

Book Review

Managing across diverse cultures in East Asia: Issues and challenges in a changing globalized world, Warner, M. (Ed.), London and New York, NY., Routledge, 2012, paperback, Paperback: £27.99, 978-0-415-68090-5, Hardback: £95.00, 978-0-415-68089-9, 300pp.

In this edited work, *Managing across diverse cultures in East Asia: Issues and challenges in a changing globalized world*, Malcolm Warner (who is a Professor and Fellow Emeritus, Wolfson College and Judge Business School, University of Cambridge, UK) and his contributors connect culture and management throughout the region. With the recent social, political, and economic changes East Asian countries have experienced, this book is timely in its exploration of issues that face one of the most important regions in the world. While the majority of the book's content focuses on China, Japan and South Korea, other areas like Hong Kong SAR, Macao and Taiwan are included in the discussion as well.

The complexities of East Asia warrant consideration for international management scholars and practitioners. The goals of the work include showcasing and exploring the rise of East Asia by updating readers' knowledge and understanding about its achievements and challenges.

The book is divided into five parts: Introduction, Themes, Societal case studies, Issues and Challenges in East Asian management and the Future and Conclusions. The well-written introduction provides the context for the work. It highlights the interrelationships between the region's most dominant force, China [with a fifth of the world's population], and its neighboring countries. Warner discusses the shift in economic power that has occurred, moving from the West to the East. As have a number of other scholars, Warner acknowledges that the Western world now must include the Eastern

world as the latter's global economic influence expands. As the two worlds interact, the concepts of convergence and divergence are mentioned. Convergence, occurring when managerial ideas are transmitted from developed, industrial societies to emerging, indigenous societies; and Divergence, happening when cultures retain their own national characteristics are mentioned throughout the work as contributors consider the complex cultural histories and present situations of the respective countries.

One would be remiss not to include Confucianism in the conversation surrounding East Asia; however, Warner and his colleagues caution solely considering the philosophy that has influenced the region for centuries. At the beginning of each section of the work, a Confucian quote is provided that connects with that section's content. For instance, in Part IV: Issues and challenges in East Asian management, the quote: "*Riches and honours are what [people] desire. If [they] cannot be obtained in a proper way, they should not be held*" (p. 151) introduces the section and speaks to the ethics of management practices.

Warner guides the reader by providing a list of questions that correspond to each section of the book, including questions such as, "What are the underpinning influences at the macro (-economy) level, as well as the micro (-firm) level, which are related to the economy, culture and management in these economies?" and "How may we evaluate positive and negative aspects of traditional value-systems, as well as their impact on management thinking and behavior in East Asia?" (p. 7). These questions, among others, give the reader an idea of the overall content of the book.

In Part II: Themes, contributors provide overviews of the East Asian economy (chapter 2), culture (chapter 3) and management (chapter 4). Although East Asia was impacted by financial crises between 2007 and

2009, the region was able to lead the global recovery. Since then, the region, with China at the forefront, has been active in foreign direct investment (FDI). In chapter 3, the defining characteristics of East Asian culture, as well as internal differences, are explored. Large cross-cultural surveys shed light on some of the values of specific countries in the region. Japan, no longer identifies with conformist or collectivist values, but rather with individualist values. East Asian countries incorporate Western influence into their cultures, while maintaining their own identity. In the chapter following, East Asian management, as a result of its distinct styles and systems, is discussed. A PESTEL analysis (political, economic, socio-cultural, technological, ecological and legal factors) is presented.

Societal case studies are used as examples in Part III and include the changing nature of management and culture in China (chapter 5), Hong Kong, Macau and Taiwan (chapter 6), Japan (chapter 7) and South Korea (chapter 8). The diversity of China is highlighted in chapter 5. China is a country of regions and generations; this complicates the understanding of the country's identity and culture. In chapter 6, the Chinese societies of Hong Kong, Macau and Taiwan share a common heritage, but also have distinct cultural, social, political, economic characteristics that influence their management systems. As a result of global changes, Japan is now faced with adapting its once lauded management systems. Similar to other East Asian countries, Japan is diverse and this is reflected in its management practices. South Korea is another country that is also enduring change. Its business practices appear to be influenced by its history and its culture.

Part IV focuses on the issues and challenges in East Asian management, where an array of topics are covered including: gender (chapter 9), *guanxi* networks (chapter 10), business systems in transition (chapter 11), small-and-medium enterprises (SMEs) (chapter 12), HRM strategies, informality and re-regulation (chapter 13), comparisons between East, Southeast and South Asia management and culture (chapter 14) and management education and training (chapter 15). Despite some progress, gender stereotypes in management still exist. In chapter 9, China, Japan and South Korea are used as examples to show the development of women in education, employment and management. Chapter 10 follows with a review of business networks in East Asia and *guanxi* networks in China. The role of Confucian philosophy throughout these networks varies, ranging from kinship-based relationships in China to corporate relationships in Japan. China,

Japan and South Korea have diverse business systems and these are explored in chapter 11. Multiple sectors with different regulations in China, employee-focused systems in Japan and a variation of capitalism in South Korea each make for interesting comparisons. SMEs are prevalent in East Asia and chapter 12 reviews issues and obstacles experienced by SMEs in China, South Korea, Taiwan and Hong Kong. A recent increase in informal employment strategies, such as the use of temporary employees, has become important for employee relations in East Asia. These strategies are analyzed in chapter 13. Management and culture of South Asia is compared with East and Southeast Asia in chapter 14. With the former's increased economic growth, the region has experienced both advances and challenges, each shaped by its social, economical and cultural context. Chapter 15 describes management education and training in China, Japan and South Korea. The greatest growth of programs can be found in East Asia and the role of Confucianism and Western tradition has varying effects.

The book concludes with future directions in Part V where the future of East Asian management (chapter 16) and conclusions based on the entire work (chapter 17) are discussed. Chapter 16 acknowledges the historical predominance of the 'West leading the East', now being reconsidered as the 'West meeting the East'. Global pressures and changes are forcing the world to take a closer look at the practices of Eastern cultures. The chapter offers predictions about the future, which include challenging the entrenched ways of the Western world and the development of a bidirectional open knowledge exchange pathway between Eastern and Western cultures. Warner recaps the edited work in chapter 17, highlighting the idea that culture, economics and politics all influence management. Each dimension matters in its own right and has implications for management in East Asia, and consequently, the rest of the world.

Managing across diverse cultures in East Asia, although not without minor shortcomings, provides a useful context for addressing issues and challenges in the region. The world is changing and these changes are relevant to East Asian countries. The work seamlessly transitions from providing an overview of East Asia to specific case studies and challenges to future directions. Both MBA students as well as academic readers will, hopefully, walk away with a well-rounded understanding of East Asia socially, politically, economically and culturally, which all have implications for international management. They may also gain a true sense of why

China matters to the region and to the world. As one of the BRICS nations, its ascendance is undeniable and influential. As with any comprehensive work, this book cannot cover everything and readers might be interested in more details, in more diverse forms, nonetheless, it serves as an up-to-date foundation for future work on the region.

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