Cultural Management and its Impact on Quality Performance

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ABSTRACT

Studies on cultures have gained significant attention in decades. Such studies are essential due to its impact on organizations and societies. Multiracial communities in the USA have contributed to its development and modernization. As such, the USA strongly influences the world's economy. In contrast, Japan through its homogeneous racial environment manages to bring the community as a developed country. Thus, this study will investigate the multicultural society in Malaysia. Whether this local environment reflects like the one in the USA or in the Japan cultures. As such, the impact of cultural management practices on organization towards quality performance will be identified. Both quantitative and qualitative approaches will be applied in this research for collecting data. The findings of the research are expected to be a viable reference for multinational firms to perform effectively in multicultural setting.

Keywords
Multiracial, Cultural Management Perspectives, Quality Performance, Malaysian Universities

1.0 INTRODUCTION

Culture is a collective phenomenon that is about shared values and meanings. These will bring about good relationship among different races in society. Multicultural societies vary from one country to another in their degree and depth of their multiculturality. Tiersky and Tiersky (2001) stated that the US is a multi-ethnic, multi-racial culture, and there is considerable social interaction among different groups. It is now a demographic reality that cultural diversity is a core part of the landscape of the United States (Mitchell, 2007). Instead, Japan is a homogenous racial society and has a strong feeling of ethnocentrism.

It is widely acknowledged that USA and Japan are world powers and leaders in technology. However, it seems that Japan has more refined technological industry than America due to its higher standard of work, feeling of ethnocentrism, and fusion solution. Americans do have feeling of ethnocentrism, however they are part of a heterogeneous society.

What fits the US or Japan, often may not fit in Malaysia. However, Malaysians seem to apply the Western's management techniques and practices in workplaces. On top of that, Japanese management practices are widely applied in organizations such as *Kaizen* and 5S.

2.0 BACKGROUND

Institutions of higher learning in Malaysia provide opportunities to equip individuals with knowledge, skills and professionalism to meet the needs of national human resources for the country's development. Malaysia has 20 public and 42 private universities. There are university colleges and some have been upgraded from college to full-fledged university. In addition, there are some institutions that are just established. There also exists a widespread and expanding system of private institutions ranging from kindergarten to university besides the public educational system. The public and private institutions play important roles to fulfill the national needs too. However, Malaysia still depends on foreign universities to develop their human resources. Malaysians tend to choose United Kingdom, United States, Australia and New Zealand to pursue their higher education purposes.

3.0 PROBLEM STATEMENT

Many studies have research on multicultural issues (Hofstede (1980), Trompenaar (1993), Dessler (1998)). However, there are limited studies on multicultural management especially from Malaysian perspectives. Existing studies seem focusing more towards management practices in private organization rather than institutions of higher learning. As such this research is expected to unravel multicultural management practices among Malaysian universities.

4.0 RESEARCH QUESTIONS

a) What is the level of cultural management practices among selected institutions of higher learning?

b) Are there significant differences in communication, masculinity, beliefs, leadership and behavior with respects to number of staffs, races, number of years in operation and ISO certification?

c) Is the quality performance impacted by cultural management practices?

5.0 OBJECTIVES

a) To identify and measure level of cultural management practices among institutions of higher learning.

b) To analyze significant differences between cultural management perspectives (communication, masculinity, beliefs, leadership and behavior) and organizational demographics (number of staffs, races, number of years in operation and ISO certification).

c) To evaluate impact of cultural management towards quality performance.

6.0 SIGNIFICANCE OF THE RESEARCH

The purpose of this study is to reveal the cultural management practices in the Institutions of Higher Learning in Malaysia. In addition it intends to discover the impact of cultural management towards quality performance. It is expected that other organizations and universities may appreciate the research findings on impact of cultural management towards quality performance. As such, these findings will add to the body of knowledge on cultural management practices.

7.0 SCOPE

The scopes of this study are as follows:
a) Focusing on university staff in several institutions of higher learning in Malaysia.
b) Targeting on new universities at the East Coast, Central and Southern of Peninsular Malaysia.

8.0 LITERATURE REVIEW

Beamer and Varner (2001) indicate that the culture is the operating environment that enables software programs to run. According to Beamer and Varner (2001), culture is analogous to the windows operating software. Life can be viewed from a mental set of windows to describe culture. Generally, it is acceptable that the meaning of culture is interpreted differently among individuals. It depends on circumstances in a society in which someone grows up and develops experiences.

Parekh (1999) in McMurray and Karim (2008) stated that multicultural societies vary from one country to another in their degree and depth of their multiculturality. Hence, the differences between cultural communities run deeper than in others. In other societies, smaller ethnics prefer to leave in seclusion. Thus, it is essential that additional research addressing cultural diversity to be conducted in Malaysia.

Malaysian population is at ratio 5:2:1:1:1 respectively for Malay, Chinese, Indigenous, Indian and others as of 2009. The Malay group is 50.4% as majority, 23.7% Chinese, Indigenous 11%, 7.1% and 7.8% for Indian and others respectively (Internet source, 2009). This ratio shows that Malaysia is a developing country with large population.

8.1 Organizational Demographics
Organization provides an orderly arrangement among departmental functions so that the firm's objective can be accomplished effectively. It is the framework of jobs and departments that directs the behavior of individuals and groups toward achieving the organizational targets.

A good organization is built by the productive and proactive staffs, years in operation and established working processes.

8.1.1 Number of Staff
Staff is the heart of an organization. They will put the all of efforts in order to the organization to get the target. Large number of staffs shows how big and great that organization is. Either academic or non-academic staffs, they all are essential to an organization in achieving organization's objectives.

Table 1 shows the collection of literature pertaining to cultural management from several authors. Five clusters are identified are communication, masculinity, beliefs, leadership and behavior. All of these were consolidated and embedded in the conceptual diagram of this research as shown in figure 1.

8.1.2 Number of Years in Operation
Age of firms played a significant role in determining organization's achievement capability (Romjin, 1997). Number of years in operation of a firm had significant and positive influences on its ability to achieve superior performance, in terms of continuous improvements and cost savings (Tasmin, 2001). The longer an organization operates, presumably the stronger it is in the competitiveness.

Figure 1 shows the relationship between organizational demographics (independent variables) with Cultural Management Practices (dependent variables) and Quality Performances (dependent variables). As such, the study about the impact of cultural management practices towards quality performances is organized clearly.

8.1.3 ISO Certification

ISO 9000 is a set of quality standards developed by the International Organization for Standardization (ISO) located in Geneva, Switzerland. It is a quality guideline based on international quality standards. Obtaining ISO certification can benefit firms in several ways:

1) Can help firms enhance their competitive position.
2) Helps improve quality, productivity and profitability.
3) Facilitates exploiting other performance improvement opportunities.

Table 1: Summary of Literature.

Author	Communication	Masculinity	Beliefs	Leadership	Behavior
Lisbeth Clausen (2007)	√				
Geert Hofstede (1980)		√			
Garg and Ma (2005)				√	
Wacker and Sprague (1998)		√			
Franco (2003)	√		√		
Hofstede (1991), Trompenaars (1993), Czinkota and Ronkainen (1993)	√				√
Trompenaars (1993)				√	√
Kanungo and Medonca (1994)			√		
Sokuvitz and George (2003); Adler (1991)			√		
Mendenal *et al.* (2001)				√	
House *et al.* (2002)				√	
Kirkman *et al.* (2006)					√
Higgs (1996); Selmer (2002);				√	
Dessler (1998); Galagan (1991); Bhadury et al (2000)	√	√	√		√
Simeon and Fuiju (2000)			√	√	

This standard appears to be a competitive standard that organization needs to continuously address**.** It is expected that certification based on these international quality standards will eventually become mandatory for most organizations seeking global markets.

8.2 Cultural Management Practices

Ethnicity theory says that race is a social category and is but one of several factors in determining ethnicity. This theory was put forth by sociologist Robert E. Park in the 1920s. It is based on the notion of "culture". This theory was preceded by over a century where biological essentialism was the dominant paradigm on race.

The culture of a country has a strong influence on the way people behave and think. It plays significant role in determining and developing the culture of an organization. Norms and practices are available in increasing the productivity of the local workforce. Communication, masculinity, beliefs, leadership and behavior play significant roles in determining the quality performance in an organization.

8.2.1 Communication

While living in an era of globalization, we should all realize the importance of communication as a source for sharing information and knowledge with others all over the world. In order to bridge the gap of cultural and social differences, language is deemed as the most important element of the communication process. Condon and Yousef (1975) state that 'we cannot separate culture from communication, for as soon as we start to talk about one we are almost inevitably talking about the other, too'. Hence, communication and culture are acquired simultaneously neither exists without the other.

Figure 1: Research Conceptual Diagram

8.2.2 Masculinity

According to Sama and Papamarcos (2000), technically, the US and Japan would both be defined as "masculine" cultures in Hostede's (1980) terminology, but their relative scores point to a

distinctly more masculine society in Japan than in US. Japan is strongly masculine which culture has one overriding implication for women managers. In Japan, prospective managers are experiencing the delineation of sex roles which is very explicit and not easily subject to change. While the United States is technically a masculine culture as well, it is less so than Japan, and this promises a relatively diminished division between the sexes.

By evidence, it is proved that masculinity plays a crucial role in determining the overall quality strategy. Masculine countries seem to focus more on the internal operations. Meanwhile, feminine countries are displaying more focus on customer (Kyoon Yoo *et al.*, 2005). However, female employees in a more feminine society will fare better than those in a more masculine society.

8.2.3 Beliefs
According to T. Kwantes (2009), indicates culture has a deep and pervasive influence on beliefs, thoughts and behaviors in many different areas. It is found that ethnicity and cultural heritage determine values more than socio-economic circumstances. Other than that, it also found that the higher the level of education, the more flexible of or open one's belief system may be.

8.2.4 Leadership
Traditional models of leadership have been tested and many doubts have been raised. This is because the capacity to produce a competitive, quality-based workforce for the 21st century is weak. And now, the trend has changed towards more participative and consultive leadership styles. The role of the leader played by each manager directly influences in what manner the employee will be motivated and find satisfaction (Tietjen and Myers, 1998).

According to Ivancevich *et al.* (1997), trait theory of leadership identifies effective leaders in term of certain physical and psychological attributes (intelligence, articulateness). Trait-based leadership approaches attempt to describe effective leaders in a systematic fashion that focuses on the leaders physical and personality attributes (Ivancevich *et al.,* 1997).

8.2.5 Behavior
Gudykunst and Kim (1984) equate culture with a theory 'for interpreting the world and knowing how to behave'. Culture consists of ideals, values and assumptions about life that are widely shared among people and that guide specific behaviors. "…The relatively low amount of variance explained by the cultural values in many studies underscores the existence of the many other forces besides culture which determine the behavior and attitudes of individuals in societies" (Kirkman *et al.*, 2006).

Previous research found that, the attitude of women and minority groups towards diversity initiatives hold more positive attitudes toward culturally and linguistically diverse than males. It's also proven that degree-educated officers are more ethical in their behavior than their less educated counterparts (Ng and Burke, 2004).

8.3 Quality Performances
The increased complexity of today's business environment and heightened international competition make it necessary for firms to improve quality performance. Firms have to focus intensely on quality measurement so that it can be measured as one of their key performance indicators.
Majority of the manufacturers in developing countries are aware of the modern quality management practices and that their quality improvement efforts were not much lower than those in the developed countries. According to Abdul-Aziz *et al.* (2000), it was reported that there is wide practice of relying on inspection and rather low application of program-based activities for quality improvement in the UK and Malaysia.

8.3.1 Employee Training
In the context of service sector, employee training gives better impacts on employee capability. Employees may improve current skills and obtain new skills from continuous and efficient training. Hence, it consistently affects the organizational performance in a very significant way.

Training is an efficient way to increase workers' ability to perform better than the lowest level required (George & Jones, 2005). Organization that fully utilized the skill of its workers' ability is going to achieve the organizational effectiveness.

8.3.2 Job Satisfaction
Based on Fogarty (1994), job satisfaction conveys the degree of enjoyment which individuals extract from their efforts on behalf of the organization. Satisfaction may be viewed as an affective response to work experiences. It would be expected to be associated with affective commitment rather than with the other components of commitment.
In Tietjen and Myers (1998), Herzberg *et al.* (1959) proposed that an employee's motivation to work is best understood when the respective attitude of that employee is understood. Thus, two distinct lists of factors were developed. One is about factors that caused happy feelings or good attitude among the workers relating to the task like recognition, achievement and so on. While the other one is hygiene factors, all about feelings of unhappiness or bad attitude that were evident and not really related to the job itself.

8.3.3 Competitiveness

According to Zhang *et al.* (2000) and Chapman and Al-Khawaldeh (2002) in Ooi *et al.* (2005), total quality management is a key strategy for maintaining competitive advantage and is a way of managing organizations to improve its overall effectiveness and performance towards achieving world-class status. It needs to manage the shift to quality properly so that opportunities to remain competitive are taken on timely manner.

Ivancevich *et al.* (1997) defined competitiveness as the degree to which a nation can, under free and fair market conditions, produce goods and services that meet the test of international markets while simultaneously maintaining or expanding the real incomes of its citizen. In global competitiveness, awareness to competition is important, allocate time and attention to quality and maintain the environment conducive to flexibility and change.

9.0 METHODOLOGY

9.1 Research Design

Chua (2006) stated, the outcome of research is determined method and the research design. While the research designs is determined by the objectives of the research. In this research, both quantitative and qualitative approach will be used. Not all the research designs can be used in all the research but a research can use several types of research design (Chua, 2006). There are two types of research, experimental and non-experimental. This research will apply non-experimental research design.

10.0 POPULATION SAMPLING

According to Chua (2006), sampling is a process of choosing a number of subjects from a population to become research respondents. Based on Saunders *et al.* (2007), sampling technique provide a range of method that enable research to reduce the amount of data need to collect by considering only data from a subgroup rather than all possible cases or elements. There are two types of sampling method which are probability sampling and non-probability sampling. In this research, the sampling method to be used is non-probability sampling. Non-probability sampling (non-random) sampling provides a range of alternative techniques to select samples based on subjective judgment.

10.1 Sampling Method

This research will used the non-probability sampling because the quality of the theoretical inferences that can be made from data collected is used to assess the extent to which generalizations can be made. The technique that will be applied is purposive sampling. Such technique will use a group of respondents who has same characteristics.

11.0 RESEARCH POPULATION AND RESEARCH SAMPLE

The population of this study will be staffs of institutions of higher learning in Malaysia. The sampling population of this study is staff of institutions of higher learning in East Coast and in the state of Johor. The target respondents are staff from all races. There are chosen based on ratio of 5:2:1:1:1. This ratio represents the actual make-up of Malaysian society.

12.0 RESEARCH INSTRUMENT

Research instrument is a tool that is specially designed to collect data for a research. Survey and Interview will be used in this research for data collection.

12.1 Survey

Questionnaire (survey) is a similar set of questions in a predetermined order that will seek respondent's answers. 5-point Likert Scale will be used in this research. Respondents will be asked how strongly they agree or disagree with a statement or series of statements. The questionnaires will be distributed to academicians of several Institutions of Higher Learning at those 4 universities, namely Universiti Malaysia Kelantan, Universiti Tun Hussein Onn Malaysia, Multimedia University, and Universiti Tun Abdul Razak.

12.2 Interview

An interview is a purposeful discussion between two or more people that can assist in gathering valid and reliable data that are relevant to research. Several staff in each chosen university will be interviewed in order to get some information. As such, they will be compared to the data collected from the survey. Formal and structured interview will also be applied.

13.0 CONCLUSION

As a conclusion, it is expected that the cultural management practices have significant impact on the quality performance and overall firm's performance. This would be most probably true if management practices are applied effectively. In aligning the cultural management practices to local workplace, it must be culturally translated into management practices. It includes how to motivate, lead, counsel, negotiate and communicate effectively. Hence, we need to develop awareness by having a fresh look at the core cultural values of the diverse ethnic groups that comprise the Malaysian workforce.

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