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Managerial Attitudes toward Employees:  
Traditionalistic or Modern?

Lau Siu-kai

**SOCIAL RESEARCH CENTRE**  
**THE CHINESE UNIVERSITY**  
**OF HONG KONG**

**Suggested citation:**

Lau, Siu-kai. 1977. *Managerial Attitudes toward Employees: Traditionalistic or Modern?* Hong Kong: Occasional Paper No. 67, Social Research Centre, The Chinese University of Hong Kong.

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December, 1977

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Dr. Lau Siu-kai (1947- ) received his B.Soc.Sc. from the University of Hong Kong in 1971 and his Ph.D. from the University of Minnesota in 1975. Currently he is Lecturer in Sociology, and Associate Director of the Social Research Centre, at the Chinese University of Hong Kong.

The Chinese University of Hong Kong

Social Research Centre

MANAGERIAL ATTITUDES TOWARD EMPLOYEES:  
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\* This paper is based on the data collected in a survey of Hong Kong employers conducted in the summer of 1976 jointly by the Committee on Vocational Training, Hong Kong Training Council, and the Social Research Centre of the Chinese University of Hong Kong. The principal goal of the survey was to have the employers assess the effectiveness of the pre-vocational education and vocational training programmes operated under the aegis of the Training Council. Both the author himself and Mr. Mak Sai-yiu of the Training Council were in charge of that survey research. During the research process, assistance of various kinds had been generously offered by the members in the Committee for Vocational Training and the staff of the Social Research Centre, particularly its Director, Dr. Rance P.L. Lee. Funding for the project was provided by the Hong Kong Training Council.

The sample of employers was selected in the following manner: at the beginning, an employer list was compiled on the basis of the names of employers furnished to the Training Council by eleven of the institutions engaged in pre-vocational education and vocational training. This list hence became the sampling frame for the survey, from which 366 establishments were selected as the sample of respondents. Nevertheless, due to non-sampling errors, duplications, refusals, and other reasons, the actual number of interviews completed was only 257. Furthermore, because of coding and keypunching mistakes, 2 of these cases were considered unusable, and subsequently were dropped out of the study, resulting thus in a total of 255 cases amenable for data analysis.

MANAGERIAL ATTITUDES TOWARD EMPLOYEES:  
TRADITIONALISTIC OR MODERN?

Managerial ideologies, as concomitant constituents of the process of industrialization, are used to be fabricated and articulated, deliberately or otherwise, to legitimize the differential distribution of rewards and authority within economic institutions.<sup>1</sup> Though a number of common themes can be discerned from the ideologies originating from a variety of industrial settings, the historical pre-conditions for industrialization in a given society, its developmental trajectory as well as its relationships with other societies will structure the formation of managerial ideologies to a considerable extent. Among the components of a managerial ideology, the managerial attitudes toward employees are of particular significance, since the ascertainment of these attitudes tells a lot about the 'proper' employer-employee relationships as envisaged by the employers concerned. Differences in the conception of an 'employee' not only have enormous practical implications for industrial relations in the economic institutions, they also have serious overtones for the larger social structure as well. In fact, as an integral part in the societal value system pertaining to the distribution of authority and rewards and its rationalization, managerial attitudes toward employees are part of the so-called 'class structure in the social consciousness'.<sup>2</sup>

The Setting of Hong Kong

The primary goal of this study is to find out the managerial attitudes toward employees among the Hong Kong employers, who are predominantly Chinese. Even though our interest lies in the unearthing of psychological dispositions, a brief discourse on the relevant structural and historical contextual features of the Hong Kong economy would provide the backdrop for the interpretation of the findings reported here.

(1) Hong Kong has witnessed a rather rapid rate of industrial progress since the Communist takeover of China, or, more precisely, since the outbreak of the Korean War, when the colony lost almost completely her China trade. Transformation of the Hong Kong society of such a magnitude and at such a fast pace would lead us to expect that a cohesive and 'class-conscious' managerial and entrepreneurial group is still in the formative stages. A popular and internally consistent managerial attitudinal syndrome toward employees should therefore be only partially congealed and institutionalized in Hong Kong.

(2) The economic structure of Hong Kong manifests a dualistic character in that a small number of large-scale economic establishments co-exists with a large number of medium- and small-size establishments. A census of

manufacturing establishments conducted in 1971 revealed that 62.8% of the manufacturing establishments in Hong Kong employed less than 10 persons, and these small establishments accounted for only 11.6% of the total number of manufacturing employees, 11.9% of the total floor area, and 7.6% of the total sales.<sup>3</sup> With minor modifications, these characterizations apply also to the commercial enterprises. Most of these medium- and small-size firms are family businesses with resources and, in many cases, personnel, pooled from the family and other close relatives.<sup>4</sup> In the large-scale establishments, heavily dominated by foreign and Shanghainese capital, relatively modern and formalized personnel management doctrines and practices hold sway. Contrariwise, in the medium- and small-size establishments, mostly under Cantonese ownership, employer-employee relationships reflect, to a certain degree, the superior-subordinate relationships which characterize the government bureaucracy and the craft guilds in traditional China, where paternalism and authoritarianism loomed large.<sup>5</sup> Nevertheless, being under the shadow of the gigantic enterprises and in face of the endemic need to struggle for survival in the cut-throat competition for foreign markets mean that the adoption of some rational personnel policies and attitudes is essential to stay afloat for most of these small establishments. Under such circumstances, the content of the managerial attitudes toward

employees is expected to combine both modern and traditional elements into a mix which might not necessarily be logical, but would at least be practical.

### Research Design

A sample of 255 employers were asked the following general question: "Now, let me ask you a general question, if you are looking for an employee, how important do you think are the following characteristics?" Eight such characteristics were listed: aggressiveness, ability to do the job, related to me through kinship or other ties, obedient to superiors, loyalty to the company, loyalty to the boss, male, and show respect toward elders. For each characteristic, the respondent was asked to indicate whether it is, to him, extremely unimportant, not important, neutral in importance, important, or extremely important. The employers who had answered this question were the personnel managers, the owners, the general managers or other responsible personages in the 255 companies surveyed, and they were overwhelmingly Chinese in origin. As Table 1 shows, these companies reflect quite well the variety of industrial and commercial establishments in Hong Kong, even though they do not constitute a representative sample of all the establishments.



Table 1

Establishments studied by type of industry

<u>Type of Industry</u>	<u>N</u>	<u>% of Total</u>
Automobile	10	3.9
Construction	19	7.5
Clothing	32	12.5
Electrical	12	4.7
Electronic	24	9.4
Mechanical Engineering	16	6.3
Plastics	19	7.5
Printing	22	8.6
Shipbuilding	2	0.8
Textiles	17	6.7
Commerce and Services	46	18.0
Others	35	13.7
Unidentified	1	0.4
<u>TOTAL</u>	<u>255</u>	<u>100.0</u>

Among our respondents, a large proportion of them were male, 86.3% (Table 2), were below 40 years in age, 61.6% (Table 3) and had received secondary education or more (Table 4). Hence, most of our respondents were young, male, and well-educated employers.

Table 2

Sex of respondents

<u>Sex</u>	<u>N</u>	<u>% of Total</u>
Male	220	86.3
Female	35	13.7
<u>TOTAL</u>	<u>255</u>	<u>100.0</u>

Table 3

Age of respondents

<u>Age</u>	<u>N</u>	<u>% of Total</u>
20 - 29	65	25.5
30 - 39	92	36.1
40 - 49	54	21.2
50 - 59	31	12.2
60 or over	6	2.4
No answer given	7	2.7
<u>TOTAL</u>	<u>255</u>	<u>100.0</u>

Table 4

Educational and training  
background of respondents

<u>Level of education and training achieved</u>	<u>N</u>	<u>% of Total</u>
None	1	0.4
0 - 6 years	7	2.7
Some secondary education, but did not graduate	16	6.3
Secondary school graduate	71	27.8
Post-secondary education or vocational training	31	12.2
University or polytechnic graduate	95	37.3
Post-graduate study	23	9.0
No answer given	11	4.3
<u>TOTAL</u>	<u>255</u>	<u>100.0</u>

The distribution of the size of our respondent establishments is not a realistic reflection of the economic structure of Hong Kong. As can be seen from Table 5, more than 50% of the 255 respondent establishments have more than 101 employees, and they would be classified as the large-scale organizations in the colony. If the observation that traditionalistic managerial attitudes toward employees tend to be more influential in the small- and medium-size establishments under primarily family ownership is valid, the conclusions drawn from our findings should have an upward bias in favor of modern managerial attitudes, and hence extraordinary care should be exercised in the interpretation of the data.

Table 5

Size (measured by number of employees) of establishments

<u>Number of employees</u>	<u>N</u>	<u>% of Total</u>
0 - 5	17	6.7
6 - 10	8	3.1
11 - 20	18	7.0
21 - 50	29	11.4
51 - 100	38	14.9
101 - 300	52	20.4
300 <sup>+</sup>	93	36.5
<u>TOTAL</u>	<u>255</u>	<u>100.0</u>

Employers' Ratings of the Importance of Employee Characteristics

The employers' evaluations of the importance of each of the employee characteristics are summarized in Table 6.

Most of the respondents (85.1%) considered that the characteristic 'aggressiveness' was either important or very important for an employee to possess. In traditional China, on the other hand, the ideal employee should rather be one who was meek, compliant, amicable and complacent with the status quo. Moreover, he should be constantly group-conscious in that he would withdraw from disturbing group harmony for the sake of his own self-advancement. Even if change was contemplated, it should be initiated gradually and with the rapport among the group members preserved along the process. Our respondents' reaction to the characteristic 'aggressiveness' hence indicate an abandonment of traditionalistic attitude in this respect. In many ways, not only is 'aggressiveness' approvingly tolerated by the Hong Kong employers, but it is deliberately and meticulously nurtured by them. In the competitive economy of Hong Kong where originality of ideas and actions initiated at the most opportune moments mean success and their absence spells failure, 'aggressive' employees are assets to most of the employers in the colony.

Table 6

Importance of employee characteristics to employers  
(In percentage, number of cases in parentheses)

Employee characteristics	Degree of importance					Missing values	Total
	Extremely unimportant	Not important	Neutral	Important	Extremely important		
Aggressiveness	0.0(0)	1.6(4)	6.7(17)	57.3(146)	27.8(71)	6.7(17)	100.0(255)
Ability to do the job	0.0(0)	0.4(1)	4.3(11)	57.3(146)	32.9(84)	5.1(13)	100.0(255)
Related to me through kinship or other ties	34.5(88)	32.5(83)	15.7(40)	11.8(30)	0.0(0)	5.5(14)	100.0(255)
Obedient to superiors	0.0(0)	0.0(0)	12.2(31)	59.6(152)	22.7(58)	5.5(14)	100.0(255)
Loyalty to the company	0.0(0)	0.8(2)	12.2(31)	58.4(149)	23.1(59)	5.5(14)	100.0(255)
Loyalty to the boss	0.4(1)	3.5(9)	20.0(51)	57.6(147)	11.8(30)	6.7(17)	100.0(255)
Male	4.7(12)	11.4(29)	46.7(119)	25.5(65)	1.2(3)	10.6(27)	100.0(255)
Show respect toward elders	3.1(8)	7.8(20)	30.6(78)	45.9(117)	5.9(15)	6.7(17)	100.0(255)



Not surprisingly, the characteristic 'ability to do the job' was rated very high by our respondents, as 57.3% of them considered it important and 32.9% of them considered it very important. Even though this characteristic does not serve as a distinct demarcation line between traditionalistic and modern managerial attitudes toward employees since 'ability to do the job' was also considered to be of importance by employers in traditional China. Nonetheless, the relationship between employers and employees was, ideally speaking, a diffuse one. In such a multicomplex relationship, employees were expected not only to perform well in the job, but were also required, among other things, to serve the ordinary and emergency needs of the employers and their families, to be totally involved sentimentally in the employers' firms, to safeguard the 'face' and 'name' of their employers, and to regard themselves as members of a larger family in which the employer was the family head. In such a situation, 'ability to do the job' would be a valuable trait to the employers, but it might not be the most important one in the employers' priority list, particularly when the expansion of the operations of the firms was not perennially in the mind of the employers. In Hong Kong, where the profit-motive is the leitmotif in the business ideology of the employers in both large and small establishments, the employees' ability to do the job enters weightily into their cost-benefit calculations.

As the employer-employee relationship in Hong Kong becomes more and more specific, 'ability to do the job' will increasingly become the key criterion in employee recruitment. With regard to this characteristic, our data seem to report the receding importance of traditionalism and the overriding dominance of modernism.

The responses given to the characteristic 'related to me through kinship or other ties' also depict unmistakably the picture of the overwhelming dominance of modernism. More than half of our respondents deemed it as unimportant (32.5%) and extremely-unimportant (34.5%). As familism was the ethos that permeated almost all arenas in the culture and society of traditional China, the gradation of one's relationships with other people based on familial principles was a common phenomenon. Under these principles, as applied to the recruitment of employees, familial members, kinsmen, clansmen and fellow-natives would be preferred to outsiders. The responses given by our respondents with regard to this characteristic signify that, as an ideal, 'relationship with the employer through kinship or other ties' has already lost favour among the Hong Kong employers. Nevertheless, as actual practice, whether relatives, kinsmen and fellow-natives are actively sought after as employees is far from clear. In large-scale establishments, it can safely be said that, generally speaking, achievement criteria are the norms

for employee recruitment. In small establishments, it is still fairly common for employers to deliberately rely on relatives, kinsmen and fellow-natives as their major source of employees. However, even this practice of recruitment is and can be justified on rational grounds, and it is definitely not simply the result of sentimental attachment to one's relatives, kinsmen and fellow-natives. After a survey of 346 factories in Kwun Tong in 1971, most of them small in scale, Victor Mok concluded:<sup>6</sup>

It is rather customary for a Chinese proprietor to put a "trusted" man in each department as some kind of supervisor to safeguard his own interest. Beyond direct kinfolks and clansmen, a person who comes from the same place of origin, speaking the same dialect and probably being a remote relative would be next in line of reliability. Thus the employment of these people does have its rationale (though it may not be directly economic) beyond just taking care of one's fellow-natives, and the need increases as a factory gets larger. These people, then, constitute the nucleus in a factory whose loyalty the proprietor can count on.

Two other researchers on the small factories in Kwun Tong argued along the same line:<sup>7</sup>

It is true that the owners/managers of small factories in Kwun Tong are in large measure traditionalistic, paternalistic and conservative, but it is far from being true that they are persons with an inevitable and almost built-in disposition for nepotistic inclination which is often the mental characteristic of the so-called "patrimonial manager." On the contrary, what strikes us most is that the Chinese owners/managers are pragmatic, practical and absolute no-nonsense. The above-mentioned fact of hiring relatives should not be interpreted as an indication that kinship relationship is cherished

as a goal value in itself; instead it is more or less being used as an instrumental mechanism to secure somebody whom they really can trust. It is indeed our contention that the Chinese traditional familistic system has been modified by Western business ideology and practical necessity, or functional prerequisite, if you wish to call, of the industrial system. As such, it may have enhanced rather than undermined the economic performance of the small factories.

In short, emphasis on the kinship and other ascriptive aspects in the employer-employee relationship is frowned upon by most of the employers in Hong Kong, unless it can be rationalized on other non-ascriptive grounds. The denial of any intrinsic good in nepotism denotes another step toward modernism in the managerial attitude toward employees in Hong Kong.

The reactions to the characteristic 'obedient to superiors' by the respondents are more difficult to interpret, as are also the ratings of the characteristic 'loyalty to the company'. In the first instance, an overwhelming majority of our respondents considered the characteristic as either important or extremely important (82.3%), so also is the case in the latter instance, with 81.5% of the respondents deeming the characteristic as either important or extremely important. It might be reasonable to expect that both modern and traditionalistic employers would stress the importance of the two characteristics. However, still there are some differences in degree as well as in kind.

Traditionalistic employers would be inclined to demand more 'obedience' and 'loyalty' from their employees than their modern counterparts. Moreover, they would tend to prefer that the 'obedience' and 'loyalty' be total, lifelong, and absolute, rather than specific, temporally circumscribed, and situationally determined, in contrast to modern employers. The responses given to the two characteristics by the employers, in view of the heavy emphasis laid on their importance, seem to betray a grain of traditionalism in their managerial attitudes. However, strong emphasis on employee 'obedience' and 'loyalty' on the part of employers might be a rational response to the increasing labor shortage and turnover in Hong Kong and to the need to retain their employees, who might have upgraded their skills through on-the-job experiences. Alternatively speaking, even if these attitudes do not serve any manifest functions, at least they are not dysfunctional to the functioning of the enterprises.

It has been profusely documented in the literature that modern managerial ideology stipulates the organization as the proper target with which the employees should identify, while the target is the owner or the proprietor in traditionalistic managerial ideology. In their ratings of the importance of the characteristic of 'loyalty to the boss', a large majority of the respondents regarded it as important or extremely important (69.4%). To a certain

extent, this phenomenon may reflect the lingering influence of family ownership in the economic structure of Hong Kong. Nonetheless, it is more likely to be a legacy of the past as well as a reaction to the labor market in Hong Kong. As most employers would attribute the high rate of economic growth in Hong Kong to the weakness of trade union organizations and the relative absence of collective bargaining in industrial and commercial institutions, the stress on the vertical tie between employers and employees would serve to impress on the employees the common interests they share with their employers, and to prevent the emergence of 'class-consciousness' among the employees.

The reactions to the characteristic 'male' demonstrate another shift toward modernism among the Hong Kong employers. More than half of them had rated it as extremely unimportant, not important and neutral in importance. This means that, in the eyes of the employers, being a 'male' does not confer any intrinsic good to a prospective employee. Therefore, compared to the situation in traditional China, where predominantly males were employed in economic organizations, the Hong Kong employers are able to adopt a pragmatic approach to employee recruitment. At the present moment, employees are selected largely on the basis of merit, even though the substantial minority of respondents (26.7%) who

still claimed importance for 'maleness' indicates that the process of 'modernization' is far from completed.

The last characteristic listed, 'show respect toward elders', does not seem to have serious implications for the operation of economic institutions, though it is connected, to a certain degree, to the structuration of interpersonal relationships in these organizations. Just about half of the respondents had rated it as important and extremely important, but it is significant to see 30.6% of them expressed an indifferent attitude toward it. Traditionalism is evident here, though its influence is gradually diminishing.

#### Employers' Ratings and Other Correlates

It may be surmised that the size of the establishments with which our respondents were affiliated, as well as their sex, age and education will affect their ratings of the importance of the various employee characteristics. In the forms of hypotheses, we expect to find employers from large-scale establishments, who are male, young and better educated to evince modern managerial attitudes toward employees, while employers from small-scale establishments and who are female, advanced in age and less educated to be more traditionalistic.

Table 7 gives all the chi-square relationships between the employee characteristics evaluated and the hypothetical causal variables of 'number of employees in the establishment',

Table 7

Chi-square relationship between employee characteristics and other variables

Employee characteristic	Number of employees	Other variables		
		Sex of respondent	Age of respondent	Education of respondent
Aggressiveness	28.09 (18)	6.13 (3)	16.33 (12)	36.60 (18)**
Ability to do the job	27.20 (18)	2.71 (3)	10.65 (12)	35.15 (18)**
Related to me through kinship or other ties	31.14 (18)*	1.27 (3)	11.60 (12)	30.41 (18)*
Obedient to superiors	19.01 (12)	3.28 (2)	10.61 (8)	10.41 (12)
Loyalty to the company	18.56 (18)	5.92 (3)	6.50 (12)	17.92 (18)
Loyalty to the boss	32.45 (24)	0.90 (4)	15.87 (16)	33.06 (24)
Male	20.56 (24)	1.90 (4)	10.65 (16)	17.75 (24)
Show respect toward elders	17.23 (24)	0.99 (4)	12.92 (16)	36.91 (24)*

\*  $P < .05$

\*\*  $P < .01$

Degrees of Freedom enclosed in parentheses



'sex of respondent', 'age of respondent' and 'education of respondent'. There is only one statistically significant chi-square correlation between number of employees and the employee characteristics, namely, that with 'related to me through kinship and other ties'. Hence, the larger the establishment, the more likely the employer will de-emphasize kinship ties.

The sex and age of the respondents, on the other hand, are totally useless in accounting for the differences in the employers' ratings of employee characteristics. This finding is rather surprising as it shows that the females and the elderly are not necessarily more traditionalistic than the males and the young.

The differentiating capacity of education of respondents is much better than the other three variables. It has significant chi-square correlations with 'aggressiveness', 'ability to do the job', 'related to me through kinship or other ties' and 'show respect toward elders', meaning that the better educated are more prone to demand aggressiveness and ability to do the job from their employees, and are less inclined to lay emphasis on kinship ties. Surprising enough, the better educated are also more desirous of employees who can 'show respect toward elders'. The only interpretation we can make here is that, in view of the fact that education

of the respondent is significantly correlated with only one half of the employee characteristics, it can only be considered to be a moderately good explanatory factor rather than the determinant of managerial attitudes among employers.

### Discussion

Thus far our findings have demonstrated that in general, the Hong Kong employers are able to adopt a fairly modern orientation in their managerial attitudes toward employees. Irrespective of the size of their establishments, their sex, age and education, the Hong Kong employers are to a large extent rational and pragmatic. Though there are still traditionalistic elements of various sorts embedded in the managerial attitudes, they can, in many cases, be justified on rational and pragmatic grounds in view of the economic and labor conditions in Hong Kong. For those traditionalistic elements which do not directly impact on the operation of economic organizations, the continual adherence to them by a majority of the employers can be explained away either as cultural legacy or as the result of the process of insulation, whereby traditional values which affect the survival or development of economic organizations only marginally are protected from the devastating attack by the process of modernization. The more or less mutually insulated co-existence of both modern and traditionalistic

elements in the managerial attitudes of employers in Hong Kong has resulted in a relatively inconsistent managerial ideology, which, nonetheless, is highly practical for the Hong Kong situation.<sup>8</sup>

Notes

- <sup>1</sup> See Reinhard Bendix, Work and Authority in Industry: Ideologies of Management in the Course of Industrialization (Berkeley and Los Angeles, Calif.: University of California Press, 1974), pp. 1-21.
- <sup>2</sup> Stanislaw Ossowski, Class Structure in the Social Consciousness, trans. by Sheila Patterson (New York: Free Press, 1963).
- <sup>3</sup> Census and Statistics Department, 1971 Census of Manufacturing Establishments (Hong Kong: Government Printer, 1971), p. 17.
- <sup>4</sup> See E.H. Phelps Brown, "The Hong Kong Economy: Achievements and Prospects," in Keith Hopkins (ed.), Hong Kong: The Industrial Colony (Hong Kong: Oxford University Press, 1971), pp. 1-20 and Joe England, "Industrial Relations in Hong Kong," in Hopkins, op. cit., pp. 207-260.
- <sup>5</sup> See William Brugger, Democracy & Organization in the Chinese Industrial Enterprise (1948-1953) (Cambridge, U.K.: Cambridge University Press, 1976), pp. 3-4.
- <sup>6</sup> Victor Mok, The Organization and Management of Factories in Kwun Tong (Social Research Centre, The Chinese University of Hong Kong, 1973), p. 48.
- <sup>7</sup> Ambrose Y.C. King and Peter J.L. Man, The Role of Small Factory in Economic Development: The Case of Hong Kong (Social Research Centre, The Chinese University of Hong Kong, 1974), pp. 41-2.

<sup>8</sup>The co-existence of both modern and traditionalistic elements in the managerial ideology of the Chinese employers and managers had also been found in a research utilizing the laboratory method. As summarized by one of the investigators, Ai-li S. Chin, "Modern Chinese realize the necessity of changing their own behavior and that of organizations in order to meet the challenge of the West, but in some contexts they also value Chinese ways (much modified, of course) of doing things. Often these two elements co-exist in the same person, perhaps one or the other aspect becoming more dominant according to circumstances." See her Hong Kong Managerial Styles: Chinese and Western Approaches to Conflict Management (Social Research Centre, The Chinese University of Hong Kong, 1972), p. 34.