Research on the Culture Fusion of Korean Enterprises in China Based on the Theory of Cultural Dimensions

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ABSTRACT: *Culture is the material and spiritual wealth created by human beings in social and historical practice. It is a complex social ideology with regional, national, diversity, relativity, continuity and integrity. Multinational corporations must not only inherit the original corporate culture, but also adapt to the localization strategy of corporate transnational operations, avoid cultural conflicts, and form a mutually integrated corporate culture. Hofstede's theory of cultural dimension, as an important theory for studying differences in national cultures, helps to correctly understand the different cultural differences between China and South Korea, and strengthens the recognition of values and community awareness through cultural integration and restructuring in East Asia. Form a multinational* corporate culture that is conducive to the implementation of localization strategies.

KEYWORDS: *cultural dimension; transnational management; corporate culture; cultural integration*

Culture is the material and spiritual wealth created by human beings in the practice of social history. It is a complex social ideology with characteristics of regionality, nationality, diversity, relativity, continuity and integrity. Cultural integration is the re-integration of cultural factors of different natures, so that they retain the best cultural characteristics, integrate and infiltrate each other. Transnational operations are companies that are guided by international demand and carry out production and management activities involving two or more countries, including overseas investment and marketing. Multinational corporate culture must not only inherit the original corporate culture, but also adapt to the localization strategy of corporate transnational operations, avoid cultural conflicts between countries, regions and regions, between nations and nations, and dilute national cultures. Differences form a corporate culture that is mutually integrated.

1. Geert Hofstede's theory of cultural dimensions

The Dutch scholar Geert Hofstede surveyed and compared the cultures of different regions and countries in the world, and proposed the theory of cultural dimensions, which became the founder of research cultural differences and comparative studies between different cultures. Between 1967 and 1973, Hofstede first conducted a survey of IBM employees in 40 countries, and then gradually expanded to three regions, more than 20 languages, 50 countries, until 2001. The scope of the cultural dimension of Germany and its team has expanded to 76 countries and regions. Based on the four cultural dimensions originally proposed, the other two cultural dimensions have been added, and Power Distance and uncertainty avoidance have been proposed. Six cultural dimensions (uncertainty avoidance, individualism/collectivism, masculinity/femininity, long-term/short-term orientation, indulgence/restraint) measure different cultural differences and values.

Power Distance refers to the degree to which a member of society accepts the unequal distribution relationship in society or organization. The social hierarchy with high acceptance and large power distance is more explicit. People accept and recognize different social status, distribution system, and power of different individuals to a large extent. However, the degree of acceptance is low and the power distance is relatively In a smaller society, the relationship between people is relatively equal, and the relationship between the upper and lower levels is easy to be close and close. This dimension can also indirectly measure how the country or society deals with unequal relationships between people.

Uncertainty Avoidance is the extent to which people feel threatened and try to avoid a vague, undetermined environment or situation. In the case of high uncertainty avoidance, people are cautious about unpredictable conditions, pay attention to the establishment and implementation of the normative system, prefer a law-abiding, controllable and orderly development model; In the environment, people are full of confidence in the unknown future, with a high risk-taking spirit and positive optimism, which in turn helps to improve the ability to adapt and manage the crisis.

Individualism and Collectivism (Individualism/Collectivism) is one of the six cultural dimensions of Hofstede that best reflects the differences in national culture. Individualism refers to paying more attention to individual freedom and choice. People pay more attention to the feelings and preferences of themselves and their relatives. Therefore, the structure of a society with strong individualism is relatively loose, and the cohesion between society and organization is relatively weak. Conversely, a society that exhibits a strong sense of collectivism is more cohesive and united. Each individual has a common goal, values the relationship between the society or team members, and people's self-perception has transcended the "individual". And the scope of "I" is extended to "collective" and "us".

Masculinity's high-dimensional society advocates male characteristics, that is, it

pays more attention to material achievements and rewards, has strong self-confidence and self-assertion, and has a weaker preference for competitive heroism. On the contrary, the society with high femininity has more feminine characteristics, and it has a caring, cooperative and modest attitude towards others, caring for life and advocating women's value. Generally speaking, in the social environment, masculinization and feminization will blend together to form a complex form, especially in terms of corporate management and commercial cooperation. The masculinization and feminization also manifest as "tough" and "gentle" organizational culture.

Long-term/Short-term Orientation differs in dealing with past, present, and future relationships. The long-term orientation attaches importance to the inheritance of history, faces the future, does not seek change, and only seeks the continuation of tradition. People with long-term orientation preferences will question social changes, prefer to maintain the original traditions and norms; while short-term orientation preferences pay more attention to the current, focusing on the benefits and effectiveness of reality. As we all know, European and American social culture is a typical expression of short-term orientation.

Indulgence/Restraint is the degree of indulgence and restraint of human appeals and desires. That is to say, people have the essential appeal of enjoying life and pursuing fun. In this regard, they can adopt a free and indulgent attitude, and they can also use social norms and principles and regulations to impose strict restrictions and restrictions. Therefore, the greater the degree of indulgence, the weaker the binding force of society to its members, and the whole society tends to be free and unrestrained.

2. culture differences between China and South Korea in the theoretical framework of cultural dimensions

Culture is the material and spiritual wealth created by human beings in the practice of social history. It is a complex social ideology with characteristics of regionality, nationality, diversity, relativity, continuity and integrity. British cultural anthropologist Edward Burnett Tylor puts forward in his book "Original Culture" that "from the broad ethnographic sense, culture or civilization is a composite whole, containing knowledge, beliefs, Art, morality, law, customs, and all other abilities and habits that are learned by a person who is a member of society."[1]The Dutch scholar Geert Hofstede believes that "culture is a common psychological process of people in an environment, not an individual characteristic, but a psychological procedure shared by many people with the same educational and life experience. This process varies from group to group or region."[2]In his book "The End of Culture", Hofstede

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[1] Edward Taylor, "Original Culture", a classic translation of primitive culture, Guangxi Normal University Press, January 2005.
[2] Hofstadter, https://geert-hofstede.com/cultural-dimensions.html

has studied culture from the national level and put forward new ideas on organizational culture and cross-border management of enterprises.

Hofstede and his team not only include Western European countries such as the United States, Australia, Britain, Canada, Hungary, and the Netherlands, but also Asian countries such as China, Japan, and South Korea, as well as South Africa such as Venezuela, Panama, Ecuador, and Guatemala Judging from the level of the six cultural dimensions given by the survey data, the cultural dimensions of the world, including the East and West cultures, are also significantly different, while the neighboring countries in East Asia, China and South Korea are also measured in different cultural dimensions. Show different levels of national cultural characteristics.

Table 1 Comparison of Chinese and Korean Cultural Dimensions[3]

	Power distance	Uncertainty avoid	Individualism	Masculine	Long-term orientation	indulgence
China	80	30	20	66	87	24
Korea	60	85	18	39	100	29

It can be seen from <Table 1> that the cultures of China and South Korea show similar characteristics in terms of individualism and long-term orientation. First, given the lower individualist scores, both China and South Korea have strong cultural traits of collection and individual dependence on the organization. The cultures of China and South Korea are influenced by traditional culture, especially Confucian culture emphasizes filial piety. Although this traditional cultural thought has restrained the individualized development to a certain extent, it is not conducive to innovation and development, but it is conducive to the consolidation of collectivism and social harmony. China is a multi-ethnic country. Strong collectivist characteristics are also conducive to the common development of all ethnic groups and the harmonious coexistence between different regions and different provinces. The collectivism of Korean society emphasizes the same origin and the same root, which is slightly different from the collectivism of the Chinese. If you are born in the same region, the same city, or graduate from the same school, you will be taught at the same teacher. Consolidate the powerful conditions of collectivism. Therefore,

[3] Source: Geert Hofstede, https://geert-hofstede.com/, visit date 2016-07-30

Korean collectivism is a relatively narrow concept. The formation of a collective and individual usually has certain relevance. The collective members are friendly, friendly, and can share interests, but a certain group and other collectives. There is a clear difference between them, and sometimes they are mutually exclusive. But whether it is inclusive collection or collectivism in the narrow sense, the strong collectivist consciousness of China and South Korea is reflected in all aspects of politics, economy, language, life and other societies. If Koreans are accustomed to using "we" instead of "I", the personal belongings, family, children, and lovers will be expressed by "our family, children, men/girlfriends"; the strong tolerance of Chinese society will affect With the people of all countries, Chinese language and food culture will impress immigrants and foreigners from all over the world.

South Korea has shown a high level in the long-term orientation dimension, and Korean society even has a score of 100 for this dimension. This is also one of the dimensions that the East and West cultures show great differences. The high savings rate and relatively low job liquidity reflected by the Chinese and Korean societies are enough to confirm people's expectations for long-term stability, tradition and non-change. With the common characteristics of the collectivism and long-term orientation, Korean-funded enterprises are more targeted in implementing localization strategies in China. In formulating corporate transnational strategies, based on long-term positioning, seeking higher self-owned capital ratio, giving priority to occupying and stabilizing market share, regardless of short-term interests; in terms of personnel management, emphasizing the concept of "lifelong career" and "lifelong workplace", Relying on strong collectivism and formulating long-term development plans, the most important thing is to let employees see the future of the company and form a sense of collective fate.

In terms of power distance and masculinity, China is significantly higher than South Korea. Undoubtedly, the boundaries between the upper and lower levels of the formation of social relations in China are very clear. Due to the influence of Confucian culture for a long time, people have a strong sense of obedience to those who have absolute powers, including leaders, elders, and masters. This kind of consciousness is integrated into the corporate culture, which is not only conducive to enhancing the cohesiveness and execution of the enterprise, but also beneficial to Improve the efficiency of organizational decision-making. However, the high degree of centralization and subordinates' obedience sometimes lead to contradictions, which are not conducive to brainstorming and easy to form arbitrariness. How to learn from each other is an important duty of leaders in transnational operations. On the other hand, the masculine dimension of Chinese society is 66, which is significantly higher than that of South Korea. Compared with Koreans, Chinese people are more adept at facing challenges and competition. Their decisive, strong and resolute personality characteristics are more suitable for decision makers, challengers and pioneers. Koreans are more flexible and have the characteristics of their own. In the resolution of contradictions and conflicts, we can provide a high-quality work environment through the concept of "work for life", and form a targeted incentive mechanism based on the staffing of the company to improve work efficiency.

According to the data in <Table 1>, the score of the Korean society in the dimension of uncertainty avoidance reaches 85, which is significantly higher than that of China, nearly three times that of China, and is a country with a high degree of uncertainty avoidance in the world. First, a high level of uncertainty avoidance means that people are more convinced of the risks than the challenges, and they prefer an orderly stability to the unpredictable future. For example, the South Korean government failed to control the epidemic in a timely and effective manner, the US military deployed the "Sade" system on the Korean peninsula, and the South Korean Ministry of Defense made a mistake in judging the North Korean missile launch. Every time something went wrong or exceeded the government's controllable events. At the time, the Korean people will immediately hold a rally and demonstrations. These social phenomena reflect the strong concerns of Koreans about a more uncertain future. Furthermore, considering the situation on the Korean Peninsula, South Korea is also one of the most uncertain countries in the world and the primary uncertainty factor in Northeast Asia. This kind of uncertainty in political security, on the other hand, has created a strong uncertainty evasion trait for Koreans.

3. Cultural integration of Korean companies' transnational operations

After the 2008 financial crisis, China's economic development was stable and orderly, the economic transformation effect was remarkable, and economic growth showed a trend of deceleration and stabilization. In terms of absorbing foreign direct investment, due to the impact of the 2008 financial crisis, there was a short-term backwardness in 2009, and the overall trend maintained a good upward trend. In 2015, China absorbed a total of 126.27 billion US dollars of FDI. Among them, the absorption of Korean companies to China was 2.9 billion US dollars. Although there is still a gap between the Korean business and the highest value of US$5.4 billion in China in 2007, it still cannot shake China as Korea. As of the end of 2015, South Korea's total FDI to China totaled US$52.1 billion, with a total of 24,788 new seekers. The size and quantity of direct investment by Korean businessmen in China has gradually stabilized, whether it is Sino-Korea joint venture, Sino-Korea cooperation, or a wholly foreign-owned enterprise. The multinational operation mode and international business strategy have become the top priority of enterprise development. Among them, how to deal with cultural conflicts between regions and ethnic groups, integrate Chinese and Korean corporate culture, and form corporate culture genes that are conducive to the development of multinational enterprises are also the key factors determining the success or failure of corporate localization strategy.

Cultural integration refers to the mutual integration and mutual absorption of different forms of culture and cultural traits. The cultural integration of multinational corporations is different from the cultural integration of mergers or reorganizations. It is necessary to realize the cultural integration of the enterprise and the business environment, as well as to achieve cultural integration between the new and old personnel within the enterprise. In other words, the cultural integration of Korean

companies in China's development must achieve mutual penetration and integration with society and people.

3.1 Abandoning narrow collectivism and forming a sense of community

Based on the six cultural dimension theories of Hofstede, the investigations conducted by China and South Korea show that both China and South Korea have shown a strong sense of collectivism, and both have a common culture of individual dependence on the organization. However, as a multi-ethnic country, unlike the strong cultural inclusiveness of China, Koreans are accustomed to pursuing homology and the same roots, that is, the interpersonal relationship between people. This collectivism, which is formed by a certain commonality between members, shows a strong resistance and rejection to the outside. No matter how high the cohesiveness and collective consciousness within the enterprise or organization, if it is unable to integrate into the external environment, especially as a multinational enterprise, if it cannot integrate into the macro environment of the country of investment, and cannot understand social customs and regulations, it will be difficult to further Develop a localization strategy to adapt to the Chinese market environment. Therefore, Korean companies must first break through the narrow scope of restrictions by regions, countries, and nations to form a sense of East Asian cultural community. It is necessary not only to fully integrate Chinese local thoughts and viewpoints in terms of management and management models and development strategies, but also to recruit talents in personnel, from leading managers to production and sales personnel, regardless of nationality and ethnicity. The corporate culture enhances the cohesiveness of the company.

3.2 Understanding local culture and gaining recognition of values

Regardless of the localization of product development, or the localization strategy of production, marketing, and personnel, the premise of implementing the localization strategy of enterprises is to fully understand the business environment and understand the local culture. From the conclusions of the six cultural dimensions of Hofstede, China and South Korea differ greatly in terms of power distance, uncertainty avoidance, masculinity and feminization. The Chinese are relatively high in power distance and masculinity, and weak in uncertainty avoidance; while Koreans have higher scores in terms of power distance, but they are not optimistic about "absolute obedience" compared with Chinese. The relationship between the superior and the subordinate coupled with the high feminine nature of Korean society, Korean corporate culture emphasizes the relationship between management and employees, and also attaches great importance to the mutual care and mutual harmony between employees. The development of Korean companies in China must minimize cultural differences, avoid cultural conflicts, and form values. For example, it should adapt to Chinese habits and Chinese culture in dealing with the relationship between superiors and subordinates; it should also gradually integrate humanistic care in dealing with employees' peers; in the marketing strategy decision-making for consumers, we should give full play to Korea's superior service awareness and cross

the two countries. The gap in cultural differences is recognized by values.

3.3 Eliminating barriers to cross-cultural communication and forming an interpenetrating organizational culture

The most difficult problem for transnational operations is the communication barriers in language and culture. Only through language interoperability can cultural exchange and penetration be formed. Intercultural communication can be refined into cross-cultural communication within the enterprise and communication between the enterprise and the outside. Both Chinese and Koreans have a high long-term orientation and strong self-discipline. This level of similar cultural dimensions is conducive to the formation of shared values and mutual recognition among employees within the company. However, the power distance, uncertainty avoidance, masculine and feminine dimensions of the gap between China and South Korea require repeated communication to find the compromise point and form an organizational culture that interacts and infiltrates. For example, in the process of business operations in South Korea, Korean companies must understand the relationship between the government and the enterprise. They must adapt to the government's functions and properly handle the communication between the local government and foreign companies on the premise of fully understanding the local rules and regulations.

Based on the six cultural dimensions of Hofstede, it is not difficult to find that although China and South Korea are neighbors of East Asia, there are certain national differences in each cultural dimension. In terms of power distance, individualism, and masculinity, China has shown a higher level than South Korea; in terms of uncertainty avoidance, long-term orientation, indulgence and restraint, South Korea is higher than China. Among them, the gap between power and power, uncertainty avoidance, masculine and feminine dimensions are large, and there will be more obvious differences in the process of production and management. Since the survey objects are mainly high-level enterprises, Hofstede's six cultural dimension theories have certain limitations in the field of social psychology research, but they have absolute authority in researching reshaping corporate culture and transnational cultural integration. Korean companies operating in China can maximize the value of Hofstede's six cultural dimensions in corporate management, fully understand and utilize the different characteristics of people in China and South Korea in terms of cultural dimensions, and communicate through different cultures. And integration, the formation of a new multinational corporate culture and promote the international development of enterprises.

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