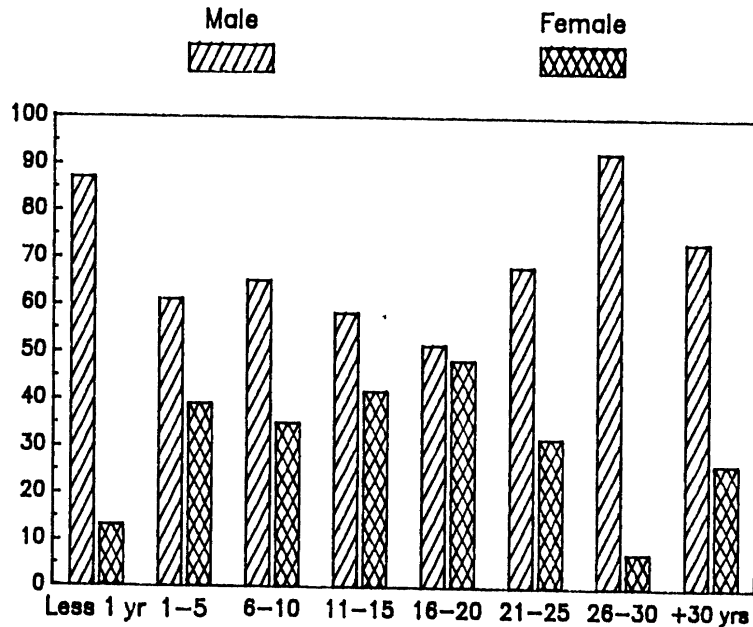
Table 2 lists the number of years with an employer along with the sex, mean ages, and education of the managers.

Table 2

Years with Enterprise, plus Age, Sex, Education

Years	Sex		Education				Age		
	Male %	Female %	Less than H.S.	H.S.	Some College	College degree	Post-Graduate	Mean	
Less than 1 yr.	5.3	87.0	13.0	--	23.8	33.3	42.9	--	31.5
1-5	30.4	61.1	38.9	10.8	13.5	34.3	51.4	--	30.6
6-10	14.5	65.1	34.9	3.2	22.6	53.2	19.4	1.6	36.4
11-15	8.3	58.3	41.7	5.7	34.3	34.3	25.7	--	39.1
16-20	13.6	51.7	48.3	--	34.5	39.7	25.9	--	38.7
21-25	10.1	68.2	31.8	--	40.9	22.7	36.4	--	45.1
26-30	6.5	92.6	7.4	14.3	50.0	17.9	17.9	--	47.2
Over 30	11.3	73.5	26.5	17.0	51.1	29.8	2.1	--	51.9

Years with Enterprise



Chinese Managers

### **Length of Time in Previous Position**

Lack of mobility for the Chinese manager is further supported when viewing the time spent in a previous position. However, opportunities for promotion will increase if at least one of General Secretary Zhao's economic reforms and his managerial criterion for reward can be implemented:

Select qualified managers through competition, and reward or penalize them mainly according to the economic performance of the enterprises, including the increase or decrease in their assets, so as to help a large number of capable and daring entrepreneurs to emerge in the course of keen competition for markets. (Zhao, 1987)

Review of the data suggests that the level of education makes little difference as to the rate of promotability within a company as both lesser educated persons with at least a high school education and those with an undergraduate degree spent similar amounts of time in their previous positions.

Vividly different than their Asian counterparts, 27.4 percent of Chinese managers spent 15 or more years in a previous position, 13.8 percent, 11 to 15 years; and 10.7 percent, 6 to 10 years, suggesting that promotions and movements laterally or vertically come slowly when compared with other Asians. Only 6.9 percent of the Asian managers, for instance, were in their previous position 15 or more years.

Long lengths of time spent in previous positions are a result of the current managerial system. It is difficult to leave a company; it is difficult to move from one position to another; it is difficult to change any pattern once the worker has a given role within an industry. Nelson and Reeder (1985) assert that at least 90 percent of the Chinese workforce remains at the same position, only personnel selected for

managerial roles assuming different jobs for training purposes. One manager according to Nelson and Reeder (1985, p. 21) stated, "We believe a worker should do one kind of work. Some work is complicated. He will do it better and have better suggestions than if he knows only a little about several different jobs."

Three major options for moving out of an enterprise are possible:

(1). An employee proves him or herself so competent that they are asked to move from their present workplace--usually defined as a physical location--to another workplace within the same enterprise under the same ministry. For instance, a textile manager of factory #1 ultimately responsible to the Ministry of Textile could be promoted to a higher position in textile factory #2 as determined by leaders at a higher level. In other words, a higher level authority most often makes the decision to promote an employee, the employee having little force in changing his or her position.

To move to another workplace in another enterprise under a different ministry is more difficult, regardless of managerial competence. A higher level authority must give approval of a change in position.

(2). Some managers selectively curry the favor of leaders, specifically the president and the Party secretary of the workunit, often through various forms of support. It is not unheard of for networks to flourish in some enterprises, promoting some employees who are looked upon favorably regardless of job competence. To incur disfavor from higher authority can have severe effects: perhaps slowing promotions, losing face, or even resulting in a job transfer (Chesanow, 1985).

(3). Employees below the age of 25 may want to apply for a college entrance examination hoping thereby to remove themselves from the enterprise position in which they currently work. If they pass the college entrance examination, the employees then attend college, at the end of which the government assigns them a new position--as based on several employee ranked choices--to an enterprise which is in need of their expertise.

Currently there is dissatisfaction among some students who pass their entrance examinations and obtain a higher education, especially in the U.S. China Youth News noted, "We are a country with a severe

shortage of qualified personnel. Yet in many places a large amount of talent is kept idle and wasted." (Gargan, 1987). For instance, some Chinese students worked hard to obtain an MBA degree and returned to China, but then were assigned managerial positions which did not make good use of their advanced business training. Indeed, currently within the U.S. there are over 30,000 Chinese students and visiting scholars, some of whom may delay their return for fear of not receiving a position commensurate with their advanced academic training. Recognizing the issue, top Chinese leaders including acting Prime Minister Li Peng, have given priority to investigating the problem. (Gargan, 1987).

Lack of job opportunities commensurate with academic training is also a criticism leveled by some current students of Chinese universities. Limited job opportunities and assignment of all but a few positions by the State (Ignatius, 1987) is causing increasing concern on college campuses. Increasingly, educated students, those who are potential managers and leaders by virtue of their education, seek more of a say in job allocation, an area affecting them directly.

Currently, Chinese readers are aware that changes are underway to permit educated students to select their own jobs after graduation. A recent meeting (January 1988) of the State Education Commission has implemented a new policy to begin in 1993 of supplying employers with information on higher educated students. On the other hand employers will supply the Commission with their employment needs. As a result, prospective students will be able to select a job based on those openings, and, after having passed an employment examination, will be able to sign an employment contract. Beijing's Quinghua University and

Shanghai's Jiaotong University will immediately try out the new system.  
(College Graduates to Choose Jobs, 1988)

Special incentives will be offered those students who elect to work in remote and backward areas of the country.

It also seems that institutions of higher education will be influenced through students selecting their own positions. For instance, if many enterprises request students trained in certain subjects and the institutions have not offered those subjects, those students may have a more difficult time locating a job. Hence, institutions may begin to alter their curriculums to meet the needs of the enterprise.

It is therefore difficult to move out of a unit; there is rigidity in the system which encourages, indeed supports employees remaining life-long with the enterprise recommended to him or her by the government. Hence, Chinese managers, in comparison to their U.S. and Asian counterparts, are limited in their ability to move out of the enterprise selected for them. However, radical changes in the current lifetime job security structure (Bronfenbrenner, 1984) will apparently be met with resistance because the "iron rice bowl" (life-long job security) concept is now strongly entrenched in the workers.

Nevertheless, there are winds of change blowing through Chinese enterprises. (Adoption of Labor, January 4, 1988) One variation is the contract concept whereby employees/managers contract on their own with an enterprise--say for as long as three years--for an agreed upon sum of money and other benefits. At the end of their contract they may be asked to remain or are released to search out another enterprise,

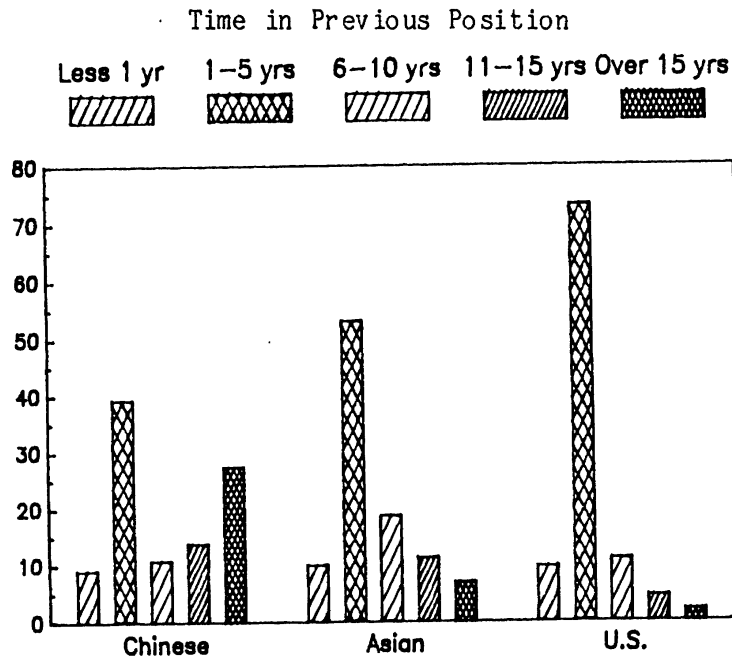


including possibly joint venture firms who because of the gradual liberalization of the labor market, may recruit competent people if housing and other perquisites are available. (How PRC Joint, January 18, 1988) Such changing of employer locations, while giving employees an opportunity to change positions also jeopardizes their life-long work concept and could result in a group of migrant workers/managers. Some argue that 3 percent of the contract workers are looking for new jobs, seeking new contract opportunities on the expiration of their previous contract. (Chip Off the Old Bowl, 1987).

Comparative data for time spent in a previous position appears in the following table.

Table 3  
Time in Previous Position

Time	Chinese	Asian	U.S.
Less than 1 yr.	9.0%	9.9%	9.6%
1-5 yrs.	39.1	52.9	73.0
6-10 yrs.	10.7	18.6	10.9
11-15 yrs.	13.8	11.2	4.5
Over 15 yrs.	27.4	6.9	2.0



## **The Enterprise, Party, and Government**

We have suggested that a close linkage exists between the Party and the government in Chinese enterprises; thus, in turn, both could influence the career path of the managers within that structure. Tracking Chinese managers' careers and sociological patterns within that system requires a brief discussion of the Chinese Communist Party (CCP) and the governmental structure in order to round out the pattern in which Chinese managers work and live.

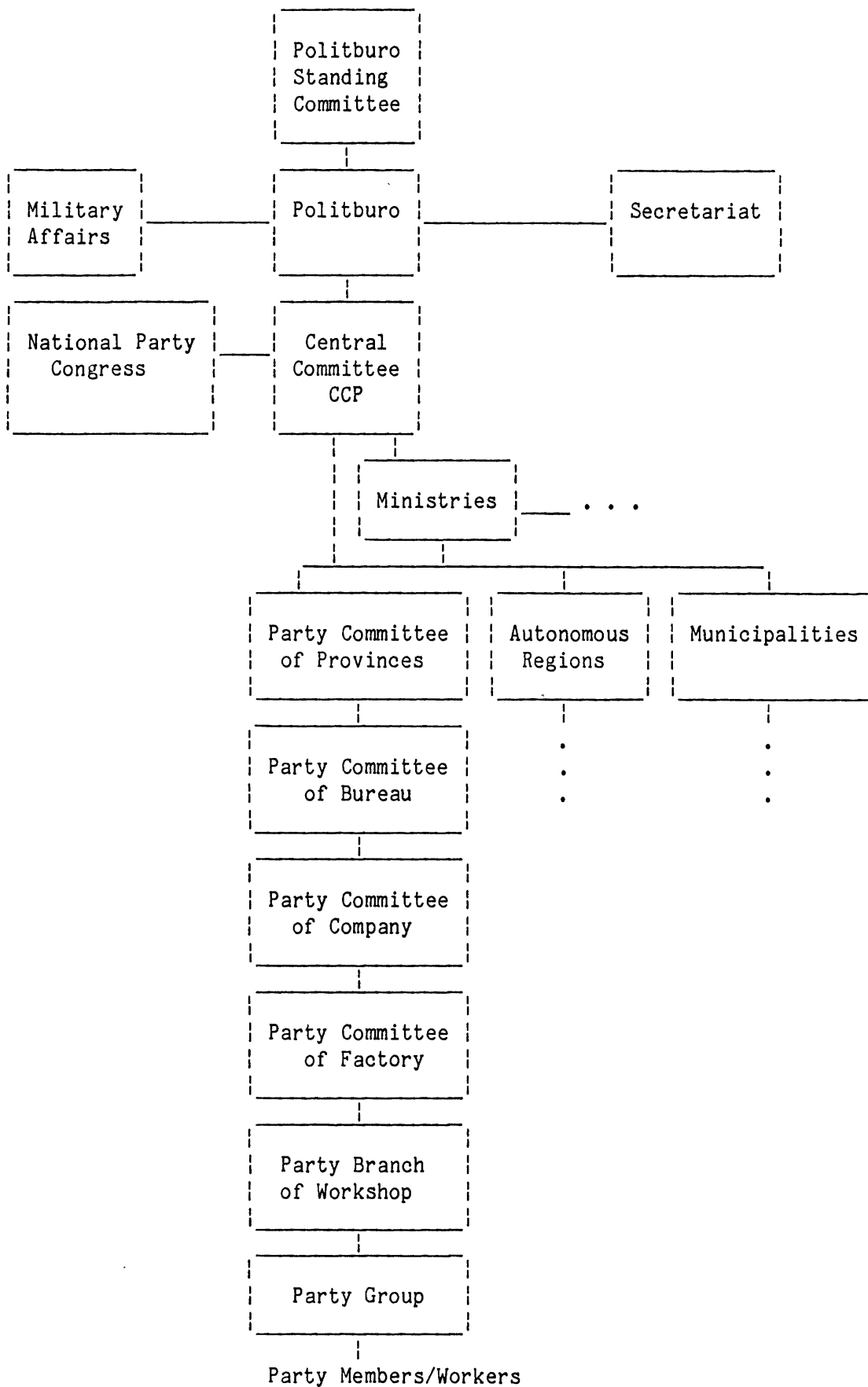
### Chinese Communist Party

To understand the CCP and its influence in business, the following simplified diagram suggests a structure parallel to the government.

General Secretary Zhao heads a standing committee of the Politburo which in turn is responsible to the Central Committee of the CCP. Central Committee doctrines are disseminated to the Ministries, the Bureaus, the Provinces, the Autonomous Regions, the Municipalities, the Companies, the Factories, the Workshops, and the Party Groups. On each level are located CCP members, each working to ensure adherence to and seeking support for the communist principles laid out by the top echelon Politburo Standing Committee.

Consequently, some CCP party secretaries are present in factories to act as oversight persons ensuring acceptance of political and ideological principles of the party. Few do manual labor, few engage in direct production activities, labor over a machine, or operate advanced technological devices. They instead are within factories for four core purposes:

Chinese Communist Party



- (1). To communicate higher level instructions and documents summarizing doctrines of the party, disseminating these throughout the organization, at all levels, to all workers.
- (2). To organize discussion cells wherein communist doctrines may be reviewed and communicated. An example would be that General Secretary Zhao's October 1987 speech could be reviewed and analyzed by factory members of the CCP and non-members.
- (3). To act as an oversight group, determining that the principles of the CCP are implemented and adhered to with minimum diversions. Some Chinese suggest that exactitude to communist principles is a requirement within any factory if that factory is to be truly communist. Adherence to four cardinal principles must also occur, as they are the political and ideological touchstones which a CCP member uses as a yardstick: (1) Keeping to the socialist road; (2) Upholding the people's democratic leadership; (3) Accepting leadership of the communist party; and (4) Accepting Marxism-Leninism and Mao Zedong thought.
- (4). To enlist new members of the factory into the CCP, and if the potential members are accepted, thereby enlarge the party base in the factory.

One can quickly see that this ideological path places individuals whose sole purpose within units is not to oversee production, rather obtain adherence to and support for communist principles. When 133 enterprises were asked (Han and Ma, 1981; Xiao, 1981) which factors contributed to the "good" performance of their enterprise, nonintervention of the Party committee in administrative matters was a positive factor. Thus Party intervention and its separation from enterprise functioning was an early theme, later carried forward by General Secretary Zhao (Zhao, 1987) in October 1987 along with six other points concerning needed reforms:

- (1). Separating Party and government
- (2). Delegating powers to lower levels
- (3). Reforming government organs

- (4). Reforming the personnel system relating to cadres
- (5). Establishing a system of consultation and dialogue
- (6). Improving a number of systems relating to socialist democracy
- (7). Strengthening the socialist legal system.

(Zhao, 1987)

Therefore, the government is aware of the current influence of Party secretaries and overlapping responsibilities. On the other hand, workers whose sole effort is directed at political/ideological persuasion recognize the importance of that position and are reluctant to give it up. In the current study 4.7 percent of the managers began their careers in the political/ideological category; that position represents a major divergence from Asian and U.S. managerial groups. More significantly, over one quarter (27.3 percent) of the Chinese managers later suggest that the political/ideology area is one of the fastest routes to positions of importance within an enterprise, a promotional track unheard of in the west, yet one which even young managers consider a significant avenue for their promotion. Lindsay and Dempsey (1985) include a revealing statement by a student:

Political education is an indispensable part of our motivating strategy. Because our country is poor, we have to educate people to cherish novel ideas as one of the motivating forces in their work while making every effort possible to improve people's livelihood.

We Communists believe that there is something else besides the satisfaction of people's basic needs, which can also motivate people to show what they really can do. So, we should never forget, while trying to satisfy the basic needs of the people, our political education of the people. We educate our people with Communist spirit, mobilize them with the spirit of self-reliance, and arouse their enthusiasm with patriotism.

### Central Government Operation

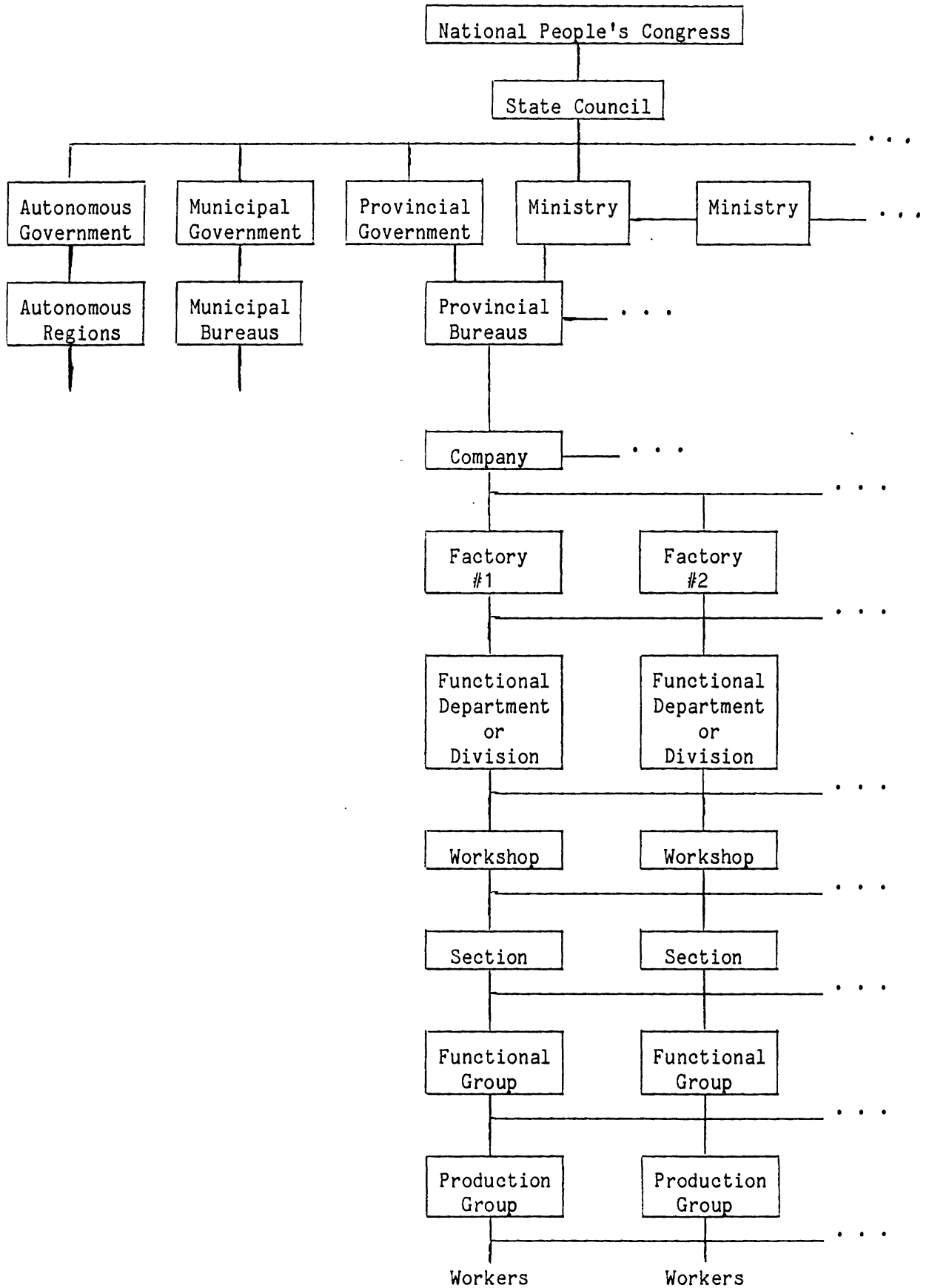
In order to see the interrelationships between the CCP and government operations, and the bureaucracy occasioned thereby, the following chart briefly lays out the structure.

Theoretically the National People's Congress is the ultimate governmental authority on the national or central government level. That authority, in turn, extends down to the 21 provinces, 5 autonomous regions, and the 3 municipal governments of Beijing, Shanghai, and Tianjin being treated as a Municipality. Day-to-day operations of the central government are handled through the State Council and the numerous Ministries, such as the Ministry of Textile Industry, Ministry of Light Industry, or the Ministry of Petroleum Industry, plus other commissions, committees, and bureaus. (Saich, 1981, p. 128) Thus, for example, some of the managers in this study are under the control of the Ministry of Textile.

At the next level--the autonomous regions, municipalities, and provincial governments--there is an almost parallel structure to that of the central government. (Jan, 1966; Richman, 1969) Day-to-day operations are handled by respective governments who in turn oversee many bureaus, comparable to the responsibilities of the Ministries. Beyond the Province, for instance, are somewhat parallel structures for the county and city.

Ultimately comes the company, i.e., it in a sense is the corporation in charge of similar types of factories producing similar products, and in a real sense relate to the various governmental levels described above. Take one example, that of the R&D (Research and

Central Government Organization



Development) function. At the Ministry of Textile level there are four institutes with 1,078 workers in this function alone; in the Ministry of Machine Building there are 61 institutes and 41,749 workers (China Stat, 1987, p. 662). In fact, as of 1986 there were 744 R&D agencies with a total of 336,062 workers under control of the State Council.

Within the factories are the functional departments or divisions-- e.g., production, sales, planning--and beneath them in decreasing size and more specialization are the workshops, sections, functional groups, production groups, and finally the workers. Most middle managers in this study came from the factory through the workshop level, or at the level we would call upper middle-management.

Even in this over-simplified presentation of the government's planning role in Chinese enterprises, it does not take long to see the stifling bureaucracy and diminished decision-making power of the managers as China makes progress in modernizing its management system. (Walder, 1985; Wang, 1986; Engle, 1986; Laaksonen, 1984; and Jones, 1984). Concern about the current bureaucracy was one of General Secretary Zhao's themes, "Chief among these [some problems in the current structure] defects are overconcentration of power, a serious degree of bureaucratism, and feudal influences that are far from eliminated." (Zhao 1987).

Managers thus face several authorities: the communist party of China which is present at all levels, and the central government planning through its ministries, bureaus, and commissions. It is this very overlapping, this party-government pluralism which produces managerial confusion that General Secretary Zhao wishes to change: "But



one long-standing problem has not yet been completely solved: the lack of distinction between the functions of the Party and those of the government and the substitution of the Party for the government." (Zhao, 1987) General Secretary Zhao's seven points reviewed previously in the discussion of the Communist Party of China are intended to remove some of the deficiencies engendered by the current structure.

To sum up, the preceding provided only a glimpse of the Party structure and the government's role in an enterprise. How the Chinese managers' sociological pattern relates to that overall structure is to what we will now turn.

### **SOCIOLOGICAL PATTERNS**

Data from this point to the end of the paper is more relevant to sociological and extrinsic patterns outside the workplace than Chinese managers' careers within the workplace. We begin with their age.

#### **1. Age**

A presumption of the investigators was that the Chinese managers would on average be older than either U.S. or Asian managers. That is somewhat true. China's population overall has a median age of 22.9; (China Stat, p. 81) with the Chinese managers obviously older at a median age of 39.0. Female managers are younger (mean of 36) than the males' 40.3. Those mean ages are among the highest for economically active ages in China at 98.7 percent of the males and 88.5 percent of the females as summarized in United Nations statistics (Demographic Yearbook 1984, P. 518).

U.S. managers had a mean age of 38.3 and Asians 32.6.

As stated, Chinese women managers in this study are, on average, 4.3 years younger than their male counterparts, similar to U.S. female managers who are 4.7 years younger (mean of 34.7) than the males.

What is not included in the Chinese age data are two imposed legalities: Chinese males must retire at age 60 and females at age 55. That has little affect on overall comparisons because few U.S. or Asian managers are older than 60. Simply for comparative purposes, most Asian managers wish to retire at age 58.2, the mean, and U.S. managers at age 59.8, the mean, quite similar to the imposed retirement ages of the Chinese managers.

Table 4

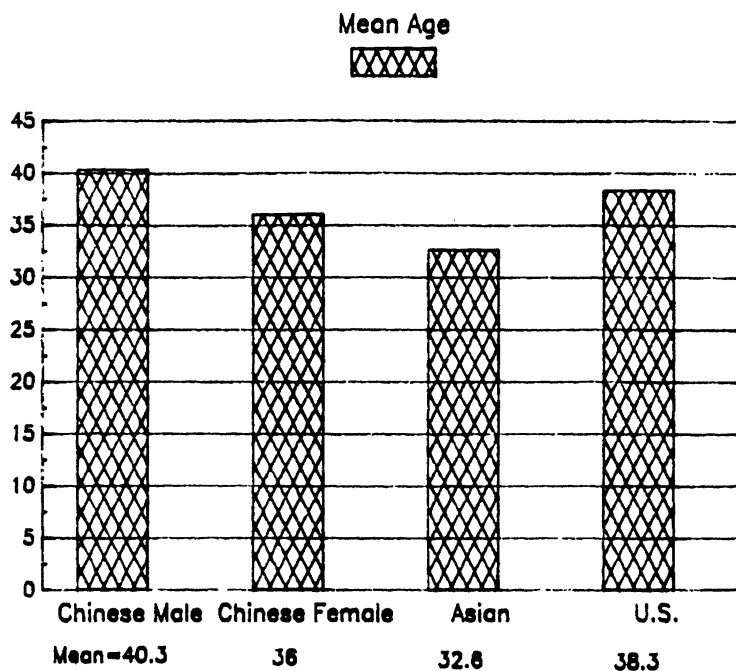
Age in Years

	Total	<u>Chinese</u>		<u>Asian</u>	<u>U.S.</u>
		Male	Female		
Mean	38.8	40.3	36	32.6	38.3
Median	39	41	34	32.5	38

Retirement Ages

	<u>Chinese</u>		<u>Asian</u>		<u>U.S.</u>	
	Male	Female	Male	Female	Male	Female
Required	60	55	--	--	--	--
Desired (Mean)	--	--	59.7	50.8	59.8	59.4

### Age of Managers



## 2. Sex

In the current study males (65.3 percent) dominate the managerial ranks in China as they do in the U.S. and Asian studies. The percentage of Chinese women managers (34.7 percent) is insignificantly lower when compared to the 35.6 percent of U.S. working women described as executive, administrative, and managerial (Stat Abst, p. 385). China's total female workforce is 36.4 percent. Beijing, the leading city for the respondents for this study include in total 40.7 percent working women; Shanghai 41.8 percent; Liadning 40.9 percent; and Tianjin 41.8 percent. (China Stat, p. 103).

## 3. Order of Birth

First-born children in China and in other Asian countries--at least before the imposed one-child rule for Chinese couples--have a traditional responsibility: they assist in working for the mutual

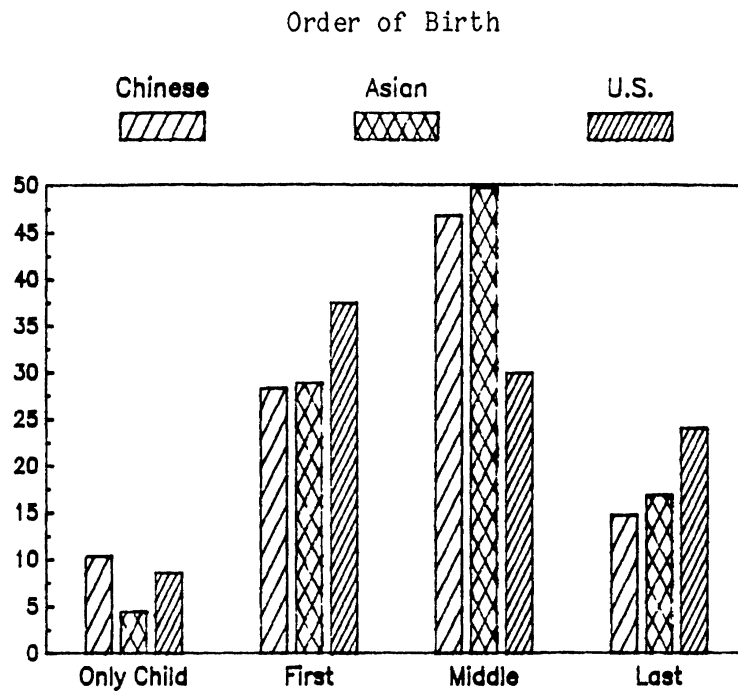
benefit of the family. Pooling of incomes, from children and other wage earners, was not uncommon. Thus the first child on completion of either a rudimentary education or a minimal high school education began to support the family unit.

Children after the first-born had a better chance for education and breaking away, even more so within the past five years as China undergoes a sociological change. Data for the study suggests that 46.7 percent of the Chinese managers were middle children. That statistic is strikingly different from U.S. managers where only 29.9 percent were in that category, but closer to the Asians 49.7 percent where the first-born child is also expected to help the family. Of the U.S. executives only 23.4 percent were middle children while 41.1 percent were first-born.

Table 5

Order of Birth

Birth Order	Chinese	Asian	U.S.
Only Child	10.3	4.5	8.6
First	28.3	28.9	37.4
Middle	46.7	49.7	29.9
Last	14.7	16.9	24.1



#### 4. Parents' Dominant Occupation

Before viewing the parents' occupation of the managers, some background remarks are in order. Since 1949--the beginning of communism in China--the concept of everybody working undergirded central planning and at the same time gave overt support for decreasing discrimination against women in the workforce. The phrase "to eat, one must work" was a familiar saying of Mao, one which therefore took women from the home and put them into the workplace.

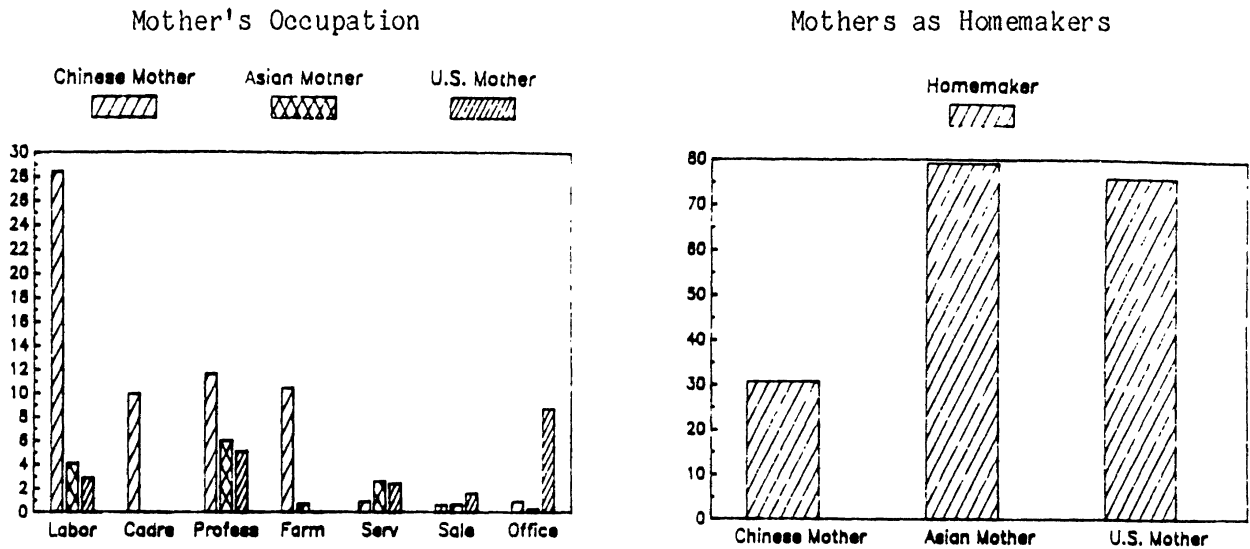
##### Mothers of Managers

That concept of everyone working may contribute to only 30.7 percent of the Chinese managers' mothers remaining in the home as homemakers. While for Chinese mothers that still is the largest category, it does not approach the 70 percent of U.S. managers whose mothers were predominantly homemakers nor the 79 percent of the Asians.

The younger the Chinese managers the greater the number of their mothers out in the workforce. Conversely, the older--86.7 percent of those aged 40-55--managers' mothers' dominant position was that of homemaker; those mothers who did work outside the home worked primarily as laborers. In other words, as the philosophy of everyone working was accepted by the younger generation, more women (mothers) joined the workforce, a characteristic becoming more and more common in the U.S. and in Asia as well.

In the U.S. many mothers work because of the additional family income. We are convinced that Chinese mothers work because the government encourages them to do so and philosophically requires it. In an extended Chinese family--at least three generations living within the same home--the grandparents take care of the children, or child.

After homemaker come occupations as laborer, professional, and farmer. More Chinese mothers worked in this latter category (10.4 percent) than either the mothers of Asian (.7 percent) or U.S. managers (0 percent). The reason is clear. First, Chinese women undertook more jobs in agriculture--even as early as 1930--(Johnson, Parish, Lin, 1987) as men left the farm to work in the cities, and second because China was at the time of the managers' birth a predominantly agricultural country. Few of the mothers worked in service industries, as skilled craftsman, or in sales positions.



Fathers of managers

Most fathers of the Chinese managers in the study were laborers (29.6 percent), predictably more characteristic of the older managers (age 40-55) than their younger colleagues.

Second in order of paternal occupations (23.9 percent) is entitled "cadre," a designation not existing in the U.S. but somewhat equivalent to officials/managers. Other Asian countries studied also do not have the classification of cadre, hence a clarification is needed.

Simply put, cadre is a person or group belonging to the ruling elite, holding a leadership post (Saich, 1981, p. 132) as distinguished from the masses of people, most of whom are termed noncadre.

In its broadest usage, it includes all those, both Party members and non-Party members, who hold any post as a functionary in the bureaucratic hierarchies in China, from top to bottom. The term implies roles of leadership and authority, but over the years it has been applied to an increasingly large number of people, so that now even those in low-level functionary posts are labeled "cadre." (Barnett, 1967, p. 39).

At the moment the entire cadre system is under review in China. Even the Deputy Party Secretary of Hebei Province (People's Daily, December 12, 1987) supports the too broad a concept of cadre as stated by General Secretary Zhao in his October, 1987 speech:

The concept of the "state cadre" is too general and lacks a scientific classification; the power of cadre management is overconcentrated and the people who handle personnel affairs lack professional knowledge...To reform the personnel system relating to cadres we must alter the single category of "state cadre" and convert the current unified central management into a scientific system of management by establishing a number of categories. (Zhao, 1987)

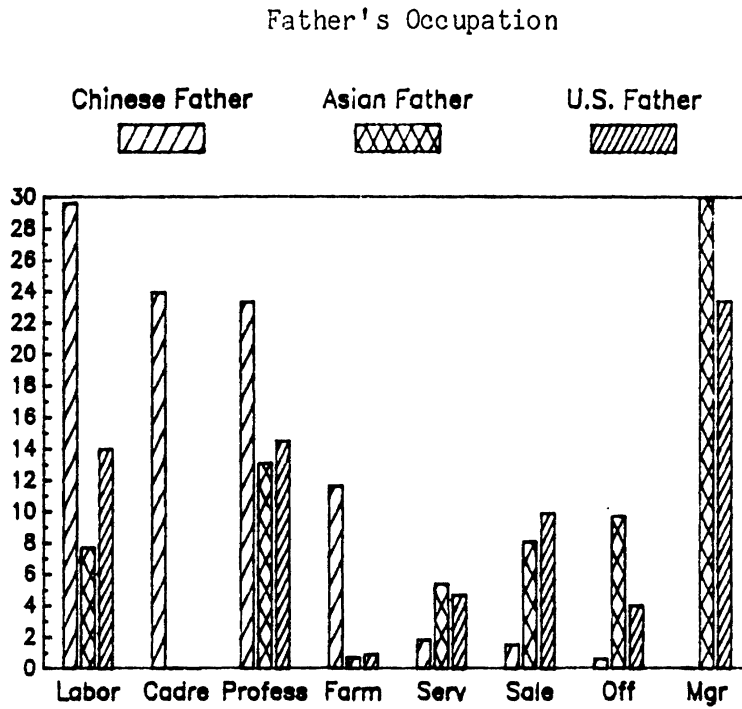
That background is included because there are currently 27 million cadres (Peoples' Daily, November 19, 1987), with over ten million in education, health sciences, and technology; ten million as managers in state enterprises; four million in government positions; 350,000 in legal affairs; and the remainder in other areas.

Thus 16.4 percent of the Chinese managers' fathers fit somewhere in the cadre classification, in some managerial responsibility either as Party or non-Party members. Inevitably, one can see the potential for misuse: cadre placed in positions of power because of Party loyalty rather than functional competence. That dichotomy was early recognized by Deng when in 1980 he suggested that "being expert certainly does not mean being red; however, to be red, it is also necessary to be expert." (Saich, p. 133). In other words, expertise should be a prime criterion for holding the title of cadre and the position of managerial leadership.

Third in order of paternal occupations was the category of professionals--engineers, teachers, doctors--with not quite a quarter



(23.3 percent) falling into that group. Younger managers also have their fathers from that category, as is the case with both U.S. managers' fathers (15.6 percent) and Asian fathers (13.1 percent).



One could hypothesize that in a society devoid of extensive technological opportunities and little education to prepare for those positions, the high percentage of Chinese fathers who are laborers is not surprising. In time it will be interesting to see whether the educational reforms contemplated for China will change the occupational background of the parental home.

Table 6

Parental Occupation

Predominant Occupation	Chinese		Asian		U.S.	
	Father	Mother	Father	Mother	Father	Mother
Laborer	29.6%	28.4%	7.7%	4.1%	14.0%	2.9%
Cadre	23.9	9.9	--	--	--	--
Professional	23.3	11.6	13.1	6.0	14.5	5.1
Farmer	11.6	10.4	1.6	.7	.9	--
Service	1.8	.9	5.4	2.6	4.7	2.4
Sales	1.5	.6	8.1	.7	9.9	1.6
Technician	.9	1.8	8.7	--	5.0	.3
Office/Clerical	.6	.9	9.7	.3	4.0	8.7
Homemaker	.6	30.7	1.0	79.2	.3	76.0
Officials/Managers	--	--	30.0	3.0	23.4	1.3

**5. Marital Status**

Almost the identical percentage of Chinese male managers (77.9 percent) are in their first marriage as are Asian (73.1 percent) and U.S. male managers (77.2 percent). That 70 percent area remains consistent with Chinese female managers as well, 72 percent of whom are in their first marriage. A major shift occurs among Asian and U.S. female managers where only 44.2 percent and 42.9 percent respectively are in their first marriage. A minuscule number of Chinese and Asian managers are in their second marriage compared to the one out of ten U.S. managers.

Just over a quarter (26 percent) of the Chinese female managers have never married, that percentage quite parallel with their U.S. counterparts (24.5 percent). A high percentage of the Asian female managers (49.1 percent) have not married. Reasons often given include lack of housing space or possibly too great a disparity in wealth and background between potential couples discourages marriage.

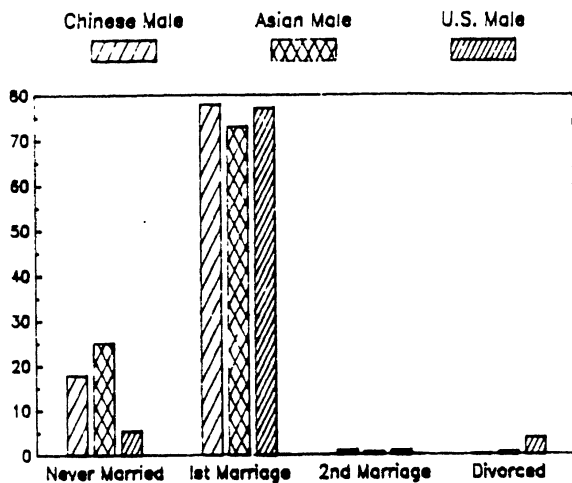
A Chinese saying is, "your family's house-gate should be the same size as your spouse's family house-gate," symbolizing an attempt for equality. Furthermore, the sociological fact that over 80 percent of the female managers are over age 30, is a more difficult time for contemplating marriage. Some distances are breaking down in the area of education, however. Other comparative figures are in Table 7.

Table 7

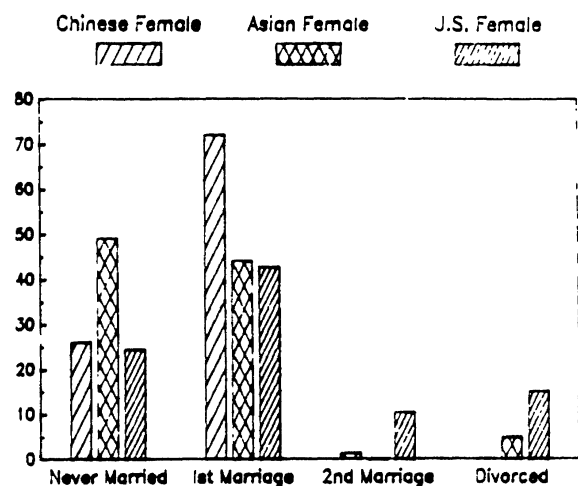
Marital Status

	Total	Chinese		Asian		U.S.	
		Male	Female	Male	Female	Male	Female
Never married	20.9	17.8	26.0	25.0	49.1	5.5	24.5
1st marriage	75.6	77.9	72.0	73.1	44.2	77.2	42.9
Separated	.9	1.4	—	—	1.6	1.0	2.3
2nd marriage	.9	.7	1.3	0.6	—	10.8	10.5
Divorced	.2	.4	—	0.6	4.9	3.8	15.1
Widowed	.9	1.4	—	—	—	.1	.9

Male Marital Status



Female Marital Status



Concomitant to the preceding observations is the fact that 96.7 percent of the managers' spouses are employed full time, 2.1 percent

part time, and only 1.2 percent are not employed at all. While fewer U.S. managers' spouses work (40 percent), they work to supplement the family's income, which may be a secondary reason in China where the "everybody should work" philosophy is dominant.

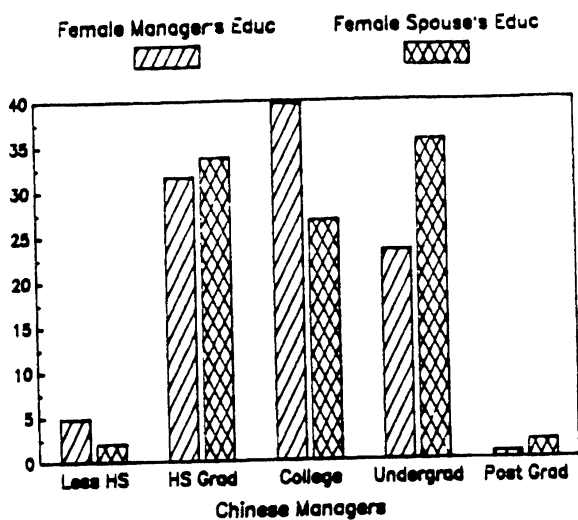
Male managers are at the college level slightly more educated than their spouses; the inverse at the same level is true of female managers' spouses, as seen in Table 8.

Table 8

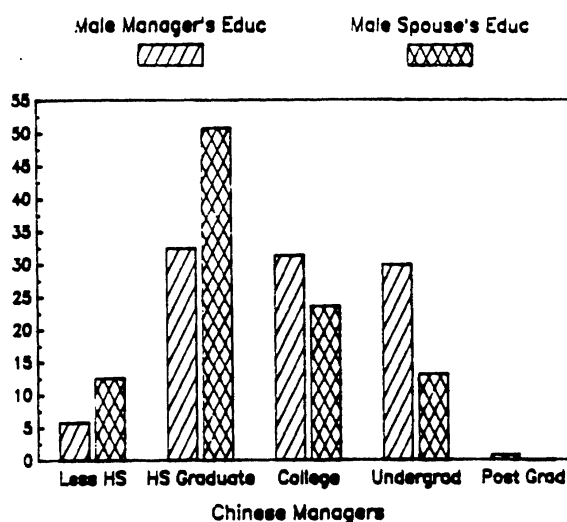
Spouse's Level of Education

	Male Manager's Education	Male Spouse's Education	Female Manager's Education	Female Spouse's Education
Less than H.S.	5.8	12.6	4.8	2.0
H.S. graduate	32.4	50.8	31.5	33.7
Some college	31.3	23.6	39.7	26.7
Undergraduate degree	29.9	13.1	23.3	35.6
Post-graduate degree	.7	—	.7	2.0

Husband's Education



Wife's Education



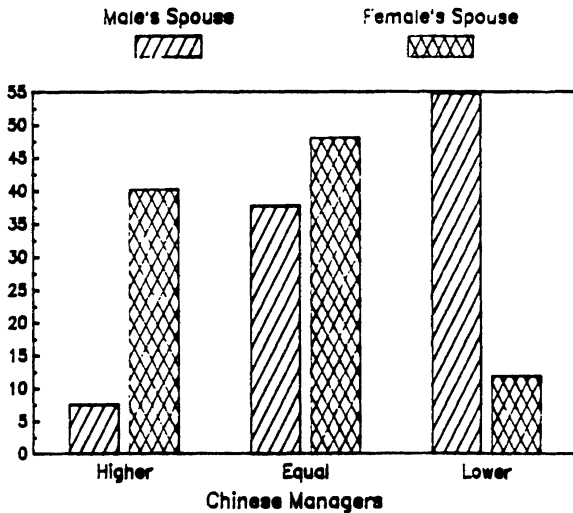
All female managers' spouses are employed full time, with those spouses in a higher occupation level 40.2 percent of the time and at an equal level 48 percent of the time. Those male managers' spouses employed full time (95.1 percent) in most instances are lower or equal in occupation position. Comparisons are in Table 9.

Table 9

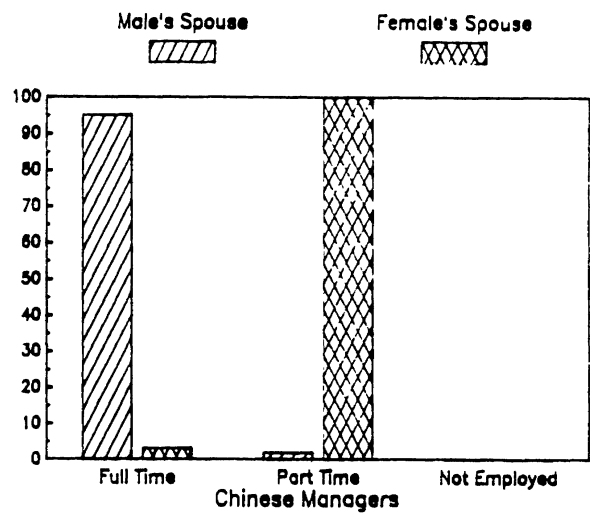
Occupation Level of Manager's Spouse

Level of Occupation	Employment Status	
	Male's Spouse	Female's Spouse
	Employed	Employed
Higher	7.5%	40.2%
Equal	37.7	48.0
Lower	54.8	11.8
	Full time	95.1%
	Part time	3.1
	Not employed	1.8

Occupation Level



Spouses' Employment Status



### SUMMARY PROFILE

The conclusions one can draw are interesting in light of the preceding information, two-thirds of the group being male, nearly 39 years old, and living in the city of Beijing.

Additionally, the Chinese managers represent larger firms, most coming from textile manufacturing, non-electrical machinery, automotive manufacturing, and computer technology manufacturing. Two-thirds are employed in enterprises larger than 7,500 people.

Within those enterprises nearly a third possess only a high school education, have little mobility between and within enterprises, and often spend considerable time in one job position.

Their mean age is slightly older than U.S. managers and older by six years to their Asian counterparts.

Interestingly, it is the middle-born child who holds the managerial position, some suggesting that the first-born child must spend time supporting the family. That conclusion may change in view of the current recommended one-child per family. By contrast, more U.S. managers are first-born children. Within a manager's family, mothers of managers were primarily laborers, professionals, or farmers. Furthermore, just less than a third of the mothers were homemakers, a sharp shift from the seventy-five percent of the Asian and U.S. mothers.

Fathers on the other hand were also foremost laborers followed by cadres and professionals. If one considers the designation of cadre to be that of an official or manager, that designation would be quite parallel to the Asian and U.S. counterparts.

Marriage patterns, for the Chinese male managers are little different than Asian or U.S. managers: over three-quarters are in their first marriage. Nearly three-quarters of the female managers, however, are also in their first marriage, much greater than U.S. female managers where just over four out-of-ten are in their first marriage.

Both female and male managers have married persons comparable to them in education level, but there is the tendency for the male's spouse to be slightly less educated than he.

Last, their spouses work, with all the female manager's spouses employed full time; their husbands usually are in a higher occupation level. Conversely, male manager's spouses are 95 percent employed and more often work in an occupation level equal to or lower than their own.

Notes

<sup>1</sup>While the term Asian or Asia may also include mainland China, for purposes of differentiation we will use the term Asian to refer to the regions of Hong Kong, Malaysia, Singapore, and Korea. We have resisted using the term South-East Asian because many of the "Asians" used for comparative purposes came from Hong Kong. Hong Kong Chinese (N=249) make up the bulk of the sample with the others representing Singapore (62), Malaysia (5), and Korea (3), for a total of 319 "Asian" managers. Most data is taken from Hildebrandt and Miller (1987b) A Managerial Profile: the Asian Manager.

<sup>2</sup>The term enterprise is generic to the factories and other work units of the Chinese managers. While most of the managers (77.3 percent) came from the manufacturing sector, we use the term enterprise to refer to the other non-manufacturing units as well. Because the term enterprise has a somewhat different meaning in the U.S.,--usually the umbrella organization with numerous sub-units--we shall use the term company when referring to U.S. companies.

<sup>3</sup>The term "graduate" is less used in China when referring to students attending post-undergraduate or commonly known as graduate schools in the U.S. Hence the term "post-graduate" will be used when referring to studies beyond an undergraduate education.



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