

## A Zhong Dao Model of Management in Global Context

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**Abstract:** The globalization trend strongly demands an integration model of management in order to face the dynamic nature of human society in the new century and to correct the problem of Eurocentric domination in the study of organization behaviors. To answer to the trend this paper attempts to establish the *zhong dao* model of management based on the paradigmatic assumptions of Chinese philosophy by using the ambicultural approach. It is hoped that the model has a potential in bridging the gap between East and West through its emphasis on holistic equilibrium, productive integration, and interrelated harmony that aims to reach a state of multicultural co-existence.

**Keywords:** Ambicultural approach, globalization, management, *zhong dao*

### 1. Introduction

From classical management, human relations/resources, the system, to the cultural/critical school, the development of organizational or management study has produced abundant literature and theories in the last century. Scholars have not only recorded the historical development of organizational behaviors — especially from the perspective of the West — but also have reflected the changes of human society in different stages of transformation.

The new century manifests a critical turn in the study of organizational behaviors or management because of the impetus of globalization. The globalization trend has been pushed to its highest level in human history by the innovation of transportation and communication technologies. With its five distinct characteristics, namely, being dialectically dynamic, universally pervasive, holistically interconnected, culturally hybridized, and individually powerful, the trend of globalization has shrunk the world by compressing time and space, which has led to the establishment of a global interconnected network (Chen & Zhang, 2010). Close interaction becomes a norm rather than exception in this network of global connectivity. This also refers to accelerated competition and cooperation on local and global levels. It is under this circumstance that we begin to see the integration of intercultural and organizational studies burgeoning in the early 1990s and continuously rapid development in the 21<sup>st</sup> century.

Unfortunately, scholarship, including the study of organizational behaviors and management, has been dominated by Eurocentrism in the last two centuries. Eurocentric beliefs, reflected in aggressive individualism, chauvinistic rationalism, and ruthless culturalism (Asante, 2006), result in the overemphasis of self reliance, a single view of reality, and the dominance of Western power. This Eurocentric orientation, however, has shown its great limit and begins to face challenges from other cultural groups in global society. In other words, the problem of marginalization, suppression, silence, denigration, and exclusion of other non-European paradigms caused by Eurocentrism is subject to redress in the new century. An

effective way to correct the Eurocentric domination is to give prominence to a culture-general approach by encouraging scholars from different disciplines and different geographical areas to collaborate in the process of knowledge production (Chen, 2009a).

Management is typically a contextually dependent process, which reflects its own specific cultural traits. Thus, it is necessary for scholars to study management from its own cultural perspective in order to better understand its uniqueness, and then make an effort to explore the possibility of integrating cultural components of differing groups through the understanding and respect of cultural similarities and differences, so that a way can be found to help people become more productive and successful in global society.

It is, then, my attempt in this paper to present a management model based on Chinese philosophical thought of *zhong dao* and project it to the context of global society. In order to examine the *zhong dao* model of management in global context, first we need to understand the paradigmatic assumptions of Chinese culture and how they serve as the principles of Chinese management.

## 2. Paradigmatic Assumptions of Chinese Culture and Management

Figure 1 illustrates the foundational paradigmatic assumptions of Chinese culture. In a nutshell, ontologically, Chinese culture dictates that wholeness is the ultimate reality of the universe, which is like a running river without a beginning and an end; axiologically, Chinese culture considers harmony as the lubricant smoothing the interconnected knots among humans, nature, and the supernatural; epistemologically, Chinese believe that all things only become meaningful and perceivable in relation to others; and methodologically, Chinese culture favors a more intuitive, sensitive, and indirect way of expression.

Applied to the process of management, ontologically, Chinese culture treats management as a holistic process, which is constantly changing and transforming according to the endless but orderly cycle of the universe, and the process is never absolutely completed or finished. It is in this cyclic, transformational, and endless process that we see subject and object are interpenetrated and unified as a whole in the process of management. This is the way of *Tao*. Thus, the awareness of the interpenetration and identification between the two interactants is the key to unlocking the mystery of human communication or management.

Axiologically, Chinese management aims to achieve the goal of communicating “with dignity and influence in a mutual and interdependent network on the basis of cooperation” through harmony (Chen & Starosta, 2003, p.6). Thus, the ethics of management is to crystallize the duty of cooperation between interactants by a sincere display of mutually whole-hearted concern, rather than to display verbal or behavioral strategies to overcome one’s counterpart. Harmony as the ultimate goal of management is upheld by a set of personal and societal values. For instance, Chinese put a great emphasis on personal values, such as hard work, respect for learning, honesty, self-discipline, and the fulfillment of obligations, and on societal values, such as an orderly society, respect for authority, consensus, and official accountability. The ability to reach a harmonious state of human relationships therefore serves as the cardinal criterion to define management competence from the Chinese cultural perspective.

<b>Ontology</b>		
Holistic		
submerged collectivistic		
<b>Axiology</b>	<b>Epistemology</b>	<b>Methodology</b>
Harmonious	Interconnected	Intuitive
indirect subtle adaptive consensual agreeable	reciprocity we hierarchical associative ascribed	subjective nonlinear ambiguous ritual accommodative

Figure 1. The Paradigmatic Assumptions of Chinese Culture

Epistemologically, genuine knowledge in Chinese management is embedded in the interconnectedness between superior and subordinate; both are interfusing with each other and free from all contradictions and determinations. Thus, it is manifested in the concern for one's counterpart's feelings, in the adoption of different roles in different contexts and in the display of reciprocity and active listening, so that interactional rapport can be naturally established. From this state of identification of opposites, we see that each entity may possess different or even opposite qualities, but through the interconnectedness of interaction, the synthesis of opposites or the identity in differences is found. The attainment of this interconnected relationship between superior and subordinate is based on "great empathy," a consciousness of the existence of others, which requires sensitivity and creativity as its two main elements to hold together humans and all things (Chen & Starosta, 2003).

Finally, methodologically, the intuitive or nonlinear pattern of Chinese management thinking denotes that many paths can reach the same destination, and in reality no one path is different from the other, because all the paths engage in a mutually-defining and complementary relationship. A common way to pursue intuitive knowledge for the attainment of non-dualistic reality in the process of Chinese nonlinear cyclic thinking is the "Middle Way" (*zhong dao*). The Middle Way is the nonattachment to either being or nonbeing, assertion or nonassertion. It is the method of "beyond opposites" that transcends the dichotomy of "this" and "that." Thus,

the Middle Way represents the spirit of appropriateness, a state of equilibrium and harmony that forms the foundation of the world and provides the universal path for human conduct (Chen, 2006).

Four patterns of *zhong dao* management that reflect methodologically the dynamic, situational, and multi-faceted nature of the Middle Way can be identified (Chen, 2006; Pang, 1980; Xiao, 2003). The first is the “neither x nor y” model, which refers to the avoidance of two extremes in the process of management. The management style that demonstrates neither disinterest nor favoritism is an example. The second is “x but not x,” which refers to an extreme virtue of management that is modified or neutralized by another extreme one in order to keep the state of appropriateness. An example is a manager who shows a forceful but not harsh leadership style. The third is “x with y,” which refers to a management virtue that is supplemented by another virtue to reach the state of appropriateness. It can be demonstrated by the example that a manager possesses the virtues of caring and honesty at the same time. The fourth and last is “x and y,” which refers to the manager’s ability to integrate two opposite sides of management styles in order to constitute a complete whole. The integration of “carrot and stick” in the process of management is a good example.

Based on the above paradigmatic assumptions, we can generate four characteristics of Chinese management: (1) It is a holistically changing process, (2) Its ultimate goal is to achieve harmony, (3) Its meaning is embedded in the establishment of interconnectedness between superior and subordinate, and (4) The Middle Way or *zhong dao* is the way to reach the state of harmony originated from the interconnected relationship in the process of an ever-changing, holistic system of management. In other words, Chinese *zhong dao* management is built on the thinking specified in the *Tai* hexagram of *I Ching*,

... in this way heaven and earth unite, and all beings come into union. Upper and lower unite, and they are of one will. (trans. Wilhelm, 1990, p. 441)

The goal of *zhong dao* management is therefore to reach the state of *tai* (peace), which is comprised of four components, namely, *an* (security), *ho* (harmony), *le* (enjoyment), and *li* (benefit) (Edmondson, 2012). For a manager to achieve an ideal management style in the global context, I intend to propose this *zhong dao* model. Before I describe the *zhong dao* model, it is necessary to go over the research that deals with management from the Chinese *zhong dao* perspective.

### 3. Theories on Chinese *Zhong Dao* Management

Two representative models developed on the basis of Chinese *zhong dao* philosophy deserve discussion here: M-theory and C-theory.

Zeng’s (1985, 1986, 2005) M-theory attempts to establish a modern model of Chinese management embedded in Confucian thought. M refers to man, mean, and management, the three aspects of organizational administration. The model stipulates that Chinese management focuses on the humanistic perspective by practicing the principle of mean (i.e., *zhong dao* or Middle Way). The three aspects of Chinese management are realized by the principles of

employees' feeling of security (*an ren*), the contingency of action (*jing quan*), and the rule of rite (*xie ju*). Conceptually, the three aspects are in accordance with the three Confucian concepts of *ren* (benevolence), *yi* (righteousness), and *li* (rite), and with *qing* (love), *li* (ration), and *fa* (rule) in practice respectively.

The employees' feeling of security is reached through management's humanistic concern (*ren* or benevolence). In organizational life it implies that employees are treated by the company as a family, and the company demonstrates concern by providing humanistic and holistic employee benefits in return. The contingency of action is reflected in management's flexibility and adaptability on the ground of righteousness. It implies the manager's ability to situationally and appropriately execute the employees' performance appraisal process, such as reward and punishment. The rule of rite is used to constitute the legitimate regulation of organizational behaviors. It refers to the institutionalization of management principle which well integrates humanistic concern and contingent action. Hence, the ultimate goal of Chinese management based on M-theory is to pursue the state of peace originating from the integration of humanistic love, righteous flexibility, and moral rule.

C-theory, developed by Cheng (1995, 1999), has two meanings. Externally, it represents China, culture, change, Changes (i.e., *The Book of Changes*), and Confucius; internally, it refers to centrality, control, contingency, creativity, and coordination. The theory aims to explicate Chinese management based on the concept of "creativity" specified in the *Book of Changes* or *I Ching*. Five philosophical assumptions from *I Ching* were generated to serve as the conceptual framework of C-theory, including holistic cosmology, convergence of fellowship and opposition, five-stage dialectical reasoning (i.e., holistic creativity/*tai chi*, *yin-yang* duality/*liang yi*, diverse development/*si xiang*, interactional supplementarity/*ba gua*, and new creativity/new *tai chi*), the epistemology of "viewing or contemplating" (*guan*), and the axiology of reciprocal response (*gang ying*). Along with the method of predictive decision making, the C-theory of Chinese management aims to achieve the sustainable development of management, which embodies the five internal elements and applies to modern society.

Both M-theory and C-theory of Chinese management are able to grasp the cardinal elements of Chinese philosophical thinking. They are heuristic and effectively help people understand the Chinese way of management based on the traditional concept of "Middle Way" or *zhong dao*. Unfortunately, the potential problem of the two theories is the difficulty of putting them into practice, especially in this globalizing society, due to their complexity and over abstraction. I then propose this *zhong dao* model of management in an attempt to solve the problem.

#### 4. The *Zhong Dao* Model of Management

The model was first developed to explain a Chinese view of global leadership competency (Chen & An, 2009), which can be used to represent the *zhong dao* model of Chinese management. Figure 2 is the restructuring of the model. It explicates the Chinese *zhong dao* philosophical assumptions and goes one step further to incorporate common components of Western management, so that a potential universal management model can be created in order to apply it to the global context.

The model is based on the four paradigmatic assumptions of Chinese management

mentioned previously, dictating that management is a holistically changing process aiming to achieve harmony and interconnectedness through the method of the Middle Way. It is comprised of three dimensions: self cultivation, context profundity, and action dexterity.

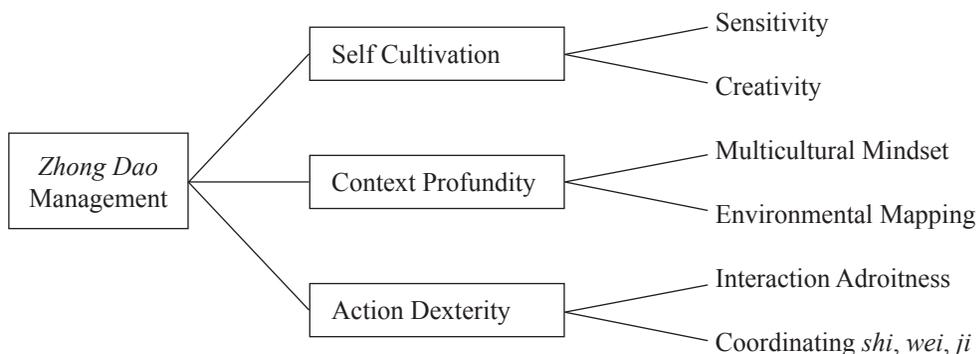


Figure 2. *Zhong Dao* Contingency Model of Management

“Self cultivation” represents the affective ability to purify and liberate oneself through the unceasing learning process in order to cultivate the attributes of sensitivity and creativity. It is the process of transforming an individual to a higher degree of management competency. “Context profundity” represents the individual’s cognitive ability to proficiently understand the environmental context and acquire cultural knowledge in the process of management. In the global society context profundity is embodied in the ability to cultivate a multicultural mindset and draw an appropriate environmental map. “Action dexterity” represents the behavioral aspect referring to the ability to act appropriately and effectively in the interactional process of management. It is demonstrated through the display of interaction adroitness and the coordination of *shi* (temporal contingencies), *wei* (spatial contingencies), and *ji* (the imperceptible hint of a happening event).

The model reflects an orientation towards Chinese culture, specifically, and Western culture, in general. It is similar to the ambicultural approach that paradoxically integrates management viewpoints of East and West to move from the traditional either-or dichotomy to modern both-and convergence (Miller, 2010). As Chen (2002) indicated, the strength of Western thought is its analysis and categorization and Eastern thought is its encompassing and integrative orientation. The idea of paradoxical integration embedded in the *zhong dao* model potentially allows the mutual transformation and integration of Eastern and Western thoughts to produce an interdependent relationship between the two worlds and form a totality of the two opposites.

## 5. Conclusion

The interconnectedness and interdependence of contemporary human society demands an integrative model of management in order to face the challenge of the dynamic, multicultural

nature of globalization, especially in the business world or organizational life. Only through the recognition of cultural similarities and the acceptance of cultural differences can the communication gap among diverse groups in global community be bridged. Although the integrated model of management reported in this paper relies on the elaboration of Chinese paradigmatic assumptions and the *zhong dao* philosophy, I personally hope that a new way of reaching a more productive and successful life through the application of the model can be advanced in the global community.

Finally, the ambicultural approach to the establishment of the *zhong dao* model of management has a potential for bridging the gap between different cultures and for enlightening organizations in the East and West. With the emphasis on holistic equilibrium, productive integration, and interrelated harmony, the *zhong dao* model of management aims to reach a state of multicultural/multicontextual co-existence, which is manifested by the *tai chi* model (see Figure 3). It dictates that the full development of the state of completion can only be achieved through the correspondence and synthetic unity of the two opposite but interdependent and interpenetrated forces (i.e., *yin*/dark/negative and *yang*/light/positive) in different stages of management (Chen, 2008, 2009b), and through this process the *zhong dao* model of management may offer the promise to cultivate an inclusive mindset of global executives.

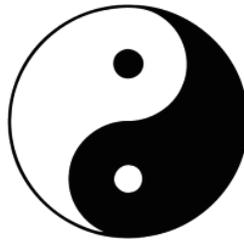


Figure 3. A State of Multicultural/Multicontextual Co-Existence

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