DESIGNING THE STRUCTURE IN SIMILAR CULTURES: A COMPARATIVE STUDY BETWEEN JAPAN AND JORDAN

HALA SABRI

Abstract:

As considerable research has examined cultural influences on organizations exploring if cultural similarities between nations might lead businesses to matched structures arise an important issue. Hence, this study aims to examine the structure of Jordanian and Japanese companies on subjective cultural and the objective structural characteristics. The cultural characteristics of Jordan and Japan were established on their power distance and uncertainty avoidance orientations, and the structural characteristics were established on the locus of decision making and the degree of structuring of activities. The sample comprised of twelve companies each from Jordan and Japan matched in size, dependence and operation technology. Data of the Jordanian companies were collected through structured interviews and data of Japanese companies were derived from Azumi and McMillan's study (1975) that used the same instrument of measurement. The analysis revealed that on the cultural dimensions a "full bureaucracy" is a preferred structure in Jordan and Japan because it fits the desired 'pyramid form' in the minds of Jordanian and Japanese managers, but on the structural dimensions, results revealed that companies in Jordan and Japan are designed in a "personnel bureaucracy" form of structure. The results have implications for further research in cross-cultural comparative management.

Keywords:

Organizational Structure, Similar Cultures, Japan, Jordan

JEL Classification: L20, M16, P52

Authors:

HALA SABRI, Universtiy of Petra, Jordan, Email: habdulqader@uop.edu.jo

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1.   Introduction

Most remarkably nowadays is that culture affects organizations and the way they solve problems and adapt to their environments. Therefore, to succeed in their global operations, multinational companies must understand the cultures they are doing business with. For these reasons, the rapid internationalization of businesses across the globe has deepened the interest of comparative management scholars to identify if cultural similarities between nations might lead for convergence in their organizational design and management styles (House, *et.al,* 2004; Hickson & Pugh, 2003; Muhiuddin, 2012). An important notion in this regard is that, other factors being equal, various national cultures might desire special configuration of organizational structure that fits the implicit model in the people's mind of this culture (Hofstede, 1991, 2001; Hofstede, *et al.,* 2010:302).

This proposition however, needs an empirical support especially that in designing the structure organizations are also influenced by other forces that control the degree of their centralization, formalization and specialization beside the subjective cultural needs of their members (Hickson *et al.,* 1974; Hofstede, 1991:143).

2.   Purpose and Significance of the Study

This study examines the cultural similarities between Japan, an example of Far Eastern culture and Jordan, an example of the Arab culture and investigates if these similarities and unique characteristics of both societies will lead their organizations towards an identical design that fits the preferred and implicit structure in the minds of Jordanian and Japanese managers.

The choice of Japan in this study was made because Hofstede, *et al.,* (2010) indicated to the presence of similarities in the power distance and uncertainty avoidance orientations between Japan and Jordan arising from their authority structure and dependency on rules and procedures to control their operations. Moreover, Japan has a distinctive culture that is reflected in unique management models, principles and business approaches that have influenced management theories and business operations in Western, especially American, organizations.

The study is significant, considering that little research has been offered comparing Japanese management with the Jordanian/Arab one (Evangellos, 2004), hence it adds to the other research offered on comparing Japanese management mainly with Western, especially American (Drucker, 1971; Beechler *et al.,* 1996; Bergiel, *et al.,* (2012); Bernhauerova, 2013) and other nations (Ozdasli & Ayatar, 2013; Taleghani *et al.,* 2010; Ohsawa, 2010). The study is also important for advancement in cross-cultural comparative research and prepares multinational companies to consider the societal and cultural distinctiveness when designing their overseas offices and subdivisions operating in other cultures.

3.   Theoretical Background

On Culture and Organization Design
Cultural impact on management and organization design has been the focus of extensive research (Gibson, 1994; Adler & Gundersen, 2008; Nedeljković (2011); Sabri, 2009, 2011a, 2012). Therefore, comparative management scholars considered the national culture to examine the organizational structure from a cross-cultural perspective (McMillan, *et al,* 1973; Hofstede, 1984; Pheysey, 1993; Gibson, 1994; Handy, 1996; Adler, 2001). Other scholars argued, however, that cross-cultural studies should be established on a theoretical and cultural framework that explains the degree of similarity or difference between cultures (Child, 1981; Al-Tayeb, 1988, 1994). Hickson & McMillan (1981) also underlined that organization's processes should be examined through studies of power, decision making and other aspects of group and individual.
One of the major researches on national culture, however, is associated with Hofstede (1984, 2001 and Hofstede *et al.,* 2010). Hofstede and his colleagues presented a global framework for studying national cultures established on five dimensions: power distance, uncertainty avoidance, masculinity vs. femininity, individualism vs. collectivism and long term vs. long term orientation. Hofstede *et.al.,* (2010:302) argue that meanwhile individualism and masculinity affect the functioning of the people within organizations, power distance and uncertainty avoidance, in particular, affect people's thinking about organizations.

In analyzing the relation between the structure and national culture, Hofstede (1984 & 1991) and Hofstede *et al.,* (2010:302 &305) maintained that organizing is constructed on two main tasks: determining who possesses the decision making power, and what rules and procedures will be followed to attain the objectives. Hofstede *et al.,* (2010) argued that decision making power is influenced by the *power-distance* orientation which reflects how far a culture encourages peoples' inequality in social status, organizational rank and wealth. In countries that permit inequity, leaders attain power through family bonds and the ability to impose influence. Ordinary people in this culture do not oppose, but they expect and accept discrimination. These features are reflected within organizations that are well structured with extensive centralization of decision-making in the hands of upper management. Employees are expected to be obedient and favor autocratic and authoritarian superiors. On the other hand Hosfstede *et al.,* (2010) maintain that dependence on rules and procedures to control operations is influenced by the *uncertainty-avoidance* dimension which shows how much a culture fears the unknown and hence encourages formation of rules and laws, advancing technology or commitment to religion as safeguarding tools that govern and guide peoples' behavior.

Organizational Structure

Several scholars have provided insights into the study of organizational structure (Lawrence & Lorsh, 1967; Mintzberg, 1979; Galbraith, 1987; Daft, 2009; Schein, 2010). One of the major approaches to the study of organization structure, however, was provided by Max Weber (1947) who produced systematic categories for organizational analysis, stemming from one ideal type which he characterized as the "*Bureaucratic Model*". However, although until the middle of the 1960's much of the research appeared to have been based on the characteristics of Weber's one unitary bureaucratic type of structure, Weber's model of bureaucracy did not work effectively for the more complex organizations emerging during the second half of the twentieth century. Since then, research findings by Pugh *et al.,* (1968 & 1969) have called out Weber's unitary type of bureaucracy into query and displayed that the structure is multidimensional; by means it has different types.

Pugh *et al.,* (1969) measured the structure on two dimensions, structuring of activities and concentration of authority. The first dimension measures the extent to which rules and procedures are written and applied in the organization (formalization) and the degree of division of labor within organizations and the distribution of official duties among a number of positions (specialization). The second dimension measures the degree of centralization of decision making by governing owners and/or higher management (Child & Kieser, 1979; Child, 1981; and Hickson & McMillan, 1981). Child (1972, 1997) argued that managers can have a strategic choice by means of selecting between two alternatives to and adapt to environmental pressures and control their operations: either, directly by concentrating decision-making at the higher level or indirectly by depending on work procedures (formalization) and expert specialists (specialization).Accordingly, Pugh *et al.,* (1969) argued that organizations will produce four main models of bureaucracy depending on how high or low they use these two dimensions as means of control:

> (a) '*Implicitly Structured'* organizations, they are low on both structuring of activities and centralization. They are democratic, task oriented and achieve change with efficient management of their resources by experts and specialists.
>
> (b) '*Workflow Bureaucracies'* they are high on structuring and low on centralization. They operate through firm control of planned rules, decentralized decision making, and execution of change through rule adjustment.
>
> (c) '*Full Bureaucracies'*, they are high on both structuring of activities and centralization. They are pyramids that obey leaders who are respected and carefully selected. Change in these organizations flows from top to down and is influenced by the superior's desires.
>
> (d) '*Personnel Bureaucracies'*, they are low on structuring of activities and high on centralization. They have patriarchal leaders, who usually settle family

conflicts to implement change. Nepotism is widespread in these organizations causing promotion to be based on trust and extending business relationships beyond the work place.

Hofstede Elaboration on the Link between Culture and Organizational Structure

Hofstede *et al.,* (2010:305) indicate that Pugh *et al.,* (1969) provided hard objective characteristics of structure, but power distance and uncertainty avoidance provide subjective soft characteristics of the people within a culture. Azumi and McMillan (1975:35) argued that cultural values and national location are important indicators to the limitation of specific organizational forms. People from different cultures usually carry diverse management values that might work well in their culture but not in others. Thus, Hofstede (1984) provided the argument that managers in certain cultures will prefer a specific structure that fits the preferred/implicit structure in their minds that could be well demonstrated by linking the objective measures of authority control with power intensity in this culture (power distance) and the degree of formalization and specialization with the culture's intensity of avoiding uncertainty (uncertainty avoidance). Hofstede (1984) employed Pugh *et al.,* (1969) organizational types and Mintzberg models of structure (1992), to advocate that:

(a) 'Implicitly Structured organizations' resemble a 'Village market' model (b) 'Workflow Bureaucracies' resemble 'Well-oiled machine' model (c) 'Full Bureaucracies' resemble a 'Pyramid' model. And (d) 'Personnel Bureaucracies' resemble a 'Family' model.

Japanese and Jordanian Cultures

Japan (Nihon in Japanese) is known as the "Land of the Rising Sun". The Japanese philosophy has been, historically a mixture of both native Shinto and continental religions, such as Buddhism and Confucianism. It also operates within traditional mental concepts that derive from *Taoism, Buddhism and Shintoism* (Tasie, 2009). Confucianism, in Japan, principally determined the rules of conduct in a system of human relationships (Moore, 1967). These socio cultural traits of Japanese people have stimulated in them a belief and behavior at workplace suitable for high productivity, fast industrialization and innovation (Chang, 1982).

In addition to Buddhism and Shintoism, the *"Kaizen"* philosophy dominates the Japanese management thought as one of the main keys to Japanese competitive success (Masaaki, 1986). This philosophy presumes that the Japanese way of life, be it working life, social life, or family life, warrants continuous improvement (Masaaki, 1986: 16). The Japanese are trained to ensure the confidence of their people; therefore, they reject members of the group who don't obey the rules that are collected from around the principles of obedience, truthfulness, and nationalism (Moore, 1967). However, Hickson and Pugh (2002:175) believe that while every society shares with others similar characteristics that initiate grouping them together, but when the Japanese

characteristics are combined together they appear to be distinctive and unique, not matched in any other country.

Jordan shares with other Arab countries some features of the Arab culture among which are the tribal values, family structure and the influence of *Islam.* Suleiman (2007) designates that in the present time the Arab nation lagged behind other societies due to lack of freedom, weakness of the educational system, authoritarian governance, and the foreign influence backing traditional national regimes in upsetting democratic and progressive evolution. *Islam* is a large system containing rules for a complete way of life. It dictates family life, the relationships of an individual to his fellow citizens, attitudes towards others, and the responsibility of the individuals within the society. It also provides dominant rules for economic activities, tasks and responsibilities of rulers and other authorities. According to Islamic principles, the management system is based on consultation, participation, creativity, diffusion of knowledge, and providing equal promotion opportunities. Researchers argue, however, that the Arab's cultural patterns having their roots in the Bedouin origins and primitive tribes (Ali, 1996; Almaney, 1981). Tribal orientation in Jordan can be investigated in the extent of family commitment and loyalty to the tribe. In this system, power rests in the hands of the tribe's chief, who is called in Arabic *"Sheikh".* The Jordanian society adheres to a status system that does not allow upward mobility of its people (Sabri, 2004, 2007, 2012; Hickson and Pugh, 2002; Dorfman and House, 2004). Hickson and Pugh (2002) assert that the cultural influence of tribal codes of loyalty and honor in a strongly patriarchal family system have stimulated in the Arabs a belief and behavior at the organization in which family and friendship commitments take dominance over all others. Barakat (2008) contends also that the Islamic religious system is often used to justify and defend the tribal values of leadership and to protect family interests rather than as a pure belief system. Moreover, Dadfar (1990) argues that although Islam is against tribalism, the Arabs have skillfully blended the Bedouins' values with the Islamic ones up to point where it became difficult to draw a clear borderline between pre-Islamic and Islamic values which exist mostly in theory but not in practice. That is, Islamic values, which derive its rules from the teachings of Islam and Islamic *"Sharia"*, have obvious influence on matters that organize social relations in marriage and inheritance, but are not manifested in people's behavior and dealing with authority (power), managing uncertainty (uncertainty avoidance), managing oneself (masculinity) and managing relationships (collectivism).

A comparison between the Jordanian and Japanese cultures could be achieved by employing Hofstede's four main cultural dimensions. Table 1 and Figure 1 display Jordan and Japan's scores, ratings and ranks on the four dimensions of culture (Hofstede, *et al.,* (2010).

On Power Distance Jordan scores high but Japan is on the borderline of this dimension. On Uncertainty Avoidance, both Jordan and Japan score large on this dimension.

Jordan and Japan score low on individualism and tend to be collectivist societies. On Masculinity, Japan scores very high but Jordan scores in the middle of masculinity/femininity index.

Hofstede, *et al.,* (2010) observed that Jordan and Japan share similar preference for power and authority, but the Jordanians have higher inclinations towards power as they are more in favor of authoritarianism and hierarchical order. In Jordan the high power orientation is also an indicative of inequality of power and wealth within the society. It is practiced in the social, political and administrative structures. Both Jordanian and Japanese societies also share strong mood to avoiding uncertainty and risk, but because Japan scores very high on this dimension, it is considered one of the most uncertainty avoiding cultures on earth. Moreover, on the individualism/collectivism dimension Japan and Jordan are classified as collectivistic societies that put harmony of group above the expression of individual opinions. People in the Jordanian and Japanese cultures also have a strong sense of shame for losing face (Hofstede*, et al.,* 2010). Hofstede, *et al.,* (2010) argue, however, that Japan is not as collectivistic as other collectivist cultures since the Japanese society does not have an extended family system which forms a base of more collectivistic societies, such as Jordan. In the masculinity index, although Jordan is classified in the middle, but it is counted a masculine culture where it is believed that to be important is to have an opportunity for higher earnings and more recognition with a chance for advancement. According to Hofstede's original sample, Japan registered the highest score on masculinity and is considered the most masculine society in the world (Hofstede*, et al.,* 2010). Masculinity in Japan indicates that the society is driven by competition, achievement, and excellence perfection in all aspects of life.

Table 1: Scores and ranks of Jordan and Japan on four Cultural Dimensions (Hofstede, *et al.,* 2010)

Dimension	Jordan			Japan			Range of Country Score
	Score	Rank	Rating	Score	Rank	Rating	
Power Distance	70	12	High	54	49	Borderline (Medium)	11-104
Uncertainty Avoidance	65	40	High	92	11	High	8-112
Individualism/ Collectivism)	30	41	Collectivist	46	35	Collectivist	6-91
Masculinity/ Femininity	45	32	Masculine/ Feminine	95	2	Masculine	5-95

Figure 1: Japan in Comparison with Jordan on Hofstede Dimensions of National Culture
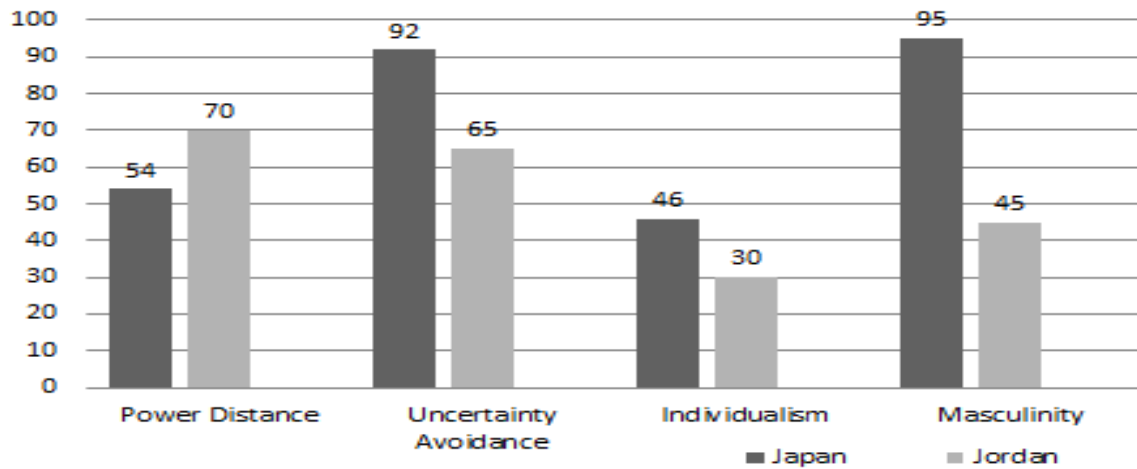
Source: Hofstede, et al., (2010). Cultures and Organizations: Software of the Mind. Revised and Expanded 3rd Edition. New York: McGraw-Hill USA.

Research Hypotheses

1. Hofstede (1991:141-142) suggests that in large power distance and strong uncertainty avoidance cultures, a special form of structure will succeed if it fits the implicit model in the minds of people of this culture. Accordingly the first hypothesis is formulated:

> **H.1** *Large power distance and strong uncertainty avoidance orientations in Japan and Jordan will direct Jordanian and Japanese companies towards a structure that fits the implicit form in the minds of Jordanian and Japanese managers.*

2. Hofstede (1991:141) also proposed that, presuming all other factors are equal, if power distance is linked with concentration of authority, and uncertainty-avoidance is linked with structuring of activities, people in high power distance and strong uncertainty avoidance cultures will prefer centralization of decision making in the hands of upper management and formalization of procedures to protect them against uncertainties. Hence, the second hypothesis is formulated:

> **H.2** *Jordanian and Japanese companies will show high concentration of authority and high structuring of activities and will result in a structure that matches the implicit form in the minds of Jordanian and Japanese managers.*

4. Methodology

Sample, Measurement and Data Collection

To conduct the cross-cultural comparison between Jordan and Japan, an attempt was made to choose a sample of twelve Jordanian manufacturing companies to match, as much as possible, a sample of twelve Japanese manufacturing companies studied by Azumi and McMillan (1975, 1981) which used identical measures. Similar to the Japanese sample, the Jordanian sample included companies producing food, textiles, clothing, paper, electronics, chemicals, steel structure, aluminum, publishing, garments, engineering works and steel bars. Size (number of employees) of Japanese companies ranged between (1672) for a copper/lead company, to (110) for a cosmetics company. Size of Jordanian companies ranged between (859) for a paper company to (126) for a chemical company. Jordanian companies also ranged from family owned companies to companies owned by the government and private shareholders. Data in Jordan were collected through interviews with the companies' chief executives and or general managers using the Aston scales for measuring organizational structure, the same instrument used in Japan by Azumi and McMillan (1975) to ensure interpretation equivalence. Formalization scale ranged between 0-41, specialization scale ranged between 0-18, and centralization scale ranged between 1-185 as suggested by Horvath, *et al.,* (1976). Moreover, Pugh and Hickson (1976) considered above 55 is high, below 55 is medium and below 45 is low, as standard scores for the degree of structuring of activities. The structural scales of specialization, formalization and centralization showed a good reliability coefficient of (0.74) for the functional specialization, (0.71) for formalization and (0.82) for centralization (Cronbach, 1990).

5. Results

The Preferred/Implicit Structure in Jordan and Japan on the Cultural Dimensions

In his conceptual framework, Hofstede (1991: 141-142) related the structural dimensions of structuring of activities and concentration of authority with each country's position on power distance and uncertainty avoidance to show how the different organizational types presented by Pugh *et al.,* (1969) might fit the implicit model in the minds of people in different cultures as demonstrated in Table 2. Jordan (an Arab culture) and Japan (an Eastern culture) are located in the upper right hand quadrant of the Table which displays that the "Full Bureaucracy" is a preferred form of structure in both cultures because it fits the implicit "Pyramid" model in the minds of Jordanian and Japanese managers (Hofstede, 1991).

Table 2: Fitting Organization Type (Pugh *et al.,* 1969) to the Preferred/Implicit Models of Structure (Mintzberg, 1992) in Different Cultures

	Implicit model: FAMILY	Implicit model: PYRAMID
High Power Distance/ High degree of Centralization	Organization type: **Personnel Bureaucracy** Countries: Southeast Asian, India, East Africa and West Africa	Organization type: **Full Bureaucracy** Countries: Latin, Mediterranean, Islamic, Japan, Arab Countries and some other Asian Countries
Low Power Distance/ Low degree of Centralization	Implicit model: VILLAGE MARKET Organizations type: **Implicitly Structured** Countries: Anglo, Scandinavian, Netherlands, the USA and Canada.	Implicit model: WELL-OILED MACHINE Organization type: **Workflow Bureaucracy** Countries: German-speaking and Finland
	Weak Uncertainty Avoidance/ **Low Structuring of Activities**	Strong Uncertainty Avoidance / **High Structuring of Activities**

Note: The terms in Bold are from Pugh, et al., 1969. Those in Capitals are from Mintzberg, 1992.

This analysis supports the hypothesis that large power distance and strong uncertainty avoidance orientations in Japan and Jordan will lead Jordanian and Japanese companies towards a structure that fits the preferred/implicit form in the minds of Jordanian and Japanese managers.

The Structure of Jordanian and Japanese companies on the Structural Dimensions

Table 3 illustrates Jordanian and Japanese companies' scores on structuring of activities (formalization and specialization) and concentration of authority.

Table 3: Jordanian and Japanese companies' scores on Structuring of Activities (formalization and specialization) and Concentration of Authority

Country	Formalization (F)*		Specialization (S)**		Structuring of activities (F+S)		*t-value*	Concentration of Authority***		*t-value*
	Mean	SD	Mean	SD	Mean	SD		Mean	SD	
Jordan	30.5	5.0	15.3	2.8	45.1	7.5	7.8***	146.1	10.0	3.16**
Japan	29.2	9.3	8.3	2.9	42.4	12.2		121.7	25.0	

*** P < .001 at two tailed test

** P < .01 at two tailed test

Degrees of Freedom (22)

On the structural dimensions, Jordanian and Japanese companies registered high scores on concentration of authority (possible range 0-180), and medium (below 55) to low (below 45) scores on structuring of activities. However, to find out differences between the scores of Jordan and Japan t-test indicated that Jordanian companies registered higher levels of authority concentration (p<.01) than the Japanese companies with a mean score of 146.1 and a range of 133-168. Moreover, the Jordanian companies also registered higher degrees of formalization (with a mean score=30.5 and range of 23-38) and specialization (with a mean score=15.3 and range 10-18) than the Japanese companies (p<.001).

According to these results Table 4 illustrates that the current structure in Jordan and Japan is a 'personnel bureaucracy' form of structure which did not support the hypothesis that Jordanian and Japanese companies will register high levels of concentration of authority (being high on power distance) and high levels of structuring of activities (being high on uncertainty avoidance) and will result in a structure that matches the preferred/ implicit form in the minds of Jordanian and Japanese managers.

Table 4: The Structure of Jordanian and Japanese companies on the Structural Dimensions

Culture	Structural Dimensions				Resulting Structure
	Concentration of Authority		Structuring of Activities		
	Score	Rating	Score	Rating	
Jordan	146.1	High	45.1	Medium	Personnel Bureaucracy
Japan	121.7	High	42.4	Low	Personnel Bureaucracy

6.   Summary

This study aimed to present similarities between Jordan and Japan, not on their industrialization level, economic growth or technological advancement, which are all in favor of Japan, but on their cultural orientations that impact their choice of organization structure. It was hypothesized that since Jordan and Japan are similar on certain dimensions of culture, Jordanian and Japanese companies will have similar preferred

structures. This was based on the notion that in large power distance and strong uncertainty avoidance cultures, a special form of structure will succeed if it fits the implicit model in the minds of people of this culture (Hofstede *et al.,* 2010). To support this hypothesis it was necessary to collect data from Jordanian and Japanese companies that measure the structure on two dimensions: concentration of authority and structuring of activities. However, although the analysis of cultural similarities between Jordan and Japan indicated that a 'full bureaucracy' structure is preferred in both cultures, because it fits the implicit form in the minds of Jordanian and Japanese managers, results of data analysis revealed that Japanese as well as Jordanian companies resulted in a 'personnel bureaucracy' structure, that is high on concentration of authority and low on structuring of activities (formalization and specialization). This result did not support the proposed match between the preferred 'full bureaucracy' and resulted 'personnel bureaucracy' structure of Jordanian and Japanese companies. It is evident, however, that although Jordanian and Japanese companies operate with a similar 'personnel bureaucracy' form of structure but when the Japanese and Jordanian companies are compared to each other distinct differences stand out. For instance, Jordanian companies have higher levels of authority concentration and higher degrees of formalization and specialization than the Japanese companies. These differences could indicate that meanwhile Jordanian managers employ both strategies to control their operations (Child, 1974, 1997), Japanese managers rely on concentrating the authority at higher levels more than formalization of work procedures and directives of specialists to regulate their activities. McMillan *et al.*, (1973) advocate that cultural norms in society may be an alternative means of control to bureaucratic structuring. Azumi and McMillan (1975) also consider this as a result of cultural influences that impact the organization structure when contextual factors, such as size and dependence, are measured. Thus the behavioral norms and values in the social environment may themselves be relied on to effect control in work organization, so that bureaucratic structure will reflect differences in the prevailing societal mode of social control.

7.   Discussion

Handy (1981:176) argues that "cultural values and the structure impact each other and both entities are shaped by the institutional and historical events within the society as a whole." Chang *et al.,* (2011) also believe that management techniques and functions are valid and can move across cultures, but because people with different cultural background have different thoughts and behaviors, the application of those functions will follow the unique style of management in each culture.

Japan and Jordan are paternalistic societies that have central dependence on their human resources. Through history, both countries also have been subjected to diverse internal and external forces that influenced their cultures. Research indicate, however, that although Jordan and Japan share similarities in certain dimensions of culture (Hofstede, 1991, Hofstede, *et al*, 2010) but each of the two societies possess distinctive characteristics in their approach towards the allocation and distribution of power and authority; their attitude in dealing with uncertainty, risk and ambiguous situations by guiding behavior through rules and a belief in absolute truth; their practice and behavior in belonging to their in groups; and their views towards competition, achievement and success (Moore, 1967; Pascale & Athos, 1981; Chang, 1982; Misawa, 1987; Hickson & Pugh, 2002; Ali & Sabri, 2001; Sabri, 2004; Gregg, 2005; Weir, 2005; Rahaman & Islam, 2010; Mohiuudin, 2012).

Japanese Management Practices

The Japanese management system is based on a philosophy and organizational culture that emphasizes hard work for common goals; consultative decision-making; a two-way communication system; long-term planning; sharing of organizational objectives of the organization by the employees at all workers and levels; establishing harmony and loyalty between management, and showing a high degree of concern for people and their values (Lee *et al.,* 1987). Yasuhiro (2012: 1223) indicates that the unique employment system constitute a competitive advantage to Japanese companies as it is based on permanent employment, internal promotions, and an undeveloped external labor market and thus enabled employees to associate their future with the future of their company (Storey *et al,* 1997: 73).

The Japanese Leadership style is paternalistic, where the leader acts as social facilitator and group member (Lee *et al,* 1987) and the organization structure is informal, with well-defined culture of collective responsibility and accountability.

Social stratification in Japan is determined by educational attainment; as a result, educational credentials have often been regarded as the most important criteria for employment in Japan. For this reason advantage is given to people on the basis of their ability rather than their wealth or seniority. Although age, seniority, status and experience are respected and appreciated, promotion is established on employees' performance and achievement. Therefore, success in Japan is a value system that starts in school and continues throughout organizational behavior defined by the best in field. Managers are taught and instructed of being equal and ensured that people achieve recognition, based on their efforts and achievement not through connections.

Yet, in Japan people appreciate inequality but feel that the use of power should be moderated by a sense of obligation that is typical of the Eastern culture (Hofstede *et al.,* 2010).

Moreover, the Japanese are sensitive to the excessive hierarchical structure in their organizations which reflects the collective decision making process, called the "Ringi system or "Ringisho" and is based on group participation and consensus (Sagi, 2015). Although this process is slow but decisions are instantly implemented and flow from top to down in serious situations, and from bottom to up in non-critical decisions (Rahaman & Islam, 2010). Because top management takes the responsibility for the decisions they adopted, rewards go downward but sanctions do not (Rudy, 2008). In addition, because the Japanese see themselves as far more interdependent, they are prepared to make far greater investments in people and in skills necessary to be effective in dealing with others. Mohiuddin (2012:47) asserts that the "groupism", or collective orientation, makes the Japanese more helpful and supportive to other group members and to the organization. Therefore, Chang (1982) affirms that Japanese managers do not behave like individuals but as group members due to their strong feeling of team spirit and group awareness. Chang (1982) argues that because employees' loyalty is extended for their companies more than to in-groups, Japanese managers have a strong belief that to succeed in the organization they should achieve harmony with the group and be loyal to their company. However, Takahashi (2005) explains that because the existed labor relations in the past demanded companies to support employees and their families throughout their entire lives within substantial benefits, seniority based promotion, and permanent employment, employees, in turn, had a strong feeling of loyalty to their employing organizations and were committed to their employers and were ready to work long hours. Controlling is also handled by peers, focusing on group performance and the use of quality control circles (Rahman & Islam, 2010). Hofstede *et al.,* (2010) argue that the Japanese control their sense of high uncertainty through uniformity and dependency on rules. For this reason, the Japanese spend a lot of time and effort into feasibility studies before starting any business. Hickson and Pugh (1995:176-177) indicate that the Japanese way of managing uncertainty is a sense that it can be gained and controlled by orderliness and attention to details. They also believe that the high need for uncertainty avoidance is one of the reasons why changes are so difficult to realize in Japan, but making changes in Japan can be a way of avoiding uncertainty by improving performance. Pascal & Athos (1981) also indicate that the Japanese have the ability to accept ambiguity, uncertainty and imperfection as much more of a given organizational life, which enhances their skills in dealing with people.

Yasuhiro (2012) contends, however, that changes in the employment environment which occurred in response to the changes in the economic conditions between 1995 and 2009 have strongly influenced the employees' work attitudes in Japan. In response to such changes, Japanese managers' work values and attitudes toward employing organizations have also changed. Therefore, Yasuhiro (2012) believes that traditional

Japanese management systems and practices, which once sustained the competitiveness of Japanese firms, are no longer suitable and a new management model must be implemented to fit the changing competitive environment and managers' new work values.

Jordanian Management Practices

Studies conducted on Jordanian managerial style (Ali and Sabri, 2001; Taleghani *et al,* 2010; Sabri, 2013), noted that the high power orientation of the Jordanian culture contributes significantly for the emergence of an authoritarian and paternalistic styles of management resulting in high centralization of authority and bureaucratic form of structure reflected in a power organizational culture (Hofstede, 2001, Hofstede *et al*, 2010; Pheysey, 1993; Sabri, 2004; Sabri & Rayyan, 2014). In this culture, personal power rather than organizational power is pursued; hierarchy reflects the existential inequality between superiors and subordinates; employees are regarded as incompetent for participating in decision-making who in return do not take initiative and expect to be told what to do and top executives demand complete submission of their employees and subordinates (Sharabi, 1990). This behavior rests on the tribal and patriarchal systems (Abdel-Khaleq, 1984) where employees are taught to accept and expect decisions to be concentrated in the hands of autocratic managers who act like guardians of the business and, in return, give support and care to their friends and families (House, *et al,* 2004; Barakat, 2008). This is reflected in a collectivist orientation of the Jordanian culture where management is management of groups and relationship prevails over task. Employer-employee relationship is perceived like a family link hence, allegiance to company growth is secondary to that of the family and friends. Moreover, because Jordanian managers are title oriented they seek prestigious positions through connections with officials in high ranks, extending their loyalty to the societal and political systems through the patronage structure.

Furthermore, in Jordanian organizations loyalty is offered to employees' families and tribes, and controls most other social rules and regulations. Consequently, employees' relationships with their bosses are established on a family link making selection and promotion decisions established on the employee's family or clan name and status more than their achievements. 'Wasta' (means mediation), which means the advocacy to speed up one's matters and concerns by a third party, is also a well-known practice in the Jordanian culture. It is practiced in social organizations because it enhances the rigidities of bureaucracy by cutting through duplication and delay. 'Wasta' is also observed and valued in social relations and organization by referring to the powerful people for resolving conflicts and obtaining benefits (Cunningham and Sarayrah, 1993). Additionally, in Jordanian businesses uncertainty and risks are avoided and the survival of business is the primary goal of managers and owners. However, although rules and

laws, in Jordan are enforced to cope with uncertainty and avoid undesired behavior, the exercise of discretionary power by Jordanian managers, in most cases, replaces the need for the rules and regulations. Jordanian managers, therefore, have the tendency to assign duties according to their personal judgment calling on rules and procedures that are generally neglected, as a protective tactic to reinforce their power.

Ali (2005), however, believes that the Arab society is in transition, discarding its old tribal and traditionalist beliefs to move towards the basis for a more modern economy. Khouri (2011) and Sabri (2011b) also argue that this change is evident as recent uprising in some Arab countries have shown that Arab youths have challenged, to a great extent, the argument that Arab populations have an expectation and acceptance of inequality and authoritarian leaders who separate themselves from the group and this condition is not necessarily subverted upon the population, but rather accepted by the society as their cultural heritage (Hofstede, 2001).

8.   Conclusion

As management styles vary across cultures, it is important to note that undertaking a cross-cultural comparison between countries requires a profound understanding of the prevailing systems in various cultures. Hence, in interpreting the results of this study, societal factors and cultural peculiarities of Jordan and Japan should be taken into account because they have an important analytical power in analyzing the characteristics that regulate the organizational structure. It is noted, meanwhile the Japan has introduced an international style of management that is uniquely Japanese, Jordan, as well as other Arab countries, failed to recognize that adaptability of management principles and concepts, demands selectivity and attentiveness to their unique culture in which Islam plays a major role in Arab culture and the belief of the Arab people and ranks higher than family, citizenship, national origin, and political ideology (Khalid, 1977; Farah & Al-Salem, 1980).

Utilizing Arab Islamic culture in managing and leading Arab organizations, therefore, constitute a lawful foundation of work ethics to introduce a new paradigm of Arab management in which successful leaders and managers in business organization work harmoniously with the demands of Arab youth for participation, creativity, dissemination of knowledge, and providing equal promotion opportunities. Moreover, the success of Japanese management over the years has been rapid and remarkable fostering the interest of managers around the world, especially Americans, to import and apply the Japanese art of management (Tasie, 2009). Therefore, viewing the success of Japanese management practices and considering that people, rather than possessions or wealth, are at the center of Japanese culture, Jordanian, as well as other Arab

managers are urged to learn from the Japanese management style, and consider its practices an important source of inspiration.

Jordanian managers still have the chance to work towards changing their power oriented and authoritarian leadership approaches to embrace the required transformation and keep pace with the rapidly changing environment. Transforms in Jordanian management style, however, cannot be made very quickly, because they involve people's beliefs, and therefore, anticipating prompt adjustment is unlikely to occur in the near future. Therefore, it is reasonable for Jordanian managers to regard time as an issue and work on it.

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